

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho



Audited Financial
Statements

For the Fiscal Year Ended June 30, 2017

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

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Lewiston, Idaho

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Independent School District No.1
Lewiston, Idaho 83501

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Independent School District No. 1, as of and for the year ended June 30, 2017, 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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity'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 entity's internal control. Accordingly, we 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.

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

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Unit	Qualified
General Fund	Unmodified
Capital Projects Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Qualified Opinion on the Aggregate Discretely Presented Component Unit

The financial statements of Lewiston Independent Foundation for Education, Inc., a component unit of the District, have not been audited, and we were not engaged to audit the component unit as part of our audit of the District's basic financial statements. Lewiston Independent Foundation for Education, Inc. financial activities are included in the District's basic financial statements as a discretely presented component unit and represents all of the assets, liabilities, net position, and revenues and expenditures, respectively, of the District's aggregate discretely presented component units.

Qualified Opinion

In our opinion, except for the possible effect of the matter discussed in the "Basis for Qualified Opinion on the Aggregate Discretely Presented Component Unit" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component unit of Independent School District No. 1 as of June 30, 2017, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 1 as of June 30, 2017, 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the respective budgetary comparison information on pages 5-11 and 43 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. We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Independent School District No. 1's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the 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 (CFR) 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 nonmajor 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 our opinion, except for the effects on the supplementary information of the qualified opinion on the basic financial statements as explained in the "Basis for Qualified Opinion on the Discretely Presented Component Unit" paragraph, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2017 on our consideration of the Independent School District No. 1's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and to provide an opinion on the 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 Independent School District No. 1's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
September 21, 2017

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

Management's Discussion and Analysis For the Year Ended June 30, 2017

Our discussion and analysis of the financial performance of Independent School District No. 1 provides an overview of the District's financial activities for the fiscal year ended June 30, 2017. Please read this analysis in conjunction with the financial statements which immediately follow this section.

Continuous Improvement Plan

The Continuous Improvement Plan of the Lewiston School District is reviewed and approved annually by the Board of Directors. The plan lays the groundwork for a culture where decisions and actions that better serve our students and community are at its core.

Through the Continuous Improvement Plan, the District maintains and communicates a mission, vision and purpose committed to high expectations for learning as well as shared values and beliefs about teaching and learning. Components of the Continuous Improvement Plan are as follows:

Purpose: To educate and inspire learners for life.
Vision: To achieve the highest individual potential.
Mission: *Strive...Achieve...Succeed...GO BEYOND!*

Strategies

1. Design and implement a research-based, aligned, written, taught and assessed curriculum that is rich and rigorous.
2. Continuously improve organizational structures to result in improved student learning.
3. Focus professional development on research-based practices that lead to high student performance.
4. Define criteria that describes high performance of students and staff. Recognize when standards are met or exceeded.
5. Invite, celebrate and honor adaptations that increase student achievement.
6. Utilize a data-driven continuous improvement model to focus ongoing work throughout the organization.
7. Integrate technology to maximize learning.

The 2016-2017 Continuous Improvement Plan may be viewed on the district website at:
<http://www.lewistonschools.net/superintendent-and-board/>

Enrollments

Student enrollment over the past several years has been relatively stable ranging from 4948 students in October of 2008 to 4749 in October of 2016.

Financial Highlights

- Property tax revenue received in FY2017 increased by \$484,496 or 3.55% above FY2016.
- State apportionment revenue totaled \$23,341,896 in FY2017, which represents a 6.3% increase over the prior year.
- Total expenses in the general fund increased by \$2,218,717 or 6.08% in 2017.
- The District was successful in obtaining voter approval of a \$59.8 million bond for the construction of a new comprehensive Grade 9-12 High School and Career Technical Education Center. Bonds were sold on June 20, 2017 and proceeds invested.
- The Board of Directors passed a Resolution and five-year plan to construct outdoor athletic venues on the site of the new high school without incurring additional debt. The plan calls for selling real property, setting aside facilities funds each year and employing members of the district workforce to perform some field development tasks.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2017

Overview of the Financial Statements

The annual financial report consists of three parts: 1) Management's Discussion and Analysis; 2) basic financial statements, including notes to financial statements; and 3) other required supplementary information.

The basic financial statements consist of two kinds of statements that present different views of the District's financial activities.

The statement of net position and statement of activities provide information on a district-wide basis. The statements present a total view of the District's finances. District-wide statements contain useful long-term information, as well as information for the just-completed fiscal year.

The remaining statements are fund financial statements that focus on individual parts of District operations. Fund statements generally report operations in greater detail than the district-wide statements.

The notes to the financial statements provide further detailed explanations of selected areas addressed in the statements. In addition, they provide disclosures that provide users with a complete picture of the financial position and financial activities of the organization.

Required supplementary information further explains and supports the financial statements by including a comparison of the District's budget data for the year.

District-wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The two district-wide statements report the District's net position and how it has changed. Net position (the difference between assets and liabilities) is one way to measure the District's overall financial status.

To assess the overall financial condition of the District, non-financial factors, such as changes in the property tax base and the condition of school buildings and other facilities should also be considered.

In the district-wide financial statements, all district activities are classified as governmental activities. Governmental activities include all regular and special education, all educational support activities, administration, transportation, and food services. Most of these activities are supported by property taxes and formula aid from the State of Idaho. Internal service activities, specifically those of the Medical Insurance Risk Fund and the Print Shop, are also incorporated into the district-wide statements.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on the most significant or "major" funds and not on the entire District as a whole. Funds are accounting devices primarily used by government entities to track sources and uses of funding on particular programs and to demonstrate compliance with various regulatory requirements. Some funds are required by state law or administrative rule.

Three types of District Funds

Governmental funds. Most of the District's basic services and operations are included in governmental funds which focus on how money flows into and out of those funds and the balances remaining at year-end available for use in future periods. These funds are reported on the "modified accrual" basis of accounting which measures cash and all other financial assets that can be readily

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

Management's Discussion and Analysis

For the Year Ended June 30, 2017

converted to cash. The governmental fund statements provide a detailed short-term view of the District's general operations and basic services provided to constituents.

Proprietary funds. Also called internal service funds, these funds record transactions for print shop services and the medical insurance risk pool. Proprietary funds use the accrual basis of accounting and are consolidated with the governmental activities in the district-wide statements.

Fiduciary funds. Also called agency funds, the District serves as a trustee (or fiduciary) for student clubs and organizations. The District is responsible for ensuring that the assets reported in these funds are used only for the intended purposes and only by those to whom the assets belong. These activities are excluded from the district-wide financial statements because fiduciary assets are not available to the district for use in general operational activities. Expendable and endowed private purpose trust funds also reside in the fiduciary fund classification. These funds include contributions restricted by donors and interest earnings.

Financial Analysis of the District as a Whole. (from statements on pages 12 and 13)

Table 1 provides a summary of the School District' net position for 2017 compared to 2016.
Net Position

Table 1	All Governmental Activities		Total
	2017	2016	Percentage Change
Current Assets	91,433,411	25,573,897	257.53%
Capital Assets	7,150,341	7,480,318	-4.41%
Total Assets	98,583,752	33,054,215	198.25%
Deferred Outflows	11,339,024	7,232,548	56.78%
Total Assets and deferred outflows	109,922,776	40,286,763	172.85%
Current Liabilities	6,389,812	4,903,490	30.31%
Noncurrent Liabilities	68,516,117	12,653,283	441.49%
Deferred Inflows	24,230,893	21,105,598	14.81%
Total Liabilities and deferred inflows	99,136,822	38,662,371	156.42%
Net Position			
Capital Assets	7,150,341	7,480,318	-4.41%
Nonspendable	160,087	207,176	-22.73%
Capital Projects	10,758,265	1,790,148	500.97%
Other Restricted	779,556	591,593	31.77%
Unrestricted	(8,062,295)	(8,444,843)	-4.53%
Total Net Position	10,785,954	1,624,392	564.00%
Total liabilities, deferred inflows and net position	109,922,776	40,286,763	172.85%

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2017

Table 2 shows the changes in net position for fiscal year 2017.

Changes in Net Position from Operating Results

	All Governmental		Total
	Activities		Percentage
	2017	2016	Change
Revenues			
Program Revenues			
Charges for Services	1,529,245	1,504,557	1.64%
Grants	18,139,936	17,343,086	4.59%
General Revenues			
Property Taxes	14,128,709	13,644,213	3.55%
Government Funding	8,648,742	8,359,908	3.45%
Other	2,018,953	1,585,334	27.35%
Total Revenues	44,465,585	42,437,098	4.78%
Expenses			
Instructional	26,718,294	25,395,512	5.21%
Other	17,205,729	15,768,610	9.11%
Total Expenses	43,924,023	41,164,122	6.70%
Premium on issuance of debt	8,620,000		
Net Position			
Increase (Decrease) in Net Position	9,161,562	1,272,976	619.70%

Governmental Activities

The statement of activities (page 13) reflects the cost of programs and services, and the fees, sales, grants, and contributions offsetting those services. Table 3, for governmental activities, indicates the total cost of services and the net cost of services. The net cost of services is the cost to the District from general revenue sources for each program. Specific revenue sources, such as fees for services or designated grants have been subtracted from the total cost to obtain the net cost.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2017

Table 3 identifies the cost of those services supported by tax revenues and unrestricted State entitlements.

Governmental Activities

Table 3	Total cost			Net cost		
	of services		Percentage	of services		Percentage
	2017	2016		2017	2016	
Instruction	26,718,294	25,395,512	5.21%	13,831,038	12,527,195	10.41%
Pupil, staff support	3,546,097	2,989,787	18.61%	1,587,455	1,687,492	-5.93%
Administration, business	4,685,793	4,284,038	9.38%	3,060,813	2,770,727	10.47%
Maintenance, custodial	4,612,403	4,508,387	2.31%	4,279,247	4,184,775	2.26%
Transportation	1,437,744	1,371,881	4.80%	525,774	487,328	7.89%
Food Service	2,000,406	1,971,833	1.45%	47,229	16,278	190.14%
Other	945,346	655,191	44.29%	943,346	655,191	43.98%
Total	43,946,083	41,176,629	6.73%	24,274,902	22,328,986	8.71%

Proprietary Funds

The District has proprietary (or internal service) funds which account for the activities of the print shop and the medical risk fund. In fiscal year 2002, the Board established a medical risk fund to account for insurance premiums collected by the various funds of the District to recover the cost of claims paid. In previous years, the risk fund was used to manage the costs of a "mini-max" partial self-insurance plan. The mini-max plan was discontinued in fiscal year 2011. Fund transfers from the medical risk fund to the general fund have minimized the impact of insurance rate increases during years of declining revenues during the economic recession. In 2017, administrators transferred \$100,000 from the general fund to the medical risk fund to be utilized for employee benefits in the future. Keeping the cost of health benefits low is a priority for the district and is integral to recruitment and retention of staff.

Component Unit

The basic financial statements include a statement of net position and statement of changes in net position for the Lewiston Independent Foundation for Education, Inc. (L.I.F.E.), a component unit of the District. These statements are included to meet requirements of GASB Statement 39. The Foundation is a separate organization whose resources are held for the direct benefit of the District and our students. The statements as presented are unaudited and are prepared by the Foundation's Treasurer, Doug Baune. Mr. Baune can be reached at 1132 Idaho Street, Lewiston, ID 83501 for more information.

General Fund Budgeting Highlights.

The School District's budget is prepared according to Idaho law and is developed on the same accounting basis as the fund statements. The most significant budgeted operational fund is the General Fund. The District amended its General Fund Budget in June of 2017 to more accurately reflect actual financial circumstances encountered during the course of the year.

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

Management's Discussion and Analysis For the Year Ended June 30, 2017

Capital Assets

At the end of fiscal year 2017, the School District had \$7.1 million invested in net capital assets in governmental activities. Table 4 reflects fiscal year 2017 balances compared to fiscal year 2016.

Table 4
Capital Assets at June 30
(Net of depreciation)

	All Governmental Activities		Total Dollar Change
	2017	2016	
Land and Site Improvements	2,234,564	2,294,551	-59,987
Buildings	3,853,632	4,148,086	-294,454
Equipment	357,018	374,507	-17,489
Vehicles and Buses	705,127	663,174	41,953
Total Net Capital Assets	7,150,341	7,480,318	329,977

Current Issues

State apportionment funding increased 6.3% compared to the previous year. The Legislature did increase the funding per support unit and the District measured approximately 230.8 support units in fiscal year 2017, which is an increase of 1.3 units over 2016. The slight increase in student census and Average Daily Attendance (ADA) is a very positive development following years of decline because many components of state apportionment uses ADA as a factor.

At the county level, the overall market value of property in the District rose by approximately 5.09% from December 2015 to December 2016, or approximately \$134 million. Residential real estate values continued to strengthen and there was also an upward trend in commercial property values. Construction activity in the community is robust, including approximately \$200 million investments in equipment upgrades by major manufacturers. The local hospital was purchased by a for-profit company during 2017 and the expected market value is in the \$70 - \$100 million range, which will be added to the tax rolls in the next tax year.

Older school facilities continue to require a significant investment of resources to keep them safe and useable for today's students. A major plumbing upgrade was completed at Orchards Elementary School and the roof replaced on the Sacajawea Junior High School gymnasium. Security camera systems were installed at McSorley, Orchards and Webster Elementary Schools as part of the district's commitment to student safety.

The Capital Projects Fund (School Plant Facilities Reserve or SPFR) net position rose by approximately \$50,605 in fiscal year 2016-2017.

In late 2016, the Board of Directors authorized a Special Bond Election seeking approval to issue general obligation bonds in the amount of \$59.8 million to construct a comprehensive Grades 9-12 High School and Career Technical Education Center on district-owned property in the Lewiston Orchards. The election was held on March 14, 2017 and passed by a margin of over 74%. The bonds were sold on May 31 and June 1, 2017, the bond sale closed on June 20 and the district received the proceeds immediately. The funds have been invested in a flexible repurchase agreement yielding 1.55% for the course of the construction period. Construction is expected to begin in the spring of 2018 and be completed in the summer of 2020.

INDEPENDENT SCHOOL DISTRICT NO. 1
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Management's Discussion and Analysis
For the Year Ended June 30, 2017

Fiscal year 2017 is the third year of a five-year supplemental levy which was passed by voters in May, 2013 with an 85% yes vote. This levy is a significant funding source for District programs and during the fall of 2017, the Board will likely consider authorizing an election for renewal. The district also has a permanent supplemental levy of .000884 of market value. Both levies support general fund operations.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Katharine McPherson, CPA, Director of Business Services, Independent School District No.1, 3317 - 12th Street, Lewiston, ID 83501, or telephone number 208-748-3040.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho
Statement of Net Position
June 30, 2017

ASSETS

Current Assets

Cash and cash equivalents	\$ 17,553
Investments	64,699,449
Taxes receivable (net)	6,192,197
Unbilled property taxes receivable	18,778,880
Interest receivable	21,006
Due from other governmental units	1,564,239
Inventory and Prepaid expenses	160,087
Total current assets	<u>91,433,411</u>

Noncurrent assets

Non depreciated capital assets	1,839,830
Depreciated capital assets	23,038,879
Less: Accumulated depreciation	<u>(17,728,368)</u>
Total noncurrent Assets	<u>7,150,341</u>
Total assets	<u>98,583,752</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension-related items	<u>11,339,024</u>
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**TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES**

\$ 109,922,776

LIABILITIES

Current Liabilities

Accounts payable and other current Liabilities	5,224,884
Unearned revenue	149,291
Accrued interest payable	60,921
Current portion of long-term debt, general obligation bonds	935,000
Checks not yet presented for payment	19,716
Total current liabilities	<u>6,389,812</u>

Noncurrent liabilities

Noncurrent portion of long-term obligations	1,601,409
Net pension liability	16,669,708
Noncurrent portion long-term debt, general obligation bonds	50,245,000
Total noncurrent liabilities	<u>68,516,117</u>

TOTAL LIABILITIES

74,905,929

DEFERRED INFLOWS OF RESOURCES

2017 Property taxes	18,778,880
Pension-related items	5,452,013
Total deferred inflows of resources	<u>24,230,893</u>

**TOTAL LIABILITIES AND DEFERRED INFLOWS
OF RESOURCES**

99,136,822

NET POSITION

Net investment in capital assets	7,150,341
Restricted	
Nonspendable	160,087
Capital Projects	10,697,344
Other specific purposes	779,556
Unrestricted	<u>(8,001,374)</u>
Net position	<u>10,785,954</u>

**TOTAL LIABILITIES AND DEFERRED
INFLOWS PLUS NET POSITION**

\$ 109,922,776

The accompanying Notes to Financial Statements are an integral part of this statement.

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

**Statement of Activities
For the Year Ended June 30, 2017**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
Governmental activities:					
Preschool - 12 Instruction	\$ 26,718,294	\$	\$ 12,887,256	\$	\$ (13,831,038)
Support Services:					
Pupil support	1,773,282	777,524	829,037		(166,721)
Staff Support	1,772,815		352,081		(1,420,734)
General Administration	1,191,393		304,556		(886,837)
School Administration	2,486,095		989,817		(1,496,278)
Business Services	540,194				(540,194)
Technology	468,111		330,607		(137,504)
Maintenance/Custodial	4,612,403	44,150		289,006	(4,279,247.41)
Transportation	1,437,744		911,970		(525,774)
Capital Outlay	313,292				(313,292)
Food Services	2,000,406	707,571	1,245,606		(47,229)
Debt Service	60,921				(60,921)
Depreciation, unallocated	571,133				(571,133)
Total School District	\$ 43,946,083	\$ 1,529,245	\$ 17,850,930	\$ 289,006	\$ (24,276,902)

General Revenues

Taxes	
Property taxes levied for general purposes	14,128,709
Federal and State Aid not restricted to specific purposes	8,648,742
Other	1,951,667
Interest and investment earnings	89,346
Total General Revenues	24,818,464
Premium on issuance of debt	8,620,000
Change in net position	9,161,562
Net position - beginning	1,624,392
Net position - ending	\$ 10,785,954

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Balance Sheet
Governmental Funds
June 30, 2017

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash	\$ 5,696	\$	\$ 8,125	\$	\$ 13,821
Accounts receivable	840,344	1,035		722,563	1,563,942
2017 Property taxes receivable	14,832,080	3,946,800			18,778,880
Taxes receivable (net)	6,192,197				6,192,197
Interest receivable			19,306	1,700	21,006
Due from other funds			279,862	582,276	862,138
Investments	2,638,989	750	61,720,522		64,360,261
Prepaid supplies	102,582			48,704	151,286
Total assets	<u>24,611,888</u>	<u>3,948,585</u>	<u>62,027,815</u>	<u>1,355,243</u>	<u>91,943,531</u>
DEFERRED OUTFLOWS OF RESOURCES					
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 24,611,888</u>	<u>\$ 3,948,585</u>	<u>\$ 62,027,815</u>	<u>\$ 1,355,243</u>	<u>\$ 91,943,531</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Checks not yet presented for payment	19,716				19,716
Accounts payable	863,806		89,550	205,108	1,158,464
Payroll and taxes payable	3,699,768			362,626	4,062,394
Unearned revenue				149,291	149,291
Due to other funds	785,140			258,436	1,043,576
Total liabilities	<u>5,368,430</u>		<u>89,550</u>	<u>975,461</u>	<u>6,433,441</u>
DEFERRED INFLOWS OF RESOURCES					
2017 Property taxes	14,832,080	3,946,800			18,778,880
Non-current property taxes	387,258				387,258
Total deferred inflows of resources	<u>15,219,338</u>	<u>3,946,800</u>			<u>19,166,138</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>20,587,768</u>	<u>3,946,800</u>	<u>89,550</u>	<u>975,461</u>	<u>25,599,579</u>
Fund Balances					
Nonspendable	102,582			48,704	151,286
Restricted		1,785	61,938,265	331,078	62,271,128
Unassigned	3,921,538				3,921,538
Total Fund Balances	<u>4,024,120</u>	<u>1,785</u>	<u>61,938,265</u>	<u>379,782</u>	<u>66,343,952</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS FUND BALANCES	<u>\$ 24,611,888</u>	<u>\$ 3,948,585</u>	<u>\$ 62,027,815</u>	<u>\$ 1,355,243</u>	<u>\$ 91,943,531</u>

**INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho**

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2017**

Total fund balance - Governmental funds	\$ 66,343,952
Differences between Statement of Net Position and Fund Statements	
Pension-related item: deferred outflow of resources	11,339,024
Pension-related item: deferred inflow of resources	(5,452,013)
Capital assets used in governmental activities are not reported as assets in governmental funds	
Cost of Capital Assets:	24,771,131
Accumulated Depreciation	<u>(17,639,502)</u>
	7,131,629
Property taxes receivable, not expected to be received within sixty days are deferred in the funds	387,258
Net position of internal service funds included in district-wide Statement of Net Position	548,142
Accrued interest payable on outstanding debt	(60,921)
Long term liabilities not recorded in funds	
Compensated Absences	(333,847)
Other Post Employment Benefits	(1,267,562)
Net Pension Liability	(16,669,708)
General obligation bonds not recorded in funds	
Series 2017A - current portion	(935,000)
Series 2017A and 2017B - non current portion	<u>(50,245,000)</u>
Total net position - Governmental activities	<u>\$ 10,785,954</u>

LEWISTON INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

For the Year Ended June 30, 2017

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property tax	\$ 14,128,709	\$	\$	\$	\$ 14,128,709
State apportionment	23,341,896				23,341,896
Intergovernmental	0		289,006	3,257,776	3,546,782
Charges for services	33,825		10,325	707,571	751,721
Earnings on investments	54,880		30,992	3,474	89,346
Other	1,741,399	1,785	123,105	840,842	2,707,131
Total revenue	<u>39,300,709</u>	<u>1,785</u>	<u>453,428</u>	<u>4,809,663</u>	<u>44,565,585</u>
EXPENDITURES					
Instruction	24,288,861			2,869,845	27,158,706
Support:					
Pupil	1,802,429			1,878	1,804,307
Staff	1,782,152				1,782,152
General administration	1,204,916				1,204,916
School administration	2,527,244				2,527,244
Business service	540,194				540,194
Technology administration	434,966				434,966
Maintenance and operations	4,643,158				4,643,158
Transportation	1,497,049				1,497,049
Food service				2,003,994	2,003,994
Debt Service					
Capital outlay			401,381		401,381
Total expenditures	<u>38,720,969</u>	<u>0</u>	<u>401,381</u>	<u>4,875,717</u>	<u>43,998,067</u>
Excess (deficiency) of revenues over/under expenditures	<u>579,740</u>	<u>1,785</u>	<u>52,047</u>	<u>(66,054)</u>	<u>567,518</u>
Other financing sources (uses);					
Bond proceeds, net	0	0	59,800,000		59,800,000
Operating transfers in	0		446,070	68,665	514,735
Operating transfers out	(464,735)		(150,000)	0	(614,735)
Total other financing sources (uses)	<u>(464,735)</u>	<u>0</u>	<u>60,096,070</u>	<u>68,665</u>	<u>59,700,000</u>
Net Change in Fund Balance	115,005	1,785	60,148,117	2,611	60,267,518
Fund Balance - Beginning of year	<u>3,909,115</u>	<u>0</u>	<u>1,790,148</u>	<u>377,171</u>	<u>6,076,434</u>
Fund Balance - End of year	<u>\$ 4,024,120</u>	<u>\$ 1,785</u>	<u>\$ 61,938,265</u>	<u>\$ 379,782</u>	<u>\$ 66,343,952</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
to the Statement of Activities

For the Year Ended June 30, 2017

Net change in fund balances - total governmental funds		\$	60,267,518
Differences between Statement of Activities and Fund Statements			
Capital outlays recorded in funds as expenditures			
Capital Outlays:	390,139		
Depreciation expense	<u>(710,486)</u>		(320,347)
Change in compensated absences, not recorded in funds			(33,145)
Adjustment for change in deferred revenues			22,061
Expense for Other Post Employment Benefits not recorded in funds			(65,478)
Change in Net Assets in Internal Service Funds			204,391
Bonds payable not reported in funds			(51,180,000)
Interest expense not reported in funds			(60,921)
Net Pension Liability Adjustments:			
Fiscal year 2016 employer PERSI contributions recognized as pension expense in the current year.	(2,722,772)		
Fiscal year 2017 employer PERSI contributions deferred to subsequent year	2,854,983		
Pension related amortization (expense) revenue	<u>195,273</u>		<u>327,483</u>
Change in net position of governmental activities		\$	<u>9,161,562</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Net Position
All Proprietary Funds
June 30, 2017

	Internal Service Funds		
	Medical Insurance		
	Risk Fund	Print shop	Total
ASSETS			
Current Assets			
Cash	\$ 3,732	\$ 24	\$ 3,732
Accounts receivable	273	24	297
Investments	339,188		339,188
Prepaid supplies		8,801	8,801
Due from other funds	103,500	77,938	181,438
Total current assets	<u>446,693</u>	<u>86,763</u>	<u>533,456</u>
Noncurrent Assets			
Furniture and equipment (net)		18,712	18,712
TOTAL ASSETS	<u>446,693</u>	<u>105,475</u>	<u>552,168</u>
Deferred outflow of resources			
LIABILITIES			
Accounts payable		3,916	3,916
Payroll and taxes payable		110	110
TOTAL LIABILITIES		<u>4,026</u>	<u>4,026</u>
Deferred inflow of resources			
NET POSITION			
Net Investment in capital assets		18,712	18,712
Nonspendable		8,801	8,801
Assigned for benefit payments	446,693		446,693
Unrestricted		73,936	73,936
TOTAL NET POSITION	<u>\$ 446,693</u>	<u>\$ 101,449</u>	<u>\$ 548,142</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Revenues, Expenses and Changes in Net Position
All Proprietary Funds
For the Year Ended June 30, 2017

	Internal Service Funds		
	Medical Insurance Risk Fund	Print shop	Total
OPERATING REVENUES			
Other local revenue	\$ 84,190	\$ 130,089	\$ 214,279
Total Operating Revenues	<u>84,190</u>	<u>130,089</u>	<u>214,279</u>
 OPERATING EXPENSES			
Support services	600	110,638	111,238
Total Operating Expenses	<u>600</u>	<u>110,638</u>	<u>111,238</u>
Operating Income (Loss)	83,590	19,451	103,041
 NON-OPERATING REVENUES (EXPENSES)			
Interest Income	1,350		1,350
Other financing sources (uses)			
Transfers in	100,000		100,000
Transfers out	<u>100,000</u>	<u></u>	<u>100,000</u>
Change in net position	184,940	19,451	204,391
Total net position - beginning	<u>261,753</u>	<u>81,998</u>	<u>343,751</u>
Total net position - ending	<u>\$ 446,693</u>	<u>\$ 101,449</u>	<u>\$ 548,142</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Cash Flows - All Proprietary Funds
For the Year Ended June 30, 2017

	Internal Service Funds		
	Medical Insurance Risk Fund	Print shop	Total
Cash Flows From Operating Activities			
Cash received for services or programs	\$ 84,190	\$ 130,072	\$ 214,262
Cash payments to suppliers for goods and services	(600)	(52,611)	(53,211)
Cash payment to employees for services		(46,256)	(46,256)
Net cash provided by (used in) operating activities	<u>83,590</u>	<u>31,205</u>	<u>114,795</u>
Cash Flows From Investing Activities			
Interest on investments	1,121		1,121
Purchase of fixed assets			
Net cash provided by (used in) investing activities	<u>1,121</u>	<u></u>	<u>1,121</u>
Cash Flows from Non-Capital Financing Activities			
Transfer from General Fund	150,000	(77,938)	72,062
Net cash provided by (used in) financing activities	<u>150,000</u>	<u>(77,938)</u>	<u>72,062</u>
Net increase (decrease) in cash and cash equivalents	<u>234,711</u>	<u>(46,733)</u>	<u>187,978</u>
Cash and cash equivalents-beginning of year	108,209	46,733	154,942
Cash and cash equivalents-end of year	<u>\$ 342,920</u>	<u>\$</u>	<u>\$ 342,920</u>
Reconciliation of operating income to net cash provided (used in) by operating activities			
Operating Income (Loss)	\$ 83,590	\$ 19,451	\$ 103,041
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation expense		9,632	9,632
Interfund transfer			
Changes in assets and liabilities			
Accounts receivable		(17)	(17)
Accounts payable		2,456	2,456
Inventory		93	93
Salary and benefits payable		(410)	(410)
Net Cash Provided by (used in) operating activities	<u>\$ 83,590</u>	<u>\$ 31,205</u>	<u>\$ 114,795</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Fiduciary Net Position-Fiduciary Funds and Component Unit
June 30, 2017

	Private Purpose Trusts	Agency Funds	Component Unit Lewiston Independent Foundation for Education, Inc.
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 305,202	\$ 735,160	\$ 76,233
Short Term Investments			22,747
Accounts receivable			220
Due from other funds			
Total Current Assets	<u>305,202</u>	<u>735,160</u>	<u>99,200</u>
Long-Term Investments			826,553
Total Assets	<u>305,202</u>	<u>735,160</u>	<u>925,753</u>
DEFERRED OUTFLOWS OF RESOURCES			
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 305,202</u>	<u>\$ 735,160</u>	<u>\$ 925,753</u>
LIABILITIES			
Accounts payable	\$	\$	\$ 3,299
Interfund accounts payable	1,679		
Due to student groups		735,160	
Total Liabilities	<u>1,679</u>	<u>735,160</u>	<u>3,299</u>
DEFERRED INFLOWS OF RESOURCES			
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>1,679</u>	<u>735,160</u>	
NET POSITION			
Unrestricted			222,732
Restricted			699,722
Reserved for endowments	303,523		
Total Net Position	<u>303,523</u>		<u>922,454</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	<u>\$ 305,202</u>	<u>\$ 735,160</u>	<u>\$ 925,753</u>

The accompanying Notes to Financial Statements are an integral part of this Statement.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Changes in Fiduciary Net Position
Fiduciary Funds and Component Unit
For the Year Ended June 30, 2017

	Private Purpose Trusts	Component Unit Lewiston Independent Foundation for Education, Inc.
ADDITIONS		
Unrestricted donations	\$	\$ 107,904
Restricted donations		49,984
Fund raising revenues (net)		22,119
Net investment income		77,708
		<hr/>
Total additions		257,715
		<hr/>
DEDUCTIONS		
Secretary wages and benefits		22,478
Impact Grant Program		13,833
Insurance		1,224
Program supplies		42,276
Scholarships		41,503
Office supplies		3,646
Teacher of the Year		1,000
		<hr/>
		125,960
		<hr/>
Change in Net Position		131,755
Net Position-beginning	303,523	790,699
	<hr/>	<hr/>
Net Position-ending	\$ 303,523	\$ 922,454
	<hr/>	<hr/>

The accompanying Notes to Financial Statements are an integral part of this statement.

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1 -

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Independent School District No. 1 is organized under a charter granted by the Eleventh Territorial Legislature and adopted in 1880. The charter was last amended in 1971.

The financial statements of Independent School District No. 1 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

A. REPORTING ENTITY

Independent School District No. 1 is the basic level of government which has financial accountability and control over all activities related to public school education within the District. The Board receives funding from local, state and federal government sources and must comply with the requirements of those entities. The District is not included in any other governmental "reporting entity" as defined by GASB pronouncements. Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and have primary financial accountability for fiscal matters. The unaudited financial statements of the Lewiston Independent Foundation for Education, a component unit, are presented discretely on the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

B. BASIS OF PRESENTATION

Government-wide Statements: The statement of net position and the statement of activities display information about the financial activities of the overall district, except for fiduciary activities. Eliminations of all activity in the internal service funds have been made to minimize the double counting of internal activities. Only governmental-type activities are shown, since there are no "business-type activities" within the school district. Fiduciary fund types are omitted from the government-wide statements.

The statement of activities presents a comparison between direct expenses and program revenues for each different function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses—expenses of the District related to the administration and support of the District's programs, such as personnel and accounting—are not allocated to programs.
- Program revenues include (a) fees paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state foundation aid, are presented as general revenues.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

Fund Financial Statements: The fund financial statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category—governmental, proprietary and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and internal service funds, each displayed in a separate column. All remaining governmental and internal service funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

- General Fund. This is the District's primary operating fund. It accounts for all financial resources, except those which are accounted for in another fund.
- Debt Service Fund. These restricted funds are used to make the principal and interest payments for outstanding general obligation bonds.
- Capital Projects Funds. These funds are used to account for financial resources that are legally restricted for the acquisition, construction, or major repair of school property. The three funds in this category are:
 1. Plant Facilities Fund (SPFR)
 2. Capital Construction Fund (LHS)
 3. Athletic Venues Fund

The District reports the following fund types:

- Proprietary funds (Internal service funds). The District has two internal service funds which are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. A Print Shop fund accounts for printing and binding services provided to all departments of the District. A Medical Insurance Risk fund was originally established to account for the activities related to partial self-insurance of medical benefits. The District has elected to minimize risk by offering employees a more traditional form of health insurance benefits, and the residual balances in the medical risk fund are used to subsidize premiums and pay plan expenses.
- Fiduciary funds. The District has two fiduciary funds:
 - Private-purpose trust fund. This fund reports a trust arrangement under which contributions to endowments are maintained to support programs identified specifically by the donors.
 - Agency funds. These funds account for assets held by the District as an agent for various student groups and clubs. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Component Unit:

- The District reports the net position and changes in net position of one component unit, the Lewiston Independent Foundation for Education (L.I.F.E.). The component unit financial statements are presented pursuant to GASB Statement 39 because the economic resources received by the Foundation are held for the direct benefit of the District and its students.
- The unaudited statements of L.I.F.E. are fiduciary in nature and are not included in the activity of the government wide financial statements.
- Separately issued financial statements are available from L.I.F.E. Treasurer, Doug Baune, 1132 Idaho St. Lewiston, ID 83501.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-Wide and Fiduciary Fund Statements – The government-wide and fiduciary fund financial statements are presented using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements—Governmental funds are reported using the current 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, other than grant funds, reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Grant funds are considered available when program expenses have been incurred and if collection is expected in the upcoming fiscal year. Property taxes, state foundation payments and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred except for 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, if applicable. As of June 30, 2017, the District has no acquisitions under capital leases.

Proprietary Funds utilize the accrual basis of accounting. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. The internal service funds distinguish operating revenues and expenses from non-operating items. Operating revenues are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenditures.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. RESTRICTED RESOURCES

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

E. BUDGETARY DATA

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for general, special revenue, and capital projects funds, within which expenditures may not exceed budget at the fund level.

The Board of Directors follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At least 14 days prior to the public hearing the District publishes a proposed budget for public review.
2. A public hearing is set to obtain taxpayer comments.
3. The final budget is adopted by official action of the Board at the regular June meeting of the Board of Directors. The 2016-2017 budget was adopted at its regular board meeting held June 13, 2016.
4. Prior to July 15, the final budget is filed with the State Department of Education.
5. In June 2017, the District revised its annual budget to reflect more accurate revenue and expenditure projections. These amendments reflected updated market value information which was not available when the initial budget was set.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded, reserving that portion of the applicable appropriation, is employed as an extension of formal budgetary integration of the Governmental Funds. Encumbrances outstanding at year-end are recorded as reservations of net position in the funds, but do not constitute expenditures or liabilities.

G. CASH AND INVESTMENTS

The District's cash and investments consist of savings accounts and money market accounts held in local depositories, as well as deposits in the Idaho State Treasurer's local government investment pool. All investments are invested in FDIC and SLIC insured accounts or are securities held by the pool or its agent in the pool name. Deposits in the State pools are not insured or otherwise guaranteed by the State. Those investments held in local depositories which exceed the FDIC insured limits of \$250,000 are in authorized public funds accounts. Interest income is defined as non-operating revenue.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deposits in State Treasurer's local government investment pool (LGIP) are stated at cost, which approximates market. The State Treasurer combines deposits from all governmental entities in the state participating in the pool, and purchases the following types of investments:

- a. Local Certificates of Deposit
- b. Repurchase Agreements
- c. U.S. Government Securities

The entities participating in the pool own a percentage of each investment held. The percentage is calculated by dividing the individual entity's deposits by the total deposits held in the pool. The purpose of this is to:

- a. Increase the overall rate of return.
- b. Reduce the risk of default.
- c. Place each entity under the FDIC and SLIC limits of \$250,000.

The State Treasurer must operate and invest the funds in the investment pool for the benefit of the participants, in accordance with Idaho Code Sections 67-1201 through 67-1222. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. A copy of the external investment pool's financial statements is available from: Office of State Controller, Bureau of Reporting and Review, PO Box 83720, Boise, Idaho 83720-0011, 208-334-3150 or at www.sco.idaho.gov/

Investments in time certificates of deposit and savings accounts are authorized by Board policy as permitted by Idaho Code § 67-1210.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the statement of net position. Short-term inter-fund loans are classified as "inter-fund receivables/payables."

I. PREPAID SUPPLIES

Supplies are valued at the weighted average cost method of accounting. Expendable supplies are accounted for by the consumption method, which records the expenditure at the time the items are used. The reserve for prepaid supplies is equal to the supplies inventory to indicate that a portion of the net position is not expendable.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. PROPERTY TAXES

The District's property tax is levied in September and is payable to Nez Perce County, Idaho, on December 20 and June 20 following the levy date. Taxes are remitted to the District by the County in the month following. Taxes are delinquent the day following the due dates.

Property taxes levied for the year ended June 30 are recorded as revenue of the period. Delinquent property taxes are reflected as "taxes receivable". An allowance of \$13,000 has been provided as of June 30, 2017. Current tax collections for the year were 98.11% of the tax levy as of August 31, 2017.

K. CAPITAL ASSETS

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

The Board has set a capitalization threshold of \$5,000. All purchases and improvements to facilities which are not considered repairs are capitalized and depreciated using the straight line method in the government-wide statements and proprietary funds. Lives for buildings and improvements range from 20 – 50 years. Estimated useful lives for site improvements range from 9 – 25 years. Lives for equipment range from 5 - 10 years. Infrastructure consisting of the fiber optic network has a 20 year life.

L. ESTIMATES

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

M. Fund Equity

The *nonspendable* fund balance category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants), or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, *assigned* fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in other classifications. The Board of Directors adopted policy during fiscal year 2017, establishing a minimum unassigned General fund balance in the range of eight percent (8%) to twelve percent (12%) of the subsequent year's budgeted expenditures and outgoing transfers.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. CASH EQUIVALENTS ON THE STATEMENT OF CASH FLOWS

The District considers all cash and investments with a maturity of less than 30 days to be cash or cash equivalents on the statement of cash flows.

O. ECONOMIC DEPENDENCE

The District's largest single source of tax revenue is generated from Clearwater Paper Corporation which comprises 15.6% of the District's net market value in 2017 (14.19% in 2016). The net market value is the District's total assessed market value less any exemptions.

P. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI) Base Plan (Base Plan) and additions to/deductions from 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.

Q. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the audit report. This is the date the financials were available to be issued. Management has concluded that no material subsequent events have occurred.

NOTE 2 - PROPERTY TAX

The market value for the District as of September, 2016, upon which the Tax Year 2016 levy was based, was \$2,714,959,448.

The District's actual levy was .005147814 of market valuation for general education services. The combined tax rate to finance educational services consisted of a permanent supplemental levy of .000806431, and a five year supplemental levy (2013) of .004341383. The total tax levy for the year ended June 30, 2017, was \$13,913,369 and payments totaling \$14,128,709 were received for taxes, penalties, and interest owed from tax years 2009 through 2016.

In the Governmental Funds Statements, property taxes levied but not yet collected for fiscal year 2016 are recorded as receivables, and a deferred revenue amount is recorded to the extent of taxes not estimated to be collected within 60 days of the end of the accounting period.

	<u>General Fund</u>
Total taxes receivable at June 30, 2017	\$6,192,197
Less: Taxes estimated to be collected by the County Treasurer by August 31, 2017	<u>5,804,939</u>
Deferred revenue	<u>\$387,258</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 3 - ACCOUNTS RECEIVABLE

Details of accounts receivable in the Funds Statements for all governmental funds at June 30, 2017, are as follows:

State apportionment funds	\$ 610,118
Grant reimbursements	722,563
Interest receivable	24,633
Medicaid match receivable	133,938
Other	<u>72,690</u>
Total	\$1,563,942

NOTE 4 - CASH AND INVESTMENTS

Cash

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned. The District currently does not have a formal policy regarding custodial risk for deposits. At June 30, 2017, the carrying amount of the District's deposits (including student activity funds) was \$1,031,225. The bank statements show a total of \$1,175,170 in local depository accounts insured by the FDIC or NCUA up to the limit of \$250,000 per institution. Potlatch No. 1 Federal Credit Union provides an additional \$250,000 insurance for an institutional total of \$500,000. Total deposits fully insured equal \$1,139,919, and the remaining \$35,250 is held in authorized public funds accounts.

Investments

The District's investment policy was adopted by the Board of Directors and provides the Director of Business Services with the authority to invest in any of the securities identified as eligible investments as defined by State statute with primary emphasis on safety of principal and liquidity. The total carrying amount of investments at year end is \$64,699,449 (\$3,943,948 was the total at June 30, 2016).

Investments are classified into the following three categories of credit risk:

- (1) Insured or registered, or securities held by the District or its agent in the District's name.
- (2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name.
- (3) Uninsured and unregistered, with securities held by the counterparty or by the counterparty's trust department or agent, but not in the District's name.

The District's investment statement balances at June 30, 2017, all held in the Local Governmental Investment Pool (LGIP) are as follows:

Fund	Category	Amount
General	1	\$2,638,989
Debt Service	1	750
Capital Construction (LHS)	1	59,800,000
Plant Facilities (SPFR)	1	1,920,522
Medical Trust	1	<u>339,188</u>
		\$64,699,449

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 4 - CASH AND INVESTMENTS (continued)

The District participates in the Idaho State Treasurer's Local Governmental Investment Pool (LGIP), which is under the administrative control of the Idaho State Treasurer's Office. Participants have overnight availability to their funds, up to \$10 million. Withdrawals of \$10 million or more require three business days' notification.

All LGIP investments meet the requirements of Idaho Code § 67-1210 et seq. as allowable investments for government agencies. As of June 30, 2017, the LGIP investment portfolio consisted of 29.8% U.S. Government Agency Notes, 8.9% in Repurchase Agreements, and the remainder in U.S. Treasuries, Corporate Bonds and Commercial Paper. As of June 30, 2017, the weighted average maturity of the LGIP portfolio was 123 days, and the yield to maturity was 0.944% (as compared to 0.563% June 30, 2016).

The following schedule represents the District's portion of investments in the external investment pool and a distribution of the pool's maturities at June 30, 2017:

External Investment Pool	<u>Investment Maturities</u>			
	<u>Book Value</u>	<u>Market Value</u>	<u>Less than 1 year</u>	<u>1-8 Years</u>
LGIP fund	\$64,699,449	\$64,699,449	\$64,699,449	

NOTE 5 - NON-CURRENT LIABILITIES

General Obligation Bonds

On March 14, 2017, voters authorized the District to issue General Obligation Bonds in the amount of \$59,800,000 to fund the construction of a new high school and career technical education center. The bonds were sold on May 31 and June 1, 2017 and the sale closed on June 20, 2017. The following is a summary of bond transactions for the year ended June 30, 2017.

Debt acquired	\$51,180,000
Debt retired	<u>0</u>
Bonds payable at June 30, 2017	\$51,180,000

These financial statements report bond proceeds net of premium and costs of issuance. Costs of issuance are detailed in Note 6.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 5 - NON-CURRENT LIABILITIES (continued)

Bonds payable at June 30, 2017 consisted of the following issue(s):

General Obligation Bonds
Series 2017A (Aa1) and Series 2017B (Aaa)

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
3/15/2018		1,735,676	1,735,676	
9/15/2018	935,000	1,178,950	2,113,950	3,849,626
3/15/2019		1,169,600	1,169,600	
9/15/2019	1,720,000	1,169,600	2,889,600	4,059,200
3/15/2020		1,145,300	1,145,300	
9/15/2020	1,765,000	1,145,300	2,910,300	4,055,600
3/15/2021		1,110,125	1,110,125	
9/15/2021	1,840,000	1,110,125	2,950,125	4,060,250
3/15/2022		1,065,125	1,065,125	
9/15/2022	1,930,000	1,065,125	2,995,125	4,060,250
3/15/2023		1,018,975	1,018,975	
9/15/2023	2,020,000	1,018,975	3,038,975	4,057,950
3/15/2024		968,475	968,475	
9/15/2024	2,120,000	968,475	3,088,475	4,056,950
3/15/2025		915,475	915,475	
9/15/2025	2,230,000	915,475	3,145,475	4,060,950
3/15/2026		859,725	859,725	
9/15/2026	2,340,000	859,725	3,199,725	4,059,450
3/15/2027		801,225	801,225	
9/15/2027	2,455,000	801,225	3,256,225	4,057,450
3/15/2028		742,250	742,250	
9/15/2028	2,575,000	742,250	3,317,250	4,059,500
3/15/2029		677,875	677,875	
9/15/2029	2,700,000	677,875	3,377,875	4,055,750
3/15/2030		610,375	610,375	
9/15/2030	2,840,000	610,375	3,450,375	4,060,750
3/15/2031		539,375	539,375	
9/15/2031	2,980,000	539,375	3,519,375	4,058,750
3/15/2032		479,775	479,775	
9/15/2032	3,095,000	479,775	3,574,775	4,054,550

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 5 - NON-CURRENT LIABILITIES (continued)

General Obligation Bonds
Series 2017A (Aa1) and Series 2017B (Aaa)
(Continued)

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
3/15/2033		433,350	433,350	
9/15/2033	3,190,000	433,350	3,623,350	4,056,700
3/15/2034		353,600	353,600	
9/15/2034	3,350,000	353,600	3,703,600	4,057,200
3/15/2035		269,850	269,850	
9/15/2035	3,520,000	269,850	3,789,850	4,059,700
3/15/2036		181,850	181,850	
9/15/2036	3,695,000	181,850	3,876,850	4,058,700
3/15/2037		89,475	89,475	
9/15/2037	3,880,000	89,475	3,969,475	4,058,950
	51,180,000	29,778,226	80,958,226	80,958,226

The District's legal debt limit is calculated at 5% of the full market value of property located within the District, as follows:

Full Market Value (as of September 2016)	\$3,383,529,560
Plus: Urban Renewal Value	<u>77,796,625</u>
	\$3,461,326,185
	<u>X 5%</u>
General Obligation debt capacity	\$ 173,066,309
Less: Outstanding debt subject to limit	<u>(51,180,000)</u>
Legal debt margin at June 30, 2017	<u>\$ 121,886,309</u>

At June 30, 2017, \$1,785 was available in the Debt Service Fund to service the General Obligation Bonds. The first levy of taxes will take place in December of 2017 and the first debt service payment.

Compensated Absences

At June 30, 2017, the District is obligated to employees who work on a twelve-month basis, for vacation time earned but not yet used in the amount of \$333,847 which will be paid from General Governmental Fund types when used. Compensated absences are generally liquidated by the General Fund. The current portion is estimated to be paid out of expendable available financial resources and is included as payroll and taxes payable in the Funds Statements. Employees are allowed to carry forward from year to year, a maximum number of days equal to one-half their annual number of days earned. Excess days not taken by one's anniversary date each year are lost. Generally speaking, unused vacation days are not paid in cash unless the employee terminates employment with the District.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 5 - NON-CURRENT LIABILITIES (continued)

During the year ended June 30, 2017, the following changes occurred to noncurrent liabilities:

Non-Current Liability	7/1/2016	Additions	Reductions	6/30/2017
Compensated absences	\$300,702	\$241,371	\$208,226	\$333,847

Other Post-Employment Benefits

Fiscal year 2017 is the eighth year of recognition of a non-current liability for Other Post-Employment Benefits (OPEB) pursuant to the requirements of GASB Statement 45.

The Lewiston Independent School District #1 Employee Group Benefits Plan is a single-employer plan that provides health insurance benefits to eligible retirees and their dependents from the time of retirement until the retiree reaches age 65, and becomes eligible for Medicare benefits. Retirees pay 100% of the premium cost for themselves and their dependents.

The annual required contribution (ARC) for the plan has been determined under the projected unit credit cost method as of June 30, 2017. Several assumptions were made by the consulting actuaries in determining the ARC, including use of a 45 percent participation rate, and a 3.75 percent discount rate for this valuation, which is considered reasonable for school districts. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year, and amortize any unfunded actuarial liabilities (or funding excess) over a period of twenty-five years. The District funds the benefits on a pay-as-you-go basis from the general assets.

The following table shows the components of the District's recognition of the OPEB liability to provide access to district healthcare benefits for those retirees who have not yet reached age 65 and become eligible for benefits under Medicare. The Annual Required Contribution (ARC) was recorded as a non-current liability each year until 2017, when the District's Unfunded Actuarial Accrued Liability (UAAL) was recorded in full.

Unfunded Actuarial Accrued Liability (UAAL)	
Normal Cost as of July 1, 2017	\$91,400
Actuarial Accrued Liability (AAL)	\$1,267,562
Actuarial Value of Assets	\$0
Unfunded Actuarial Accrued Liability (UAAL)	\$1,267,562
Annual Required Contribution (ARC)	
Annual Required Contribution for FY2009	\$153,088
Annual Required Contribution for FY2010	\$153,088
Annual Required Contribution for FY2011	\$172,573
Annual Required Contribution for FY2012	\$172,573
Annual Required Contribution for FY2013	\$139,966
Annual Required Contribution for FY2014	\$135,932
Annual Required Contribution for FY2015	\$138,825
Annual Required Contribution for FY2016	\$136,039
Annual Contribution for FY2017	<u>\$65,478</u>
Total non-current liability	\$1,267,562

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 6 - GENERAL OBLIGATION BONDS

Costs of Issuance

As described in the previous note, the District issued voter-approved General Obligation Bonds on June 20, 2017. Bonds were sold at a premium of \$9,068,874 and included costs of issuance in the amount of \$448,874, as follows:

Underwriter's discount	\$285,074	Piper Jaffray
Bond Counsel fees	75,000	Hawley Troxell Ennis & Hawley, LLP
Municipal Advisor fee	37,500	Zion's Bank
Rating fee	35,000	Moody's
EFIB Credit Enhancement fee	13,515	State of Idaho Endowment Fund
		Investment Board
Paying agent fee	1,000	Zion's Bank
Guaranty Application fee	750	Reimburse District
Rounding amount to District	<u>1,035</u>	
Total	\$448,874	

The District received the net total \$59,800,000 authorized by voters and it was deposited in the Idaho State Treasurer's LGIP. Bonds payable are reported at the par amount of \$51,180,000.

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017
Capital Assets not being depreciated				
Land	1,839,830			1,839,830
Total non depreciated assets	1,839,830			1,839,830
Capital Assets being depreciated				
Site improvements	1,786,009			1,786,009
Buildings	14,345,297	88,089		14,433,386
Infrastructure	490,462			490,462
Equipment	2,498,439	120,744	(66,333)	2,552,850
School buses	2,731,955	181,306	(38,078)	2,875,183
Vehicles	810,818		(17,408)	793,410
Printshop equipment	107,579			107,579
Total depreciated assets	22,770,559	390,139	(121,819)	23,038,879
Less: Accumulated Depreciation				
Site improvements	(1,331,288)	(59,987)		(1,391,275)
Buildings	(10,301,392)	(358,019)		(10,659,411)
Infrastructure	(386,281)	(24,524)		(410,805)
Equipment	(2,152,276)	(128,603)	66,333	(2,214,546)
School buses	(2,150,966)	(117,921)	38,078	(2,230,809)
Vehicles	(728,633)	(21,432)	17,408	(732,657)
Printshop equipment	(79,233)	(9,632)		(88,865)
Total accumulated depreciation	(17,130,069)	(720,118)	121,819	(17,728,368)

Depreciation expense of \$720,118 in governmental functions was charged as follows:

Transportation Services	\$139,353
Unallocated	571,133
Print Shop	9,632

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 - DEFINED BENEFIT PENSION PLAN

In accordance with GASB 68, Accounting and Financial Reporting for Pensions, which became effective for the year ended June 30, 2015, the financial reporting and note disclosures are based off the most recent audited financial statements of PERSI, which was completed for the period ended June 30, 2016. All amounts are as of June 30, 2016 unless otherwise noted.

Plan Description

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 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 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. Amounts in parenthesis represent police/firefighters.

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.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation and earnings from investments. 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) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

The contribution rates for employees are set by statute at 60% (72%) of the employer rate. As of June 30, 2017 it was 6.79% (8.36%). The employer contribution rate is set by the Retirement Board and was 11.32% (11.66%) of covered compensation. The District's employer contributions required and paid were \$2,854,983, \$2,722,772 and \$2,684,834 for the three years ended June 30, 2017, 2016 and 2015 respectively.

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

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2016, 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 relative to the total contributions of all participating PERSI employers. At June 30, 2017, the District's proportional share of the total was .008223209.

The District's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. PERSI's audit for the year ended June 30, 2017 has not been completed at the time of issuance. The pension expense (revenue) for the year ending June 30, 2016 was calculated at \$2,926,534. The change in proportionate share from the prior year has been deemed immaterial.

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date of June 30, 2016	\$ 2,854,983	
Differences between expected and actual experience		\$ 1,661,013
Changes in assumptions or other inputs	\$ 370,556	
Net difference between projected and actual earnings on pension plan investments	\$ 8,113,485	\$ 3,791,000
Total	\$ 11,339,024	\$ 5,452,013

\$2,854,983 is reported as deferred outflow 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 ended June 30, 2018.

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:

2018	16,941
2019	16,941
2020	1,933,967
2021	1,064,180

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions

The total pension liability in the July 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary Increases, including inflation	3.75%
Investment return, net	7.10%
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, 2009 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2016 for the period from July 1, 2009 through June 30, 2013. The Total Pension Liability as of June 30, 2016 is based on the results of an actuarial valuation date of June 30, 2016.

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.

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 Callan Associates 2016 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 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, 2016.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

Asset Class	Index	Target Allocation	Long-term Expected Real Rate of Return
Core Fixed Income	Barclays Aggregate	30.00%	0.80%
Broad US Equities	Wilshire 5000/Russell 3000	55.00%	6.35%
Developed Foreign Equities	MSCI EAFE	15.00%	7.30%
Assumed Inflation Mean			3.25%
Assumed Inflation Standard Deviation			2.00%
Portfolio Arithmetic Mean Return			8.08%
Portfolio Standard Deviation			12.59%
Portfolio Long-Term Expected Rate of Return			7.50%
Assumed Investment Expenses			.40%
Long-Term Expected Rate of Return, Net Investment Expenses			7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. 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 plans' 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 7.10 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 (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease	7.1% rate used	1% Increase
District Net Pension Liability	\$32,700,050 liability	\$16,669,708 liability	\$3,338,707 liability

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.idaho.gov.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 9- OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure of certain information concerning individual funds including:

RESTRICTED ASSETS

In accordance with Idaho Code, payments distributed to School Districts by the State of Idaho as reimbursement for bus depreciation are deposited into the School Plant Facility Reserve (SPFR) Fund to be used exclusively for the purchase of school buses. Other deposits into the SPFR Fund are restricted by Idaho Code 33-1019(3) to be used exclusively for the maintenance and repair of school buildings. Further, the statute requires unexpended funds to be carried over from year to year, and to remain allocated for the purposes specified. At June 30, 2017, restricted SPFR assets totaled \$1,845,614. Restricted and non-spendable assets in **Other Governmental Funds** represent funds restricted by funding agencies for specific uses, and total \$379,782.

INTERFUND RECEIVABLES AND PAYABLES

Loans between funds represent temporary cash advances from various funds to finance operating cash deficits of other funds. Individual fund inter-fund receivable and payable balances at June 30, 2017, were:

Fund	Interfund Receivable	Interfund Payable
General fund		785,140
Misc. Local grants	37,475	
Medicaid Fund		217,359
Literacy Fund	79,028	
L.I.F.E. Fund	9,887	
Misc. State grants	58,240	
Title I	2,183	
IDEA Part B	91	
IDEA Part B - Preschool	5,107	
Carl Perkins		41,077
Indian education grant	1,414	
Johnson O'Malley Indian Educ	7,852	
Title II-A - Teacher quality		
Misc. Federal grants	3,190	
Child Nutrition	377,809	
Capital Projects SPFR	4,862	
Athletic Venues Construction	275,000	
Printshop	77,938	
Medical Trust	103,500	
Total	1,043,576	1,043,576

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 9- OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (continued)

INTERFUND TRANSFERS

Transfers to support the operations of other funds are recorded as "Operating Transfers" and are classified with "Other financing sources or uses." Idaho Code and State Department of Education Regulations mandate transfers into the Capital Projects (SPFR) Fund of the school bus depreciation reimbursement, and a transfer into the Child Nutrition fund from the General Fund pursuant to Idaho Code 33-1015 for the payment of federal social security payroll taxes. Delinquent school lunch accounts are unallowable costs in the Child Nutrition Program. At June 30, 2017, a transfer of \$100,000 from General Fund to the Medical Trust Fund was in transit. A transfer was also pending from the General Fund to the Capital Projects fund to complete a reclassification of non-capital expenditures in the amount of \$4,862.

Schedule of Interfund Transfers

Transfer From	Transfer To	Amount	Reason
General Fund	Capital Projects Fund	171,070	Bus and bus depreciation
General Fund	Athletic Venues Fund	125,000	Five-year plan
General Fund	Medical Risk Fund	100,000	Employee Health Insurance
General Fund	Child Nutrition Fund	52,059	Employee FICA taxes
General Fund	Child Nutrition Fund	16,606	Delinquent meal accounts
Capital Projects (SPFR)	Athletic Venues Fund	150,000	Five-year plan

EXPENDITURES OVER BUDGET

The excess of actual expenditures over budget occurred in the following funds:

Program	Over Budget
Carl Perkins	1
IDEA Part B Preschool	135
Other Special Funds	99,180

The Medicaid Fund, included in "Other Special Funds", reflected expenditures in excess of budget in the amount of \$96,236 due to timing factors. The total cost of all services to be billed to Medicaid was not known until the time to amend the budget had passed. Section 33-701 allows the District to make budget adjustments to reflect additional revenue and expenditures.

TERMINATION BENEFITS

The District sponsors an Early Retirement Incentive Program. Under this program, long-term certificated employees who elect for the program agree to retire prior to reaching age 65 in exchange for a lump sum payment made following retirement. At June 30, 2017, the District was obligated to make payments totaling \$202,401 on behalf of retiring employees. One payment will be made in September 2016.

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 11 - LOSS CONTINGENCY

The District has evaluated its exposure to potential losses that could arise as a result of pending legal matters as of the date of the audit report. A civil suit claiming damages as a result of a motor vehicle accident involving a school bus was filed in District Court on February 15, 2017 and is still pending. Any potential settlement is not expected to exceed the limits of the District liability insurance coverage.

NOTE 12 - GOVERNMENT ACCOUNTING STANDARDS BOARD CHANGES

GASB Statement Nos. 74, 77, 78 and 80

- GASB Statement 74, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans.
- GASB Statement No. 77, Tax Abatement Disclosures.
- GASB 78, Pensions Provided through Certain Multiple-employer Defined Benefit Pension Plans.
- GASB 80, Blending Requirements for Certain Component Units.

NOTE 13 - CONTINGENT LIABILITIES

Grant programs

The District participates in a number of state and federally assisted grant programs, mainly Title I, IDEA Part B grants, and the National Child Nutrition Program. These programs were subjected to financial and compliance audits as outlined in 2 C.F.R. § 200 et seq. during the course of the annual audit of the District's records, and are subject to additional audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time; although the District expects such amounts, if any, to be immaterial.

Required Supplementary Information

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Schedule of the District's Share of Net Pension Liability
PERSI – Base Plan
As of June 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Employer's portion of the net pension liability	0.8223209%	0.8467634%	0.8734960%
Employer's proportionate share of the net pension liability	\$16,669,708	\$11,150,497	\$6,430,298
Employer's covered employee payroll	\$24,050,397	\$23,717,615	\$23,665,454
Employer's proportional share of the net pension liability as a percentage of covered employee payroll	62.95%	46.36%	27.11%
Plan Fiduciary net position as a percentage of the total	87.26%	91.38%	94.95%

Schedule of the District's Share of Net Pension Liability
PERSI – Base Plan
As of June 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contribution	\$2,722,505	\$2,684,834	\$2,678,931
Contributions in relation to the statutorily required contribution	(\$2,722,505)	(\$2,684,834)	(\$2,678,931)
Contribution (deficiency) excess	\$0	\$0	\$0
Employer's covered employee payroll	\$24,050,397	\$23,717,615	\$23,665,454
Contributions as a percentage of covered employee payroll	11.32%	11.32%	11.32%

Notes to the Required Supplementary Information
As of June 30, 2016, 2015 and 2014

Change of Assumptions. Amounts reported as of June 30, 2016 reflect an adjustment of the salary increase from 4.25 – 10.00 percent to 3.75 percent.

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 information is available. Data reported is measured as of June 30, 2016, June 30, 2015 and June 30, 2014.

Supplementary Information

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual -- General Fund
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances--	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Property tax	\$ 13,913,369	\$ 14,064,317	\$ 14,128,709	\$ 215,340	\$ 64,392
State apportionment	22,984,750	23,292,112	23,341,896	357,146	49,784
Charges for services	0	21,000	33,825	33,825	12,825
Earnings on investments	0	35,000	54,880	54,880	19,880
Other	1,620,341	1,694,336	1,741,399	121,058	47,063
Total revenue	<u>38,518,460</u>	<u>39,106,765</u>	<u>39,300,709</u>	<u>782,249</u>	<u>193,944</u>
EXPENDITURES					
Instruction	24,000,953	24,068,371	24,288,861	(287,908)	(220,490)
Support:					
Pupil	1,655,949	1,730,350	1,802,429	(146,480)	(72,079)
Staff	1,614,541	1,855,482	1,782,152	(167,611)	73,330
General administration	1,251,464	1,230,991	1,204,916	46,548	26,075
School administration	2,490,732	2,518,873	2,527,244	(36,512)	(8,371)
Business services	573,472	596,678	540,194	33,278	56,484
Technology administration	471,324	471,324	434,966	36,358	36,358
Maintenance and operations	4,751,099	4,786,052	4,643,158	107,941	142,894
Transportation	1,562,232	1,448,232	1,497,049	65,183	(48,817)
Total expenditures	<u>38,371,766</u>	<u>38,706,353</u>	<u>38,720,969</u>	<u>(349,203)</u>	<u>(14,616)</u>
Contingency	<u>920,110</u>	<u>920,110</u>		<u>920,110</u>	<u>920,110</u>
Excess (deficiency) of revenues over/under expenditures	<u>(773,416)</u>	<u>(519,698)</u>	<u>579,740</u>	<u>1,353,156</u>	<u>1,099,438</u>
Other financing sources (uses):					
Operating transfers in					
Operating transfers out	<u>(146,070)</u>	<u>(356,070)</u>	<u>(464,735)</u>	<u>(318,665)</u>	<u>(108,665)</u>
Total other financing sources (uses)	<u>(146,070)</u>	<u>(356,070)</u>	<u>(464,735)</u>	<u>(318,665)</u>	<u>(108,665)</u>
Net change in fund balance	<u>\$ (919,486)</u>	<u>\$ (875,768)</u>	<u>115,005</u>	<u>\$ 1,034,491</u>	<u>\$ 990,773</u>
Fund Balance - Beginning of year			<u>3,909,115</u>		
Fund Balance - End of year			<u>\$ 4,024,120</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

CAPITAL PROJECTS FUNDS
Combining Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

			Variances--		
			Favorable (Unfavorable)		
	Original	Amended	Original	Amended	
	Budget	Budget	to Actual	to Actual	
REVENUES					
Earnings on investments	\$ 5,000	\$ 5,000	\$ 30,992	\$ 25,992	\$ 25,992
Other					
Rentals	20,000	20,000	10,325	(9,675)	(9,675)
Other local revenue	46,097	123,000	123,105	77,008	105
Other state revenue	282,089	282,089	289,006	6,917	6,917
Total other revenue	348,186	425,089	422,436	74,250	(2,653)
Total revenue	353,186	430,089	453,428	100,242	23,339
EXPENDITURES					
Capital outlay	439,256	824,256	401,381	37,875	422,875
Excess (deficiency) of revenues over/under expenditures	(86,070)	(394,167)	52,047	138,117	446,214
Other financing sources (uses):					
Bond proceeds		60,200,000	59,800,000	59,800,000	(400,000)
Operating transfers in	86,070	446,070	446,070	360,000	
Operating transfers out		(150,000)	(150,000)	(150,000)	
Net change in fund balance	\$ -	\$60,101,903	60,148,117	\$ 60,148,117	\$ 46,214
Fund Balance - Beginning of year			1,790,148		
Fund Balance - End of year			\$61,938,265		

Lewiston, Idaho
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2017

	<u>Plant Facilities (SPFR)</u>	<u>Capital Construction (LHS)</u>	<u>Athletic Venues</u>	<u>TOTAL</u>
ASSETS				
Cash	\$ 8,125	\$	\$	\$ 8,125
Investments	1,920,522	59,800,000		61,720,522
Interest Receivable	1,655	17,651		19,306
Due from other funds	4,862		275,000	279,862
Total Assets	<u>1,935,164</u>	<u>59,817,651</u>	<u>275,000</u>	<u>62,027,815</u>
DEFERRED OUTFLOWS OF RESOURCES				
TOTAL ASSETS AND DEFERRED				
	<u>\$ 1,935,164</u>	<u>\$ 59,817,651</u>	<u>\$ 275,000</u>	<u>\$ 62,027,815</u>
LIABILITIES				
Accounts Payable	\$ 89,550	\$	\$	\$ 89,550
DEFERRED INFLOWS OF RESOURCES				
FUND BALANCE				
Restricted	1,845,614	59,817,651	275,000	61,938,265
Total Fund Balance	<u>1,845,614</u>	<u>59,817,651</u>	<u>275,000</u>	<u>61,938,265</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES PLUS FUND BALANCE				
	<u>\$ 1,935,164</u>	<u>\$ 59,817,651</u>	<u>275,000</u>	<u>\$ 62,027,815</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

CAPITAL PROJECTS FUNDS
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2017

	<u>Plant Facilities (SPFR)</u>	<u>Capital Construction (LHS)</u>	<u>Athletic Venues</u>	<u>TOTAL</u>
REVENUES				
Local:				
Earnings on investments	\$ 13,341	\$ 17,651	\$ -	\$ 30,992
Other:				
Rentals	10,325			10,325
Other local revenue	123,105			123,105
Other state revenue	289,006		-	289,006
Total other revenue	422,436	-	-	422,436
Total revenue	435,777	17,651	-	453,428
EXPENDITURES				
Capital outlay	401,381	-	-	401,381
Excess (deficiency) of revenues over/under expenditures	34,396	17,651	-	52,047
Other financing sources (uses):				
Bond proceeds		59,800,000		59,800,000
Operating transfers in	171,070		275,000	446,070
Operating transfers out	(150,000)			(150,000)
Total financing sources	21,070	59,800,000	275,000	60,096,070
Net change in fund balance	55,466	59,817,651	275,000	60,148,117
Fund Balance - Beginning of year	1,790,148	-	-	1,790,148
Fund Balance - End of year	\$ 1,845,614	\$ 59,817,651	\$ 275,000	\$ 61,938,265

Combining and Individual Fund Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific funding sources or to finance specific activities as required by law or administrative regulations.

Title I-A Basic. Restricted federal revenue to be spent on programs to provide special instruction to economically disadvantaged students. In fiscal year 2016-17, the District facilitated the distribution of Title I-D Neglected Child funding to Northwest Children's Home, a special purpose school providing qualifying services to neglected children, by acting as the fiscal agent.

IDEA Part B. Restricted federal revenue to be spent on programs to provide for testing, physical therapy, certificated teachers, teaching assistants, equipment, materials and supplies for special education students.

IDEA Part B Preschool. Restricted federal funding to be spent on programs for preschool students with disabilities.

Carl D. Perkins Career Technical Education. Restricted federal funding to be spent to recruit and retain male student participation in vocational health occupations education, as well as an Advanced Learning Partnership with Lewis-Clark State College career technical education programs.

Indian Education Grant. Restricted federal funding supporting efforts to strengthen elementary and secondary school programs serving American Indian students.

Johnson O'Malley Indian Education. Restricted federal funds to be spent on efforts to assure that American Indian students are functioning at grade level.

Title IIA - Teacher Quality. Restricted federal funding to be spent to provide professional development for instructional staff to improve quality of teaching and student achievement.

Child Nutrition. School nutrition programs, including breakfast, lunch and healthy snacks during the academic year, as well as a Summer Food Program. Funding is provided by the U. S. Department of Agriculture and by sales of meals. Program is reported as a special revenue fund due to the large amount of federal financial assistance.

Other Special Revenue Funds

Medicaid Fund. Revenues generated through billings to Medicaid for services provided to eligible special-needs students.

State Mini Grants. Small competitive grants awarded at the state level for specific programs.

Literacy Fund. The Idaho State Department of Education provided targeted funding to provide additional hours of reading instruction to specific students based upon assessment scores. This funding was intended to be utilized during the 2016-17 school year and into the summer months thereafter. Because the program extended beyond the current fiscal year, remaining funds were transferred to a special revenue fund in order to ensure utilization only for the intended purpose.

Other Federal Projects. Small specific-purpose federal grants awarded on a competitive basis. In fiscal year 2016-17, there was one grant from the U.S.D.A. Forest Service for a project called EKIP (Every Kid in a Park) to provide assistance in the amount of \$10,000 to the Grade 4 student field trips via jet boat into Hell's Canyon National Recreation Area as part of the unit of study on Idaho history.

Expendable Trust Funds. Interest earnings from endowments and contributions from the Lewiston Independent Foundation for Education (L.I.F.E.) to be spent on programs approved by the L.I.F.E. Board of Directors.

Other Local Grants. Small grants awarded by local organizations to fund specific projects.

PRIVATE PURPOSE TRUST FUNDS

The District has established three funds to account for restricted and non-expendable contributions made by donors:

- Academic Endowment Fund
- Activities Endowment Fund
- Restricted Endowment Fund

AGENCY FUNDS

Funds held in individual school accounts for assets held by the District as an agent for various student groups and clubs. These funds are restricted to use by the student organizations and are not available for general District operations.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Combining Balance Sheets
All Special Revenue Funds
June 30, 2017

	Title I-A Basic	IDEA Part B	IDEA Part B Preschool	Carl D. Perkins Voed	Indian Education	Johnson O'Malley Indian Education	Title II-A Teacher Quality	Child Nutrition	Other Special Revenue Funds	Totals
ASSETS										
Accounts receivable	\$ 136,859	\$ 116,882	\$ 1,654	\$ 50,136	\$ 1,973	\$	\$ 14,756	\$ 71,589	\$ 330,614	\$ 724,263
Prepaid expenses	2,183	92	5,107		1,414	7,852	-	48,704	0	48,704
Due from other funds						7,852		377,808	187,820	582,276
Total assets	<u>139,042</u>	<u>116,774</u>	<u>6,761</u>	<u>50,136</u>	<u>3,387</u>	<u>7,852</u>	<u>14,756</u>	<u>498,101</u>	<u>518,434</u>	<u>1,355,243</u>
DEFERRED OUTFLOWS OF RESOURCES										
ASSETS PLUS DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 139,042</u>	<u>\$ 116,774</u>	<u>\$ 6,761</u>	<u>\$ 50,136</u>	<u>\$ 3,387</u>	<u>\$ 7,852</u>	<u>\$ 14,756</u>	<u>\$ 498,101</u>	<u>\$ 518,434</u>	<u>\$ 1,355,243</u>
LIABILITIES										
Accounts payable	\$ 44,920	\$	\$	\$	\$ 113	\$	\$ 413	\$ 29,355	\$ 130,307	\$ 205,108
Payroll & taxes payable	94,122	116,774	6,761	9,059	3,274		14,343	113,801	4,492	362,626
Due to other funds				41,077		7,852			217,359	258,436
Unearned revenue						7,852			141,439	149,291
Total liabilities	<u>139,042</u>	<u>116,774</u>	<u>6,761</u>	<u>50,136</u>	<u>3,387</u>	<u>7,852</u>	<u>14,756</u>	<u>143,156</u>	<u>493,597</u>	<u>975,461</u>
DEFERRED INFLOWS OF RESOURCES										
LIABILITIES PLUS DEFERRED INFLOWS OF RESOURCES	<u>139,042</u>	<u>116,774</u>	<u>6,761</u>	<u>50,136</u>	<u>3,387</u>	<u>7,852</u>	<u>14,756</u>	<u>143,156</u>	<u>493,597</u>	<u>975,461</u>
FUND BALANCE										
Total Fund Balance										
LIABILITIES PLUS DEFERRED INFLOWS OF RESOURCES PLUS FUND BALANCE	<u>\$ 139,042</u>	<u>\$ 116,774</u>	<u>\$ 6,761</u>	<u>\$ 50,136</u>	<u>\$ 3,387</u>	<u>\$ 7,852</u>	<u>\$ 14,756</u>	<u>\$ 498,101</u>	<u>\$ 518,434</u>	<u>\$ 1,355,243</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Special Revenue Funds
For the Year Ended June 30, 2017

	Title I-A Basic	IDEA Part B	IDEA Part B Preschool	Carl D. Perkins Voed	Indian Education	Johnson O'Malley Indian Education	Title II-A Teacher Quality	Child Nutrition	Other Special Revenue Funds	Total
REVENUE										
Intergovernmental	\$ 756,112	\$ 855,528	\$ 40,112	\$ 50,136	\$ 15,239	\$ 4,530	\$ 147,903	\$ 1,245,606	\$ 142,610	\$ 3,257,776
Earnings on investments								1,774	1,700	3,474
Charges for services								707,571		707,571
Other local									840,842	840,842
Total revenue	<u>756,112</u>	<u>855,528</u>	<u>40,112</u>	<u>50,136</u>	<u>15,239</u>	<u>4,530</u>	<u>147,903</u>	<u>1,954,951</u>	<u>985,152</u>	<u>4,809,663</u>
EXPENDITURES										
Instruction	756,112	854,613	40,112	50,136	15,239	4,530	147,903		1,001,200	2,869,845
Support		915							963	1,878
Food service								2,003,994		2,003,994
Total expenditures	<u>756,112</u>	<u>855,528</u>	<u>40,112</u>	<u>50,136</u>	<u>15,239</u>	<u>4,530</u>	<u>147,903</u>	<u>2,003,994</u>	<u>1,002,163</u>	<u>4,875,717</u>
Excess (deficiency) of revenues over/under expenditures								(49,043)	(17,011)	(66,054)
Other financing sources (uses):										
Operating transfers in								68,665		68,665
Operating transfers out										
Total other financing sources (uses)								68,665	-	68,665
Change in fund balances								19,622	(17,011)	2,611
Fund Balance - Beginning of year								335,323	41,848	377,171
Fund Balance - End of year	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 354,945</u>	<u>\$ 24,837</u>	<u>\$ 379,782</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TITLE I-A Basic
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 744,541	\$ 798,173	\$ 756,112	\$ 11,571	\$ (42,061)
Total revenue	744,541	798,173	756,112	11,571	(42,061)
EXPENDITURES					
Instruction	744,541	798,173	756,112	(11,571)	42,061
Change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>
Fund balance - beginning of year					
Fund balance - end of year			<u>\$</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

IDEA Part B
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 890,569	\$ 890,569	\$ 855,528	\$ (35,041)	\$ (35,041)
Total revenue	890,569	890,569	855,528	(35,041)	(35,041)
 EXPENDITURES					
Instruction	882,563	882,563	854,613	27,950	27,950
Support	8,006	8,006	915	7,091	7,091
Total expenditures	890,569	890,569	855,528	35,041	35,041
 Change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>
Fund balance - beginning of year					
Fund balance - end of year			<u>\$</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

IDEA Part B Preschool
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 39,977	\$ 39,977	\$ 40,112	\$ 135	\$ 135
Total revenue	39,977	39,977	40,112	135	135
EXPENDITURES					
Instruction	39,977	39,977	40,112	(135)	(135)
Change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>
Net position - beginning of year					
Net position - end of year			<u>\$</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

CARL D. PERKINS
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 50,899	\$ 50,135	\$ 50,136	\$ (763)	\$ 1
Total revenue	50,899	50,135	50,136	(763)	1
EXPENDITURES					
Instruction	50,899	50,135	50,136	763	(1)
Change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>
Net position - beginning of year					
Net position - end of year			<u>\$</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

INDIAN EDUCATION FUND
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 21,654	\$ 21,654	\$ 15,239	\$ (6,415)	\$ (6,415)
Total revenue	21,654	21,654	15,239	(6,415)	(6,415)
EXPENDITURES					
Instruction	21,654	21,654	15,239	6,415	6,415
Change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>
Net position - beginning of year					
Net position - end of year			<u>\$</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

JOHNSON O'MALLEY
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances--	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 7,113	\$ 7,113	\$ 4,530	\$ (2,583)	\$ (2,583)
Total revenue	7,113	7,113	4,530	(2,583)	(2,583)
EXPENDITURES					
Instruction	7,113	7,113	4,530	2,583	2,583
Change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>
Net position - beginning of year					
Net position - end of year			<u>\$</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TITLE II-A - Teacher Quality
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances--	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 235,474	\$ 232,952	\$ 147,903	\$ (87,571)	\$ (85,049)
Total revenue	<u>235,474</u>	<u>232,952</u>	<u>147,903</u>	<u>(87,571)</u>	<u>(85,049)</u>
EXPENDITURES					
Instruction	<u>235,474</u>	<u>232,952</u>	<u>147,903</u>	<u>87,571</u>	<u>85,049</u>
Change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>
Net position - beginning of year					
Net position - end of year			<u>\$</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

CHILD NUTRITION
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances--	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 1,367,000	\$ 1,367,000	\$ 1,245,606	\$ (121,394)	\$ (121,394)
Earnings on investments	1,000	1,000	1,774	774	774
Charges for services	746,000	746,000	707,571	(38,429)	(38,429)
Total revenue	2,114,000	2,114,000	1,954,951	(159,049)	(159,049)
EXPENDITURES					
Food services	2,174,000	2,174,000	2,003,994	170,006	170,006
Excess (deficiency) of revenues over/under expenditures	(60,000)	(60,000)	(49,043)	10,957	10,957
Other financing sources (uses):					
Operating transfers in	60,000	60,000	68,665	8,665	8,665
Operating transfers out					
Total other financing sources (uses)	60,000	60,000	68,665	8,665	8,665
Change in fund balance	\$	\$	19,622	\$ 19,622	\$ 19,622
Fund balance - beginning of year			335,323		
Fund balance - end of year			\$ 354,945		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

OTHER SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 158,983	\$ 158,983	\$ 142,610	\$ (16,373)	\$ (16,373)
Earnings on Investments	14,000	14,000	1,700	(12,300)	(12,300)
Other local	720,000	730,000	840,842	120,842	110,842
Total revenues	<u>892,983</u>	<u>902,983</u>	<u>985,152</u>	<u>92,169</u>	<u>82,169</u>
EXPENDITURES					
Instruction	892,983	902,983	1,001,200	(108,217)	(98,217)
Support			963	(963)	(963)
Total expenditures	<u>892,983</u>	<u>902,983</u>	<u>1,002,163</u>	<u>(109,180)</u>	<u>(99,180)</u>
Excess (deficiency) of revenues over/under expenditures			(17,011)	(17,011)	(17,011)
Net change in fund balance	<u>\$</u>	<u>\$</u>	(17,011)	(17,011)	(17,011)
Fund balance - Beginning of year			41,848		
Fund balance - End of year			<u>\$ 24,837</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Supplemental Schedule - Other Special Revenue Funds
Budget and Actual
For the Year Ended June 30, 2017

	Amended Budgeted Revenue	Actual Revenue	Amended Budgeted Expenditures	Actual Expenditures	Operating Transfers In (Out)	Beginning Fund Balance	Ending Fund Balance
Fund							
232	\$ 30,000	\$ 44,793	\$ 30,000	\$ 44,793	\$	\$ 1,273	\$ 1,273
233	700,000	777,524	700,000	796,236		33,711	14,999
235	0	35,253	0	35,253		0	0
236	14,000	20,225	14,000	18,524		6,864	8,565
241	158,983	97,357	158,983	97,357		0	0
274	0	10,000	0	10,000		0	0
	<u>\$ 902,983</u>	<u>\$ 985,152</u>	<u>\$ 902,983</u>	<u>\$ 1,002,163</u>	<u>\$ -</u>	<u>\$ 41,848</u>	<u>\$ 24,837</u>
Other Local Grants							
Medicaid Fund							
Literacy Fund							
Expendable Trust Funds							
State Mini Grants							
Other Federal Projects							

Fiduciary Funds

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
June 30, 2017

	<u>Academic Endowment Fund</u>	<u>Activities Endowment Fund</u>	<u>Restricted Endowment Fund</u>	<u>Total</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash	\$ 182,191	\$ 77,309	\$ 45,702	\$ 305,202
Total Assets	<u>182,191</u>	<u>77,309</u>	<u>45,702</u>	<u>305,202</u>
DEFERRED OUTFLOWS OF RESOURCES				
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 182,191</u>	<u>\$ 77,309</u>	<u>\$ 45,702</u>	<u>\$ 305,202</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
LIABILITIES				
Interfund Accounts Payable	\$ 1,002	\$ 425	\$ 252	\$ 1,679
DEFERRED INFLOWS OF RESOURCES				
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>1,002</u>	<u>425</u>	<u>252</u>	<u>1,679</u>
NET POSITION				
Reserved for endowments	181,189	76,884	45,450	303,523
Net Position	<u>181,189</u>	<u>76,884</u>	<u>45,450</u>	<u>303,523</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	<u>\$ 182,191</u>	<u>\$ 77,309</u>	<u>\$ 45,702</u>	<u>\$ 305,202</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Combining Statement of Changes in Fiduciary Net Position
All Private Purpose Trust Funds
For the Year Ended June 30, 2017

	Academic Endowment Fund	Extra- curricular Activities Fund	Restricted Endowment Fund	Total
REVENUES				
Investment income	\$ 1,003	\$ 425	\$ 251	\$ 1,679
EXPENDITURES				
Transfer to expendable fund	1,003	425	251	\$ 1,679
Excess of revenues over expenses				
Net Position - Beginning of year	181,189	76,884	45,450	303,523
Net Position - End of year	\$ 181,189	\$ 76,884	\$ 45,450	\$ 303,523

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Combining Statement of Fiduciary Net Position
Agency Funds
June 30, 2017

	Lewiston High School	Jenifer Junior High School	Sacajawea Junior High School	Elementary Schools	Tammany Alternative Center	Total
ASSETS						
Cash	\$ 254,206	\$ 142,127	\$ 184,227	\$ 146,461	\$ 8,139	\$ 735,160
Total assets	<u>254,206</u>	<u>142,127</u>	<u>184,227</u>	<u>146,461</u>	<u>8,139</u>	<u>735,160</u>
LIABILITIES						
Liabilities:						
Due to student groups	254,206	142,127	184,227	146,461	8,139	735,160
Total liabilities	<u>\$ 254,206</u>	<u>\$ 142,127</u>	<u>\$ 184,227</u>	<u>\$ 146,461</u>	<u>\$ 8,139</u>	<u>\$ 735,160</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

SCHOOL DISTRICT ACTIVITY FUNDS
Supplemental Schedule
Statement of Receipts, Disbursements, and Transfers - Agency Funds
For the Year Ended June 30, 2017

	Balance 7/1/2016	Cash Receipts & Transfers In	Cash Disbursements & Transfers Out	Balance 6/30/2017
SCHOOL DISTRICT ACTIVITY FUNDS				
Lewiston High School	\$ 234,457	\$ 665,408	\$ 645,659	\$ 254,206
Jenifer Jr. High School	141,862	129,551	129,286	142,127
Sacajawea Jr. High School	178,129	102,604	96,506	184,227
Camelot Elementary School	22,796	31,636	20,633	33,799
Centennial Elementary School	44,458	18,273	21,481	41,250
McGhee Elementary School	15,946	13,303	16,160	13,089
McSorley Elementary School	14,017	18,904	17,803	15,118
Orchards Elementary School	10,122	8,965	8,362	10,725
Webster Elementary School	22,573	21,057	17,745	25,885
Whitman Elementary School	6,072	11,312	10,789	6,595
Tammany Alternative Center	7,247	4,458	3,566	8,139
Total Activity Funds	\$ 697,679	\$ 1,025,471	\$ 987,990	\$ 735,160

Single Audit Section

Independent School District No. 1
Lewiston, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Federal Grant Number</u>	<u>Expenditures</u>	<u>Passed Through to Sub-Recipients</u>	<u>Total Expenditures</u>
Department of Agriculture						
Passed through State Department of Education						
Child Nutrition Cluster						
School lunch program	10.555	16-391	201717N109947	\$ 829,195	\$ -	\$ 829,195
Food Distribution (non-cash)	10.555	16-391	201717N109948	174,404		174,404
School Breakfast	10.553	16-391	201717N109947	156,465		156,465
Special Milk	10.556	16-391	201717N109950	6,805		6,805
Summer Food	10.559	16-391	201717N109951	66,242		66,242
Total Child Nutrition Cluster				1,233,111		1,233,111
Other Programs						
Child Nutrition Discretionary Grant	10.582	16-391	201616L160347	12,495		12,495
Total Department of Agriculture Food				1,245,606		1,245,606
Department of Education						
Passed through State Department of Education						
Special Education (IDEA) Cluster						
IDEA Part B	84.027	16-391	H027A150088	855,528		855,528
IDEA Part B Preschool	84.173	16-391	H173A150030	40,112		40,112
Total Special Education Cluster				895,640		895,640
Other Programs						
Title I-A, ESEA - Improving Basic Programs	84.010	16-391	S010A160012	712,927	43,185	756,112
Carl Perkins Vocational Education	84.048	16-391		50,136		50,136
Title II-A, ESEA - Improving Teacher Quality	84.367	16-391	S367A160011	147,903		147,903
Total Other Programs				910,966	43,185	954,151
Total Passed Through Department of Education				1,806,606	43,185	1,849,791
Direct through U.S. Department of Education						
Indian Education: Grants to LEAs	84.060A		S060A151165	15,239		15,239
Indian Education: Johnson O'Malley	15.130		201717L160347	4,530		4,530
Total Direct through U.S. Department of Education				19,769	-	19,769
Total Department of Education				1,821,845	43,185	1,865,030
Department of Agriculture						
Direct cost share agreement through Wallowa-Whitman National Forest	10.699		16-CS-11061600-027	10,000		10,000
Total expenditures of federal awards				\$ 3,081,981	\$ 43,185	\$ 3,125,166

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2017

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Independent School District No. 1 under programs of the federal government for the year ended June 30, 2017. 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 Independent School District No. 1, it is not intended to and does not present the financial position, changes in net position, or cash flows of Independent School District No. 1.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the Schedule are reported 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.
- (2) Pass-through entity identifying numbers are presented where available.
- (3) Independent School District No. 1 has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, Independent School District No. 1 provided federal awards to one (1) sub recipient as follows:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Amount Provided to Sub Recipient</u>
84.010	Title I (Neglected)	\$43,185 to Northwest Children's Home

NOTE D – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. At June 30, 2017, the organization had no food commodities in inventory.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE**

To the Board of Trustees
Independent School District No. 1
Lewiston, Idaho 83501

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited Independent School District No. 1's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Independent School District No. 1's major federal programs for the year ended June 30, 2017. Independent School District No. 1'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Independent School District No. 1's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Governmental 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 we 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 Independent School District No. 1's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Independent School District No. 1's compliance.

Opinion on Each Major Federal Program

In our opinion, Independent School District No. 1 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, 2017.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of Independent School District No. 1 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, we considered Independent School District No. 1'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 1'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 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.

Our 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. We did not identify any deficiencies in internal control over compliance that we 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 our 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.

Hayden Ross, PLLC

Moscow, Idaho
September 21, 2017

**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***

To the Board of Trustees
Independent School District No. 1
Lewiston, Idaho 83501

We 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 governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 1, as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise Independent School District No. 1's basic financial statements, and have issued our report thereon dated September 21, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Independent School District No. 1's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Independent School District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of the Independent School District No. 1'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 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.

Our 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 our audit, we did not identify any deficiencies in internal control that we 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 Independent School District No. 1's financial statements are free from material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our 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 our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hayden Ross, PLLC

Moscow, Idaho
September 21, 2017

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2017

Financial Statements

Type of auditor's report issued –

Governmental Activities –	Unmodified
Aggregate Discretely Presented Component Unit	Qualified
General Fund -	Unmodified
Child Nutrition -	Unmodified
Capital Projects -	Unmodified
Aggregate Remaining Fund Information -	Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial
statements noted?

☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditor's report issued on compliance

For major programs – Unmodified

Any audit findings disclosed that are required
to be reported in accordance with Section
2 CFR section 200.516(a)?

☐ yes ☒ no

Identification of major program:

Reporting Requirements and Communication Considerations

CFDA Number(s)	Name of Federal Program or Cluster
10.553, 10.555, 10.556, 10.559	Child Nutrition Cluster
84.027, 84.173	Special Education Cluster

Dollar threshold used to distinguish between
Type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

INDEPENDENT SCHOOL DISTRICT NO. 11
Lewiston, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended June 30, 2017

Section II – Findings – Financial Statement Audit

None.

Section III – Findings and Questioned Costs – Major Federal Awards Programs Audit

None.

Student Activity Accounts Section

**INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho**

**LEWISTON HIGH SCHOOL
Statement of Fiduciary Net Position
June 30, 2017**

ASSETS	
Cash and cash equivalents	<u>\$ 254,206</u>
Total assets	<u>254,206</u>
DEFERRED OUTFLOW OF RESOURCES	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 254,206</u></u>
LIABILITIES	
Due to student groups	<u>254,206</u>
Total liabilities	<u>254,206</u>
DEFERRED INFLOW OF RESOURCES	<u>0</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>254,206</u>
NET POSITION	<u> </u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	<u><u>\$ 254,206</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

LEWISTON HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2017

Activity Fund	Balance 7/1/2016	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2017
Annual	\$ 22,792	\$ 49,068	\$ 49,063	\$ -	\$ -	\$ 22,797
Art Honor Society	140	-	-	-	-	140
Athletic Director/Century Club	-	4,630	140	-	4,490	-
Athletics	-	67,912	57,689	-	10,223	-
Athletic/Special	5,985	226	365	-	5,846	-
Auto Mechanics	4,597	3,194	3,217	195	-	4,769
Band	980	5,185	6,137	1,144	-	1,172
Baseball	-	3,968	5,670	1,702	-	-
Basketball Boys	-	6,628	9,218	2,590	-	-
Basketball Girls	-	4,389	3,322	-	1,067	-
Bengal Lair	684	-	-	-	-	684
Bengal's Purr	-	11,151	7,209	-	1,518	2,424
BPA	581	18,019	18,464	-	-	136
Cheerleaders	-	-	5,112	5,112	-	-
Class of 2010	-	-	-	-	-	-
Class of 2011	-	-	-	-	-	-
Class of 2012	-	-	-	-	-	-
Class of 2013	-	-	-	-	-	-
Class of 2014	-	-	-	-	-	-
Class of 2015	-	-	-	-	-	-
Class of 2016	389	-	28	-	361	-
Class of 2017	4,091	5,415	9,784	663	-	385
Class of 2018	726	5,023	2,314	-	231	3,204
Class of 2019	-	670	-	-	-	670
Concessions	2,480	21,205	14,638	-	7,593	1,454
Crochet Club	561	-	-	-	-	561
Cross Country	-	570	8,431	7,861	-	-
Debate Club	241	-	-	-	-	241
DECA Nationals	-	33,668	33,712	44	-	-
DECA Store	2,442	9,910	7,197	-	3,766	1,389
DECA A	291	18,327	21,780	3,722	-	560
DECA B	2,010	-	-	-	-	2,010
District II Music	8,871	7,308	7,255	336	-	9,260
Drama	2,630	12,603	5,332	-	-	9,901
Drill Team	-	-	-	-	-	-
Dual Credit	-	-	-	-	-	-
Due to Student Body	-	-	-	-	-	-
Faculty Fund	1,172	4,374	5,015	-	-	531
FCCLA	5,059	4,423	4,750	150	-	4,882
Football	-	22,324	18,001	-	4,323	-
French Club	124	-	-	-	-	124
Fundraising-Baseball	7,385	10,790	9,057	-	-	9,118
Fundraising B-Basketball	1,849	14,394	13,877	899	-	3,265
Fundraising G-Basketball	1,148	20,864	21,260	-	299	453
Fundraising Cheerleading	5,242	60,984	72,092	8,904	-	3,038
Fundraising Cross Country	351	113	281	-	-	183
Fundraising Football	5,134	33,101	29,472	-	200	8,563
Fundraising B-Golf	2,809	15,667	14,574	185	-	4,087
Fundraising G-Golf	371	1,725	1,896	165	-	365
Fundraising B-Soccer	765	1,134	1,122	-	-	777
Fundraising G-Soccer	415	3,893	2,680	-	100	1,528
Fundraising Softball	5,557	4,400	2,587	-	-	7,370
Fundraising Tennis	1,243	5,241	6,148	-	-	336
Fundraising Track	2,382	-	-	-	-	2,382
Fundraising Volleyball	2,574	4,806	4,815	-	-	2,565
Fundraising Wrestling	9,701	11,051	6,398	-	-	14,354
German Club	80	-	-	-	-	80
Gold Voices	960	4,277	3,276	1,000	-	2,961

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

LEWISTON HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers (continued)
For the Year Ended June 30, 2017

Activity Fund	Balance 7/1/2016	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2017
Golden Guard	-	-	-	-	-	-
Golf	-	1,100	6,169	5,069	-	-
Homecoming	3,808	4,099	5,624	-	-	2,283
HOSA	5	355	308	-	-	52
ICA	8,395	5,035	9,113	-	-	4,317
Industrial Club	-	-	-	-	-	-
Interest Earned/CD	-	-	-	-	-	-
Investment Holding	61,828	100	-	-	-	61,928
Jazz Band	1,787	2,257	1,049	-	-	2,995
Junior Achievement	3,511	22	-	-	-	3,533
Junior Statesman	-	-	-	-	-	-
Key Club	238	-	-	-	-	238
KLHS	-	-	-	-	-	-
L Club	-	-	-	-	-	-
LHS/Pantry	449	-	535	2,500	-	2,414
Library	973	1,048	267	-	-	1,754
Life Skills	925	20	618	-	-	327
Literary Club	65	-	-	-	-	65
Lost Books	2,821	901	549	-	-	3,173
Loyalty/Guardian Angels	-	-	-	-	-	-
Machinists Club	8,388	3,080	450	-	150	10,868
National Honor Society	225	-	-	-	-	225
Natural Helpers	-	-	-	-	-	-
Other Activities	-	16,616	9,541	-	-	7,075
Other Income	5,546	-	-	-	1,725	3,821
Photography	1,128	-	-	-	-	1,128
Pictures	3,693	-	-	-	1,000	2,693
Press Club	-	-	-	-	-	-
Purple & Gold	3,541	-	-	-	-	3,541
Rodeo Club	199	85	-	-	-	284
Sales Tax	390	13,662	12,898	-	907	247
S.A.V.E.	243	250	413	-	-	80
Scholarships	3,420	1,150	278	-	-	4,292
Science Club	216	-	-	-	-	216
Senior Girls Club	-	-	-	-	-	-
Small Engines	-	-	-	-	-	-
T.S.A.	459	1,844	1,779	-	-	524
Smart Club	2	-	-	-	-	2
Soccer Boys	-	2,921	352	-	2,569	-
Soccer Girls	-	2,878	253	-	2,625	-
Softball	-	-	2,687	2,687	-	-
Spanish Club	25	-	592	592	-	25
Special Accounts	2,639	14,672	15,470	500	-	2,341
Student Activities	979	58,901	22,877	-	35,591	1,412
Student Insurance	-	-	-	-	-	-
Tennis	-	-	3,560	3,560	-	-
Track	-	5,443	13,694	8,251	-	-
Unclaimed Property	-	-	-	-	-	-
Video Production	1,858	1,104	1,010	-	-	1,952
Vocal Music	1,889	3,582	9,022	5,233	-	1,682
Volleyball	-	7,581	7,040	-	541	-
Wrestling	-	4,072	26,133	22,061	-	-
TOTALS	\$ 234,457	\$ 665,408	\$ 645,659	\$ 85,125	\$ 85,125	\$ 254,206

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

JENIFER JUNIOR HIGH SCHOOL
Statement of Fiduciary Net Position
June 30, 2017

ASSETS	
Cash and cash equivalents	<u>\$ 142,127</u>
Total assets	<u>142,127</u>
DEFERRED OUTFLOW OF RESOURCES	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 142,127</u></u>
LIABILITIES	
Due to student groups	<u>142,127</u>
Total liabilities	<u>142,127</u>
DEFERRED INFLOW OF RESOURCES	<u>0</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>142,127</u>
NET POSITION	<u>0</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	<u><u>\$ 142,127</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

JENIFER JUNIOR HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2017

Activity Fund	Balance 7/1/2016	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2017
Activities	\$ 46,324	\$ 14,766	\$ 10,734	\$ -	\$ 5,644	\$ 44,712
Annual	\$ -	\$ 8,415	\$ 9,684	\$ 1,269	\$ -	\$ -
Art Club	\$ 198	\$ 30	\$ 30	\$ -	\$ -	\$ 198
Band Fundraiser	\$ -	\$ 9,597	\$ 5,965	\$ -	\$ -	\$ 3,632
Books, Equipment Damage	\$ -	\$ 443	\$ 443	\$ -	\$ -	\$ -
Box Tops-Schulz	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Boys BB	\$ 17,527	\$ 5,928	\$ 6,932	\$ -	\$ -	\$ 16,523
Brick Fund	\$ 859	\$ -	\$ -	\$ -	\$ -	\$ 859
Cheer Fundraiser	\$ 1,287	\$ 9,355	\$ 10,162	\$ -	\$ -	\$ 480
Cheerleaders	\$ -	\$ 800	\$ 1,851	\$ 1,051	\$ -	\$ -
Chorus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chorus Fundraiser	\$ 219	\$ 266	\$ 261	\$ -	\$ -	\$ 224
Class Accounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	\$ 276	\$ -	\$ 325	\$ 49	\$ -	\$ -
2020	\$ 455	\$ 212	\$ 1,180	\$ 513	\$ -	\$ -
2021	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 100
Concessions	\$ 1,894	\$ 11,167	\$ 9,293	\$ -	\$ -	\$ 3,768
Drama	\$ 1,759	\$ 1,237	\$ 770	\$ -	\$ -	\$ 2,226
Drill Team	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
E Team Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Eighth Advisory	\$ -	\$ -	\$ 71	\$ 71	\$ -	\$ -
Explor-Elect Act	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Extend. Learning	\$ 137	\$ 657	\$ 612	\$ -	\$ -	\$ 182
Faculty	\$ 446	\$ 2,688	\$ 3,125	\$ -	\$ -	\$ 9
Football	\$ -	\$ 5,262	\$ 7,709	\$ 2,447	\$ -	\$ -
Fundraiser	\$ 14,434	\$ 14,879	\$ 11,380	\$ -	\$ 6,102	\$ 11,831
Girls BB	\$ 14,873	\$ 5,004	\$ 6,021	\$ -	\$ -	\$ 13,856
Hats On	\$ -	\$ 884	\$ 659	\$ -	\$ -	\$ 225
Honor Flight	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Idaho Sales Tax	\$ -	\$ 4,469	\$ 4,469	\$ -	\$ -	\$ -
Interest CD	\$ 12,346	\$ 6	\$ -	\$ -	\$ -	\$ 12,352
Jazz Band	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jazz Choir	\$ 34	\$ -	\$ -	\$ -	\$ -	\$ 34
STARS	\$ 959	\$ 1,093	\$ 192	\$ 2,726	\$ -	\$ 4,586
Library	\$ 950	\$ 118	\$ 601	\$ -	\$ -	\$ 467
Locks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Music	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
N Team Activity	\$ -	\$ 439	\$ 400	\$ -	\$ -	\$ 39
Ninth Team Account	\$ -	\$ -	\$ 350	\$ 350	\$ -	\$ -
Noon Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
North Team Store	\$ 251	\$ 22	\$ 94	\$ -	\$ -	\$ 179
NSF Checks	\$ -	\$ 198	\$ 198	\$ -	\$ -	\$ -
Over & Short	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pep Club	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Burro Pride	\$ 1,827	\$ -	\$ -	\$ -	\$ -	\$ 1,827
Recycle	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Red Wave	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
S Team Account	\$ -	\$ 561	\$ 296	\$ -	\$ -	\$ 265
Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Schweitzer Donation	\$ 1,126	\$ 1,600	\$ -	\$ -	\$ 2,726	\$ -
Science Dept.	\$ 3,616	\$ -	\$ -	\$ -	\$ -	\$ 3,616
Seventh Advisory	\$ -	\$ -	\$ 76	\$ 76	\$ -	\$ -
Smart Lab	\$ 91	\$ -	\$ 91	\$ -	\$ -	\$ -
Social Studies Dept	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ 200
SODA	\$ 202	\$ 598	\$ 1,017	\$ 217	\$ -	\$ -
Special Fund	\$ -	\$ -	\$ 93	\$ 93	\$ -	\$ -
Sports	\$ -	\$ 778	\$ 2,138	\$ 1,360	\$ -	\$ -
Student Council	\$ -	\$ -	\$ 780	\$ 780	\$ -	\$ -

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

JENIFER JUNIOR HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers (continued)
For the Year Ended June 30, 2017

Activity Fund	Balance 7/1/2016	Cash Receipts	Cash Disbursements	Transfers In	Tranfers Out	Balance 6/30/2017
Student Recognition	\$ -	\$ -	\$ 1,021	\$ 1,021	\$ -	\$ -
Teacher of the Year-Caldwell	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Teacher of the Year-Falkenstein	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ 6
Teacher of the Year-Gratz	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Teacher of the Year-Beckman	\$ 2	\$ -	\$ 6	\$ 4	\$ -	\$ -
Thompson Donation	\$ -	\$ 200	\$ 67	\$ -	\$ -	\$ 133
Track	\$ -	\$ 3,065	\$ 4,922	\$ 1,857	\$ -	\$ -
Vending Machines	\$ 1,083	\$ -	\$ 52	\$ -	\$ -	\$ 1,031
Volleyball	\$ 15,701	\$ 6,358	\$ 6,294	\$ -	\$ -	\$ 15,765
West Team Account	\$ -	\$ -	\$ 444	\$ 444	\$ -	\$ -
West Team Recognition	\$ -	\$ 915	\$ 1,059	\$ 144	\$ -	\$ -
Wrestling	\$ 2,680	\$ 3,068	\$ 2,946	\$ -	\$ -	\$ 2,802
	<u>\$ 141,862</u>	<u>\$ 115,078</u>	<u>\$ 114,813</u>	<u>\$ 14,472</u>	<u>\$ 14,472</u>	<u>\$ 142,127</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

SACAJAWEA JUNIOR HIGH SCHOOL
Statement of Fiduciary Net Position
June 30, 2017

ASSETS	
Cash and cash equivalents	<u>\$ 184,227</u>
Total assets	<u>184,227</u>
DEFERRED OUTFLOW OF RESOURCES	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 184,227</u></u>
LIABILITIES	
Due to student groups	<u>184,227</u>
Total liabilities	<u>184,227</u>
DEFERRED INFLOW OF RESOURCES	<u>0</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>184,227</u>
NET POSITION	<u>0</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	<u><u>\$ 184,227</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

SACAJAWEA JUNIOR HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2017

Activity Fund	Balance 7/1/2016	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2017
Activities	\$ 159,646	\$ 15,678	\$ 15,053	\$ 10,080	\$ 8,893	\$ 161,458
Annual	650	9,413	9,394	-	-	669
Art	-	-	-	-	-	-
Assignment Book	-	12	3,905	3,893	-	-
Basketball-Boys	-	4,374	2,817	-	1,557	-
Basketball-Girls	-	3,173	2,027	-	1,146	-
Box Tops	1,212	403	299	-	-	1,316
Cheerleading	798	7,027	3,712	-	-	4,113
Choir	-	-	-	-	-	-
Class Accounts	-	-	-	-	-	-
2020	761	704	1,322	-	143	-
2021	302	-	-	-	-	302
2022	-	-	-	-	-	-
Concessions	-	10,258	6,009	-	4,249	-
Damage Deposits	-	341	341	-	-	-
Dance Team	-	-	-	-	-	-
Drama	2,749	1,939	1,106	-	-	3,582
Faculty	1,415 *	732	747	-	-	1,400
Football	-	3,019	6,824	3,805	-	-
Interest-CD	-	70	-	-	70	-
Interest	7	84	-	-	84	7
Jazz Band	628	-	-	-	-	628
Library	571	2,174	2,066	-	-	679
Locks (Sac)	-	-	-	-	-	-
Music	3,200	719	117	-	-	3,802
NSF Checks	(28)	117	150	61	-	-
Other Activity	174	274	96	-	-	352
Over and Short	-	-	10	10	-	-
Pay to Participate	800	12,890	12,925	-	-	765
Pictures	-	-	-	-	-	-
Principal's Fund	41	-	-	-	-	41
PTSA	-	-	-	-	-	-
Rentals	-	-	-	-	-	-
Sales	-	-	-	-	-	-
School Store	108	-	-	-	-	108
Science-Brandt	1,927	-	-	-	-	1,927
Season Passes	-	736	-	-	736	-
Student Council	209	219	280	-	-	148
Student Recognition	-	-	-	-	-	-
Tax-Idaho Sales	-	2,862	2,862	-	-	-
Teacher of the Year-Ferr	529	-	229	-	-	300
Teen and Young Living	2,167	563	100	-	-	2,630
Track	263	1,047	2,417	1,107	-	-
Volleyball	-	4,234	2,139	-	2,095	-
Wrestling	-	569	586	17	-	-
	<u>\$ 178,129</u>	<u>\$ 83,631</u>	<u>\$ 77,533</u>	<u>\$ 18,973</u>	<u>\$ 18,973</u>	<u>\$ 184,227</u>

**INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho**

**ELEMENTARY SCHOOLS
Statement of Fiduciary Net Position
June 30, 2017**

ASSETS

Cash and cash equivalents	
Camelot Elementary School	\$ 33,799
Centennial Elementary School	41,250
McGhee Elementary School	13,089
McSorley Elementary School	15,118
Orchards Elementary School	10,725
Webster Elementary School	25,885
Whitman Elementary School	6,595
	<hr/>
Total assets	146,461

DEFERRED OUTFLOW OF RESOURCES

0

**TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES**

\$ 146,461

LIABILITIES

Due to student groups	
Camelot Elementary School	33,799
Centennial Elementary School	41,250
McGhee Elementary School	13,089
McSorley Elementary School	15,118
Orchards Elementary School	10,725
Webster Elementary School	25,885
Whitman Elementary School	6,595
	<hr/>
Total liabilities	146,461

DEFERRED INFLOW OF RESOURCES

0

**TOTAL LIABILITIES AND DEFERRED INFLOWS
OF RESOURCES**

146,461

NET POSITION

**TOTAL LIABILITIES AND DEFERRED INFLOWS
PLUS NET POSITION**

\$ 146,461

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

ELEMENTARY SCHOOLS
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2017

SCHOOL	Balance 07/01/16	Cash Receipts & Transfers In	Cash Disbursements & Transfers Out	Balance 06/30/17
CAMELOT				
Activity Account	\$ 7,871	\$ 15,396	\$ 5,488	\$ 17,779
Library Account	856	5,840	4,951	1,745
Pop Account	2,247	284	38	2,493
Knowledge Bowl	-	-	-	-
Grade 4	9,617	8,078	8,897	8,798
Grade 6	747	878	528	1,097
Student Council	1,458	1,160	731	1,887
TOTAL	\$ 22,796	\$ 31,636	\$ 20,633	\$ 33,799
CENTENNIAL				
Activity Account	\$ 22,164	\$ 1,817	\$ 1,886	\$ 22,095
Classroom Account	22,243	16,412	19,553	19,102
Pop Account	51	44	42	53
ISD	-	-	-	-
TOTAL	\$ 44,458	\$ 18,273	\$ 21,481	\$ 41,250
MCGHEE				
Activity Account	\$ 10,994	\$ 6,724	\$ 8,053	\$ 9,665
Pop Account	574	89	175	488
Library Account	59	685	663	81
4th Grade	3,008	5,449	6,651	1,806
Title Account	253	50	178	125
6th Grade	551	175	379	347
Choir	131	-	-	131
Student Council	376	131	61	446
TOTAL	\$ 15,946	\$ 13,303	\$ 16,160	\$ 13,089
MCSORLEY				
Activity	\$ 378	\$ 8	\$ 72	\$ 314
Classroom	13,374	18,872	17,731	14,515
Pop Account	265	24	-	289
ISD	-	-	-	-
TOTAL	\$ 14,017	\$ 18,904	\$ 17,803	\$ 15,118

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

ELEMENTARY SCHOOLS
Statement of Receipts, Disbursements, and Transfers (continued)
For the Year Ended June 30, 2017

SCHOOL	Balance 07/01/16	Cash Receipts & Transfers In	Cash Disbursements & Transfers Out	Balance 06/30/17
ORCHARDS				
Activity Account	\$ 2,105	\$ 2,125	\$ 508	\$ 3,722
Pop Account	232	54	-	286
Taxes	-	165	88	77
Library Account	932	-	-	932
Camp Wittman	3,353	1,579	864	4,068
Student Council	860	1,434	2,061	233
4th River Trip	2,385	3,608	4,841	1,152
Curriculum	255	-	-	255
TOTAL	\$ 10,122	\$ 8,965	\$ 8,362	\$ 10,725
WEBSTER				
Activity Account	\$ 5,037	\$ 7,983	\$ 8,462	\$ 4,558
Camp	943	1,858	1,353	1,448
Computer Account	4,301	210	138	4,373
Library Account	116	510	21	605
Camp Martin/KR	1,527	1,752	2,408	871
River Trip	3,803	6,827	5,097	5,533
Savings	35	-	-	35
Service Learning Group	6,811	1,917	266	8,462
TOTAL	\$ 22,573	\$ 21,057	\$ 17,745	\$ 25,885
WHITMAN				
Activity Account	\$ 4,052	\$ 5,045	\$ 4,435	\$ 4,662
Pop Account	91	70	-	161
Hell's Canyon	1,212	3,837	4,751	298
Student Council	712	2,360	1,603	1,469
Share Account	5	-	-	5
TOTAL	\$ 6,072	\$ 11,312	\$ 10,789	\$ 6,595
GRAND TOTAL	\$ 135,984	\$ 123,450	\$ 112,973	\$ 146,461

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TAMMANY ALTERNATIVE CENTER
Statement of Fiduciary Net Position
June 30, 2017

ASSETS		
Cash and cash equivalents	\$	<u>8,139</u>
Total assets		<u>8,139</u>
DEFERRED OUTFLOW OF RESOURCES		<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		<u>\$ 8,139</u>
LIABILITIES		
Due to student groups		<u>8,139</u>
Total liabilities		<u>8,139</u>
DEFERRED INFLOW OF RESOURCES		<u>0</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		8,139
NET POSITION		<u>0</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION		<u>\$ 8,139</u>

**INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID**

**TAMMANY ALTERNATIVE CENTER
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2017**

<u>Activity Fund</u>	<u>Balance 07/01/16</u>	<u>Cash Receipts & Transfers In</u>	<u>Cash Disbursements & Transfers Out</u>	<u>Balance 06/30/17</u>
Activity Account	\$ 5,868	\$ 4,458	\$ 3,308	\$ 7,018
FCCLA	563	0	38	525
Construction	816	0	220	596
	<u>\$ 7,247</u>	<u>\$ 4,458</u>	<u>\$ 3,566</u>	<u>\$ 8,139</u>