

BASIC FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

YEAR ENDED JUNE 30, 2020

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

BASIC FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION
YEAR ENDED JUNE 30, 2020

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SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

BASIC FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION
YEAR ENDED JUNE 30, 2020
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Board of Trustees,
School District No. 58
Aberdeen, Idaho

Independent Auditor's Report

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the fiduciary activities, each major fund, and the aggregate remaining fund information of Aberdeen School District #58 (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the fiduciary activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The District has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of the basic financial statements.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the schedules of Net Pension Liability & Employer's Contributions, and the major fund budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non-major fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual non-major fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated August 31, 2020, on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Morgan J Hatt CPA PC

Pocatello, Idaho
August 31, 2020

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Board of Trustees
School District No. 58
Aberdeen, Idaho

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

I have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the fiduciary activities, each major fund, and the aggregate remaining fund information of Aberdeen School District #58 (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated August 31, 2020.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting to determine the audit procedures that are appropriate, in the circumstances, for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Morgan J Hatt CPA PC

Pocatello, Idaho
August 31, 2020

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF NET POSITION
 AT JUNE 30, 2020

	<u>Governmental Activities</u>
ASSETS:	
Current Assets:	
Pooled cash and cash equivalents	\$1,816,204
Cash restricted for debt service	831,390
Receivables:	
Property taxes	242,158
State	738,613
Non-current Assets:	
Capital assets:	
Land	36,474
Property and equipment, net of accumulated depreciation	18,585,088
Net pension asset - OPEB	<u>266,639</u>
Total Assets:	<u>22,516,566</u>
DEFERRED OUTFLOWS:	
Deferred PERSI outflow of resources - Base Plan	224,919
Deferred PERSI outflow of resources - OPEB	<u>35,433</u>
Total Deferred Outflows:	<u>260,352</u>
Total Assets and Deferred Outflows of Resources:	<u><u>\$22,776,918</u></u>
LIABILITIES:	
Current Liabilities:	
Accounts payable	\$199,219
Accrued salaries	536,372
Interest payable	89,708
Due within one year - series 2016 bonds	475,000
Long-term Liabilities:	
Due in more than one year - series 2016 bonds	10,695,246
Net PERSI unfunded pension liability	<u>1,249,956</u>
Total Liabilities:	<u>13,245,501</u>
DEFERRED INFLOWS:	
Deferred PERSI inflow of resources - Base Plan	642,067
Deferred PERSI inflow of resources - OPEB	<u>16,368</u>
Total Deferred Inflows:	<u>658,435</u>
NET POSITION:	
Net investment in capital assets	8,101,562
Restricted	1,059,466
Unrestricted	<u>(288,046)</u>
Total Net Position:	<u>8,872,982</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position:	<u><u>\$22,776,918</u></u>

The accompanying notes are an integral part of these statements.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

Functions/ Programs	Expenses	Program Revenues		Net (Expense) Revenue and
		Charges for Services	Operating Grants and Contributions	Changes in Net Assets
				Governmental Activities
Governmental Activities:				
Instructional services:				
Regular instruction	\$3,650,660	\$25,112	\$563,146	(\$3,062,402)
Special education	466,159	10,459	218,879	(236,821)
Support services:				
Guidance / Health	141,759		23,894	(117,865)
Special services	149,355		174,123	24,768
Instructional improvement	189,009			(189,009)
Media	101,790			(101,790)
Technology	260,421		144,712	(115,709)
Board of Education	14,155			(14,155)
District administration	278,996			(278,996)
School administration	415,076			(415,076)
Business operation	56,943			(56,943)
Operation and maintenance	720,025		245,786	(474,239)
Transportation	463,180	25,837		(437,343)
Capital outlay	13,299			(13,299)
Non-instructional	343,771	5,484	306,430	(31,857)
Interest on long-term debt	283,781			(283,781)
Total Governmental Activities:	<u>\$7,548,379</u>	<u>\$66,892</u>	<u>\$1,676,970</u>	<u>(5,804,517)</u>
General Revenues:				
Taxes:				
Property taxes levied for general purposes				691,173
Property taxes levied for debt services				781,216
Property taxes levied for plant facilities				146
Federal and State aid:				
State foundation program				4,639,444
State other				266,011
Interest and investment earnings:				
				56,599
Total General Revenues:				<u>6,434,589</u>
Change in Net Position:				630,072
Net position - June 30, 2019				<u>8,242,910</u>
Net position - June 30, 2020				<u>\$8,872,982</u>

The accompanying notes are an integral part of these statements.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

BALANCE SHEET
GOVERNMENTAL FUNDS

AT JUNE 30, 2020

	Major Funds			Totals (Memorandum Only)
	General	School Lunch Fund	Debt Service Fund	
ASSETS:				
Cash	\$1,447,390	\$77,202		\$1,816,204
Cash restricted for debt service			\$831,390	831,390
Receivables:				
Property taxes	240,338		264,179	506,337
State of Idaho	149,662	18,479		474,434
Due from other funds	142,116			142,116
Total Assets:	<u>\$1,979,506</u>	<u>\$95,681</u>	<u>\$1,095,569</u>	<u>\$3,770,481</u>
LIABILITIES:				
Accounts payable	\$168,025	\$9,704		\$199,219
Salaries payable	455,037	17,388		536,372
Due to other funds				142,116
Total Liabilities:	<u>623,062</u>	<u>27,092</u>	<u>\$0</u>	<u>877,707</u>
DEFERRED RESOURCES:				
Unavailable property taxes	31,471		36,103	69,336
FUND BALANCE:				
Restricted			1,059,466	1,059,466
Committed		68,589		445,224
Unassigned	1,324,973		(6,225)	1,318,748
Total Fund Balance:	<u>1,324,973</u>	<u>68,589</u>	<u>1,059,466</u>	<u>2,823,438</u>
Total Liabilities and Fund Balance:	<u>\$1,979,506</u>	<u>\$95,681</u>	<u>\$1,095,569</u>	<u>\$3,770,481</u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION
 AT JUNE 30, 2020

Total fund balances - governmental funds		\$2,823,438
<p>Total net position reported for governmental activities in the Statement of Net Position is different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.</p>		
District's share of PERSI OPEB asset	\$266,639	
Cost of capital assets	24,929,949	
Depreciation expense to date	<u>(6,308,387)</u>	
		18,888,201
<p>Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred revenue in the governmental funds.</p>		
		69,336
<p>Deferred amounts are not current financial resources/uses. Therefore, they are not reported in the governmental funds.</p>		
Deferred PERSI outflows - Base Plan	224,919	
Deferred PERSI outflows - OPEB	35,433	
Deferred PERSI inflows - Base Plan	(642,067)	
Deferred PERSI inflows - OPEB	<u>(16,368)</u>	
		(398,083)
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.</p>		
Lease purchase payable		
Bonds payable	(11,170,246)	
Accrued interest on bonds	(89,708)	
District's share of PERSI unfunded pension liability	<u>(1,249,956)</u>	
		<u>(12,509,910)</u>
Total Net Position:		<u><u>\$8,872,982</u></u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2020

	Major Funds			Non-major Funds	Total Governmental Funds
	General Fund	School Lunch Fund	Debt Service Fund		
REVENUES:					
Local:					
Property taxes (net of cancellations)	\$689,644		\$776,002		\$1,465,646
Earnings on investments	43,966		12,633		56,599
Other local	41,103	\$5,484		\$23,495	70,082
State:					
Base support	3,848,129				3,848,129
Transportation	261,267				261,267
State paid benefits	530,048				530,048
Other	429,530		205,018	285,179	1,226,157
Federal Assistance		306,430		716,274	1,022,704
Total Revenues:	<u>5,843,687</u>	<u>311,914</u>	<u>993,653</u>	<u>1,024,948</u>	<u>8,174,202</u>
EXPENDITURES:					
Instructional Services	3,342,269			515,252	3,857,521
Support Services:					
Guidance/Health	143,137				143,137
Special services	142,750			7,992	150,742
Instructional improvement	111,941			78,773	190,714
Media	102,700				102,700
Technology	103,190			158,706	261,896
Board of Education	14,155				14,155
District administration	281,889				281,889
School administration	407,184			11,746	418,930
Business operation	56,943				56,943
Operation and maintenance	617,272			100,140	717,412
Transportation	389,587				389,587
Other Non-instructional		330,368			330,368
Debt Service:					
Principal			460,000		460,000
Interest			316,238		316,238
Capital Assets				154,988	154,988
Total Expenditures:	<u>5,713,017</u>	<u>330,368</u>	<u>776,238</u>	<u>1,027,597</u>	<u>7,847,220</u>
EXCESS REVENUES (EXPENDITURES)	130,670	(18,454)	217,415	(2,649)	326,982
OTHER FINANCING SOURCES (USES):					
Transfers (to) from other funds	(67,591)	7,798		59,793	0
NET CHANGE IN FUND BALANCES	63,079	(10,656)	217,415	57,144	326,982
FUND EQUITY - JUNE 30, 2019	<u>1,261,894</u>	<u>79,245</u>	<u>842,051</u>	<u>313,266</u>	<u>2,496,456</u>
FUND EQUITY - JUNE 30, 2020	<u>\$1,324,973</u>	<u>\$68,589</u>	<u>\$1,059,466</u>	<u>\$370,410</u>	<u>\$2,823,438</u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
AT JUNE 30, 2020

Total net change in fund balances - governmental funds	\$326,982
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period.

Depreciation expense this year	(\$393,125)	
Current year capital outlays	141,689	
		(251,436)

Governmental funds report debt proceeds as financing sources, while repayment of debt principal is reported as an expenditure. In the Statement of Net Position, debt increases liabilities and does not affect the Statement of Activities. Repayment of debt reduces the liability.

Bond issue premium amortization	28,433	
Accrued interest	4,024	
Current year repayment of bond principal	460,000	
		492,457

Because some property taxes will not be collected for several months after the District's year-end, they are not considered as available revenue in the governmental funds. They are recorded as current revenue in the Statement of Activities.	4,249
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Net pension liability and related pension source deferred outflow and deferred inflow of resources are not due and payable in the current period and therefore are not reported in the governmental funds.	57,820
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Total Change in Net Position:	\$630,072
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The accompanying notes are an integral part of these statements.

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF FIDUCIARY NET POSITION

AT JUNE 30, 2020

ASSETS:	Private Purpose Trust Funds <u>Scholarship</u>	Agency Funds Student Activity <u>Accounts</u>	<u>Total</u>
Cash and equivalents	\$10,846	\$244,178	\$255,024
LIABILITIES:			
Due to High School Student Groups		\$92,544	\$92,544
Due to Middle School Student Groups		77,275	77,275
Due to Elementary School Student Groups		64,170	64,170
Total Liabilities:	\$0	233,989	233,989
NET POSITION:			
Restricted for scholarships	10,846		10,846
Unrestricted		0	0
Total Liabilities and Net Position:	\$10,846	\$0	\$10,846

The accompanying notes are an integral part of these statements.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2020

	Private Purpose Trust Funds <u>Scholarship</u>
ADDITIONS:	
Contributions	\$0
Investment income	316
Total Additions:	<u>316</u>
DEDUCTIONS:	
Scholarships	0
Total Deductions:	<u>0</u>
CHANGE IN NET POSITION	316
NET POSITION - BEGINNING	<u>10,530</u>
NET POSITION - ENDING	<u><u>\$10,846</u></u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of School District No. 58 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

Reporting Entity - For financial reporting purposes, management has considered potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles. The basic criterion for including a potential component unit within the reporting entity is the governing body's responsibility for financial accountability. Financial accountability is defined as the level of accountability that exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it. Based upon the application of these criteria, the District has no potential component units.

Government-wide and Fund Financial Statements - The Statement of Net Position and the Statement of Activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expenses for capital assets that can specifically be identified with a function are included in its direct expenses. Depreciation expense for shared assets is ratably included in the direct expenses of the appropriate functions. Interest on general long-term liabilities is considered an indirect expense and is reported in the Statement of Activities as a separate line item.

Program revenues include 1) fees and charges paid by students and other recipients of goods or services offered by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

The fund financial statements provide information about the District's funds, including its fiduciary funds. The emphasis of the fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major funds:

The **General Fund** is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Debt Service Fund** accounts for resources accumulated and payments made for principal and interest on general obligation school building bonds.

The **Title I Fund** is a Federally funded program to increase reading proficiency in the elementary school.

The **Construction Fund** accounts for the High School construction project which is being funded using the proceeds from the 2016 Bonds issued for resources accumulated and payments made to provide for general maintenance and capital outlays for the District.

Additionally, the District reports the following fiduciary funds:

The **Student Activity Accounts** (Agency funds) account for monies held on behalf of student groups.

The **Private Purpose Scholarship Accounts** (Trust funds) account for monies that have been donated for student scholarships.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation –

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been met.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Governmental fund financial statements are reported using the financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, early retirement, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to finance the program, followed by block grants, and then general revenues.

Budgetary Data - Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance reserve. The following procedures are used in establishing the budgetary data reflected in the financial statements.

During May of each year, the Superintendent submits to the School Board a proposed operating budget for the next fiscal year commencing on July 1st. This budget includes proposed expenditures and the means of financing them.

Copies of the proposed budget are made available for public inspection and review by the patrons of the District.

After considering patron input at a public hearing in June, the Board adopts the budget.

Once adopted, the budget can be amended by subsequent Board action. The Board, upon recommendation of the Superintendent, can approve reductions in appropriations but increases in appropriations by fund require a public hearing prior to amending the budget.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Expenditures may not legally exceed budgeted appropriations at the fund level.

Encumbrances are not liabilities and they are not recorded as expenditures until receipt of material or services. For budgetary purposes, appropriations lapse at year-end and are re-budgeted the following year. The District does not reserve a fund balance for outstanding encumbrances at year-end.

Deposits and Investments – The cash balances of substantially all funds are pooled and invested by the District for purposes of increasing earnings through investment activities. The District's investments are reported at fair value at year-end. The Idaho State Treasurer's Local Government Pool operates in accordance with appropriate state laws and regulations. Changes in the fair value of investments are recorded as investment earnings. Earnings on pooled funds are apportioned to the funds based on the average balance of each participating fund.

Cash and Cash Equivalents – The District considers investments with an original maturity of three months or less to be cash equivalent.

Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as due to/due from other funds.

Inventories – Inventories of governmental funds are recorded as expenditures when purchased. Financial statements for the school lunch program do not show the value of donated commodities.

Capital Assets – Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Purchases of constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life is not capitalized.

Depreciation is recorded using the straight-line method over the estimated useful lives as follows: Buildings and improvements: 20-40 years. Buses: 10 years. Furniture and equipment: 3-15 years.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Compensated Absences – Employees are granted vacation and sick leave in varying amounts. Accumulated vacation must be used prior to the employee’s anniversary date. The District does not compensate employees for unused sick leave. When a teacher retires an amount equal to one half of the accumulated sick leave is reported to the State Retirement Board. The amount is used to pay the retiree’s health insurance.

Long-term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so it will not be recognized as an outflow of resources (expenditure) until then. The District does have items that qualify for reporting in this category. They are the deferred outflows of resources related to the PERSI pension base plan. See note 12 for details on the pension plan

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type of these items, which arises under the government-wide accrual basis of accounting that qualifies for reporting in this category and one item, which arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The other item (reported in the government-wide statements) is an amount related to the pension base plan. See note 12 for details on the pension plan. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Equity – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Non-spendable portions of the fund balance are those that cannot be spent, because they are in a non-spendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for a specific purpose pursuant to formal action of the governing body. Assigned portions represent amounts that are constrained by the government's intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the District first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned resources, The District first utilizes committed resources, then assigned resources, before using unassigned resources.

Fund Balance Flow Assumptions – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Net Position Flow Assumptions – Net position represents the difference between assets and liabilities. Net investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, regulations, or other governments.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Pensions – For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from the Base Plan’s fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-employment Benefits (OPEB) – For purposes of measuring the net OPEB asset, deferred outflows of resources, and deferred inflows of resources related to OPEB and OPEB expense; (expense offset), information about the fiduciary net position of the Public Employment Retirement System of Idaho (PERSI or System), Sick Leave Insurance Reserve Fund, and additions to/deductions from Sick Leave Insurance Reserve Fund’s fiduciary net position, have been determined on the same basis as they are reported by the Sick Leave Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The District invests its idle cash in the Idaho State Treasurer’s local government investment pool. The deposits are stated as cash which approximates market. The State Treasurer combines deposits from all government entities in Idaho, who participate in the pool, and purchases the following types of investments: Local Certificates of Deposit, Repurchase Agreements, and U.S. Government Securities.

The entities participating in the pool own a percentage of each investment held. This percentage is calculated by dividing the individual entity’s deposits by the total deposits held in the pool. The purpose of this is to: increase overall the rate of return, reduce risk of default, and place each entity under the FDIC and FSLIC limits of \$250,000.

Under Idaho Code Section 67-1210 the District is authorized to invest surplus or idle monies in investments subject to the following standards, guidelines, and restrictions:

- a. District monies shall not be made in any depository of financial institution in an amount, which exceeds ten (10%) of said entity’s capital and surplus. Any investments to be made above Federal Deposit Insurance require the depository to have a current “Moody’s Bank Credit Report Service” rating of “A” or better.
- b. No demand deposits or investment in time deposits or certificates of deposit shall be made in a financial institution insured in whole or in part by the Federal Savings and Loan Insurance Corporation or in any State or Federal credit unions insurance programs in an amount in excess of the insurance available.

Investments allowable under “Idaho Code Section 67-1210” are:

- a. Bonds, Treasury bills, interest bearing notes, or other obligations of the United States, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- b. General obligation or revenue bonds of this State, or those for which the faith and credit of this State are pledged for payment of principal and interest.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

2. DEPOSITS AND INVESTMENTS - (CONTINUED)

- c. General obligation or revenue bonds of any county, city, metropolitan water district, municipal utility district, school district or other taxing district of this State.
- d. Notes, bonds, debentures, or other similar obligations issued by the Farm Credit System or institutions forming a part thereof under the Farm Credit Act of 1971.
- e. Bonds, notes, or other similar obligations issued by public corporations of the State of Idaho including, but not limited to, the Idaho State Building Authority, the Idaho Housing Authority, and the Idaho Water Resource Board.
- f. Repurchase agreements covered by any legal investment for the State of Idaho.
- g. Tax anticipation notes and registered warrants of the State of Idaho.
- h. Tax anticipation bonds or notes and income and revenue anticipation bonds or notes of taxing districts of the State of Idaho.
- i. Time deposits and savings accounts in State depositories including, but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transactions accounts.
- j. Time deposit accounts and savings accounts of Federal savings and loan associations located within the geographical boundaries of the State in amounts not to exceed the insurance provided by the Federal Savings and Loan Insurance Corporation including, but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.
- k. Revenue bonds of institutions of higher education of the State of Idaho.
- l. Share, savings, and deposit accounts of State and Federal credit unions located within the geographical boundaries of the State in amounts not to exceed the insurance provided by the National Credit Union Share Insurance Fund and/or any other authorized deposit guaranty corporation, including but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.
- m. Money market funds whose portfolios consist of any allowed investment as specified in this section. The securities held in money market portfolios must be dollar-denominated, meaning that all principal and interest payments on such a security are payable to security holders in United States dollars.

3. PROPERTY TAXES

Taxes are levied by the second Monday in September on assessed valuations as of June 30. Taxes on real property are payable in two equal installments on December 20 and June 30 of the following year. Personal property taxes are due December 20. Delinquent payments bear simple interest of 1% per month plus a 2% penalty. Due to the small amount of taxes not collected, no adjustment is made for delinquent taxes.

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2020

4. CAPITAL ASSETS

Governmental Activities:	<u>7/1/19</u>	<u>Increase</u>	<u>Decrease</u>	<u>6/30/20</u>
Capital Assets not being depreciated:				
Land	<u>\$36,474</u>			<u>\$36,474</u>
Capital Assets being depreciated:				
Buildings & improvements	22,720,491			22,720,491
Furniture & equipment	797,851	\$51,314		849,165
Vehicles	<u>1,344,082</u>	<u>90,375</u>	(\$110,638)	<u>1,323,819</u>
	<u>24,862,424</u>	<u>141,689</u>	<u>(110,638)</u>	<u>24,893,475</u>
Accumulated Depreciation:				
Buildings & improvements	4,476,931	275,011		4,751,942
Furniture & equipment	599,054	36,636		635,690
Vehicles	<u>949,915</u>	<u>81,478</u>	(110,638)	<u>920,755</u>
	<u>6,025,900</u>	<u>393,125</u>	<u>(110,638)</u>	<u>6,308,387</u>
 Total Capital Assets - Net of Depreciation	 <u><u>\$18,872,998</u></u>			 <u><u>\$18,621,562</u></u>

Depreciation was charged to functions as follows:

Non-instructional	\$14,997
Transportation	76,200
Operation & maintenance	6,604
Regular instruction	<u>295,324</u>
	<u><u>\$393,125</u></u>

5. DEFICIT FUND BALANCE

For most of these Federal and State programs, the District spends its own money and then requests reimbursement from the various funding agencies. For those funds with deficits, reimbursement has not yet been received. As of June 30, 2020, the following funds had deficit fund balances:

Gear Up Grant Fund	(\$6,225)
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SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2020

6. DUE TO/ DUE FROM

Federal program funds are temporarily overspent while waiting for Federal reimbursements. The Debt Service Fund tax levy was not sufficient. Deficit cash is shown as due to other funds as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$142,116	
Gear up Grant fund		\$1,498
Title I Fund		\$62,016
Title I Migrant Fund		\$10,746
Title VI-B Fund		\$25,065
Preschool Fund		\$6,102
C Perkins Vocational Education Fund		\$11,164
Title III LEP Fund		\$11,366
Title II Teacher Quality Fund		\$14,101
Plant Facilities Fund		\$58

7. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

State Substance Abuse Fund	\$27,867
Cares Act ESSERF Fund	\$132,855

8. RISK MANAGEMENT

The District is exposed to various risks of loss, related to torts; theft of, damage to, or destruction of assets; errors and omissions; employee health and injuries, and natural disasters. All risks are insured by commercial insurance.

SCHOOL DISTRICT NO. 58

ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

9. **LONG-TERM DEBT**

General Obligation Bond Series 2016 were issued July 2017 in the amount of \$11,425,000. Scheduled payments due on the Series 2016 bonds are as follows:

	<u>Principal</u>	<u>Coupon</u> <u>%</u>	<u>Interest</u>	<u>Total Debt</u> <u>Service</u>
9/15/2020	\$475,000	3.00%	\$153,785	\$628,785
3/15/2021			146,660	146,660
9/15/2021	485,000	3.00%	146,660	631,660
3/15/2022			139,385	139,385
9/15/2022	500,000	4.00%	139,385	639,385
3/15/2023			129,385	129,385
9/15/2023	520,000	4.00%	129,385	649,385
3/15/2024			118,985	118,985
9/15/2024	545,000	4.00%	118,985	663,985
3/15/2025			108,085	108,085
9/15/2025	565,000	4.00%	108,085	673,085
3/15/2026			96,785	96,785
9/15/2026	585,000	4.00%	96,785	681,785
3/15/2027			85,085	85,085
9/15/2027	610,000	4.00%	85,085	695,085
3/15/2028			72,885	72,885
9/15/2028	635,000	2.00%	72,885	707,885
3/15/2029			66,535	66,535
9/15/2029	645,000	2.15%	66,535	711,535
3/15/2030			60,085	60,085
9/15/2030	660,000	2.13%	60,085	720,085
3/15/2031			53,073	53,073
9/15/2031	675,000	2.25%	53,073	728,073
3/15/2032			45,479	45,479
9/15/2032	690,000	2.38%	45,479	735,479
3/15/2033			37,285	37,285
9/15/2033	705,000	2.50%	37,285	742,285
3/15/3034			28,473	28,473

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

9. **LONG-TERM DEBT**

9/15/2034	725,000	2.50%	28,473	753,473
3/15/2035			19,410	19,410
9/15/2035	740,000	2.55%	19,410	759,410
3/15/2036			9,975	9,975
9/15/2036	<u>760,000</u>	2.63%	<u>9,975</u>	<u>769,975</u>
	<u><u>10,520,000</u></u>		<u><u>2,588,923</u></u>	<u><u>13,108,923</u></u>

Beginning in the fiscal year ended June 30, 2015, GASB 68 requires the District to record its share of PERSI's unfunded pension liability. The June 30, 2020 liability amount is not available at this time. The District's share of PERSI's unfunded liability at June 30, 2019 was \$1,249,956. That amount has been recorded as a long-term liability on the Statement of Net Position.

The following is a summary of long-term debt transactions for the year ended June 30, 2020:

	Balance <u>7/1/19</u>	Debt <u>Acquired</u>	Debt <u>Retired</u>	6/30/20	Due within one year
2016 Series Bonds	\$10,980,000		(\$460,000)	\$10,520,000	\$475,000
Unamortized bond issue premium	678,679		(28,433)	650,246	29,360
District's share of PERSI unfunded liability	<u>1,573,968</u>		<u>(324,012)</u>	<u>1,249,956</u>	
	<u><u>\$13,232,647</u></u>	<u><u>\$0</u></u>	<u><u>(\$812,445)</u></u>	<u><u>\$12,420,202</u></u>	<u><u>\$504,360</u></u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2019

10. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**11. CREDIT RISK, CONCENTRATION OF CREDIT RISK,
AND INTEREST RATE RISK**

As of June 30, 2020, the District's investments were as follows: All of the District's investments are in an internal investment pool.

Interest Rate Risk - The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Statutes authorize the District to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued from the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or any taxing district in the State, time deposits, saving deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool. The District does not have an investment policy that would further limit its investment choices.

Concentration Credit Risk - The District does not place a limit on the amount that the District may invest in any one issuer. Most of the District's investments are in Local Government Investment Pool which by its nature is a diversified account. As of June 30, 2020, the fund consisted of U.S. Treasury Notes, Government Agency Notes, Idaho Bank Deposits, Repurchase Agreements, Corporate Bonds and Commercial Paper.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

12. PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description

The Aberdeen School District #58 (The District) contributes to the Base Plan which is a cost sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employers of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens, not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

The Base Plan provides retirement, disability, death, and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2020

12. PUBLIC EMPLOYEES RETIREMENT SYSTEM - (CONTINUED)

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by State law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2019, it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The District's contributions were \$421,013 for the PERSI year ended June 30, 2020.

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participation PERSI Base Plan employers. At June 30, 2019, the District's proportion was .1095039 percent.

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
 YEAR ENDED JUNE 30, 2020

12. PUBLIC EMPLOYEES RETIREMENT SYSTEM - (CONTINUED)

For the year ended June 30, 2020, the District recognized pension expense of \$424,170. At June 30, 2020, the District reported deferred outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	(\$56,613)	\$28,441
Changes in assumptions or other inputs	(\$32,888)	\$0
Net difference between projected and actual earnings on pension plan investments	\$0	\$250,947
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	\$(165,713)	\$362,679
Contributions subsequent to the measurement date	\$480,133	\$0
Total	\$224,919	\$642,067

\$480,133 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2020.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2018, the beginning of the measurement period ended June 30, 2018 is 4.8 and 4.8 for the measurement period June 30, 2019.

Other amounts, reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense (revenue) as follows:

Year ended June 30, 2020:

2021	(\$45,009)
2022	(\$192,834)
2023	(\$93,933)
2024	(\$55,667)

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2020

12. PUBLIC EMPLOYEES RETIREMENT SYSTEM - (CONTINUED)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of-living adjustments	1%

Mortality rates were based on the RP-2000 combined table for healthy males or females as appropriate with the following offsets:

-) Set back 3 years for teachers
-) No offset for male fire and police
-) Forward one year for female fire and police
-) Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions other than mortality. The Total Pension Liability as of June 30, 2019 is based on the results of an actuarial valuation date of July 1, 2019.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2020

12. PUBLIC EMPLOYEES RETIREMENT SYSTEM - (CONTINUED)

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers, and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of the System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2017.

Asset Class	Target Allocation	Long-term Expected Nominal Rate of Return (Arithmetic)	Long-term Expected real Rate of Return (Arithmetic)
Core Fixed Income	Barclays Aggregate	30.00%	3.05%
Broad US Equities	Wilshire 5000/Russel 3000	55.00%	8.30%
Developed Foreign Equities	MSCI EAFE/World ex US	15.00%	8.45%
Assumed Inflation - Mean			2.25%
Assumed Inflation - Standard Deviation			1.50%
Portfolio Arithmetic Mean Return			6.75%
Portfolio Standard Deviation			12.54%
Portfolio Long-term (Geometric) Expected Rate of Return			6.13%
Assumed Investment Expenses			0.40%
Portfolio Long-term (Geometric) Expected Rate of Return, Net of Investment Expenses			5.73%
Portfolio Long-term Expected Real Rate of Return, Net of Investment Expenses			4.19%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by PERSI Board:			
Long-term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
Long-term Expected Nominal Rate of Return, Net of Investment Expenses			7.05%

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
 YEAR ENDED JUNE 30, 2020

12. PUBLIC EMPLOYEES RETIREMENT SYSTEM - (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plan’s net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

The following presents the employer’s proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.05 percent) or 1 percentage point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)	\$3,775,350	\$1,249,956	(\$838,464)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.gov.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2019

13. OPEB PLAN

Plan Description

Aberdeen School District #58 (the District) contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing, multiple-employer Defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies, and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Sick Leave Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens, not members of the Base Plan except by reason of having served on the Board.

OPEB Benefits

Group retiree health, dental, accident, and life insurance premiums may qualify as a benefit. Retirees who have a sick leave account can use their balance as a credit towards these premiums paid directly to the applicable insurance company.

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for State members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate is 1.16% for school members with 9 or 10 sick days and 1.26% for school board members with 11 – 14 sick days. If a school board member has more than 14 days of sick leave, then the contribution rate will be set by the PERSI Retirement Board based upon current cost and actuarial data and reviewed annually. School District #58's contributions were \$45,664 for the Plan year ended June 30, 2020.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

13. OPEB PLAN - (CONTINUED)

OPEB Liabilities, OPEB Expense (Expense Offset), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, School District #58 reported an asset for its proportional share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based upon the District's share of contributions relative to the total contributions of all participating Sick Leave Employers. At June 30, 2019 the District's proportion was .2783861 percent.

For the year ended June 30, 2020, the District recognized OPEB expense (expense offset) of \$9,789. \$24,887 reported as deferred outflows of resources related to OPEBs resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2020.

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. The Sick Leave Plan amortizes any net OPEB asset based on a level percentage of payroll. The maximum amortization period for the Sick Leave Plan permitted under Section 59-1322 Idaho Code is 25 years.

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses

The long-term expected rate of return on OPEB plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The health care trend rate is not applicable as the benefit amount a participant will receive is established with a set amount upon retirement and thus would have no impact.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2020

13. OPEB PLAN - (CONTINUED)

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers, and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of the System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Capital Market Assumptions	Expected	Expected	Strategic	Strategic
Asset Class	Return	Risk	Normal	Ranges
Equities			70%	66% - 77%
Broad Domestic Equity	9.15%	19.00%	55%	50% - 65%
International	9.25%	20.20%	15%	10% - 20%
Fixed Income	3.05%	3.75%	30%	23% - 33%
Cash	2.25%	0.90%	0%	0% - 5%
	Expected	Expected	Expected	Strategic
Total Fund	Return	Inflation	Real Return	Ranges
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

* Expected arithmetic return net of fees and expenses

Actuarial Assumptions

Assumed inflation - Mean	3.25%
Assumed Inflation - Standard Deviation	2.00%
Portfolio Arithmetic Mean Return	8.08%
Portfolio Long-term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.35%
Long-term Expected Geometric Rate of Return, Net of Investment Expenses	7.05%

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2020

13. OPEB PLAN - (CONTINUED)

Discount Rate

The discount rate used to measure the total OPEB liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the OPEB plan's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Sensitivity of the net OPEB asset to Changes in the Discount Rate.

The following presents the employer's proportionate share of the net OPEB asset calculated using the discount rate of 7.10 percent, as well as what the employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.10 percent) or 1 percentage point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Employer's proportionate share of the net pension liability (asset)	(\$234,790)	(\$266,639)	(\$296,930)

OPEB Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.gov.

REQUIRED SUPPLEMENTARY INFORMATION

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SCHOOL DISTRICT NO 58
ABERDEEN, IDAHO

REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2020

Schedule of Employer's Share of Net Pension Liability PERSI - Base Plan *

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Employer's portion of net pension liability	0.109504%	0.106708%	0.109794%	0.114567%
Employer's proportionate share of net pension liability	\$1,249,956	\$1,573,968	\$1,725,767	\$2,322,457
Employer's covered employee payroll	\$4,021,215	\$3,719,194	\$3,475,890	\$3,410,117
Employer's proportional share of the net pension liability as a percentage of covered employee payroll	31.08%	42.32%	49.65%	68.10%
Plan fiduciary net position as a percentage of total pension liability	93.79%	91.69%	87.26%	91.38%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the District will present information for those years for which it is available.

Data reported is measured as of June 30, 2019

Schedule of Employer's Contributions PERSI - Base Plan *

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$419,006	\$414,393	\$370,237	\$340,566
Contributions in relation to the statutorily required contribution	\$427,154	\$393,902	\$391,269	\$384,500
Contribution (deficiency) excess	\$8,148	(\$20,491)	\$21,031	\$43,934
Employer's covered employee payroll	\$4,021,215	\$3,719,194	\$3,475,890	\$3,410,117
Contributions as a percentage of covered employee payroll	10.42%	11.14%	10.65%	9.99%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the District will present information for those years for which it is available.

Data reported is measured as of June 30, 2019

2015
0.112561%
\$1,482,251
\$3,353,363

44.20%

91.38%

2015
\$368,191

\$361,593

(\$6,598)
\$3,353,363

10.98%

SCHOOL DISTRICT NO 58
 ABERDEEN, IDAHO

REQUIRED SUPPLEMENTARY INFORMATION
 YEAR ENDED JUNE 30, 2020

Schedule of Employer's Share of Net OPEB Asset PERSI -OPEB Plan *

	<u>2019</u>	<u>2018</u>
Employer's portion of net OPEB asset	0.278386%	0.277109%
Employer's proportionate share of net OPEB asset	\$266,639	\$229,848
Employer's covered employee payroll	\$4,021,215	\$3,719,194
Employer's proportional share of the net OPEB asset as a percentage of covered employee payroll	6.63%	6.18%
Plan fiduciary net position as a percentage of total OPEB asset	138.51%	135.69%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the District will present information for those years for which it is available.

Data reported is measured as of June 30, 2019

Schedule of Employer's Contributions PERSI - OPEB Plan *

	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$45,664	\$43,219
Contributions in relation to the statutorily required contribution	\$45,664	\$43,219
Contribution (deficiency) excess	\$0	\$0
Employer's covered employee payroll	\$4,021,215	\$3,719,194
Contributions as a percentage of covered employee payroll	1.14%	1.16%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the District will present information for those years for which it is available.

Data reported is measured as of June 30, 2019

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND

YEAR ENDED JUNE 30, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE:			
Property taxes	\$684,000	\$689,644	\$5,644
Investment interest	45,000	43,966	(1,034)
Other local	44,055	41,103	(2,952)
State base support	3,890,166	3,848,129	(42,037)
State transportation	239,811	261,267	21,456
State paid benefits	531,066	530,048	(1,018)
Other State	431,508	429,530	(1,978)
Total General Fund Revenues:	<u>\$5,865,606</u>	<u>\$5,843,687</u>	<u>(\$21,919)</u>
EXPENDITURES:			
INSTRUCTION:			
Elementary Programs:			
Salaries	\$926,945	\$900,350	\$26,595
Benefits	342,342	343,954	(1,612)
Purchased services	8,956	8,008	948
Materials and supplies	172,302	71,392	100,910
	<u>1,450,545</u>	<u>1,323,704</u>	<u>126,841</u>
Secondary Programs:			
Salaries	1,226,925	1,148,650	78,275
Benefits	435,317	398,099	37,218
Purchased services	14,275	15,474	(1,199)
Materials and supplies	113,580	6,591	106,989
	<u>1,790,097</u>	<u>1,568,814</u>	<u>221,283</u>
Special Programs:			
Salaries	226,129	206,934	19,195
Benefits	94,508	89,675	4,833
Purchased services	633	4,041	(3,408)
Materials and supplies	950	562	388
	<u>322,220</u>	<u>301,212</u>	<u>21,008</u>
Activity Programs:			
Salaries	67,799	66,956	843
Benefits	13,672	9,725	3,947
Purchased services	57,400	48,299	9,101
Materials and supplies	18,000	14,594	3,406
	<u>156,871</u>	<u>139,574</u>	<u>17,297</u>
Summer/After School Programs:			
Salaries	9,162	7,693	1,469
Benefits	2,765	1,272	1,493
	<u>11,927</u>	<u>8,965</u>	<u>2,962</u>
Total Instruction:	<u>3,731,660</u>	<u>3,342,269</u>	<u>389,391</u>
SUPPORT SERVICES:			
Guidance/Health:			
Salaries	93,345	96,187	(2,842)
Benefits	34,925	35,611	(686)
Purchased services	6,750	5,210	1,540
Materials and supplies	7,920	6,129	1,791
	<u>142,940</u>	<u>143,137</u>	<u>(197)</u>
Special Services:			
Salaries	85,597	85,729	(132)
Benefits	35,865	36,651	(786)
Purchased services	10,250	19,175	(8,925)
Materials and supplies	1,200	1,195	5
	<u>132,912</u>	<u>142,750</u>	<u>(9,838)</u>
Instructional Improvement:			
Salaries	93,099	83,451	9,648
Benefits	31,183	25,429	5,754
Purchased services	16,063	3,061	13,002
Materials and supplies			0
	<u>140,345</u>	<u>111,941</u>	<u>28,404</u>
Media Program:			
Salaries	61,674	63,494	(1,820)
Benefits	28,950	28,470	480
Purchased services	2,400	2,354	46
Materials and supplies	8,100	8,382	(282)
	<u>101,124</u>	<u>102,700</u>	<u>(1,576)</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - (CONTINUED)

YEAR ENDED JUNE 30, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Technology:			
Salaries	\$41,847	\$65,951	(\$24,104)
Benefits	25,614	25,278	336
Purchased services	12,700	11,961	739
Materials and supplies	11,000		11,000
	91,161	103,190	(12,029)
Board of Education:			
Benefits		101	(101)
Purchased services	12,700	9,140	3,560
Materials and supplies	5,500	4,799	701
Insurance	200	115	85
	18,400	14,155	4,245
District Administration:			
Salaries	192,896	201,939	(9,043)
Benefits	73,501	73,355	146
Purchased services	11,700	5,061	6,639
Materials and supplies	3,500	1,534	1,966
	281,597	281,889	(292)
School Administration:			
Salaries	276,313	270,011	6,302
Benefits	120,927	121,132	(205)
Purchased services	12,400	11,118	1,282
Materials and supplies	7,700	4,923	2,777
	417,340	407,184	10,156
Business Operation:			
Benefits	100		100
Purchased services	34,100	29,580	4,520
Materials and supplies	29,000	27,363	1,637
	63,200	56,943	6,257
Operation and Maintenance:			
Salaries	216,113	214,019	2,094
Benefits	80,872	82,445	(1,573)
Purchased services	256,400	187,486	68,914
Materials and supplies	76,875	81,245	(4,370)
Capital outlay	8,000		8,000
Insurance	60,000	52,077	7,923
	698,260	617,272	80,988
Transportation:			
Salaries	207,444	208,122	(678)
Benefits	96,145	94,773	1,372
Purchased services	18,200	12,033	6,167
Materials and supplies	69,300	56,115	13,185
Capital outlay	8,000	3,875	4,125
Insurance	13,600	14,669	(1,069)
	412,689	389,587	23,102
Capital Outlay/Contingency	0	0	0
School Lunch	1,500	0	1,500
Total Support Services:	2,501,468	2,370,748	130,720
Total General Fund Expenditures:	6,233,128	5,713,017	520,111
Excess Revenues over Expenditures	(367,522)	130,670	498,192
Transfers (to) from other funds	(86,929)	(67,591)	19,338
Excess revenues and other financing sources over expenditures and other financing uses	(\$454,451)	63,079	\$517,530
FUND EQUITY - JUNE 30, 2019		1,261,894	
FUND EQUITY - JUNE 30, 2020		\$1,324,973	

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - SCHOOL LUNCH FUND

YEAR ENDED JUNE 30, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE:			
Child meals	\$100	\$4	(\$96)
Other food sales	7,600	5,480	
Federal assistance	318,200	306,430	(11,770)
Total Revenue:	<u>325,900</u>	<u>311,914</u>	<u>(11,866)</u>
EXPENDITURES:			
Salaries	110,787	112,323	(1,536)
Benefits	62,877	61,274	1,603
Purchased services	1,670	891	779
Materials and supplies	200,000	155,880	44,120
Capital outlay			0
Total Expenditures:	<u>375,334</u>	<u>330,368</u>	<u>44,966</u>
Excess revenues over expenditures:	(49,434)	(18,454)	30,980
Transfers (to) from other funds	<u>7,798</u>	<u>7,798</u>	-
Excess revenues and other financing sources over expenditures and other financing uses	<u>(\$41,636)</u>	(10,656)	<u>\$30,980</u>
FUND EQUITY - JUNE 30, 2019		<u>79,245</u>	
FUND EQUITY - JUNE 30, 2020		<u>\$68,589</u>	

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND

YEAR ENDED JUNE 30, 2020

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE:			
Property taxes	\$774,338	\$776,002	\$1,664
State	180,773	205,018	24,245
Investment income	2,000	12,633	10,633
Total Revenue:	957,111	993,653	36,542
EXPENDITURES:			
Principal	460,000	460,000	0
Interest	317,470	316,238	1,232
Total Expenditures:	777,470	776,238	1,232
Excess revenues over expenditures	\$179,641	217,415	\$37,774
FUND EQUITY - JUNE 30, 2019		842,051	
FUND EQUITY - JUNE 30, 2020		\$1,059,466	

OTHER INFORMATION

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

COMBINING BALANCE SHEET
NON-MAJOR FUNDS

AT JUNE 30, 2020

	Gear Up Grant Fund	Stem Grant Fund	Driver Education Fund	State Vocational Fund
ASSETS:				
Cash		\$1,934	\$6,535	\$2,410
Property taxes receivable				
Federal and State receivable			7,075	
Total Assets:	\$0	\$1,934	\$13,610	\$2,410
LIABILITIES:				
Accounts payable	\$1,850			\$374
Salaries payable	2,877			2,036
Due to other funds	1,498			
Total Liabilities:	6,225	\$0	\$0	2,410
DEFERRED RESOURCES:				
Unavailable property taxes	0	0	0	0
FUND BALANCE:				
Committed		1,934	13,610	
Unassigned	(6,225)			
Total Fund Equity:	(6,225)	1,934	13,610	0
Total Liabilities and Fund Balance:	\$0	\$1,934	\$13,610	\$2,410

State Technology Fund	State Substance Abuse Fund	Title I Fund	Title I Migrant Fund	Title Title V1B Fund	Preschool Fund
\$315	\$3,262				
		\$115,243	\$42,411	\$89,541	\$7,168
\$315	\$3,262	\$115,243	\$42,411	\$89,541	\$7,168
		\$7,000	\$4,159	\$6,692	\$104
		18,416	11,203	25,751	529
		62,016	10,746	25,065	6,102
\$0	\$0	87,432	26,108	57,508	6,735
0	0	0	0	0	0
315	3,262	27,811	16,303	32,033	433
315	3,262	27,811	16,303	32,033	433
\$315	\$3,262	\$115,243	\$42,411	\$89,541	\$7,168

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING BALANCE SHEET
 NON-MAJOR FUNDS - (CONTINUED)

AT JUNE 30, 2020

	Title IV A Fund	Small Rural Grant Fund	C. Perkins Vocational Education Fund	Title III LEP Fund
ASSETS:				
Cash		\$11		
Property taxes receivable				
Federal and State receivable			\$11,164	\$17,848
Total Assets:	\$0	\$11	\$11,164	\$17,848
LIABILITIES:				
Accounts payable		\$11		\$1,008
Salaries payable				1,592
Due to other funds			\$11,164	11,366
Total Liabilities:	\$0	11	11,164	13,966
DEFERRED RESOURCES:				
Unavailable property taxes				
FUND BALANCE:				
Committed				3,882
Unassigned				
Total Fund Equity:	0	0	0	3,882
Total Liabilities and Fund Balance:	\$0	\$11	\$11,164	\$17,848

Title II Teacher Quality Fund	Medicaid Fund	Lottery Fund	Plant Facilities Fund	2020 Totals
	\$30,783	\$246,362		\$291,612
\$15,843			\$1,820	1,820
				306,293
<u>\$15,843</u>	<u>\$30,783</u>	<u>\$246,362</u>	<u>\$1,820</u>	<u>\$599,725</u>
	\$292			\$21,490
	1,543			63,947
\$14,101			\$58	142,116
<u>14,101</u>	<u>1,835</u>	<u>\$0</u>	<u>58</u>	<u>227,553</u>
			1,762	1,762
1,742	28,948	246,362	0	376,635
				(6,225)
<u>1,742</u>	<u>28,948</u>	<u>246,362</u>	<u>0</u>	<u>370,410</u>
<u>\$15,843</u>	<u>\$30,783</u>	<u>\$246,362</u>	<u>\$1,820</u>	<u>\$599,725</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NON-MAJOR FUNDS

YEAR ENDED JUNE 30, 2020

	Gear Up Grant Fund	Stem Grant Fund	Driver Education Fund	State Vocational Fund
REVENUES:				
Local income		\$550	\$6,380	
State assistance			4,745	\$39,876
Federal assistance	\$27,634			
Total Revenues:	27,634	550	11,125	39,876
EXPENDITURES:				
Instructional services	33,248	8,616	4,183	26,243
Support services	189			
Non-instructional services				
Capital outlay				13,633
Total Expenditures:	33,437	8,616	4,183	39,876
EXCESS REVENUES (EXPENDITURES)	(5,803)	(8,066)	6,942	0
TRANSFERS (TO) FROM OTHER FUNDS	_____	_____	_____	_____
EXCESS FINANCING SOURCES (USES)	(5,803)	(8,066)	6,942	0
FUND BALANCE - JUNE 30, 2019	(422)	10,000	6,668	0
FUND BALANCE - JUNE 30, 2020	(\$6,225)	\$1,934	\$13,610	\$0

State Technology Fund	State Substance Abuse Fund	Title I Fund	Cares Act ESSERF Fund	Title I Migrant Fund	Title V1B Fund	Preschool Fund
\$100,427	\$10,894					
		\$184,253	\$132,855	\$103,414	\$174,578	\$7,370
<u>100,427</u>	<u>10,894</u>	<u>184,253</u>	<u>132,855</u>	<u>103,414</u>	<u>174,578</u>	<u>7,370</u>
		165,341	5,991	41,508	162,583	6,698
129,342	22,063	280	126,864	45,082	1,380	
<u>15,950</u>						
<u>145,292</u>	<u>22,063</u>	<u>165,621</u>	<u>132,855</u>	<u>86,590</u>	<u>163,963</u>	<u>6,698</u>
(44,865)	(11,169)	18,632	0	16,824	10,615	672
		(5,871)		(3,110)	(5,779)	(239)
(44,865)	(11,169)	12,761	0	13,714	4,836	433
<u>45,180</u>	<u>14,431</u>	<u>15,050</u>	<u>0</u>	<u>2,589</u>	<u>27,197</u>	<u>0</u>
<u>\$315</u>	<u>\$3,262</u>	<u>\$27,811</u>	<u>\$0</u>	<u>\$16,303</u>	<u>\$32,033</u>	<u>\$433</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NON-MAJOR FUNDS - (CONTINUED)

YEAR ENDED JUNE 30, 2020

	Title IV A Fund	Small Rural Grant Fund	C. Perkins Vocational Education Fund	Title III LEP Fund
REVENUES:				
Local income		\$348		
State assistance				
Federal assistance	\$17,226		\$11,164	\$29,348
Total Revenues:	17,226	348	11,164	29,348
EXPENDITURES:				
Instructional services	16,585		10,342	22,525
Support services	47		822	
Non-instructional services				
Capital outlay				
Total Expenditures:	16,632	0	11,164	22,525
EXCESS REVENUES (EXPENDITURES)	594	348	0	6,823
TRANSFERS (TO) FROM OTHER FUNDS	(594)			(501)
EXCESS FINANCING SOURCES (USES)	0	348	0	6,322
FUND BALANCE - JUNE 30, 2019	0	(348)	0	(2,440)
FUND BALANCE - JUNE 30, 2020	\$0	\$0	\$0	\$3,882

Title II Teacher Quality Fund	Medicaid Fund	Bus Depreciation Fund	Lottery Fund	Plant Facilities Fund	2020 Totals
		\$13,577		\$2,640	\$23,495
	\$27,481		\$101,756		285,179
\$28,432					716,274
<u>28,432</u>	<u>27,481</u>	<u>13,577</u>	<u>101,756</u>	<u>2,640</u>	<u>1,024,948</u>
	11,389				515,252
25,523	3,125			2,640	357,357
					0
		90,375	35,030		154,988
<u>25,523</u>	<u>14,514</u>	<u>90,375</u>	<u>35,030</u>	<u>2,640</u>	<u>1,027,597</u>
2,909	12,967	(76,798)	66,726	0	(2,649)
(911)		76,798			59,793
1,998	12,967	0	66,726	0	57,144
(256)	15,981	0	179,636	0	313,266
<u>\$1,742</u>	<u>\$28,948</u>	<u>\$0</u>	<u>\$246,362</u>	<u>\$0</u>	<u>\$370,410</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR FUND REVENUE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	Estimated Revenues	Actual Revenues	Variance Favorable (Unfavorable)
GEAR UP GRANT FUND:			
Federal assistance	\$43,420	\$27,634	(\$15,786)
STEM GRANT FUND:			
Local revenue	\$550	\$550	\$0
DRIVER EDUCATION FUND:			
Local revenue	\$4,000	\$6,380	\$2,380
State assistance	4,000	4,745	745
	\$8,000	\$11,125	\$3,125
STATE VOCATIONAL FUND:			
State assistance	\$39,876	\$39,876	\$0
STATE TECHNOLOGY FUND:			
State assistance	\$124,900	\$100,427	(\$24,473)
STATE SUBSTANCE ABUSE FUND:			
State revenue	\$9,400	\$10,894	\$1,494
TITLE I FUND:			
Federal assistance	\$164,012	\$184,253	\$20,241
CARES ACT ESSERF FUND:			
Federal assistance		\$132,855	\$132,855
TITLE I MIGRANT FUND:			
Federal assistance	\$101,734	\$103,414	\$1,680
TITLE VI-B FUND:			
Federal assistance	\$172,044	\$174,578	\$2,534
PRESCHOOL FUND:			
Federal assistance	\$6,222	\$7,370	(\$1,148)
TITLE IV-A FUND:			
Federal assistance	\$17,226	\$17,226	\$0

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR FUND REVENUE - BUDGET AND ACTUAL - (CONTINUED)
 YEAR ENDED JUNE 30, 2020

	Estimated Revenues	Actual Revenues	Variance Favorable (Unfavorable)
SMALL RURAL GRANT FUND:			
Local assistance	<u>\$0</u>	<u>\$348</u>	<u>\$348</u>
C. PERKINS VOCATIONAL EDUCATION FUND:			
Federal assistance	<u>\$11,164</u>	<u>\$11,164</u>	<u>\$0</u>
TITLE III LEP FUND:			
Federal assistance	<u>\$26,908</u>	<u>\$29,348</u>	<u>\$2,440</u>
TITLE II TEACHER QUALITY FUND:			
Federal assistance	<u>\$26,820</u>	<u>\$48,432</u>	<u>\$21,612</u>
MEDICAID FUND:			
State assistance	<u>\$16,000</u>	<u>\$27,481</u>	<u>\$11,481</u>
BUS DEPRECIATION FUND:			
Local revenue	<u>\$12,500</u>	<u>\$13,577</u>	<u>\$0</u>
LOTTERY FUND:			
State assistance	<u>\$75,809</u>	<u>\$101,756</u>	<u>\$25,947</u>
PLANT FACILITIES FUND:			
Property taxes	<u>\$0</u>	<u>\$2,640</u>	<u>\$2,640</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Appropriated</u>	<u>Expended</u>	Variance Favorable (Unfavorable)
GEAR UP GRANT FUND:			
Instruction:			
Salaries	\$17,836	\$14,902	\$2,934
Benefits	3,719	2,952	767
Purchased services	500	4,012	(3,512)
Materials and supplies	15,000	11,382	3,618
Support Services:			
Purchased services	6,300	189	6,111
	<u>\$43,355</u>	<u>\$33,437</u>	<u>\$9,918</u>
 STEM GRANT FUND:			
Instruction:			
Salaries	\$4,200	\$4,200	\$0
Benefits	876	874	2
Materials and supplies	250	101	149
Insurance	5,224	3,441	1,783
	<u>\$10,550</u>	<u>\$8,616</u>	<u>\$1,934</u>
 DRIVER EDUCATION FUND:			
Instruction:			
Salaries	\$6,000	\$2,544	\$3,456
Benefits	810	255	555
Materials and supplies	1,200	1,129	71
Capital outlay	3,940	0	3,940
Insurance	250	255	(5)
	<u>\$12,200</u>	<u>\$4,183</u>	<u>\$8,017</u>
 STATE VOCATIONAL FUND:			
Instruction:			
Salaries	\$12,592	\$12,220	\$372
Benefits	2,631	2,304	327
Purchased services	3,402	2,551	851
Materials and supplies	11,251	9,168	2,083
Capital outlay	10,000	13,633	(3,633)
	<u>\$39,876</u>	<u>\$39,876</u>	<u>\$0</u>
 STATE TECHNOLOGY FUND:			
Support Services:			
Salaries	\$15,217	\$15,217	\$0
Benefits	5,251	5,111	140
Purchased services	28,686	27,681	1,005
Materials and supplies	125,421	81,333	44,088
Capital outlay	125,421	15,950	109,471
	<u>\$299,996</u>	<u>\$145,292</u>	<u>\$154,704</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
YEAR ENDED JUNE 30, 2020

	<u>Appropriated</u>	<u>Expended</u>	<u>Variance Favorable (Unfavorable)</u>
STATE SUBSTANCE ABUSE FUND:			
Support Services:			
Purchased services	\$1,200	\$3,356	(\$2,156)
Capital outlay	7,031	2,757	
Materials and supplies	16,100	15,950	150
	<u>\$24,331</u>	<u>\$22,063</u>	<u>(\$2,006)</u>
TITLE I FUND:			
Instruction:			
Salaries	\$110,498	\$105,585	\$4,913
Benefits	43,905	42,113	1,792
Purchased services	24,200	17,612	6,588
Materials and supplies	5,905	31	5,874
Support Services:			
Materials and supplies	2,210	280	1,930
Transfers:	5,871	5,871	0
	<u>\$192,589</u>	<u>\$171,492</u>	<u>\$21,097</u>
CARES ACT ESSERF FUND:			
Instruction:			
Salaries		\$5,991	(\$5,991)
Support Services:			
Salaries		93,244	(93,244)
Benefits		33,620	(33,620)
	<u>\$0</u>	<u>\$132,855</u>	<u>(\$132,855)</u>
TITLE I MIGRANT FUND:			
Instruction:			
Salaries	\$27,030	\$25,218	\$1,812
Benefits	12,886	12,627	259
Purchased services	1,677		1,677
Materials and supplies	19,971	3,663	16,308
Support Services:			
Salaries	27,883	28,121	(238)
Benefits	14,453	14,344	109
Purchased services	3,500	136	3,364
Materials and supplies		2,481	(2,481)
Transfers:	3,230	3,109	121
	<u>\$110,630</u>	<u>\$89,699</u>	<u>\$20,931</u>
TITLE VI-B FUND:			
Instruction:			
Salaries	\$118,649	\$110,258	\$8,391
Benefits	46,142	34,375	11,767
Purchased services	4,531	3,429	1,102
Materials and supplies	25,043	14,521	10,522
Support Services:			
Purchased services	5,000	1,325	3,675
Materials and supplies	5,000	55	4,945
Transfers:	5,785	5,779	6
	<u>\$210,150</u>	<u>\$169,742</u>	<u>\$40,408</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
YEAR ENDED JUNE 30, 2020

	Appropriated	Expended	Variance Favorable (Unfavorable)
PRESCHOOL FUND:			
Instruction:			
Salaries	\$3,398	\$4,840	(\$1,442)
Benefits	709	1,798	(1,089)
Purchased services	1,500		1,500
Materials and supplies	3518	60	3,458
Transfers:	187	239	(52)
	<u>\$9,312</u>	<u>\$6,937</u>	<u>\$2,375</u>
TITLE IV A FUND:			
Instruction:			
Salaries	\$13,124	\$13,124	\$0
Benefits	3,462	3,462	0
Purchased services			0
Materials and supplies	47	47	0
Transfers:	593	593	0
	<u>\$17,226</u>	<u>\$17,226</u>	<u>\$0</u>
C. PERKINS VOCATIONAL EDUCATION FUND:			
Instruction:			
Salaries	\$442	\$462	(\$20)
Benefits	116	96	20
Purchased services	1,750	2,678	(928)
Materials and supplies	7,106	7,106	0
Support Services:			
Purchased services	1,750	822	928
	<u>\$11,164</u>	<u>\$11,164</u>	<u>\$0</u>
TITLE III LEP FUND:			
Instruction:			
Salaries	\$9,574	\$9,574	\$0
Benefits	6,671	6,012	659
Purchased services	3,500	73	3,427
Materials and supplies	6,268	6,865	(597)
Transfers:	501	501	0
	<u>\$26,514</u>	<u>\$23,025</u>	<u>\$3,489</u>
TITLE II TEACHER QUALITY FUND:			
Support Services:			
Salaries	\$15,100	\$15,500	(\$400)
Benefits	2,440	3,192	(752)
Purchased services	7,207	6,253	954
Materials and supplies	1,116	578	538
Transfers:	957	911	46
	<u>\$26,820</u>	<u>\$26,434</u>	<u>\$386</u>
MEDICAID FUND:			
Instruction:			
Salaries	\$6,879	\$9,900	(\$3,021)
Benefits	\$17,603	\$1,488	16,115
Support Services:			
Purchased services	1,938	3,126	(1,188)
	<u>\$26,420</u>	<u>\$14,514</u>	<u>\$11,906</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
 YEAR ENDED JUNE 30, 2020

	<u>Appropriated</u>	<u>Expended</u>	Variance Favorable <u>(Unfavorable)</u>
BUS DEPRECIATION FUND:			
Capital outlay	<u>\$93,000</u>	<u>\$90,375</u>	<u>\$2,625</u>
LOTTERY FUND:			
Capital outlay	<u>\$255,445</u>	<u>\$35,030</u>	<u>\$220,415</u>
PLANT FACILITIES FUND:			
Support Services:			
Salaries	<u>\$0</u>	<u>\$2,640</u>	<u>(\$2,640)</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF HIGH SCHOOL STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2020

FUND:	Balance 6/30/19	Receipts	Disbursements	Transfers	Balance 6/30/20
Academic Decathlon	(\$1,056)	\$100		\$956	\$0
BPA	405	1,237	(\$1,548)		94
BPA Administration	0				0
IDLA	1,485	900	(1,875)		510
Duel Credit -Social	2,065				2,065
Nowland, Yvonne	50			(50)	0
FFA - Booth	15	7,733	(6,699)		1,049
Office Teacher	(21)	938	(854)	10	73
FFA	1,298	4,758	(6,896)		(840)
Duel Credit -English	(8)				(8)
AG	6,071	915	(6,986)		0
Staley-AG	860		(860)		0
Scholarships	1,993	500			2,493
National Honor Society	28	373	(266)		135
Ind Alt HS	80				80
Sunshine Club	243		(33)		210
Student Body	2,872	2,429	(5,356)	285	230
Class of 2018	255			(255)	0
Class of 2019	2,175		(2,175)		0
Class of 2020	1,993	423	(488)	(30)	1,898
Class of 2021	336	267	(214)		389
Class of 2022	831	204	(136)		899
Class of 2023	0	486			486
Class of 2024	0	60			60
Seniors -Current	0	396	(396)		0
Wrestling Room	4,390	1,401			5,791
Pop Machine	(24)	12	(210)	222	0
Music	0	1,103	(1,103)		0
Music Supplies	119	118	(225)		12
Band Rental & Repair	(100)	1,612	(1,512)		0
Pep Band	71	54,077	(52,695)		1,453
Musical	2,841	575	(4,608)		(1,192)
First Aid B	(705)	886	(865)	1,200	516
Weight Room	366	896	(1,095)		167
Athletics	36,886	24,849	(18,476)	(16,238)	27,021
Athletic Equip - direct	500				500
Plato	398				398

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF HIGH SCHOOL STUDENT BODY FUNDS - (CONTINUED)

YEAR ENDED JUNE 30, 2020

FUND:	Balance 6/30/19	Receipts	Disbursements	Transfers	Balance 6/30/20
Extra/Trans	\$675	\$3,949	(\$4,013)	\$12,000	\$12,611
ACT	60				60
Annual	4,436	4,589	(6,590)		2,435
Chemistry	199				199
Art	452	1,349	(1,496)	105	410
Art Equipment	183				183
Computer Lab	367	520	(689)		198
Counselor	257	1,480	(1,531)		206
Chromebook Insurance	0	2,400	(2,375)		25
Drivers Ed	4,215	6,960	(6,380)		4,795
Faculty Pop	(2)	122	(288)	623	455
Gear Up 2	226	28	(28)		226
Interest	911	70	(66)		915
Library	231	107	(203)		135
Math	20				20
Lockers	162				162
Sales Tax	0	1,828	(1,828)		0
The Arts Donation	0	400		(105)	295
Textbook Fines	86	20			106
Teacher Accounts	2,323	1,045	(1,036)	(755)	1,577
Special Education	140			(140)	0
Principal	340	80	(137)	(100)	183
Savings	5,418				5,418
General	0	189			189
Football	1,879	1,353	(708)		2,524
Volleyball	3,197	3,935			7,132
Girls Soccer	559	1,863	(1,668)		754
Boys Soccer	1,044	1,305	(1,182)		1,167
Soccer	886	1,588	(1,882)		592
Girls Basketball	1,140	5,408	(1,640)	(2,991)	1,917
Boys Basketball	205	2,286	(2,043)		448
Wrestling	2,500	7,407	(5,980)	(3,438)	489
Golf	686	312			998
Track	795	405			1,200
Cross Country	300				300
Cheerleading	(3,049)	3,732	(1,066)		(383)
Arbiter	0	8,963	(17,550)	8,701	114
	<u>\$97,553</u>	<u>\$170,941</u>	<u>(\$175,950)</u>	<u>\$0</u>	<u>\$92,544</u>
Checking					\$28,874
Investments					63,670
					<u>\$92,544</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE MIDDLE SCHOOL STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2020

FUND:	Balance 6/30/19	Receipts	Disbursements	Transfers	Balance 6/30/20
Teacher Accounts	\$0	\$1,400	(\$419)		\$981
Annual	150	1,465	(1,884)		(269)
Accelerated Reader	3,714	204	(3,225)		693
Art	83	540	(29)	\$467	1,061
Athletics - Gen	5,305	841	(886)		5,260
Athletics - VB	1,390	2,509	(4,101)		(202)
Athletics - W	694	1,427	(1,824)		297
Athletics - GBB	1,133	2,185	(1,839)		1,479
Athletics -BBB	2,000	2,529	(2,735)		1,794
Athletics - CC	178	75			253
Athletics - Track	2,000	100	(376)		1,724
CD Certificate	11,865				11,865
Cheer/Drill	246	180			426
Custodial	3				3
Computers	4,034	10	(792)		3,252
Cool to be Kind	1				1
Credit Recovery	50			(50)	0
Fundraiser	1,022				1,022
Health/PE	143				143
Health Fair	69				69
General	9,714	1,866	(1,971)	50	9,659
Exploratory	213	50		(213)	50
Grade 6	534	265	(292)		507
Grade 7	432	275	(557)		150
Grade 8	457	280	(485)		252
Grants	198				198
Locks	60				60
Media Center	2,735	51	(170)		2,616
Migrant	5				5
Milk Machine/ Health	17				17
Multi-media	417		(45)	(372)	0
Music - Millett	355	3,990	(3,882)		463
Postage	494				494
Special Services	84				84
Student Govt	1,155	2,276	(2,161)	(170)	1,100
Student Activities	7,205	5,031	(4,459)		7,777
Teachers	7,423		(122)		7,301
PTSA	1,712		(524)		1,188
Vending	1,497	2,252	(2,639)	170	1,280
Stem Activities	250		(114)	(136)	0
Yellowstone	8,366	3,450	(1,559)		10,257
Sunshine	531	175	(144)		562
Stem Exploration	165		(188)	508	485
World Cultures	224	250	(157)		317
Life Skills	109				109
World Sports	289	325	(375)		239
Stem Grant Science	2,587	300	(659)	(1,000)	1,228
Aberdeen Food Bank	546	5,156	(5,434)		268
Exploratory Art	242	35	(23)	(254)	0
Stem Exploratory	55	4			59
Chromebook Insurance	0	2,765	(2,600)		165
Stem Night Grant	0		(467)	1,000	533
	<u>\$82,151</u>	<u>\$42,261</u>	<u>(\$47,137)</u>	<u>\$0</u>	<u>\$77,275</u>
Cash in bank - Checking					\$67,275
Cash in bank - Savings					<u>10,000</u>
					<u>\$77,275</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF ELEMENTARY STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2020

	<u>Balance</u> <u>6/30/17</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>6/30/18</u>
FUND:					
General	\$39,633	\$49,865	(\$45,744)		\$43,754
Vending	18,281	19,352	(19,985)		17,648
Teachers	2,489	2,577	(2,489)		2,577
Library	111	191	(111)		191
	<u>\$60,514</u>	<u>\$71,985</u>	<u>(\$68,329)</u>	<u>\$0</u>	<u>\$64,170</u>
Cash in bank - checking					<u>\$64,170</u>

SINGLE AUDIT SECTION

Morgan J Hatt CPA PC

Certified Public Accountant

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Fax: (208) 242-3782

Board of Trustees
School District No. 58
Aberdeen, Idaho

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Report on Compliance for Each Major Federal Program

I have audited Aberdeen School District No. 58's (The District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2020. The District's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned costs.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the District's major Federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major Federal program. However, my audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In my opinion, Aberdeen School District #58, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, I considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

. Morgan J Hatt CPA PC

Pocatello, Idaho
August 31, 2020

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

Title	Catalogue of Federal Domestic Assistance Number		Expenditures
<u>Department of Education (State Dept. of Education Pass Through Funding):</u>			
Title I - Remedial	84.010		\$171,492
Title I - Migrant	84.011		88,972
Title VI-B	84.027	\$169,742	
Title VI-B Preschool	84.173	<u>6,937</u>	
Total Special Education Cluster:			176,679
Vocational Education (Perkins)	84.048		11,164
Migrant Ed Coordination Program	84.144		728
Gear Up	84.334		33,437
Title III LEP	84.365		23,026
Improving Teacher Quality	84.367		26,434
Cares Act ESSERF	84.425		132,855
Title V-A Innovative Education	84.425		17,226
 Total Department of Education:			 <u>682,013</u>
<u>Department of Agriculture (State Dept. of Education Pass Thru Funding):</u>			
School Breakfast Program	10.553	53,552	
School Lunch Program	10.555	156,583	
School Lunch Commodities - Non-cash	10.555	23,723	
Summer Food Service Program for Children	10.559	<u>120,017</u>	
Total Child Nutrition Cluster:			353,875
 Nutrition	 10.582		 <u>353,875</u>
Total Department of Agriculture:			<u>353,875</u>
 Total			 <u><u>\$1,035,888</u></u>

Note 1: Basis of Presentation -The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal award activity of School District #58 under programs of the Federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of School District #58.

Note 2: Summary of Significant Accounting Policies -Expenditures reported on the Schedule are on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate - School District # 58 has elected not to use the 10% de minimus cost rate allowed under the Uniform Guidance.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SUMMARY OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

FINANCIAL STATEMENTS:

The auditor's report is unqualified.

Internal control over financial reporting:

There are no material weaknesses identified.

There are no reportable conditions identified that are considered to be a material weakness.

FEDERAL AWARDS:

There are no instances of non-compliance material to the financial statements identified.

There are no material weaknesses identified.

There are no reportable conditions identified that are considered to be material weaknesses.

The auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with Uniform Guidance is unqualified.

IDENTIFICATION OF MAJOR PROGRAMS:

There are no audit findings required to be reported in accordance with Uniform Guidance.

The programs tested as major programs include:

Department of Education	84.010		
Department of Agriculture	10.553	10.555	10.559

The threshold for distinguishing Types A and B programs was \$750,000.

Because of the GASB 45 opinion qualification in Fiscal year ended 6/30/18, District #58 does not qualify as a low-risk auditee.