

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho



**Audited Financial
Statements**

For the Fiscal Year Ended June 30, 2018

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities.....	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	16
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	17
Statement of Net Position – All Proprietary Funds.....	18
Statement of Revenues, Expenses and Changes in Net Position - All Proprietary Funds.....	19
Statement of Cash Flows – All Proprietary Funds	20
Statement of Fiduciary Net Position – Fiduciary Funds And Component Unit	21
Statement of Changes in Fiduciary Net Position – Fiduciary Funds And Component Unit	22
Notes to the Basic Financial Statements.....	23
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of the District's Share of Net Pension Liability.....	46
Schedule of Other Post-Employment Benefits Liability	47
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund.....	48
Statement of Revenues, Expenditures and Changes Fund Balance – Budget and Actual – Debt Service Fund	49
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects Funds.....	50
SUPPLEMENTARY INFORMATION	
Capital Projects Funds Combining Balance Sheet.....	51
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	52
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS	
Special Revenue Funds:	
Description of Funds – Nature and Purpose.....	53
Combining Balance Sheets – All Special Revenue Funds.....	55

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

TABLE OF CONTENTS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance – All Special Revenue Funds	56
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	
Title I-A ESSA Improving Basic Programs and Title I-D ESSA Neglected and Delinquent Children	57
IDEA Part B (611 School Ages 3-21)	58
IDEA Part B (619 Pre-School Ages 3-5)	59
Carl D. Perkins.....	60
Indian Education	61
Johnson O'Malley	62
Title II-A ESSA Supporting Effective Instruction	63
Child Nutrition	64
Other Special Revenue Funds	65
Supplemental Schedule - Other Special Revenue Funds.....	66
Fiduciary Funds	
Combining Statement of Net Position - Private Purpose Trust Funds	67
Combining Statement of Changes in Fiduciary Net Position All Private Purpose Trust Funds	68
Combining Statement of Net Position – Agency Funds	69
Supplemental Schedule – Statement of Receipts, Disbursements And Transfers—Agency Funds.....	70
SINGLE AUDIT SECTION	
Schedule of Expenditures of Federal Awards	71
Notes to Schedule of Expenditures of Federal Awards	72
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with Title 2 U.S. Code of Federal Regulations Part 200.....	73
Independent Auditor's Report on the Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	75
Schedule of Findings and Questioned Costs.....	78
STUDENT ACTIVITY ACCOUNTS SECTION	
Lewiston High School	79
Jenifer Junior High School	82
Sacajawea Junior High School	85
Elementary Schools.....	87
Tammany Alternative Center	90

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, 2018, 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
Debt Service 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, 2018, 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, 2018, 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 on pages 5-11, the net pension liability schedules on page 46, the other post-employment benefits schedule on page 47, and the respective budgetary comparison information on pages 48-50 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 28, 2018 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 28, 2018

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

Management's Discussion and Analysis For the Year Ended June 30, 2018

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, 2018. 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 2017-2018 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 4681 in October of 2017.

Financial Highlights

- General Fund property tax revenue received in FY2018 increased by \$1,213,411 or 8.59% above FY2017.
- State base funding totaled \$23,651,249 in FY2018, which represents a 1.33% increase over the prior year.
- Total expenses in the general fund increased by \$1.9 million or 4.9% in 2018.
- The construction of a new comprehensive Grades 9-12 High School and Career Technical Education Center is underway. Construction will proceed for a period of approximately two years with occupancy of the new school expected in the fall of 2020.
- \$3,994,138 was levied for debt service on the 2017 construction bonds.
- The Board's five-year plan to construct outdoor athletic venues on the site of the new high school calls for selling real property and setting aside facilities funds each year. Fund transfers were carried out in 2017 and 2018 and appraisals and marketing efforts were undertaken. The sale of a residential property was closed subsequent to year-end.

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

Management's Discussion and Analysis For the Year Ended June 30, 2018

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, 2018

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 2018 compared to 2017.
Net Position

Table 1		All Governmental		Total
		Activities		Percentage
		2017	2018	Change
Current Assets		91,433,411	92,737,671	1.43%
Capital Assets		7,150,341	11,279,962	57.75%
Total Assets		98,583,752	104,017,633	5.51%
Deferred Outflows		11,339,024	5,024,146	-55.69%
Total Assets and deferred outflows		109,922,776	109,041,779	-0.80%
Current Liabilities		6,389,812	7,927,793	24.07%
Noncurrent Liabilities		68,516,117	64,654,193	-5.64%
Deferred Inflows		24,230,893	21,971,802	-9.32%
Total Liabilities and deferred inflows		99,136,822	94,553,788	-4.62%
Net Position				
Capital Assets		7,150,341	11,279,962	57.75%
Nonspendable		160,087	485,398	203.21%
Capital Projects		10,697,344	7,209,309	-32.61%
Other Restricted		779,556	2,965,624	280.42%
Unrestricted		(8,001,374)	(7,452,302)	-6.86%
Total Net Position		10,785,954	14,487,991	34.32%
Total liabilities, deferred inflows				
and net position		109,922,776	109,041,779	-0.80%

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2018

Table 2 shows the changes in net position for fiscal year 2018.

Changes in Net Position from Operating Results			
All Governmental			Total
	Activities		Percentage
	2017	2018	Change
Revenues			
Program Revenues			
Charges for Services	1,529,245	1,406,775	-8.01%
Grants	18,139,936	20,898,844	15.21%
General Revenues			
Property Taxes	14,128,709	19,337,257	36.86%
Government Funding	8,648,742	6,590,220	-23.80%
Other	2,018,953	3,201,332	58.56%
Total Revenues	44,465,585	51,434,428	15.67%
Expenses			
Instructional	26,718,294	27,302,182	2.19%
Other	17,205,729	20,262,092	17.76%
Total Expenses	43,924,023	47,564,274	8.29%
Premium on issuance of debt	8,620,000		NMN
Net Position			
Increase (Decrease) in Net Position	9,161,562	3,870,154	-57.76%

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, 2018

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

Governmental Activities

	Total cost				Net cost		
Table 3	of services		Percentage		of services		Percentage
	2017	2018	change		2017	2018	change
Instruction	26,718,294	27,302,182	2.19%		13,831,038	12,063,269	-12.78%
Pupil, staff support	3,546,097	3,881,177	9.45%		1,587,455	1,709,055	7.66%
Administration, business	4,685,793	4,847,222	3.45%		3,060,813	3,178,244	3.84%
Maintenance, custodial	4,612,403	4,699,573	1.89%		4,279,247	4,335,233	1.31%
Transportation	1,437,744	1,826,590	27.05%		525,774	903,143	71.77%
Food Service	2,000,406	1,954,101	-2.31%		47,229	16,282	-65.53%
Other	945,346	3,053,429	223.00%		943,346	3,053,429	223.68%
Total	43,946,083	47,564,274	8.23%		24,274,902	25,258,655	-3.89%

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 2018, 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 61. 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 2018 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, 2018

Capital Assets

At the end of fiscal year 2018, the School District had \$11,279,962 invested in net capital assets in government-wide activities. Table 4 reflects fiscal year 2018 balances compared to fiscal year 2017.

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

	All Governmental Activities		Total Dollar Change
	2017	2018	
Land and Site Improvements	2,234,564	3,512,063	1,277,499
Construction in Progress	0	2,930,378	2,930,378
Buildings	3,853,632	3,728,525	-125,107
Equipment	357,018	437,170	80,152
Vehicles and Buses	705,127	671,826	-33,301
Total Net Capital Assets	7,150,341	11,279,962	4,129,621

Current Issues

State apportionment funding received by the District increased 1.33% compared to the previous year. The Legislature did increase both the funding per support unit and the salary-based apportionment, but the District measured approximately 4.55 fewer support units in the first reporting period of fiscal year 2018 than in 2017.

At the local level, the overall market value of property in the District rose by approximately 5.6% from December 2016 to December 2017, or approximately \$150 million. The most significant increase in market value was the result of adding the formerly non-profit hospital to the tax rolls after it was purchased by a taxable entity. Residential real estate values continued to strengthen and there was also an upward trend in commercial property values. Construction activity in the community is thriving, creating good quality family wage jobs.

Older school facilities continue to require a significant investment of resources to keep them safe and useable for today's students. A new roof, nine (9) new HVAC units and new gas pipes were installed at Centennial Elementary School. The kitchens were upgraded and new walk-in freezer/coolers were installed at Centennial and Webster Elementary Schools. Security camera systems were installed at Jenifer and Sacajawea Junior High Schools as part of the district's commitment to student safety. The walk-in freezer at the Central Food Warehouse was rebuilt and material storage bins were built at the Smith Baseball Complex.

The Capital Projects Fund (School Plant Facilities Reserve or SPFR) net position rose by approximately \$268,076 in fiscal year 2017-2018. The district was able to fund the foregoing list of maintenance projects largely with general fund dollars, which preserves SPFR reserves for future needs.

On March 14, 2017, district patrons passed a \$58.9 bond measure to fund the construction of new facilities for Lewiston High School, including a Career Technical Education Center. Site excavation began in February, 2018 and the entire construction project is expected to be completed in the summer of 2020. Investments in Site Improvements and Construction in Progress are reflected in Table 4 above.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2018

Fiscal year 2018 is the fourth 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. In March of 2018, the District authorized an election for renewal of the five-year supplemental levy at a slightly lower rate of .0042 (.42 of one percent) of taxable market value. The renewal was approved by 81% of voters. 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, 2018

ASSETS

Current Assets

Cash and cash equivalents	\$ 642,988
Investments	61,775,529
Taxes receivable (net)	8,173,459
Unbilled property taxes receivable	19,768,571
Due from other governmental units	1,440,176
Interest receivable	83,752
Deposit for infrastructure	367,798
Inventory and Prepaid expenses	485,398
Total current assets	<u>92,737,671</u>

Noncurrent assets

Non depreciated capital assets	6,055,383
Depreciated capital assets	23,518,387
Less: Accumulated depreciation	<u>(18,293,808)</u>
Total noncurrent Assets	<u>11,279,962</u>
Total assets	<u>104,017,633</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension-related items	5,012,599
Other post-employment benefits item	<u>11,547</u>
Total deferred outflows of resources	<u>5,024,146</u>

**TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES**

\$ 109,041,779

LIABILITIES

Current Liabilities

Accounts payable and other current Liabilities	5,703,720
Unearned revenue	222,102
Accrued interest payable	816,335
Current portion of long-term debt, general obligation bonds	935,000
Checks not yet presented for payment	<u>250,636</u>
Total current liabilities	<u>7,927,793</u>

Noncurrent liabilities

Compensated absences	350,814
Other post-employment benefits liability	1,293,560
Net pension liability	12,764,819
Noncurrent portion long-term debt, general obligation bonds	<u>50,245,000</u>
Total noncurrent liabilities	<u>64,654,193</u>

TOTAL LIABILITIES

72,581,986

DEFERRED INFLOWS OF RESOURCES

2018 Property taxes	19,768,571
Pension-related items	2,049,707
Other post-employment benefits items	<u>153,524</u>
Total deferred inflows of resources	<u>21,971,802</u>

**TOTAL LIABILITIES AND DEFERRED INFLOWS
OF RESOURCES**

94,553,788

NET POSITION

Net investment in capital assets	11,279,962
Restricted	
Nonspendable	485,398
Capital Projects	7,209,309
Debt Service	2,264,938
Other specific purposes	700,686
Unrestricted	<u>(7,452,302)</u>
Net position	<u>14,487,991</u>

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

\$ 109,041,779

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, 2018

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
Governmental activities:					
Preschool - 12 Instruction	\$ 27,302,182	\$ 32,340	\$ 15,206,573	\$	\$ (12,063,269)
Support Services:					
Pupil support	1,901,070	633,180	1,177,230		(90,660)
Staff Support	1,980,107		361,712		(1,618,395)
General Administration	1,343,076		383,376		(959,700)
School Administration	2,523,473		920,100		(1,603,373)
Business Services	553,351				(553,351)
Technology	427,322		365,502		(61,820)
Maintenance/Custodial	4,699,573	14,559	61,057	288,724	(4,335,233)
Transportation	1,826,590		923,447		(903,143)
Capital Outlay					-
Food Services	1,954,101	726,696	1,211,123		(16,282)
Debt Service	2,491,090				(2,491,090)
Depreciation, unallocated	562,339				(562,339)
Total School District	\$ 47,564,274	\$ 1,406,775	\$ 20,610,120	\$ 288,724	\$ (25,258,655)
General Revenues					
Taxes					
Property taxes levied for general purposes					15,343,119
Property tax levied for debt service					3,994,138
Federal and State Aid not restricted to specific purposes					6,590,220
Other					2,182,207
Interest and investment earnings					1,019,125
Total General Revenues					29,128,809
Change in net position					3,870,154
Net position - beginning					10,785,954
Prior Period Adjustment for application of GASB 75					(168,117)
Net position - ending					\$ 14,487,991

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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Balance Sheet
Governmental Funds
June 30, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash	\$ 10,849	\$		\$ 516,862	\$ 527,711
Accounts receivable	781,601			658,010	1,439,611
2018 Property taxes receivable	15,738,571	4,030,000			19,768,571
Taxes receivable (net)	6,540,888	1,632,571			8,173,459
Interest receivable		882	82,870		83,752
Deposit for Infrastructure			367,798		367,798
Due from other funds			354,701	162,842	517,543
Investments	1,657,060	631,485	59,135,199		61,423,744
Prepaid supplies	415,489			59,687	475,176
Total assets	<u>25,144,458</u>	<u>6,294,938</u>	<u>59,940,568</u>	<u>1,397,401</u>	<u>92,777,365</u>
DEFERRED OUTFLOWS OF RESOURCES					
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 25,144,458</u></u>	<u><u>\$ 6,294,938</u></u>	<u><u>\$ 59,940,568</u></u>	<u><u>\$ 1,397,401</u></u>	<u><u>\$ 92,777,365</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Checks not yet presented for payment	-		250,636		250,636
Accounts payable	811,435		420,528	90,161	1,322,124
Retainage payable			63,760		63,760
Payroll and taxes payable	3,926,464			388,961	4,315,425
Unearned revenue				222,102	222,102
Due to other funds	226,911			294,132	521,043
Total liabilities	<u>4,964,810</u>	<u>-</u>	<u>734,924</u>	<u>995,356</u>	<u>6,695,090</u>
DEFERRED INFLOWS OF RESOURCES					
2018 Property taxes	15,738,571	4,030,000			19,768,571
Non-current property taxes	388,258	64,056			452,314
Total deferred inflows of resources	<u>16,126,829</u>	<u>4,094,056</u>			<u>20,220,885</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>21,091,639</u>	<u>4,094,056</u>	<u>734,924</u>	<u>995,356</u>	<u>26,915,975</u>
Fund Balances					
Nonspendable	415,489			59,687	475,176
Restricted		2,200,882	59,205,644	342,358	61,748,884
Unassigned	3,637,330				3,637,330
Total Fund Balances	<u>4,052,819</u>	<u>2,200,882</u>	<u>59,205,644</u>	<u>402,045</u>	<u>65,861,390</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS FUND BALANCES	<u><u>\$ 25,144,458</u></u>	<u><u>\$ 6,294,938</u></u>	<u><u>\$ 59,940,568</u></u>	<u><u>\$ 1,397,401</u></u>	<u><u>\$ 92,777,365</u></u>

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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2018**

Total fund balance - Governmental funds	\$ 65,861,390
Differences between Statement of Net Position and Fund Statements	
Pension-related item: deferred outflow of resources	5,012,599
Pension-related item: deferred inflow of resources	(2,049,707)
Other Post Employment Benefits (OPEB)	
OPEB-related item: deferred inflow of resources	(153,524)
OPEB-related item: deferred outflow of resources	11,547
Capital assets used in governmental activities are not reported as assets in governmental funds	
Cost of Capital Assets:	29,462,297
Accumulated Depreciation	<u>(18,195,310)</u>
	11,266,987
Property taxes receivable, not expected to be received within sixty days are deferred in the funds	452,314
Net position of internal service funds included in district-wide Statement of Net Position	491,912
Accrued interest payable on outstanding debt	(816,335)
Long term liabilities not recorded in funds	
Compensated Absences	(350,814)
Other Post Employment Benefits	(1,293,560)
Net Pension Liability	(12,764,819)
Rounding adjustment	1
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>\$ 14,487,991</u>

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

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, 2018

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property tax	\$ 15,342,120	\$ 3,930,082	\$	\$	\$ 19,272,202
State apportionment	23,651,249		288,724		23,939,973
Intergovernmental	0			3,549,091	3,549,091
Charges for services	32,340		14,559	726,696	773,595
Earnings on investments	95,851	4,691	907,492	6,223	1,014,257
Other	1,921,712		25,791	715,816	2,663,319
Total revenue	<u>41,043,272</u>	<u>3,934,773</u>	<u>1,236,566</u>	<u>4,997,826</u>	<u>51,212,437</u>
EXPENDITURES					
Instruction	25,148,071			3,049,578	28,197,649
Support:					
Pupil	1,949,527				1,949,527
Staff	1,896,662				1,896,662
General administration	1,368,188				1,368,188
School administration	2,608,812				2,608,812
Business service	553,351				553,351
Technology administration	427,322				427,322
Maintenance and operations	4,955,595				4,955,595
Transportation	1,722,444				1,722,444
Food service				1,980,586	1,980,586
Debt Service		1,735,676			1,735,676
Capital outlay			4,399,187		4,399,187
Total expenditures	<u>40,629,972</u>	<u>1,735,676</u>	<u>4,399,187</u>	<u>5,030,164</u>	<u>51,794,999</u>
Excess (deficiency) of revenues over/under expenditures	<u>413,300</u>	<u>2,199,097</u>	<u>(3,162,621)</u>	<u>(32,338)</u>	<u>(582,562)</u>
Other financing sources (uses);					
Operating transfers in	100,000		580,000	54,601	734,601
Operating transfers out	(484,601)		(150,000)		(634,601)
Total other financing sources (uses)	<u>(384,601)</u>		<u>430,000</u>	<u>54,601</u>	<u>100,000</u>
Net Change in Fund Balance	28,699	2,199,097	(2,732,621)	22,263	(482,562)
Fund Balance - Beginning 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>
Fund Balance - End of year	<u>\$ 4,052,819</u>	<u>\$ 2,200,882</u>	<u>\$ 59,205,644</u>	<u>\$ 402,045</u>	<u>\$ 65,861,390</u>

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

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, 2018

Net change in fund balances - total governmental funds		\$ (482,562)
Differences between Statement of Activities and Fund Statements		
Capital outlays recorded in funds as expenditures		
Capital Outlays:	4,848,759	
Depreciation expense	<u>(713,399)</u>	4,135,360
Change in compensated absences, not recorded in funds		(16,967)
Adjustment for change in deferred revenues		65,055
Other post employment benefit adjustments:		
Net change in total OPEB liability	-25,998	
OPEB-related amortization (expense) revenue	<u>26,140</u>	142
Change in Net Assets in Internal Service Funds		(56,230)
Interest expense not reported in funds		(755,414)
Net Pension Liability Adjustments:		
Fiscal year 2017 employer PERSI contributions recognized as pension expense in the current year.	(2,854,983)	
Fiscal year 2018 employer PERSI contributions deferred to subsequent year	3,008,213	
Pension related amortization (expense) revenue	<u>827,540</u>	980,770
Change in net position of governmental activities		<u><u>\$ 3,870,154</u></u>

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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Net Position
All Proprietary Funds
June 30, 2018

	Internal Service Funds		
	Medical Insurance		
	Risk Fund	Print shop	Total
ASSETS			
Current Assets			
Cash	\$ 2,500	\$ 112,776	\$ 115,276
Accounts receivable	543	22	565
Investments	351,785		351,785
Prepaid supplies		10,222	10,222
Due from other funds	3,500		3,500
Total current assets	<u>358,328</u>	<u>123,020</u>	<u>481,348</u>
Noncurrent Assets			
Furniture and equipment (net)		12,975	12,975
TOTAL ASSETS	<u>358,328</u>	<u>135,995</u>	<u>494,323</u>
Deferred outflow of resources			
LIABILITIES			
Accounts payable		2,411	2,411
Payroll and taxes payable			
TOTAL LIABILITIES		<u>2,411</u>	<u>2,411</u>
Deferred inflow of resources			
NET POSITION			
Net Investment in capital assets		12,975	12,975
Nonspendable		10,222	10,222
Assigned for benefit payments	358,328		358,328
Unrestricted		110,387	110,387
TOTAL NET POSITION	<u>\$ 358,328</u>	<u>\$ 133,584</u>	<u>\$ 491,912</u>

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, 2018

	Internal Service Funds		
	Medical Insurance Risk Fund	Print shop	Total
OPERATING REVENUES			
Other local revenue	\$ 6,767	\$ 145,301	\$ 152,068
Total Operating Revenues	<u>6,767</u>	<u>145,301</u>	<u>152,068</u>
 OPERATING EXPENSES			
Support services		113,166	113,166
Total Operating Expenses		<u>113,166</u>	<u>113,166</u>
Operating Income (Loss)	6,767	32,135	38,902
 NON-OPERATING REVENUES (EXPENSES)			
Interest Income	4,868		4,868
Other financing sources (uses)			
Transfers in			
Transfers out	<u>(100,000)</u>		<u>(100,000)</u>
	(100,000)		(100,000)
Change in net position	(88,365)	32,135	(56,230)
Total net position - beginning	<u>446,693</u>	<u>101,449</u>	<u>548,142</u>
Total net position - ending	<u>\$ 358,328</u>	<u>\$ 133,584</u>	<u>\$ 491,912</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Cash Flows - All Proprietary Funds
For the Year Ended June 30, 2018

	Internal Service Funds		
	Medical Insurance Risk Fund	Print shop	Total
Cash Flows From Operating Activities			
Cash received for services or programs	\$ 6,767	\$ 145,303	\$ 152,070
Cash payments to suppliers for goods and services		(58,818)	(58,818)
Cash payment to employees for services		(47,752)	(47,752)
Net cash provided by (used in) operating activities	<u>6,767</u>	<u>38,733</u>	<u>45,500</u>
Cash Flows From Investing Activities			
Interest on investments	4,598		4,598
Purchase of fixed assets		(3,895)	(3,895)
Net cash provided by (used in) investing activities	<u>4,598</u>	<u>(3,895)</u>	<u>703</u>
Cash Flows from Non-Capital Financing Activities			
Decrease in due from other funds	100,000	77,938	177,938
Transfer out - to general fund for benefits	(100,000)		(100,000)
Net cash provided by (used in) financing activities	<u></u>	<u>77,938</u>	<u>77,938</u>
Net increase (decrease) in cash and cash equivalents	<u>11,365</u>	<u>112,776</u>	<u>124,141</u>
Cash and cash equivalents-beginning of year	342,920		342,920
Cash and cash equivalents-end of year	<u>\$ 354,285</u>	<u>\$ 112,776</u>	<u>\$ 467,061</u>
Reconciliation of operating income to net cash provided (used in) by operating activities			
Operating Income (Loss)	\$ 6,767	\$ 32,135	\$ 38,902
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation expense		9,632	9,632
Changes in assets and liabilities			
Accounts payable		(1,504)	(1,504)
Inventory		(1,421)	(1,421)
Salary and benefits payable		(109)	(109)
Net Cash Provided by (used in) operating activities	<u>\$ 6,767</u>	<u>\$ 38,733</u>	<u>\$ 45,500</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Fiduciary Net Position-Fiduciary Funds and Component Unit
June 30, 2018

	Private Purpose Trusts	Agency Funds	Component Unit Lewiston Independent Foundation for Education, Inc.
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 305,248	\$ 691,471	\$ 62,026
Short Term Investments			24,006
Accounts receivable			9,220
Due from other funds			
Total Current Assets	<u>305,248</u>	<u>691,471</u>	<u>95,252</u>
Long-Term Investments			917,300
Total Assets	<u>305,248</u>	<u>691,471</u>	<u>1,012,552</u>
DEFERRED OUTFLOWS OF RESOURCES			
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 305,248</u></u>	<u><u>\$ 691,471</u></u>	<u><u>\$ 1,012,552</u></u>
LIABILITIES			
Accounts payable	\$	\$	\$ 10,986
Interfund accounts payable	1,725		
Due to student groups		691,471	
Total Liabilities	<u>1,725</u>	<u>691,471</u>	<u>10,986</u>
DEFERRED INFLOWS OF RESOURCES			
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>1,725</u>	<u>691,471</u>	
NET POSITION			
Unrestricted			183,410
Restricted			818,156
Reserved for endowments	303,523		
Total Net Position	<u>303,523</u>		<u>1,001,566</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	<u><u>\$ 305,248</u></u>	<u><u>\$ 691,471</u></u>	<u><u>\$ 1,012,552</u></u>

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, 2018

	Private Purpose Trusts	Component Unit Lewiston Independent Foundation for Education, Inc.
ADDITIONS		
Unrestricted donations	\$	\$ 90,054
Restricted donations		70,332
Fund raising revenues (net)		18,183
Net investment income		42,086
		<hr/>
Total additions		220,655
		<hr/>
DEDUCTIONS		
Secretary wages and benefits		20,761
Impact Grant Program		9,885
Insurance		1,309
Program supplies		50,502
Scholarships		54,855
Office supplies		3,231
Teacher of the Year		1,000
		<hr/>
		141,543
		<hr/>
Change in Net Position		79,112
Net Position-beginning	303,523	922,454
	<hr/>	<hr/>
Net Position-ending	\$ 303,523	\$ 1,001,566
	<hr/>	<hr/>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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, 2018

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 61 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, 2018

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, 2018, 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, 2018

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 2017-2018 budget was adopted at its regular board meeting held June 12, 2017.
4. Prior to July 15, the final budget is filed with the State Department of Education.
5. In June 2018, 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, 2018

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, 2018

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 January and July. 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, 2018. Current tax collections for the year were 98.29% of the tax levy as of August 31, 2018.

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, 2018

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 11.8% of the District's net market value in 2018 (15.6% in 2017). 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, 2017, upon which the Tax Year 2017 levy was based, was \$2,866,484,662.

The District's actual levy was .00513688 of market valuation for general education services. The combined tax rate to finance educational services consisted of a permanent supplemental levy of .000847341, and a five year supplemental levy (2013) of .004289540. The total tax levy for the year ended June 30, 2018, was \$14,832,080 and payments totaling \$15,738,571 were received for taxes, penalties, and interest owed from tax years 2013 through 2017.

The District's bond levy was 0.0013649 of market value, for a total levy of \$3,946,800. The first debt service payment was interest only, in the amount of \$1,735,676. The second payment of \$2,113,950 (principal and interest) is due September 15, 2018.

In the Governmental Funds Statements, property taxes levied but not yet collected for fiscal year 2018 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.

	General Fund	Debt Service
Total taxes receivable at June 30, 2018	\$ 6,540,888	\$ 1,632,571
Less: Taxes estimated to be collected by the County Treasurer by August 31, 2018	(6,152,630)	(1,568,515)
Deferred revenue	\$ 388,258	\$ 64,056

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 3 - ACCOUNTS RECEIVABLE

Details of accounts receivable in the Funds Statements for all governmental funds at June 30, 2018, are as follows:

State apportionment funds	\$ 669,618
Grant reimbursements	656,285
Interest receivable	6,855
Medicaid match receivable	76,024
Other	<u>30,829</u>
Total	\$1,439,611

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, 2018, the carrying amount of the District's deposits (including student activity funds) was \$1,388,920. The bank statements show a total of \$1,809,865 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 \$1,114,618, and the remaining \$695,247 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 \$61,775,529 (\$64,699,449 was the total at June 30, 2017).

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, 2018, all held in the Local Governmental Investment Pool (LGIP) are as follows:

Fund	Category	Amount
General	1	\$1,657,059
Debt Service	1	631,485
Capital Construction (LHS)	1	1,737,171
Plant Facilities (SPFR)	1	1,251,339
Athletic Venues Fund	1	73,776
Medical Trust	1	351,785
Total		\$5,702,615

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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, 2018, the LGIP investment portfolio consisted of 32% U.S. Government Agency Notes, 23.8% U.S. Treasuries, 18.9% in Commercial Paper, and the remainder in Corporate Bonds and Repurchase Agreements. As of June 30, 2018, the weighted average maturity of the LGIP portfolio was 94 days, and the yield to maturity was 1.993% (as compared to 0.944% June 30, 2017).

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, 2018:

External Investment Pool	<u>Investment Maturities</u>			<u>1-8 Years</u>
	<u>Book Value</u>	<u>Market Value</u>	<u>Less than 1 year</u>	
LGIP fund	\$5,702,615	\$5,702,615	\$5,702,615	

The School Plant Facilities Reserve Fund (SPFR) reported book value of investments as follows:

<u>Financial Institution</u>	<u>Amount</u>
P1FCU- Certificate of Deposit	500,000
LGIP Fund	1,251,339
Total	1,751,339

In August, 2017, the District entered into a Master Repurchase Agreement with Deutsche Bank Securities, Inc. for investment of proceeds from the sale of General Obligation Bonds issued in June, 2017. The initial investment was in the amount of \$57,867,040 at a yield of 1.55% per annum for the life of the contract. The District has the ability to withdraw any amounts necessary for the payment of construction costs incurred in building the new Lewiston High School and Career Technical Education Center financed by the bond issue.

The investments are collateralized by securities held by Wells Fargo Bank in the form of bonds, treasury bills, interest-bearing notes or other obligations of the United States (or those for which the faith and credit of the United States are pledged for the payment of principal and interest) and/or general obligations or revenue bonds of the State of Idaho (or those for which the faith and credit of the State of Idaho are pledged for payment of principal and interest) in an amount not less than 101% of the value of the investment. At June 30, 2018, the value of investments held with Deutsche Bank Securities, Inc. was \$55,572,913.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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, 2018.

	Bonds Payable			Bonds Payable
	6/30/2017	Additions	Payments	6/30/2018
Series 2017A	\$ 11,180,000			\$ 11,180,000
Series 2017B	40,000,000			40,000,000
	<u>\$ 51,180,000</u>	<u>-</u>	<u>-</u>	<u>\$ 51,180,000</u>

Bonds payable at June 30, 2018 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
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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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
3/15/2029		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
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	28,042,550	79,222,550	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 2017)	\$3,653,937,339
Plus: Urban Renewal Value	<u>25,011,929</u>
	\$3,678,949,268
	<u>X 5%</u>
General Obligation debt capacity	\$ 183,947,463
Less: Outstanding debt subject to limit	<u>(51,180,000)</u>
Legal debt margin at June 30, 2018	<u>\$ 132,767,463</u>

At June 30, 2018, \$631,485 was held in investments in the Debt Service Fund and net taxes receivable were \$1,632,571 to service the General Obligation Bond debt. The first levy of taxes took place in December of 2017 and the first debt service payment was an interest-only payment of \$1,735,676 made in February, 2018. The first payment of principle and interest is due in September, 2018, which explains the reason why the outstanding debt at June 30, 2017 and June 30, 2018 is the same.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 5 - NON-CURRENT LIABILITIES (continued)

Compensated Absences

At June 30, 2018, 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 \$350,814 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.

During the year ended June 30, 2018, the following changes occurred to noncurrent liabilities:

Non-Current Liability	7/1/2017	Additions	Reductions	6/30/2018
Compensated absences	\$333,847	\$254,711	\$237,744	\$350,814

Other Post-Employment Benefits

For purposes of measuring the net Other Post Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the Independent School District No. 1 Employee Group Benefit Plan have been determined based the requirements of GASB 75, Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions. The Plan has been calculated using the entry age normal funding method.

General Information about the OPEB Plan

The Independent School District No. 1 Employee Group Benefit Plan is a single-employer defined benefit OPEB plan that provides benefits to current and future retirees.

Retirement and Dependent Medical Benefit Eligibility

Upon separation from public school employment by retirement in accordance with Chapter 13, Title 59, Idaho Code, a retiree may continue to pay premiums for the retiree and the retiree's dependents at the rate for the active employee's group health, long-term care, vision, prescription drug and dental insurance programs as maintained by the employer for the active employees until the retiree and/or the retiree's spouse becomes eligible for Medicare at which time the district shall make available a supplemental program to Medicare for the eligible individual (Medicare Retirees).

Eligibility for Retirement

Normal retirement eligibility is age 65 with five years of service, including six months of membership service. Early retirement eligibility is age 55 with five years of service, including twelve (12) months of membership coverage.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 5 - NON-CURRENT LIABILITIES (continued)

Medicare Retirees

Medicare retirees are defined as retirees who are 65 years of age or older, are not included in the District's plan, and Medicare will be considered their primary plan. Medicare Retirees and eligible dependents who enroll in Medicare (both Part A and Part B) are eligible to participate in the Statewide School Retiree Program that supplements Medicare.

Funding

The District's OPEB plan is funded under a pay-as-you-go funding method. Under this method, the District has not set aside any assets (nor accumulated any assets in a trust) that meet the definition of plan assets under GASB 74 or 75 to offset the OPEB liability. Therefore, the Net OPEB liability is equal to the Total OPEB liability.

OPEB Benefits

The health care benefits are contracted by the District through group medical, dental and vision plans. The medical, dental and vision plans include an annual deductible, coinsurance payment requirements, and an annual out-of-pocket maximum for the member/family. The prescription drug benefit is provided through a tiered system comprising of the type of prescription (generic, formulary brand, and non-formulary).

Census Data

As of July 1, 2016, the valuation date, the District had 527 active (future retirees) participants and 66 inactive (current retirees) participants.

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

At June 30, 2018, the Employer reported a liability of \$1,293,560 of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2016.

For the year ended June 30, 2018, the Employer recognized OPEB expense (revenue) of (\$142). At June 30, 2018, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 136,224
Changes of assumptions	11,547	17,300
Total	\$ 11,547	\$ 153,524

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 5 - NON-CURRENT LIABILITIES (continued)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows

Year ended June 30:	
2019	\$ (13,591)
2020	(13,591)
2021	(13,591)
2022	(13,591)
2023	(13,591)
Thereafter	(87,613)

Actuarial assumptions

Valuation Date July 1, 2016

Measurement Date January 11, 2017

Interest/Discount Rate 3.87% as of the roll-forward date

Projected Payroll Increases 3.75%

Health Care Cost Trend Rate Medical: between 4.5% and 7.5%
Dental: between 4.4% and 7.5%
Prescription Drugs: between 4.5% and 7.5%
Vision: between 0% and 4%

Retiree Contributions Retiree contributions are assumed to increase to match the health care cost trends.

Participation

For future retirees, participation rates were assumed to be 45.0% for medical coverage and 50.2% for dental coverage. Future retired members who elect to participate in the plan are assumed to be married at a rate of 6.0%. 70.0% of the future retirees who elect medical or dental coverage and married are assumed to elect spousal coverage. Males are assumed to be three years older than females. Actual spouse information is used for current retirees.

Mortality

For active members, inactive members and healthy retirees, mortality rates were based on the RP2000 Combined Healthy Mortality Table adjusted with generational mortality adjustments using Scale AA, set back three years for both males and females. For disabled retirees, mortality rates were based on the RP2000 Disabled Mortality Table adjusted with generational mortality adjustments using Scale AA, set back one year for males and set forward two years for females.

Interest/Discount rate

Interest/Discount rates utilized in the actuarial calculations are 3.72% as of the measurement date and 3.87% as of the roll-forward date.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 5 - NON-CURRENT LIABILITIES (continued)

Sensitivity Disclosures

The following presents the net OPEB liability of the Plan as of June 30, 2018, calculated using the discount rate of 3.87%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Net OPEB liability	\$1,187,078	\$1,293,560	\$1,415,428

The following presents the net OPEB liability of the Plan as of June 30, 2018, calculated using the assumed health care cost trend rate, as well as what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	\$1,355,824	\$1,293,560	\$1,233,061

Summary of the Change in OPEB Liability

Total OPEB Liability – Beginning of Year	\$ 1,267,562
Service Cost	91,400
Interest	50,806
Plan Design Changes	0
Difference Between Expected and Actual Experience	0
Changes of Assumptions or Other Inputs	12,549
Benefit Payments (Estimated)	-128,757
Total OPEB Liability – End of Year	\$ 1,293,560

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	Balance			Balance
	7/1/2017	Additions	Deletions	6/30/2018
Capital Assets not being depreciated				
Land	1,839,830	1,285,175	0	3,125,005
Construction in progress	0	2,930,378		2,930,378
Total non depreciated assets	1,839,830	4,215,553	0	6,055,383
Capital Assets being depreciated				
Site improvements	1,786,009	43,501	0	1,829,510
Buildings	14,433,386	231,850	(35,382)	14,629,854
Infrastructure	490,462		0	490,462
Equipment	2,552,850	240,096	(31,214)	2,761,732
School buses	2,875,183	104,883	(76,156)	2,903,910
Vehicles	793,410	12,876	(14,840)	791,446
Printshop equipment	107,578	3,895	0	111,473
Total depreciated assets	23,038,878	637,101	(157,592)	23,518,387
Less: Accumulated Depreciation				
Site improvements	(1,391,275)	(51,177)	0	(1,442,452)
Buildings	(10,659,411)	(332,434)	35,382	(10,956,463)
Infrastructure	(410,805)	(24,523)	0	(435,328)
Equipment	(2,214,546)	(154,205)	31,214	(2,337,537)
School buses	(2,230,809)	(130,587)	76,156	(2,285,240)
Vehicles	(732,657)	(20,473)	14,840	(738,290)
Printshop equipment	(88,866)	(9,632)	0	(98,498)
Total accumulated depreciation	(17,728,369)	(723,031)	157,592	(18,293,808)

Depreciation expense of \$723,031 in governmental functions was charged as follows:

Transportation Services	\$151,060
Unallocated	562,339
Print Shop	9,632

NOTE 7 - 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, 2017. All amounts are as of June 30, 2017 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.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 7 - DEFINED BENEFIT PENSION PLAN (continued)

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.

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 \$3,008,213, \$2,854,983, \$2,722,772 for the three years ended June 30, 2018, 2017 and 2016 respectively.

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

At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2017, 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, 2018, the District's proportional share of the total was .008121001.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 7 - DEFINED BENEFIT PENSION PLAN (continued)

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, 2018 has not been completed at the time of issuance. The pension expense (revenue) for the year ending June 30, 2018 was calculated at \$2,062,328.

At June 30, 2018, 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
Change in proportionate share		134,911
Employer contributions made subsequent to the measurement date of June 30, 2017	3,008,213	
Differences between expected and actual experience	1,768,330	1,150,003
Changes in assumptions or other inputs	236,056	
Net difference between projected and actual earnings on pension plan investments		764,793
Total	5,012,599	2,049,707

\$3,008,213 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	-693,940
2019	1,199,259
2020	340,283
2021	-756,012

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	4.25% - 10%
Investment return, net	7.10%
Cost of Living Adjustments	1%
Salary Inflation	3.75%

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 7 - DEFINED BENEFIT PENSION PLAN (continued)

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

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, 2017.

Capital Market Assumptions				
Asset Class	Expected Return	Expected Risk	Strategic Normal	Strategic Ranges
Equities			70%	66% - 77%
Broad Domestic Equity	9.15%	19.00%	55%	50% - 65%
International	9.25%	20.20%	15%	10% - 20%
Fixed Income	3.05%	3.75%	30%	23% - 33%
Cash	2.25%	0.90%	0%	0% - 5%
Total Fund	Expected Return	Expected Inflation	Expected Real Return	Expected Risk
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%
* Expected arithmetic return net of fees and expenses		Data provided by Callan Associates 2015		
Actuarial Assumptions				
Assumed Inflation – Mean				3.25%
Assumed Inflation – Standard Deviation				2.00%
Portfolio Arithmetic Mean Return				8.08%
Portfolio Long-Term Expected Geometric Rate of Return				7.50%
Assumed Investment Expenses				0.40%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses				7.10%

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 7 - DEFINED BENEFIT PENSION PLAN (continued)

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 (asset)	\$29,668,065	\$12,764,819	(\$1,282,227)

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.

NOTE 8 - 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, 2018, restricted SPFR assets totaled \$2,113,690. Restricted and non-spendable assets in **Other Governmental Funds** represent funds restricted by funding agencies for specific uses, and total \$402,045. Non-spendable assets in the **General Fund** represent supplies in inventory and other prepaid expenses, in the amount of \$415,489.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (continued)

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, 2018, were:

Fund	Interfund Receivable	Interfund Payable
General fund		226,911
Misc. Local grants	37,088	
Medicaid Fund		223,748
L.I.F.E. Fund	5,422	
Misc. State grants		21,206
Technology	120,332	
Carl Perkins		49,074
Title II-A - Teacher quality		104
Capital Projects LHS/CTE	115,074	
Capital Projects SPFR	239,627	
Medical Trust	3,500	
Total	521,043	521,043

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. Uncollectible school lunch accounts are unallowable costs in the Child Nutrition Program and \$1,556 was transferred from the General Fund to compensate for uncollectible accounts. Planned transfers were made from the Capital Projects (SPFR) fund to the fund designated for the construction of Athletic Venues as outlined in the Board's five-year plan. Infrastructure costs in connection with off-site improvements required in connection with the new high school are not included in bond financing and a transfer from the General Fund to the Capital Projects (SPFR) fund was made to for that purpose.

Schedule of Interfund Transfers

Transfer From	Transfer To	Amount	Reason
General Fund	Athletic Venues Fund	175,000	Five-year plan
General Fund	Child Nutrition Fund	1,556	Uncollectible meal accounts
General Fund	Child Nutrition Fund	53,045	Employee FICA taxes
General Fund	Capital Projects Fund (SPFR)	105,000	Bus and bus depreciation
General Fund	Capital Projects Fund (SPFR)	150,000	Infrastructure costs
Capital Projects Fund (SPFR)	Athletic Venues Fund	150,000	Five-year plan
Medical Risk Fund	General Fund	100,000	Employee Health Insurance

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (continued)

EXPENDITURES OVER BUDGET

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

Program	Over Budget
Child Nutrition	50,785
Indian Education Fund	1,023
Capital Projects	159,187
General	131,228

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, 2018, the District was obligated to make payments totaling \$118,319 on behalf of retiring employees. One payment will be made in September 2018.

NOTE 9 - 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.

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 a settlement was reached in February 2018. The total dollar amount of the settlement was \$97,302.72 and was fully covered by the District liability insurance.

NOTE 10 - 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 suit was filed in U.S. District Court in May, 2018 by Mike Zeyen, Rachel Booth and Kim W. Wood, as patrons of Pocatello/Chubbuck School District #25 vs. Boise District #1, et al, seeking declaratory and monetary relief arising under 42. U.S.C. § 1983, under the Fifth and Fourteenth Amendments to the U.S. Constitution. At issue are fees the plaintiff alleges were charged by public schools attended by his children in violation of Idaho's constitutional mandate to provide free public schools. The plaintiff seeks to have this suit declared a class action and to hold every public school and public charter school in the state accountable. The District is represented by legal counsel retained by its liability insurance carrier, the Idaho Counties Risk Management Program (ICRMP). While ICRMP has provided legal representation, in a letter dated June 5, 2018, it explained that if a monetary judgment is returned against the district, no coverage for that judgment exists. It is the opinion of the District that any potential losses with regard to this suit would not be material.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 11 - 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.

NOTE 12 - PRIOR PERIOD ADJUSTMENT

For the fiscal year ended June 30, 2017, PERSI retroactively applied the provision of GASB 68, paragraph 54 and netted the deferred inflows and deferred outflows of resources related to the differences between expected and actual investment earnings. The District has presented these amounts in the same manner as PERSI's presentation. The change reduced the total deferred outflow and deferred inflow of resources by \$3,791,000, respectively, as of June 30, 2017. The adjustment had no effect on the beginning net position or the change in net position in the prior year.

Additionally, as a result of implementing GASB 75 related to other post-employment benefits, a prior period adjustment was made to record the unamortized deferred inflow of resources as of June 30, 2017. The change increased deferred inflow of resources by \$168,117 and reduced unrestricted net position by \$168,117.

NOTE 13 - TAX ABATEMENT

Nez Perce County enters into property tax abatements with local businesses under Idaho Code § 63-602NN. Under the Code, the County may grant property tax abatements of up to 100 percent of plant investments that meet all tax incentive criteria as defined in I.C. § 63-602NN (2).

For the County's fiscal year ended September 30, 2017, it abated no property taxes under this Code section. The County has entered into agreements as follows:

- a 75% reduction in assessed value to a pulp and paper product manufacturer for specified plant improvements not to exceed \$81 million of assessed value effect for five (5) years starting in tax year 2017. The abatement amounted to \$299,090 for the District's fiscal year.
- A 50% reduction in additional assessed value in the first year and 75% in the next four years to a bullet manufacturer for plant improvements effective for five (5) years starting in tax year 2018. The abatement did not have an effect on the District's fiscal year.

The two tax abatements described above do not reduce the property tax levied by the District below the levels in previous years, but do delay the increases that could result from the expansion of two large manufacturing firms in the community. Overall increases in the market value of the District should have a positive effect in the future.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

	2017	2016	2015	2014
Employer's portion of the net pension liability	0.8121001%	0.8223209%	0.8467634%	0.8734960%
Employer's proportionate share of the net pension liability	\$12,764,819	\$16,669,708	\$11,150,497	\$6,430,298
Employer's covered employee payroll	\$25,223,269	\$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	50.61%	69.31%	47.01%	27.17%
Plan Fiduciary net position as a percentage of the total	90.68%	87.26%	91.38%	94.95%

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

	2017	2016	2015	2014
Statutorily required contribution	\$2,855,274	\$2,722,505	\$2,684,834	\$2,678,931
Contributions in relation to the statutorily required contribution	(2,855,274)	(2,722,505)	(2,684,834)	(2,678,931)
Contribution (deficiency) excess	\$0	\$0	\$0	\$0
Employer's covered employee payroll	\$25,223,269	\$24,050,397	\$23,717,615	\$23,665,454
Contributions as a percentage of covered employee payroll	11.32%	11.32%	11.32%	11.32%

Notes to the Required Supplementary Information
As of June 30, 2017

Change of Assumptions. Amounts reported as of June 30, 2017 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, 2017, June 30, 2016, June 30, 2015 and June 30, 2014.

INDEPENDENT SCHOOL DISTRICT NO. 1
OTHER POST EMPLOYMENT BENEFITS LIABILITY SCHEDULE
As of June 30,

	2018	2017
Service Cost	\$ 91,400	\$ 89,745
Interest	50,806	56,564
Changes of benefit terms	-	(30,797)
Differences between expected and actual experience	-	(162,122)
Changes of assumptions or other inputs	12,549	(20,588)
Benefit payments (estimated)	(128,757)	(141,317)
Net change in total OPEB Liability	25,998	(208,515)
Total OPEB liability - beginning	1,267,562	1,476,077
Total OPEB liability - ending	<u>\$ 1,293,560</u>	<u>\$ 1,267,562</u>

Covered-employee payroll

Total OPEB liability as a percentage of covered-
employee payroll

\$ 22,391,830	\$ 21,582,486
5.78%	5.87%

*GASB Statement No 75 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
that is available.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
As of June 30, 2018

Change of Assumptions. Amounts reported as of June 30, 2018 reflect an adjustment to status, trend, discount and other inputs.

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, 2018

			Variances--		
			Favorable (Unfavorable)		
	Original Budget	Amended Budget	Actual	Original to Actual	Amended to Actual
REVENUES					
Property tax	\$ 14,833,092	\$ 15,359,988	\$ 15,342,120	\$ 509,028	\$ (17,868)
State apportionment	24,035,356	23,713,091	23,651,249	(384,107)	(61,842)
Charges for services	0	0	32,340	32,340	32,340
Earnings on investments	0	85,000	95,851	95,851	10,851
Other	1,906,437	1,728,899	1,921,712	15,275	192,813
Total revenue	<u>40,774,885</u>	<u>40,886,978</u>	<u>41,043,272</u>	<u>268,387</u>	<u>156,294</u>
EXPENDITURES					
Instruction	25,415,966	25,065,819	25,148,071	267,895	(82,252)
Support:					
Pupil	1,910,428	1,916,248	1,949,527	(39,099)	(33,279)
Staff	1,828,476	1,926,876	1,896,662	(68,186)	30,214
General administration	1,340,709	1,394,709	1,368,188	(27,479)	26,521
School administration	2,653,063	2,653,063	2,608,812	44,251	44,251
Business services	620,248	569,948	553,351	66,897	16,597
Technology administration	492,472	492,472	427,322	65,150	65,150
Maintenance and operations	4,798,455	4,885,855	4,955,595	(157,140)	(69,740)
Transportation	1,522,854	1,593,754	1,722,444	(199,590)	(128,690)
Total expenditures	<u>40,582,671</u>	<u>40,498,744</u>	<u>40,629,972</u>	<u>(47,301)</u>	<u>(131,228)</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>(727,896)</u>	<u>(531,876)</u>	<u>413,300</u>	<u>1,141,196</u>	<u>945,176</u>
Other financing sources (uses):					
Operating transfers in	100,000		100,000		100,000
Operating transfers out	(290,000)	(490,000)	(484,601)	(194,601)	5,399
Total other financing sources (uses)	<u>(190,000)</u>	<u>(490,000)</u>	<u>(384,601)</u>	<u>(194,601)</u>	<u>105,399</u>
Net change in fund balance	<u>\$ (917,896)</u>	<u>\$ (1,021,876)</u>	<u>28,699</u>	<u>\$ 946,595</u>	<u>\$ 1,050,575</u>
Fund Balance - Beginning of year			<u>4,024,120</u>		
Fund Balance - End of year			<u>\$ 4,052,819</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual -- Debt Service Fund
For the Year Ended June 30, 2018

			Variances--		
			Favorable (Unfavorable)		
	Original Budget	Amended Budget	Actual	Original to Actual	Amended to Actual
REVENUES					
Property tax	\$ 4,030,000	\$ 3,946,800	\$ 3,930,082	\$ (99,918)	\$ (16,718)
Earnings on investments		2,500	4,691	4,691	2,191
Total revenue	<u>4,030,000</u>	<u>3,949,300</u>	<u>3,934,773</u>	<u>(95,227)</u>	<u>(14,527)</u>
EXPENDITURES					
Debt service principal	4,030,000	0		4,030,000	
Debt service interest		1,735,676	1,735,676	(1,735,676)	
Total expenditures	<u>4,030,000</u>	<u>1,735,676</u>	<u>1,735,676</u>	<u>2,294,324</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,213,624</u>	<u>\$ 2,199,097</u>	<u>\$ 2,199,097</u>	<u>\$ (14,527)</u>
Fund Balance - Beginning of year			<u>1,785</u>		
Fund Balance - End of year			<u>\$ 2,200,882</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, 2018

			Variances--		
			Favorable (Unfavorable)		
	Original	Amended		Original	Amended
	Budget	Budget	Actual	to Actual	to Actual
REVENUES					
Earnings on investments	\$ 616,000	\$ 869,000	\$ 907,492	\$ 291,492	\$ 38,492
Other					
Rentals	20,000	20,000	14,559	(5,441)	(5,441)
Other local revenue	65,000	75,000	25,791	(39,209)	(49,209)
Other state revenue	289,006	288,724	288,724	(282)	-
Total other revenue	374,006	383,724	329,074	(44,932)	(54,650)
Total revenue	990,006	1,252,724	1,236,566	246,560	(16,158)
EXPENDITURES					
Capital outlay	61,291,000	4,240,000	4,399,187	56,891,813	(159,187)
Excess (deficiency) of revenues over/under expenditures	(60,300,994)	(2,987,276)	(3,162,621)	57,138,373	(175,345)
Other financing sources (uses):					
Sale of assets		500,000	0	0	(500,000)
Operating transfers in	380,000	580,000	580,000	200,000	
Operating transfers out	(150,000)	(150,000)	(150,000)	0	
Total other financing sources (uses)	230,000	930,000	430,000	200,000	(500,000)
Net change in fund balance	<u>\$ (59,920,994)</u>	<u>\$ (2,057,276)</u>	<u>(2,732,621)</u>	<u>\$ 57,188,373</u>	<u>\$ (675,345)</u>
Fund Balance - Beginning of year			<u>61,938,265</u>		
Fund Balance - End of year			<u>\$ 59,205,644</u>		

Lewiston, Idaho
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	Plant Facilities (SPFR)	Capital Construction (LHS)	Athletic Venues	TOTAL
ASSETS				
Cash	\$	\$	\$	\$ -
Investments	1,751,339	57,310,084	73,776	59,135,199
Interest Receivable	5,562	77,107	201	82,870
Deposit for Infrastructure	367,798			367,798
Due from other funds	239,627	115,074		354,701
Total Assets	<u>2,364,326</u>	<u>57,502,265</u>	<u>73,977</u>	<u>59,940,568</u>
DEFERRED OUTFLOWS OF RESOURCES				
TOTAL ASSETS AND DEFERRED				
	<u>\$ 2,364,326</u>	<u>\$ 57,502,265</u>	<u>\$ 73,977</u>	<u>\$ 59,940,568</u>
LIABILITIES				
Checks not yet presented	\$ 250,636	\$	\$	\$ 250,636
Accounts Payable		268,528	152,000	420,528
Retainage Payable		27,837	35,923	63,760
Total Liabilities	<u>250,636</u>	<u>296,365</u>	<u>187,923</u>	<u>734,924</u>
DEFERRED INFLOWS OF RESOURCES				
FUND BALANCE				
Restricted	<u>2,113,690</u>	<u>57,205,900</u>	<u>(113,946)</u>	<u>59,205,644</u>
Total Fund Balance	<u>2,113,690</u>	<u>57,205,900</u>	<u>(113,946)</u>	<u>59,205,644</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES PLUS FUND BALANCE	<u>\$ 2,364,326</u>	<u>\$ 57,502,265</u>	<u>73,977</u>	<u>\$ 59,940,568</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, 2018

	<u>Plant Facilities (SPFR)</u>	<u>Capital Construction (LHS)</u>	<u>Athletic Venues</u>	<u>TOTAL</u>
REVENUES				
Local:				
Earnings on investments	\$ 23,823	\$ 878,739	\$ 4,930	\$ 907,492
Other:				
Rentals	14,559			14,559
Other local revenue	19,603		6,188	25,791
Other state revenue	288,724		-	288,724
Total other revenue	322,886	-	6,188	329,074
Total revenue	346,709	878,739	11,118	1,236,566
EXPENDITURES				
Capital outlay	183,633	3,490,490	725,064	4,399,187
Excess (deficiency) of revenues over/under expenditures	163,076	(2,611,751)	(713,946)	(3,162,621)
Other financing sources (uses):				
Operating transfers in	255,000		325,000	580,000
Operating transfers out	(150,000)			(150,000)
Total financing sources	105,000		325,000	430,000
Net change in fund balance	268,076	(2,611,751)	(388,946)	(2,732,621)
Fund Balance - Beginning of year	1,845,614	59,817,651	275,000	61,938,265
Fund Balance - End of year	\$ 2,113,690	\$ 57,205,900	\$ (113,946)	\$ 59,205,644

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 ESSA Improving Basic Programs and Title I-D ESSA Neglected and Delinquent Children. Restricted federal revenue to be spent on programs to provide special instruction to economically disadvantaged students. In fiscal year 2017-18, the District was also awarded \$5,463 in Title I-D Neglected Child funding to assist with providing educational services at the Region II Juvenile Detention Center.

IDEA Part B (611 School Ages 3-21). 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 (619 Preschool Ages 3-5). 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 procure equipment and supplies for career technical education programs.

Title VII-A Indian Education. 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 – ESSA Supporting Effective Instruction. 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

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

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

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. The program operates during the school year and into the summer months thereafter.

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.

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

Local Technology Fund. This fund holds proceeds from the sale of outdated technology to be used for the exclusive purpose of purchasing new technology-related equipment for schools.

Title IV Student Support. This is a competitive federal grant providing funds to support students and academic enrichment.

Other Federal Projects. Small specific-purpose federal grants awarded on a competitive basis. In fiscal year 2017-18, there was one grant from the U.S.D.A. Forest Service for a project called EKIP (Every Kid in a Park) to provide financial assistance 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.

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, 2018

	Title I-A Title I-D	IDEA Part B	IDEA Part B Preschool	Carl D. Perkins CTE	Indian Education	Johnson O'Malley Indian Education	Title II-A Teacher Quality	Child Nutrition	Other Special Revenue Funds	Totals
ASSETS										
Cash	\$	\$	\$	\$	\$ 1,319	\$ 15,388	\$	\$ 415,823	\$ 84,332	\$ 516,862
Accounts receivable	102,253	121,123	5,408	49,637	2,455		16,189	26,040	334,905	658,010
Prepaid expenses								59,687		59,687
Due from other funds							-		162,842	162,842
Total assets	<u>102,253</u>	<u>121,123</u>	<u>5,408</u>	<u>49,637</u>	<u>3,774</u>	<u>15,388</u>	<u>16,189</u>	<u>501,550</u>	<u>582,079</u>	<u>1,397,401</u>
DEFERRED OUTFLOWS OF RESOURCES										
ASSETS PLUS DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 102,253</u>	<u>\$ 121,123</u>	<u>\$ 5,408</u>	<u>\$ 49,637</u>	<u>\$ 3,774</u>	<u>\$ 15,388</u>	<u>\$ 16,189</u>	<u>\$ 501,550</u>	<u>\$ 582,079</u>	<u>\$ 1,397,401</u>
LIABILITIES										
Accounts payable	\$ 1,476	\$ 75	\$	\$ 84	\$ 229	\$	\$ 4,100	\$ 12,239	\$ 71,958	\$ 90,161
Payroll & taxes payable	100,777	121,048	5,408	479	3,545		11,985	118,129	27,590	388,961
Due to other funds			-	49,074			104		244,954	294,132
Unearned revenue						15,388			206,714	222,102
Total liabilities	<u>102,253</u>	<u>121,123</u>	<u>5,408</u>	<u>49,637</u>	<u>3,774</u>	<u>15,388</u>	<u>16,189</u>	<u>130,368</u>	<u>551,216</u>	<u>995,356</u>
DEFERRED INFLOWS OF RESOURCES										
LIABILITIES PLUS DEFERRED INFLOWS OF RESOURCES	<u>102,253</u>	<u>121,123</u>	<u>5,408</u>	<u>49,637</u>	<u>3,774</u>	<u>15,388</u>	<u>16,189</u>	<u>130,368</u>	<u>551,216</u>	<u>995,356</u>
FUND BALANCE								371,182	30,863	402,045
Total Fund Balance								<u>371,182</u>	<u>30,863</u>	<u>402,045</u>
LIABILITIES PLUS DEFERRED INFLOWS OF RESOURCES PLUS FUND BALANCE	<u>\$ 102,253</u>	<u>\$ 121,123</u>	<u>\$ 5,408</u>	<u>\$ 49,637</u>	<u>\$ 3,774</u>	<u>\$ 15,388</u>	<u>\$ 16,189</u>	<u>\$ 501,550</u>	<u>\$ 582,079</u>	<u>\$ 1,397,401</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, 2018

	Title I-A Title I-D	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	\$ 759,202	\$ 865,583	\$ 36,548	\$ 49,637	\$ 23,293	\$ 1,319	\$ 166,453	\$ 1,211,123	\$ 435,933	\$ 3,549,091
Earnings on investments								4,403	1,820	6,223
Charges for services								726,696		726,696
Other local									715,816	715,816
Total revenue	<u>759,202</u>	<u>865,583</u>	<u>36,548</u>	<u>49,637</u>	<u>23,293</u>	<u>1,319</u>	<u>166,453</u>	<u>1,942,222</u>	<u>1,153,569</u>	<u>4,997,826</u>
EXPENDITURES										
Instruction	759,202	865,583	36,548	49,637	23,293	1,319	166,453		1,147,543	3,049,578
Support										
Food service								1,980,586		1,980,586
Total expenditures	<u>759,202</u>	<u>865,583</u>	<u>36,548</u>	<u>49,637</u>	<u>23,293</u>	<u>1,319</u>	<u>166,453</u>	<u>1,980,586</u>	<u>1,147,543</u>	<u>5,030,164</u>
Excess (deficiency) of revenues over/under expenditures								(38,364)	6,026	(32,338)
Other financing sources (uses):										
Operating transfers in								54,601		54,601
Operating transfers out								-		
Total other financing sources (uses)								<u>54,601</u>	<u>-</u>	<u>54,601</u>
Change in fund balances								16,237	6,026	22,263
Fund Balance - Beginning of year								354,945	24,837	379,782
Fund Balance - End of year	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 371,182</u>	<u>\$ 30,863</u>	<u>\$ 402,045</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TITLE I-A ESSA and TITLE I-D ESSA
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2018

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 742,997	\$ 772,279	\$ 759,202	\$ 16,205	\$ (13,077)
Total revenue	742,997	772,279	759,202	16,205	(13,077)
EXPENDITURES					
Instruction	742,997	772,279	759,202	(16,205)	13,077
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 (611 School Ages 3-21)
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2018

	Original Budget	Amended Budget	Actual	Variances--	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 890,569	\$ 890,569	\$ 865,583	\$ (24,986)	\$ (24,986)
Total revenue	890,569	890,569	865,583	(24,986)	(24,986)
EXPENDITURES					
Instruction	890,569	890,569	865,583	24,986	24,986
Total expenditures	890,569	890,569	865,583	24,986	24,986
Change in fund balance	\$	\$		\$	\$
Fund balance - beginning of year					
Fund balance - end of year			\$		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

IDEA Part B (619 Pre-School Ages 3-5)
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2018

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 39,977	\$ 39,977	\$ 36,548	\$ (3,429)	\$ (3,429)
Total revenue	<u>39,977</u>	<u>39,977</u>	<u>36,548</u>	<u>(3,429)</u>	<u>(3,429)</u>
EXPENDITURES					
Instruction	<u>39,977</u>	<u>39,977</u>	<u>36,548</u>	<u>3,429</u>	<u>3,429</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

CARL D. PERKINS
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2018

	Variances-- Favorable (Unfavorable)				
	Original Budget	Amended Budget	Actual	Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 50,000	\$ 54,463	\$ 49,637	\$ (363)	\$ (4,826)
Total revenue	50,000	54,463	49,637	(363)	(4,826)
EXPENDITURES					
Instruction	50,000	54,463	49,637	363	4,826
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 IV-A INDIAN EDUCATION
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2018

	Original Budget	Amended Budget	Actual	Variances--	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 22,270	\$ 22,270	\$ 23,293	\$ 1,023	\$ 1,023
Total revenue	22,270	22,270	23,293	1,023	1,023
EXPENDITURES					
Instruction	22,270	22,270	23,293	(1,023)	(1,023)
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, 2018

	Original Budget	Amended Budget	Actual	Variances--	
				Favorable (Unfavorable) Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 7,000	\$ 7,000	\$ 1,319	\$ (5,681)	\$ (5,681)
Total revenue	7,000	7,000	1,319	(5,681)	(5,681)
EXPENDITURES					
Instruction	7,000	7,000	1,319	5,681	5,681
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 - Supporting Effective Instruction
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2018

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variances-- Favorable (Unfavorable)</u>	
				<u>Original to Actual</u>	<u>Amended to Actual</u>
REVENUES					
Intergovernmental	<u>\$ 200,000</u>	<u>\$ 226,976</u>	<u>\$ 166,453</u>	<u>\$ (33,547)</u>	<u>\$ (60,523)</u>
Total revenue	<u>200,000</u>	<u>226,976</u>	<u>166,453</u>	<u>(33,547)</u>	<u>(60,523)</u>
EXPENDITURES					
Instruction	<u>200,000</u>	<u>226,976</u>	<u>166,453</u>	<u>33,547</u>	<u>60,523</u>
Change in fund balance	<u><u>\$</u></u>	<u><u>\$</u></u>	<u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>
Net position - beginning of year			<u></u>		
Net position - end of year			<u><u>\$</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, 2018

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 1,231,000	\$ 1,231,000	\$ 1,211,123	\$ (19,877)	\$ (19,877)
Earnings on investments			4,403	4,403	4,403
Charges for services	660,437	660,437	726,696	66,259	66,259
Total revenue	1,891,437	1,891,437	1,942,222	50,785	50,785
EXPENDITURES					
Food services	1,951,437	1,951,437	1,980,586	(29,149)	(29,149)
Excess (deficiency) of revenues over/under expenditures	(60,000)	(60,000)	(38,364)	21,636	21,636
Other financing sources (uses):					
Operating transfers in	60,000	60,000	54,601	(5,399)	(5,399)
Operating transfers out					
Total other financing sources (uses)	60,000	60,000	54,601	(5,399)	(5,399)
Change in fund balance	\$	\$	16,237	\$ 16,237	\$ 16,237
Fund balance - beginning of year			354,945		
Fund balance - end of year			\$ 371,182		

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, 2018

	Original Budget	Amended Budget	Actual	Variances-- Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
REVENUES					
Intergovernmental	\$ 99,698	\$ 437,943	\$ 435,933	\$ 336,235	\$ (2,010)
Earnings on Investments	14,000	14,000	1,820	(12,180)	(12,180)
Other local	720,000	840,332	715,816	(4,184)	(124,516)
Total revenues	<u>833,698</u>	<u>1,292,275</u>	<u>1,153,569</u>	<u>319,871</u>	<u>(138,706)</u>
EXPENDITURES					
Instruction	833,698	1,292,275	1,147,543	(313,845)	144,732
Support				-	-
Total expenditures	<u>833,698</u>	<u>1,292,275</u>	<u>1,147,543</u>	<u>(313,845)</u>	<u>144,732</u>
Excess (deficiency) of revenues over/under expenditures			<u>6,026</u>	<u>6,026</u>	<u>6,026</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>	<u>6,026</u>	<u>\$ 6,026</u>	<u>\$ 6,026</u>
Fund balance - Beginning of year			<u>24,837</u>		
Fund balance - End of year			<u>\$ 30,863</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Supplemental Schedule - Other Special Revenue Funds
Budget and Actual
For the Year Ended June 30, 2018

		<u>Amended Budgeted Revenue</u>	<u>Actual Revenue</u>	<u>Amended Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Operating Transfers In (Out)</u>	<u>Beginning Fund Balance</u>	<u>Ending Fund Balance</u>
Other Local Grants	Fund 232	\$ 20,000	\$ 28,544	\$ 20,000	\$ 28,544	\$	\$ 1,273	\$ 1,273
Medicaid Fund	233	700,000	633,180	700,000	631,035		14,999	17,144
Literacy Fund	235	207,700	202,137	207,700	202,137		0	0
Expendable Trust Funds	236	14,000	22,116	14,000	18,235		8,565	12,446
State Mini Grants	241	184,698	216,612	184,698	216,612		0	0
Local Technology Fund	245	120,332	0	120,332	0		0	0
Title IV Student Support	273	545	5,980	545	5,980		0	0
Other Federal Projects	274	45,000	45,000	45,000	45,000		0	0
		<u>\$ 1,292,275</u>	<u>\$ 1,153,569</u>	<u>\$ 1,292,275</u>	<u>\$ 1,147,543</u>	<u>\$ -</u>	<u>\$ 24,837</u>	<u>\$ 30,863</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
June 30, 2018

	Academic Endowment Fund	Activities Endowment Fund	Restricted Endowment Fund	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash	\$ 182,219	\$ 77,321	\$ 45,708	\$ 305,248
Total Assets	<u>182,219</u>	<u>77,321</u>	<u>45,708</u>	<u>305,248</u>
DEFERRED OUTFLOWS OF RESOURCES				
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 182,219</u>	<u>\$ 77,321</u>	<u>\$ 45,708</u>	<u>\$ 305,248</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
LIABILITIES				
Interfund Accounts Payable	\$ 1,030	\$ 437	\$ 258	\$ 1,725
DEFERRED INFLOWS OF RESOURCES				
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>1,030</u>	<u>437</u>	<u>258</u>	<u>1,725</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>\$ 182,219</u>	<u>\$ 77,321</u>	<u>\$ 45,708</u>	<u>\$ 305,248</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, 2018

	Academic Endowment Fund	Extra- curricular Activities Fund	Restricted Endowment Fund	Total
REVENUES				
Investment income	\$ 1,030	\$ 437	\$ 258	\$ 1,725
EXPENDITURES				
Transfer to expendable fund	1,030	437	258	\$ 1,725
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 Net Assets
Agency Funds
June 30, 2018

	Lewiston High School	Jenifer Junior High School	Sacajawea Junior High School	Elementary Schools	Tammany Alternative Center	Total
ASSETS						
Cash	\$ 238,258	\$ 141,895	\$ 172,871	\$ 129,693	\$ 8,754	\$ 691,471
Total assets	<u>238,258</u>	<u>141,895</u>	<u>172,871</u>	<u>129,693</u>	<u>8,754</u>	<u>691,471</u>
LIABILITIES						
Liabilities:						
Due to student groups	238,258	141,895	172,871	129,693	8,754	691,471
Total liabilities	<u>\$ 238,258</u>	<u>\$ 141,895</u>	<u>\$ 172,871</u>	<u>\$ 129,693</u>	<u>\$ 8,754</u>	<u>\$ 691,471</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, 2018

	<u>Balance</u> <u>7/1/2017</u>	<u>Cash</u> <u>Receipts &</u> <u>Transfers In</u>	<u>Cash</u> <u>Disbursements &</u> <u>Transfers Out</u>	<u>Balance</u> <u>6/30/2018</u>
SCHOOL DISTRICT ACTIVITY FUNDS				
Lewiston High School	\$ 254,206	\$ 809,983	\$ 825,931	\$ 238,258
Jenifer Jr. High School	142,127	122,048	122,280	141,895
Sacajawea Jr. High School	184,227	115,392	126,748	172,871
Camelot Elementary School	33,799	49,219	60,884	22,134
Centennial Elementary School	41,250	23,126	27,215	37,161
McGhee Elementary School	13,089	13,580	15,407	11,262
McSorley Elementary School	15,118	16,224	18,542	12,800
Orchards Elementary School	10,725	12,044	11,655	11,114
Webster Elementary School	25,885	31,033	28,665	28,253
Whitman Elementary School	6,595	14,414	14,040	6,969
Tammany Alternative Center	8,139	4,641	4,026	8,754
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Activity Funds	<u>\$ 735,160</u>	<u>\$ 1,211,704</u>	<u>\$ 1,255,393</u>	<u>\$ 691,471</u>

**Independent School District No. 1
Lewiston, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018**

	Federal CFDA Number	Pass Through Grantor's Number	Federal Grant Number	Expenditures	Passed Through to Sub-Recipients	Total Expenditures
Department of Agriculture						
Passed through State Department of Education						
Child Nutrition Cluster						
School lunch program	10.555	17-391	201717N109947	\$ 790,248	\$ -	\$ 790,248
Food Distribution (non-cash)	10.555	17-391	201717N109948	181,215		181,215
School Breakfast	10.553	17-391	201717N109947	171,337		171,337
Special Milk	10.556	17-391	201717N109950	7,390		7,390
Summer Food	10.559	17-391	201717N109951	59,275		59,275
Total Child Nutrition Cluster				1,209,465		1,209,465
Food Distribution Rebate	10.560	17-391	201717N253347	1,658		1,658
Total Department of Agriculture Food				1,211,123		1,211,123
Department of Education						
Passed through State Department of Education						
Special Education (IDEA) Cluster						
IDEA Part B School Age	84.027	17-391	H027A150088	865,583		865,583
IDEA Part B Preschool	84.173	17-391	H173A150030	36,548		36,548
Total Special Education Cluster				902,131		902,131
Other Programs						
Title I-A, ESEA - Improving Basic Programs	84.010	17-391	S010A160012	759,202	-	759,202
Carl Perkins Vocational Education	84.048	17-391	V048A160012	49,637		49,637
Title II-A, ESEA - Improving Teacher Quality	84.367	17-391	S367A160011	166,453		166,453
Student Support Academic Enrichment	84.424	17-391	S424A170013	5,979		5,979
Education for Homeless Children	84.196	17-391	S196A170013	25,000		25,000
Total Other Programs				1,006,271	-	1,006,271
Total Passed Through Department of Education				1,908,402	-	1,908,402
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	1,319		1,319
Total Direct through U.S. Department of Education				16,558	-	16,558
Total Department of Education				1,924,960	-	1,923,641
Department of Agriculture						
Direct cost share agreement through Wallowa-Whitman National Forest	10.699		16-CS-11061600-027	20,000		20,000
Total expenditures of federal awards				\$ 3,156,083	\$ -	\$ 3,156,083

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2018

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, 2018. 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 modified 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, there are no subrecipients.

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, 2018, 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, 2018. 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, 2018.

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 28, 2018

**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, aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Independent School District No. 1, as of and for the year ended June 30, 2018 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 28, 2018.

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 28, 2018

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2018

Financial Statements

Type of auditor's report issued –

Governmental Activities –	Unmodified
Aggregate Discretely Presented Component Unit	Qualified
General Fund -	Unmodified
Debt Service Fund-	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, 2018

Section II – Findings – Financial Statement Audit

None.

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

None.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

LEWISTON HIGH SCHOOL
Statement of Fiduciary Net Assets
June 30, 2018

ASSETS	
Cash and cash equivalents	<u>\$ 238,258</u>
Total assets	<u>238,258</u>
DEFERRED OUTFLOW OF RESOURCES	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
	<u><u>\$ 238,258</u></u>
LIABILITIES	
Due to student groups	<u>238,258</u>
Total liabilities	<u>238,258</u>
DEFERRED INFLOW OF RESOURCES	
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
	<u>238,258</u>
NET POSITION	
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	
	<u><u>\$ 238,258</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

LEWISTON HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2018

Activity Fund	Balance 7/1/2017	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2018
Annual	\$ 22,797	\$ 43,031	\$ 39,884		\$ 1,000	\$ 24,944
Art Honor Society	140	-	-	-	140	-
Athletic Director/Century Club	-	3,595	-	-	3,595	-
Athletics	-	42,525	73,509	30,984	-	-
Athletic/Special	-	2,891	1,628	-	1,263	-
Auto Mechanics	4,769	3,769	4,458	-	-	4,080
Band	1,172	71,820	25,365	-	44,253	3,374
Baseball	-	4,191	16,718	12,527	-	-
Basketball Boys	-	6,757	660	-	6,097	-
Basketball Girls	-	5,448	4,356	-	1,092	-
Bengal Lair	684	-	-	-	684	-
Bengals Care	-	-	39	2,000	-	1,961
Bengal's Purr	2,424	10,995	9,951	454	-	3,922
BPA	136	5,795	6,885	1,035	-	81
Cheerleaders	-	60	8,521	8,461	-	-
Class of 2012	-	-	(86)	-	-	86
Class of 2013	-	-	-	-	-	-
Class of 2014	-	-	-	-	-	-
Class of 2015	-	-	-	-	-	-
Class of 2016	-	-	-	-	-	-
Class of 2017	385	-	-	-	385	-
Class of 2018	3,204	3,587	5,268	-	1,052	471
Class of 2019	670	4,304	2,487	386	-	2,873
Class of 2020	-	676	-	-	-	676
Concessions	1,454	17,754	9,516	-	8,500	1,192
Crochet Club	561	-	-	-	561	-
Cross Country	-	-	3,620	3,620	-	-
Debate Club	241	-	-	-	241	-
DECA Nationals	-	45,847	44,067	-	-	1,780
DECA Store	1,389	8,474	4,993	-	-	4,870
DECA A	560	28,583	28,050	-	-	1,093
DECA B	2,010	-	-	-	-	2,010
District II Music	9,260	6,124	7,466	440	-	8,358
Drama	9,901	4,545	8,173	-	-	6,273
Drill Team	-	-	-	-	-	-
Dual Credit	-	-	-	-	-	-
Due to Student Body	-	-	-	-	-	-
Faculty Fund	531	3,431	3,208	-	159	595
FCCLA	4,882	7,529	7,466	-	-	4,945
Football	-	18,377	14,873	-	3,504	-
French Club	124	-	-	-	-	124
Fundraising-Baseball	9,118	10,449	11,437	258	-	8,388
Fundraising B-Basketball	3,265	11,399	11,073	-	125	3,466
Fundraising G-Basketball	453	23,901	19,821	-	-	4,533
Fundraising Cheerleading	3,038	29,118	30,223	1,500	-	3,433
Fundraising Cross Country	183	652	378	-	-	457
Fundraising Football	8,563	27,294	23,442	-	-	12,415
Fundraising B-Golf	4,087	13,740	15,355	150	-	2,622
Fundraising G-Golf	365	220	782	370	-	173
Fundraising B-Soccer	777	3,914	3,152	-	-	1,539
Fundraising G-Soccer	1,528	5,791	5,443	-	-	1,876
Fundraising Softball	7,370	11,145	8,572	-	-	9,943
Fundraising Swimming	-	1,596	459	-	938	199
Fundraising Tennis	336	3,376	3,146	-	-	566
Fundraising Track	2,382	-	499	-	-	1,883
Fundraising Volleyball	2,565	5,564	4,538	-	-	3,591
Fundraising Wrestling	14,354	11,915	4,131	-	5,342	16,796
German Club	80	-	68	-	-	12
Gold Voices	2,961	637	5,303	1,818	-	113
Golden Guard	-	-	-	-	-	-
Golf	-	1,700	5,263	3,563	-	-
Homecoming	2,283	3,891	5,105	-	-	1,069

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

LEWISTON HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2018

Activity Fund	Balance 7/1/2017	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2018
HOSA	52	310	145	-	-	217
ICA	4,317	5,750	4,427	-	3,677	1,963
Industrial Club	-	-	-	-	-	-
Interest Earned/CD	-	-	-	-	-	-
Investment Holding	61,928	99	-	-	22,000	40,027
Jazz Band	2,995	-	1,708	-	-	1,287
Junior Achievement	3,533	22	-	-	-	3,555
Junior Statesman	-	-	-	-	-	-
Key Club	238	-	-	-	-	238
KLHS	-	-	-	-	-	-
L Club	-	-	-	3,676	-	3,676
LHS/Pantry	2,414	-	150	-	-	2,264
Library	1,754	2,059	2,284	9	-	1,538
Life Skills	327	-	104	-	-	223
Literary Club	65	-	-	-	65	-
Lost Books	3,173	991	191	-	1,500	2,473
Loyalty/Guardian Angels	-	-	-	-	-	-
Machinists Club	10,868	2,825	1,020	-	-	12,673
National Honor Society	225	-	193	-	-	32
Natural Helpers	-	-	-	-	-	-
Other Activities	7,075	6,438	7,137	-	3,500	2,876
Other Income	3,821	200	-	-	2,000	2,021
Photography	1,128	-	-	-	-	1,128
Pictures	2,693	694	-	-	1,500	1,887
Press Club	-	-	-	-	-	-
Purple & Gold	3,541	-	130	-	-	3,411
Rodeo Club	284	-	-	-	-	284
Sales Tax	247	13,930	13,650	-	251	276
S.A.V.E.	80	43	32	-	-	91
Scholarships	4,292	-	52	-	-	4,240
Science Club	216	-	-	-	216	-
Senior Girls Club	-	-	-	-	-	-
Skills	-	3,102	1,653	-	534	915
Small Engines	-	-	-	-	-	-
T.S.A.	524	2,377	3,294	534	-	141
Smart Club	2	-	-	-	2	-
Soccer Boys	-	1,569	4,778	3,209	-	-
Soccer Girls	-	3,626	229	-	3,397	-
Softball	-	95	5,538	5,443	-	-
Spanish Club	25	-	-	-	-	25
Special Accounts	2,341	(337)	1,665	834	-	1,173
Student Activities	1,412	45,766	20,408	-	25,419	1,351
Student Insurance	-	-	-	-	-	-
Swimming	-	1,735	7,822	6,087	-	-
Tennis	-	-	5,537	5,537	-	-
Track	-	6,518	8,980	2,462	-	-
Unclaimed Property	-	-	-	-	-	-
Video Production	1,952	1,260	600	-	1,500	1,112
Vocal Music	1,682	34,928	80,772	44,541	-	379
Volleyball	-	5,937	5,252	-	685	-
Wrestling	-	8,459	13,738	5,279	-	-
TOTALS	\$ 254,206	\$ 664,806	\$ 680,754	\$ 145,177	\$ 145,177	\$ 238,258

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

JENIFER JUNIOR HIGH SCHOOL
Statement of Fiduciary Net Assets
June 30, 2018

ASSETS	
Cash and cash equivalents	<u>\$ 141,895</u>
Total assets	<u>141,895</u>
DEFERRED OUTFLOW OF RESOURCES	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
	<u><u>\$ 141,895</u></u>
LIABILITIES	
Due to student groups	<u>141,895</u>
Total liabilities	<u>141,895</u>
DEFERRED INFLOW OF RESOURCES	
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
	141,895
NET POSITION	
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	
	<u><u>\$ 141,895</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, 2018

Activity Fund	Balance 7/1/2017	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2018
Activities	\$ 44,712	\$ 14,143	\$ 9,796	\$ -	\$ 10,301	\$ 38,758
Annual	-	8,675	10,830	2,155	-	-
Art Club	198	-	-	-	-	198
Band Fundraiser	3,632	5,011	5,921	-	-	2,722
Books, Equipment Damage	-	90	90	-	-	-
Box Tops-Schulz	-	-	-	-	-	-
Boys BB	16,523	6,836	6,200	-	-	17,159
Brick Fund	859	-	-	-	-	859
Cheer Fundraiser	480	7,996	8,536	645	-	585
Cheerleaders	-	785	3,746	3,606	645	-
Chorus	-	-	-	-	-	-
Chorus Fundraiser	224	-	116	-	-	108
Class Accounts	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	298	298	-	-
2021	100	1,688	2,079	291	-	-
Concessions	3,768	9,537	8,264	-	-	5,041
Drama	2,226	1,131	1,156	-	-	2,201
Drill Team	-	-	-	-	-	-
E Team Account	-	-	227	227	-	-
Eighth Advisory	-	-	-	-	-	-
Explor-Elect Act	-	-	-	-	-	-
Extend. Learning	182	300	243	-	-	239
Faculty	9	2,386	2,912	357	-	(160)
Football	-	5,321	9,267	3,946	-	-
Fundraiser	11,831	12,616	4,758	-	5,760	13,929
Girls BB	13,856	5,857	5,634	25	-	14,104
Gratz Donation	-	200	-	-	-	200
Hats On	225	-	-	-	-	225
Honor Flight	-	-	-	-	-	-
Idaho Sales Tax	-	4,055	4,055	-	-	-
Interest CD	12,352	6	-	-	-	12,358
Jazz Band	-	-	-	-	-	-
Jazz Choir	34	-	-	-	-	34
STARS	4,586	-	215	-	25	4,346
Library	467	168	146	-	-	489
Locks	-	-	-	-	-	-
Music	-	-	-	-	-	-
N Team Activity	39	353	509	117	-	-
Ninth Team Account	-	-	324	324	-	-
Noon Activity	-	-	-	-	-	-
North Team Store	179	27	-	-	-	206
NSF Checks	-	50	50	-	-	-
Over & Short	-	-	-	-	-	-
Pep Club	-	-	-	-	-	-
Burro Pride	1,827	-	-	-	-	1,827
Recycle	-	-	-	-	-	-
Red Wave	-	-	-	-	-	-
S Team Account	265	353	296	-	-	322
Sales	-	-	-	-	-	-
Schweitzer Donation	-	1,700	-	-	-	1,700
Science Dept.	3,616	-	-	-	-	3,616
Seventh Advisory	-	-	46	46	-	-
Smart Lab	-	-	-	-	-	-
Social Studies Dept	200	-	-	-	-	200
SODA	-	862	919	57	-	-
Special Fund	-	-	115	115	-	-
Sports	-	963	2,240	1,277	-	-
Student Council	-	-	903	903	-	-

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

JENIFER JUNIOR HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2018

Activity Fund	Balance 7/1/2017	Cash Receipts	Cash Disbursements	Transfers In	Tranfers Out	Balance 6/30/2018
Student Recognition	-	-	200	200	-	-
Teacher of the Year-Caldwell	-	-	-	-	-	-
Teacher of the Year-Falkenstein	6	200	-	-	-	206
Teacher of the Year-Gratz	-	-	-	-	-	-
Teacher of the Year-Beckman	-	-	-	-	-	-
Thompson Donation	133	-	9	-	-	124
Track	-	2,949	4,402	1,453	-	-
Vending Machines	1,031	-	673	-	358	-
Volleyball	15,765	7,380	6,546	-	-	16,599
West Team Account	-	-	483	483	-	-
West Team Recognition	-	356	920	564	-	-
Wrestling	2,802	2,965	2,067	-	-	3,700
	<u>\$ 142,127</u>	<u>\$ 104,959</u>	<u>\$ 105,191</u>	<u>\$ 17,089</u>	<u>\$ 17,089</u>	<u>\$ 141,895</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

SACAJAWEA JUNIOR HIGH SCHOOL
Statement of Fiduciary Net Assets
June 30, 2018

ASSETS	
Cash and cash equivalents	<u>\$ 172,871</u>
Total assets	<u>172,871</u>
DEFERRED OUTFLOW OF RESOURCES	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
	<u><u>\$ 172,871</u></u>
LIABILITIES	
Due to student groups	<u>172,871</u>
Total liabilities	<u>172,871</u>
DEFERRED INFLOW OF RESOURCES	
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
	172,871
NET POSITION	
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	
	<u><u>\$ 172,871</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, 2018

Activity Fund	Balance 7/1/2017	Cash Receipts	Cash Disbursements	Transfers In	Transfers Out	Balance 6/30/2018
Activities	\$ 161,458	\$ 18,736	\$ 19,386	\$ 9,968	\$ 17,195	\$ 153,581
Annual	669	10,265	10,804			130
Art	-					-
Assignment Book	-					-
Basketball-Boys	-	3,839	1,445		2,394	-
Basketball-Girls	-	2,878	1,244		1,634	-
Box Tops	1,316	198	370			1,144
Cheerleading	4,113	10,869	14,894			88
Choir	-					-
Class Accounts	-					-
2023	-					-
2021	302	645	21		926	-
2022	-			926		926
Concessions	-	8,803	5,529		3,274	-
Damage Deposits	-	146	146			-
Dance Team	-					-
Drama	3,582	610	1,247			2,945
Faculty	1,400 *	1,097	1,384			1,113
Football	-	2,430	9,942	7,512		-
Interest-CD	-	68			68	-
Interest	7	85			86	6
Jazz Band	628					628
Library	679	2,927	2,469			1,137
Locks (Sac)	-					-
Music	3,802	1,073				4,875
NSF Checks	-	349	349			-
Other Activity	352	75	196			231
Over and Short	-	43			43	-
Pay to Participate	765	13,020	12,840			945
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	148					148
Student Recognition	-					-
Tax-Idaho Sales	-	2,836	2,836			-
Teacher of the Year-Ferr	300					300
Teen and Young Living	2,630	103	135			2,598
Track	-	900	2,020	1,120		-
Volleyball	-	4,202	2,468		1,734	-
Wrestling	-	369	8,933	8,564		-
	<u>\$ 184,227</u>	<u>\$ 87,302</u>	<u>\$ 98,658</u>	<u>\$ 28,090</u>	<u>\$ 28,090</u>	<u>\$ 172,871</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

ELEMENTARY SCHOOLS
Statement of Fiduciary Net Assets
June 30, 2018

ASSETS

Cash and cash equivalents	
Camelot Elementary School	\$ 22,134
Centennial Elementary School	37,161
McGhee Elementary School	11,262
McSorley Elementary School	12,800
Orchards Elementary School	11,114
Webster Elementary School	28,253
Whitman Elementary School	6,969
	<hr/>
Total assets	129,693

DEFERRED OUTFLOW OF RESOURCES

**TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES**

\$ 129,693

LIABILITIES

Due to student groups	
Camelot Elementary School	22,134
Centennial Elementary School	37,161
McGhee Elementary School	11,262
McSorley Elementary School	12,800
Orchards Elementary School	11,114
Webster Elementary School	28,253
Whitman Elementary School	6,969
	<hr/>
Total liabilities	129,693

DEFERRED INFLOW OF RESOURCES

**TOTAL LIABILITIES AND DEFERRED INFLOWS
OF RESOURCES**

129,693

NET POSITION

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

\$ 129,693

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

ELEMENTARY SCHOOLS
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2018

SCHOOL	Balance 07/01/17	Cash Receipts & Transfers In	Cash Disbursements & Transfers Out	Balance 06/30/18
CAMELOT				
Activity Account	\$ 17,779	\$ 28,678	\$ 38,629	\$ 7,828
Library Account	1,745	5,876	6,502	1,119
Pop Account	2,493	282	25	2,750
Knowledge Bowl	-	-	-	-
Grade 4	8,798	10,505	10,392	8,911
Grade 6	1,097	1,396	1,302	1,191
Student Council	1,887	2,482	4,034	335
TOTAL	\$ 33,799	\$ 49,219	\$ 60,884	\$ 22,134
CENTENNIAL				
Activity Account	\$ 22,095	\$ 8,959	\$ 5,083	\$ 25,971
Classroom Account	19,102	14,142	22,090	11,154
Pop Account	53	25	42	36
ISD	-	-	-	-
TOTAL	\$ 41,250	\$ 23,126	\$ 27,215	\$ 37,161
MCGHEE				
Activity Account	\$ 9,665	\$ 6,180	\$ 6,861	\$ 8,984
Pop Account	488	53	238	303
Library Account	81	975	1,046	10
4th Grade	1,806	5,604	6,791	619
Title Account	125	50	-	175
6th Grade	347	350	340	357
Choir	131	-	-	131
Student Council	446	368	131	683
TOTAL	\$ 13,089	\$ 13,580	\$ 15,407	\$ 11,262
MCSORLEY				
Activity	\$ 314	\$ 14	\$ 241	\$ 87
Classroom	14,515	16,189	18,301	12,403
Pop Account	289	21	-	310
ISD	-	-	-	-
TOTAL	\$ 15,118	\$ 16,224	\$ 18,542	\$ 12,800

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

ELEMENTARY SCHOOLS
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2018

SCHOOL	Balance 07/01/17	Cash Receipts & Transfers In	Cash Disbursements & Transfers Out	Balance 06/30/18
ORCHARDS				
Activity Account	\$ 3,722	\$ 2,536	\$ 3,624	\$ 2,634
Pop Account	286	21	-	307
Taxes	77	-	72	5
Library Account	932	-	-	932
Camp Wittman	4,068	782	714	4,136
Student Council	233	2,717	2,406	544
4th River Trip	1,152	5,988	4,839	2,301
Curriculum	255	-	-	255
TOTAL	\$ 10,725	\$ 12,044	\$ 11,655	\$ 11,114
WEBSTER				
Activity Account	\$ 4,558	\$ 11,148	\$ 9,843	\$ 5,863
Camp	1,448	2,246	1,977	1,717
Computer Account	4,373	-	-	4,373
Library Account	605	1,720	1,373	952
Camp Martin/KR	871	-	871	-
River Trip	5,533	9,938	9,190	6,281
Savings	35	-	-	35
Service Learning Group	8,462	5,981	5,411	9,032
TOTAL	\$ 25,885	\$ 31,033	\$ 28,665	\$ 28,253
WHITMAN				
Activity Account	\$ 4,662	\$ 8,317	\$ 8,041	\$ 4,938
Pop Account	161	189	-	350
Hell's Canyon	298	4,001	4,759	(460)
Student Council	1,469	1,907	1,240	2,136
Share Account	5	-	-	5
TOTAL	\$ 6,595	\$ 14,414	\$ 14,040	\$ 6,969
GRAND TOTAL	\$ 146,461	\$ 159,640	\$ 176,408	\$ 129,693

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TAMMANY ALTERNATIVE CENTER
Statement of Fiduciary Net Assets
June 30, 2018

ASSETS	
Cash and cash equivalents	\$ 8,754
Total assets	<u>8,754</u>
DEFERRED OUTFLOW OF RESOURCES	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
	<u>\$ 8,754</u>
LIABILITIES	
Due to student groups	<u>8,754</u>
Total liabilities	<u>8,754</u>
DEFERRED INFLOW OF RESOURCES	
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
	8,754
NET POSITION	
TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION	
	<u>\$ 8,754</u>

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

**TAMMANY ALTERNATIVE CENTER
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2018**

<u>Activity Fund</u>	<u>Balance 07/01/17</u>	<u>Cash Receipts & Transfers In</u>	<u>Cash Disbursements & Transfers Out</u>	<u>Balance 06/30/18</u>
Activity Account	\$ 7,018	\$ 4,541	\$ 4,026	\$ 7,533
FCCLA	525			525
Construction	<u>596</u>	<u>100</u>	<u></u>	<u>696</u>
	<u>\$ 8,139</u>	<u>\$ 4,641</u>	<u>\$ 4,026</u>	<u>\$ 8,754</u>