

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho



Audited Financial
Statements

For the Fiscal Year Ended June 30, 2019

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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Lewiston, Idaho**

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INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Independent School District No. 1, as of and for the year ended June 30, 2019, 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 unit.

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, 2019, 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, 2019, 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.

Emphasis of Matter

As discussed in Note 14 to the financial statements, the District recorded a prior period adjustment as a result of implementing GASB 75 related to other post-employment benefits for sick leave.

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 through 11, the net pension liability schedules on page 48, the other post-employment benefits schedule and net OPEB asset – sick leave plan related schedules on page 49, and the respective budgetary comparison information on pages 50 through 52 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 23, 2019 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 23, 2019

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2019

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, 2019. 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 2018-2019 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 4,948 students in October of 2008 to 4,695 in October of 2018.

Financial Highlights

- General Fund property tax revenue received in fiscal year 2019 increased by \$532,923 or 3.47% above fiscal year 2018.
- State base funding totaled \$24,849,753 in fiscal year 2019, which represents a 5.07% increase over the prior year.
- Total expenses in the general fund increased by \$2.0 million or 4.9% in 2019.
- 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.
- \$4,030,000 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 through 2019 and appraisals and marketing efforts were undertaken. The sale of a residential property was closed in fiscal year 2019.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2019

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 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.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2019

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 2019 compared to 2018.**

Net Position

| Table 1 | All Governmental Activities | | Total Percentage Change |
|---|--------------------------------|----------------|-------------------------------|
| | 2018 | 2019 | |
| Current assets | \$ 92,737,671 | \$ 70,795,183 | -23.66% |
| Capital assets | 11,279,962 | 41,223,299 | 265.46% |
| Net other post employment benefits asset-sick | - | 1,780,552 | N/A |
| Total assets | 104,017,633 | 113,799,034 | 9.40% |
| Deferred outflows | 5,024,146 | 6,683,160 | 33.02% |
| Total assets and deferred outflows | \$ 109,041,779 | \$ 120,482,194 | 10.49% |
| Current liabilities | \$ 7,927,793 | \$ 12,524,803 | 57.99% |
| Noncurrent liabilities | 64,654,193 | 63,076,829 | -2.44% |
| Deferred inflows | 21,971,802 | 22,395,840 | 1.93% |
| Total liabilities and deferred inflows | 94,553,788 | 97,997,472 | 3.64% |
| Net Position | | | |
| Capital assets | 11,279,962 | 17,345,851 | 53.78% |
| Nonspendable | 485,398 | 497,228 | 2.44% |
| Capital projects | 7,209,309 | 5,954,862 | -17.40% |
| Debt service | 2,264,938 | 3,255,249 | 43.72% |
| Other restricted | 700,686 | 674,217 | -3.78% |
| Unrestricted | (7,452,302) | (5,242,685) | -29.65% |
| Total net position | 14,487,991 | 22,484,722 | 55.20% |
| Total liabilities, deferred inflows and net position | \$ 109,041,779 | \$ 120,482,194 | 10.49% |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Management's Discussion and Analysis
For the Year Ended June 30, 2019

Table 2 shows the changes in net position for fiscal year 2019.

| Changes in Net Position from Operating Results | | | |
|---|--|--------------|--|
| Table 2 | All Governmental Activities | | Total Percentage Change |
| | 2018 | 2019 | |
| Revenues | | | |
| Program revenues | | | |
| Charges for services | \$ 1,406,775 | \$ 1,322,724 | -5.97% |
| Grants and contributions | 20,898,844 | 3,276,667 | -84.32% |
| General revenues | | | |
| Property taxes | 19,337,257 | 19,897,816 | 2.90% |
| Government funding | 6,590,220 | 25,756,568 | 290.83% |
| Contributions not related to a specific program | - | 2,000,000 | N/A |
| Gain on sale of capital assets | - | 85,929 | N/A |
| Other | 3,201,332 | 3,338,279 | 4.28% |
| Total revenues | 51,434,428 | 55,677,983 | 8.25% |
| Expenses | | | |
| Instructional | 27,302,182 | 29,002,257 | 6.23% |
| Other | 20,262,092 | 20,664,908 | 1.99% |
| Total Expenses | 47,564,274 | 49,667,165 | 4.42% |
| Net position | | | |
| Increase (Decrease) in net position | \$ 3,870,154 | \$ 6,010,818 | 55.31% |

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, 2019

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

Governmental Activities

| Table 3 | Total cost | | | Net cost | | |
|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | of services | | Percentage change | of services | | Percentage change |
| | 2018 | 2019 | | 2018 | 2019 | |
| Instruction | \$ 27,302,182 | \$ 29,002,257 | 6.23% | \$ 12,063,269 | \$ 26,918,136 | 123.14% |
| Pupil, staff support | 3,881,177 | 4,101,783 | 5.68% | 1,709,055 | 3,577,454 | 109.32% |
| Administration, business | 4,847,222 | 5,067,122 | 4.54% | 3,178,244 | 5,067,122 | 59.43% |
| Maintenance, custodial | 4,699,573 | 4,936,164 | 5.03% | 4,335,233 | 4,928,541 | 13.69% |
| Transportation | 1,826,590 | 1,843,674 | 0.94% | 903,143 | 1,843,674 | 104.14% |
| Food service | 1,954,101 | 1,990,675 | 1.87% | 16,282 | 7,357 | -54.82% |
| Other | 3,053,429 | 2,725,490 | -10.74% | 3,053,429 | 2,725,490 | -10.74% |
| Total | \$ 47,564,274 | \$ 49,667,165 | 4.42% | \$ 25,258,655 | \$ 45,067,774 | -43.95% |

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 2019, administrators transferred \$50,000 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 2019 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, 2019

Capital Assets

At the end of fiscal year 2019, the School District had \$41,223,299 invested in net capital assets in government-wide activities. Table 4 reflects fiscal year 2019 balances compared to fiscal year 2018.

**Capital Assets at June 30
(Net of depreciation)**

Table 4

| | <u>All Governmental Activities</u> | | <u>Total Dollar Change</u> |
|----------------------------|------------------------------------|----------------------|------------------------------------|
| | <u>2018</u> | <u>2019</u> | |
| Land and site improvements | \$ 3,512,063 | \$ 6,341,870 | \$ 2,829,807 |
| Construction in progress | 2,930,378 | 30,133,367 | 27,202,989 |
| Buildings | 3,728,525 | 3,409,686 | (318,839) |
| Equipment | 437,170 | 692,134 | 254,964 |
| Vehicles and buses | 671,826 | 646,242 | (25,584) |
| Total net capital assets | <u>\$ 11,279,962</u> | <u>\$ 41,223,299</u> | <u>\$ 29,943,337</u> |

Current Issues

State apportionment funding received by the District increased 5.07% compared to the previous year. The Legislature did increase both the funding per support unit and the salary-based apportionment. The District measured approximately 226.89 support units in fiscal year 2019 and 224.22 in fiscal year 2018, which is an increase of 2.67 support units.

At the local level, the overall market value of property in the District rose by approximately 1.8% from December 2017 to December 2018, or approximately \$68 million. Residential real estate values continued to strengthen and there was also an upward trend in commercial property values. Construction activity in the community is 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. Capital projects include: a new roof at Webster Elementary School, a new roof at Camelot Elementary School, three (3) new HVAC roof top units, a parking lot at Whitman Elementary School, two (2) compactors, an oven, a telephone system, two (2) used maintenance vehicles, and a print shop copier.

The Capital Projects Fund (School Plant Facilities Reserve or SPFR) net position decreased \$143,071 in fiscal year 2018-2019. Infrastructure on Warner Avenue and one school bus was purchased with SPFR funds. 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 million 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, 2019

Fiscal year 2019 is the last 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 Leann L. Hubbard, CFE, 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, 2019

ASSETS

| | |
|---|---------------------|
| Current assets | |
| Cash and cash equivalents | \$ 338,699 |
| Investments | 39,862,690 |
| Taxes receivable (net) | 8,748,427 |
| Unbilled property taxes receivable | 19,777,295 |
| Due from other governmental units | 1,517,433 |
| Interest receivable | 53,411 |
| Inventory and prepaid expenses | 497,228 |
| Total current assets | <u>70,795,183</u> |
| Noncurrent assets | |
| Non depreciated capital assets | 36,095,192 |
| Depreciated capital assets | 23,673,368 |
| Less: accumulated depreciation | <u>(18,545,261)</u> |
| Net capital assets | 41,223,299 |
| Net other post employment benefits asset-sick | 1,780,552 |
| Total noncurrent assets | <u>43,003,851</u> |
| Total assets | <u>113,799,034</u> |

DEFERRED OUTFLOWS OF RESOURCES

| | |
|--------------------------------------|------------------|
| Pension-related items | 5,460,932 |
| Other post employment benefits-sick | 562,214 |
| Other post employment benefits | 660,014 |
| Total deferred outflows of resources | <u>6,683,160</u> |

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

\$ 120,482,194

LIABILITIES

| | |
|---|-------------------|
| Current liabilities | |
| Accounts payable and other current liabilities | \$ 9,463,961 |
| Unearned revenue | 191,597 |
| Accrued interest payable | 691,421 |
| Current portion of long-term debt, general obligation bonds | 1,720,000 |
| Checks not yet presented for payment | 457,824 |
| Total current liabilities | <u>12,524,803</u> |
| Noncurrent liabilities | |
| Compensated absences | 346,641 |
| Other post employment benefits liability | 2,023,175 |
| Net pension liability | 12,182,013 |
| Noncurrent portion long-term debt, general obligation bonds | 48,525,000 |
| Total noncurrent liabilities | <u>63,076,829</u> |
| TOTAL LIABILITIES | <u>75,601,632</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|-------------------------------------|-------------------|
| 2019 Property taxes | 19,777,295 |
| Pension-related items | 2,373,846 |
| Other post employment benefits-sick | 105,768 |
| Other post employment benefits | 138,931 |
| Total deferred inflows of resources | <u>22,395,840</u> |

TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

97,997,472

NET POSITION

| | |
|----------------------------------|--------------------|
| Net investment in capital assets | 17,345,851 |
| Restricted | |
| Nonspendable | 497,228 |
| Capital projects | 5,954,862 |
| Debt service | 3,255,249 |
| Other specific purposes | 674,217 |
| Unrestricted | <u>(5,242,685)</u> |
| Net position | <u>22,484,722</u> |

TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION

\$ 120,482,194

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, 2019

| FUNCTIONS/PROGRAMS | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position |
|------------------------------|-------------------------|---------------------------------|---|---|--|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
| Governmental activities: | | | | | |
| Preschool - 12 Instruction | \$ 29,002,257 | \$ 43,003 | \$ 2,041,118 | \$ - | \$ (26,918,136) |
| Support Services: | | | | | |
| Pupil support | 2,050,354 | 524,329 | | | (1,526,025) |
| Staff support | 2,051,429 | | | | (2,051,429) |
| General administration | 1,382,108 | | | | (1,382,108) |
| School administration | 2,636,933 | | | | (2,636,933) |
| Business services | 584,493 | | | | (584,493) |
| Technology | 463,588 | | | | (463,588) |
| Maintenance/Custodial | 4,936,164 | 7,623 | | | (4,928,541) |
| Transportation | 1,843,674 | | | | (1,843,674) |
| Food services | 1,990,675 | 747,769 | 1,235,549 | | (7,357) |
| Debt service | 2,219,419 | | | | (2,219,419) |
| Depreciation, unallocated | 506,071 | | | | (506,071) |
| Total School District | \$ 49,667,165 | \$ 1,322,724 | \$ 3,276,667 | \$ - | (45,067,774) |
| General Revenues | | | | | |
| Taxes | | | | | |
| | | | | | 15,873,268 |
| | | | | | 4,024,548 |
| | | | | | 25,756,568 |
| | | | | | 2,000,000 |
| | | | | | 85,929 |
| | | | | | 2,325,185 |
| | | | | | 1,013,094 |
| | | | | | 51,078,592 |
| | | | | | 6,010,818 |
| | | | | | 14,487,991 |
| | | | | | 1,985,913 |
| | | | | | \$ 22,484,722 |

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, 2019

| | <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 | \$ 220,646 | \$ - | \$ - | \$ - | \$ 220,646 |
| Accounts receivable | 970,569 | | | 546,214 | 1,516,783 |
| 2019 Property taxes receivable | 15,680,295 | 4,097,000 | | | 19,777,295 |
| Taxes receivable (net) | 7,009,289 | 1,739,138 | | | 8,748,427 |
| Interest receivable | | 3,260 | 50,151 | | 53,411 |
| Due from other funds | | | 422,919 | 672,580 | 1,095,499 |
| Investments | 2,215,984 | 1,576,907 | 35,760,743 | | 39,553,634 |
| Prepaid supplies | 425,585 | | | 60,798 | 486,383 |
| Total assets | <u>26,522,368</u> | <u>7,416,305</u> | <u>36,233,813</u> | <u>1,279,592</u> | <u>71,452,078</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| | - | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| | <u>\$ 26,522,368</u> | <u>\$ 7,416,305</u> | <u>\$ 36,233,813</u> | <u>\$ 1,279,592</u> | <u>\$ 71,452,078</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Checks not yet presented for payment | \$ 457,824 | \$ - | \$ - | \$ - | \$ 457,824 |
| Accounts payable | 943,809 | | 2,540,651 | 145,400 | 3,629,860 |
| Retainage payable | | | 1,370,748 | | 1,370,748 |
| Payroll and taxes payable | 4,078,759 | | | 379,129 | 4,457,888 |
| Unearned revenue | | | | 191,598 | 191,598 |
| Due to other funds | 946,423 | | | 149,076 | 1,095,499 |
| Total liabilities | <u>6,426,815</u> | <u>-</u> | <u>3,911,399</u> | <u>865,203</u> | <u>11,203,417</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| 2019 Property taxes | 15,680,295 | 4,097,000 | | | 19,777,295 |
| Non-current property taxes | 386,484 | 107,328 | | | 493,812 |
| Total deferred inflows of resources | <u>16,066,779</u> | <u>4,204,328</u> | | | <u>20,271,107</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| | <u>22,493,594</u> | <u>4,204,328</u> | <u>3,911,399</u> | <u>865,203</u> | <u>31,474,524</u> |
| FUND BALANCES | | | | | |
| Nonspendable | 425,585 | | | 60,798 | 486,383 |
| Restricted | | 3,211,977 | 32,322,414 | 353,591 | 35,887,982 |
| Unassigned | 3,603,189 | | | | 3,603,189 |
| Total fund balances | <u>4,028,774</u> | <u>3,211,977</u> | <u>32,322,414</u> | <u>414,389</u> | <u>39,977,554</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS FUND BALANCES | | | | | |
| | <u>\$ 26,522,368</u> | <u>\$ 7,416,305</u> | <u>\$ 36,233,813</u> | <u>\$ 1,279,592</u> | <u>\$ 71,452,078</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, 2019**

| | | |
|---|---------------------|----------------------|
| Total fund balance - governmental funds | | \$ 39,977,554 |
| Differences between statement of net position and fund statements: | | |
| Pension-related item: deferred outflow of resources | | 5,460,932 |
| Pension-related item: deferred inflow of resources | | (2,373,846) |
| Other post employment benefits (OPEB)-sick : | | |
| OPEB-sick related item: deferred outflow of resources | | 562,214 |
| OPEB-sick related item: deferred inflow of resources | | (105,768) |
| Other post employment benefits (OPEB) : | | |
| OPEB-related item: deferred outflow of resources | | 660,014 |
| OPEB-related item: deferred inflow of resources | | (138,931) |
| Capital assets used in governmental activities are not reported as assets in governmental funds: | | |
| Cost of capital assets | 59,645,570 | |
| Accumulated depreciation | <u>(18,470,528)</u> | 41,175,042 |
| Property taxes receivable, not expected to be received within sixty days are deferred in the funds | | 493,812 |
| Net position of internal service funds included in district-wide statement of net position | | 481,397 |
| Accrued interest payable on outstanding debt | | (691,421) |
| Long term assets not recorded in funds: | | |
| Other post employment benefits-sick | | 1,780,552 |
| Long term liabilities not recorded in funds: | | |
| Compensated absences | | (346,641) |
| Other post employment benefits | | (2,023,175) |
| Net pension liability | | (12,182,013) |
| General obligation bonds not recorded in funds: | | |
| Series 2017A - current portion | | (1,720,000) |
| Series 2017A and 2017B - non current portion | | <u>(48,525,000)</u> |
| Total net position - governmental activities | | \$ 22,484,722 |

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, 2019

| | <u>General</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------|-------------------------|-----------------------------|---|---|
| REVENUES | | | | | |
| Property tax | \$ 15,875,043 | \$ 3,981,276 | \$ - | \$ - | \$ 19,856,319 |
| State apportionment | 24,849,753 | | | | 24,849,753 |
| Intergovernmental | - | 283,602 | 288,161 | 3,611,719 | 4,183,482 |
| Charges for services | 43,003 | | 7,623 | 747,769 | 798,395 |
| Earnings on investments | 166,792 | 25,550 | 798,372 | 15,000 | 1,005,714 |
| Contributions and donations | | | 2,000,000 | | 2,000,000 |
| Other | 2,103,652 | | 9,593 | 583,821 | 2,697,066 |
| Total revenue | <u>43,038,243</u> | <u>4,290,428</u> | <u>3,103,749</u> | <u>4,958,309</u> | <u>55,390,729</u> |
| EXPENDITURES | | | | | |
| Instruction | 26,681,015 | | | 2,962,966 | 29,643,981 |
| Support: | | | | | |
| Pupil | 2,094,138 | | | | 2,094,138 |
| Staff | 1,960,988 | | | | 1,960,988 |
| General administration | 1,408,935 | | | | 1,408,935 |
| School administration | 2,714,969 | | | | 2,714,969 |
| Business service | 584,493 | | | | 584,493 |
| Technology administration | 463,588 | | | | 463,588 |
| Maintenance and operations | 4,990,147 | | | | 4,990,147 |
| Transportation | 1,725,095 | | | | 1,725,095 |
| Food service | | | | 2,044,917 | 2,044,917 |
| Debt service: | | | | | |
| Principal | | 935,000 | | | 935,000 |
| Interest | | 2,344,333 | | | 2,344,333 |
| Capital outlay | | | 30,583,947 | | 30,583,947 |
| Total expenditures | <u>42,623,368</u> | <u>3,279,333</u> | <u>30,583,947</u> | <u>5,007,883</u> | <u>81,494,531</u> |
| Excess (deficiency) of revenues over/under expenditures | <u>414,875</u> | <u>1,011,095</u> | <u>(27,480,198)</u> | <u>(49,574)</u> | <u>(26,103,802)</u> |
| Other financing sources (uses); | | | | | |
| Disposal of capital assets | 2,998 | | 166,968 | | 169,966 |
| Operating transfers in | 50,000 | | 580,000 | 61,918 | 691,918 |
| Operating transfers out | (491,918) | | (150,000) | | (641,918) |
| Total other financing sources (uses) | <u>(438,920)</u> | <u>-</u> | <u>596,968</u> | <u>61,918</u> | <u>219,966</u> |
| Net change in fund balance | (24,045) | 1,011,095 | (26,883,230) | 12,344 | (25,883,836) |
| Fund balance - beginning 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> |
| Fund balance - end of year | <u>\$ 4,028,774</u> | <u>\$ 3,211,977</u> | <u>\$ 32,322,414</u> | <u>\$ 414,389</u> | <u>\$ 39,977,554</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, 2019

| | | |
|---|------------------|----------------------------|
| Net change in fund balances - total governmental funds | | \$ (25,883,836) |
| Differences between statement of activities and fund statements: | | |
| Capital outlays recorded in funds as expenditures: | | |
| Capital outlays | 30,644,503 | |
| Depreciation expense | (655,009) | |
| Disposals | <u>(81,439)</u> | 29,908,055 |
| Change in compensated absences, not recorded in funds | | 4,173 |
| Adjustment for change in deferred revenues | | 41,498 |
| Other post employment benefit adjustments-sick: | | |
| Net change in total OPEB asset | 129,450 | |
| OPEB-sick related amortization (expense) revenue | <u>121,635</u> | 251,085 |
| Other post employment benefit adjustments: | | |
| Net change in total OPEB liability | (729,615) | |
| OPEB related amortization (expense) revenue | <u>663,060</u> | (66,555) |
| Change in net assets in internal service funds | | (10,515) |
| Long term debt not reported in funds: | | |
| Repayment of the principal of long term debt | 935,000 | |
| Interest expense fiscal year 2018 | 816,334 | |
| Interest expense fiscal year 2019 | <u>(691,421)</u> | 1,059,913 |
| Net pension liability adjustments: | | |
| Fiscal year 2018 employer PERSI contributions recognized as pension expense in the current year | (3,008,213) | |
| Fiscal year 2019 employer PERSI contributions deferred to subsequent year | 3,159,712 | |
| Pension related amortization (expense) revenue | <u>555,501</u> | 707,000 |
| Change in net position of governmental activities | | <u><u>\$ 6,010,818</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, 2019

| | Internal Service Funds | | |
|--------------------------------------|--|-------------------|--------------|
| | Medical Insurance Risk Fund | Print shop | Total |
| ASSETS | | | |
| Current Assets | | | |
| Cash | \$ 10,919 | \$ 107,134 | \$ 118,053 |
| Accounts receivable | 650 | - | 650 |
| Investments | 309,056 | | 309,056 |
| Prepaid supplies | | 10,845 | 10,845 |
| Due from other funds | 0 | | 0 |
| Total current assets | 320,625 | 117,979 | 438,604 |
| Noncurrent Assets | | | |
| Furniture and equipment (net) | | 48,257 | 48,257 |
| TOTAL ASSETS | 320,625 | 166,236 | 486,861 |
| Deferred outflow of resources | - | - | - |
| LIABILITIES | | | |
| Accounts payable | - | 5,464 | 5,464 |
| Payroll and taxes payable | - | - | - |
| TOTAL LIABILITIES | - | 5,464 | 5,464 |
| Deferred inflow of resources | - | - | - |
| NET POSITION | | | |
| Net Investment in capital assets | | 48,257 | 48,257 |
| Nonspendable | | 10,845 | 10,845 |
| Assigned for benefit payments | 320,625 | | 320,625 |
| Unrestricted | - | 101,670 | 101,670 |
| TOTAL NET POSITION | \$ 320,625 | \$ 160,772 | \$ 481,397 |

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

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

**Statement of Revenues, Expenses and Changes in Net Position
All Proprietary Funds
For the Year Ended June 30, 2019**

| | Internal Service Funds | | |
|--|--|-------------------|-------------------|
| | Medical Insurance Risk Fund | Print shop | Total |
| OPERATING REVENUES | | | |
| Other local revenue | \$ 4,917 | \$ 144,533 | \$ 149,450 |
| Total operating revenues | <u>4,917</u> | <u>144,533</u> | <u>149,450</u> |
| OPERATING EXPENSES | | | |
| Support services | - | 117,745 | 117,745 |
| Total operating expenses | <u>-</u> | <u>117,745</u> | <u>117,745</u> |
| Operating income (loss) | <u>4,917</u> | <u>26,788</u> | <u>31,705</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Interest income | <u>7,380</u> | <u>-</u> | <u>7,380</u> |
| Other financing sources (uses) | | | |
| Gain (Loss) on sale of fixed assets | - | 400 | 400 |
| Transfers in | - | - | - |
| Transfers out | (50,000) | - | (50,000) |
| Total other financing sources (uses) | <u>(50,000)</u> | <u>400</u> | <u>(49,600)</u> |
| Change in net position | (37,703) | 27,188 | (10,515) |
| Total net position - beginning of year | <u>358,328</u> | <u>133,584</u> | <u>491,912</u> |
| Total net position - end of year | <u>\$ 320,625</u> | <u>\$ 160,772</u> | <u>\$ 481,397</u> |

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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Statement of Cash Flows
All Proprietary Funds
For the Year Ended June 30, 2019

| | Internal Service Funds | | |
|--|--|-------------------|-------------------|
| | Medical Insurance Risk Fund | Print shop | Total |
| Cash Flows From Operating Activities | | | |
| Cash received for services or programs | \$ 8,310 | \$ 144,555 | \$ 152,865 |
| Cash payments to suppliers for goods and services | | (54,938) | (54,938) |
| Cash payment to employees for services | | (48,809) | (48,809) |
| Net cash provided by (used in) operating activities | <u>8,310</u> | <u>40,808</u> | <u>49,118</u> |
| Cash Flows From Investing Activities | | | |
| Interest on investments | 7,380 | | 7,380 |
| Purchase of fixed assets | | (46,850) | (46,850) |
| Proceeds from sales of fixed assets | | 400 | 400 |
| Net cash provided by (used in) investing activities | <u>7,380</u> | <u>(46,450)</u> | <u>(39,070)</u> |
| Cash Flows from Non-Capital Financing Activities | | | |
| Decrease in due from other funds | - | - | 0 |
| Transfer out - to general fund for benefits | (50,000) | | (50,000) |
| Net cash provided by (used in) financing activities | <u>(50,000)</u> | <u>-</u> | <u>(50,000)</u> |
| Net increase (decrease) in cash and cash equivalents | (34,310) | (5,642) | (39,952) |
| Cash and cash equivalents - beginning of year | <u>354,285</u> | <u>112,776</u> | <u>467,061</u> |
| Cash and cash equivalents - end of year | <u>\$ 319,975</u> | <u>\$ 107,134</u> | <u>\$ 427,109</u> |
| Reconciliation of operating income to net cash provided (used in) by operating activities | | | |
| Operating income (loss) | \$ 4,917 | \$ 26,788 | \$ 31,705 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | | |
| Depreciation expense | | 11,568 | 11,568 |
| Changes in assets and liabilities: | | | |
| Accounts receivable | (107) | 22 | (85) |
| Prepaid supplies | | (623) | (623) |
| Due from other funds | 3,500 | | 3,500 |
| Accounts payable | | 3,053 | 3,053 |
| Salary and benefits payable | | - | - |
| Net cash provided by (used in) operating activities | <u>\$ 8,310</u> | <u>\$ 40,808</u> | <u>\$ 49,118</u> |

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

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

**Statement of Fiduciary Net Position
Fiduciary Funds and Component Unit
June 30, 2019**

| | Private Purpose Trusts | Agency Funds | Component Unit Lewiston Independent Foundation for Education, Inc. |
|---|---------------------------------------|-------------------------|---|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | \$ 309,693 | \$ 676,746 | \$ 68,389 |
| Short term investments | | | 37,280 |
| Accounts receivable | | | 17,720 |
| Due from other funds | | | - |
| Total Current Assets | <u>309,693</u> | <u>676,746</u> | <u>123,389</u> |
| Long-term investments | <u>-</u> | <u>-</u> | <u>976,756</u> |
| Total Assets | <u>309,693</u> | <u>676,746</u> | <u>1,100,145</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| | <u>\$ 309,693</u> | <u>\$ 676,746</u> | <u>\$ 1,100,145</u> |
| LIABILITIES | | | |
| Accounts payable | \$ - | \$ - | \$ 1,854 |
| Interfund accounts payable | 6,170 | | |
| Due to student groups | | 676,746 | |
| Total Liabilities | <u>6,170</u> | <u>676,746</u> | <u>1,854</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | |
| | <u>6,170</u> | <u>676,746</u> | <u>1,854</u> |
| NET POSITION | | | |
| Unrestricted | | | 186,233 |
| Restricted | | | 912,058 |
| Reserved for endowments | <u>303,523</u> | | |
| Total Net Position | <u>303,523</u> | <u>-</u> | <u>1,098,291</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION | | | |
| | <u>\$ 309,693</u> | <u>\$ 676,746</u> | <u>\$ 1,100,145</u> |

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

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

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds and Component Unit
For the Year Ended June 30, 2019**

| | Private Purpose Trusts | Component Unit Lewiston Independent Foundation for Education, Inc. |
|----------------------------------|---------------------------------------|---|
| ADDITIONS | | |
| Unrestricted donations | \$ - | \$ 93,029 |
| Restricted donations | | 33,929 |
| Fund raising revenues (net) | | 27,759 |
| Net investment income | 6,170 | 72,794 |
| Total additions | 6,170 | 227,511 |
| DEDUCTIONS | | |
| Secretary wages and benefits | | 21,215 |
| Impact grant program | | 12,999 |
| Insurance | | 1,322 |
| Program supplies | 5,246 | 38,098 |
| Scholarships | 924 | 52,703 |
| Office supplies | | 3,449 |
| Teacher of the year | | 1,000 |
| | 6,170 | 130,786 |
| Change in net position | - | 96,725 |
| Net position - beginning of year | 303,523 | 1,001,566 |
| Net position - end of year | \$ 303,523 | \$ 1,098,291 |

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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

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, 2019

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, 2019

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, 2019, 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, 2019

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 2018-2019 budget was adopted at its regular board meeting held June 11, 2018.
4. Prior to July 15, the final budget is filed with the State Department of Education.
5. In June 2019, 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.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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, 2019

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 \$15,000 has been provided as of June 30, 2019. Current tax collections for the year were 98.22% of the tax levy as of August 31, 2019.

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, 2019

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 13.3% of the District's net market value in 2019 (11.8% in 2018). 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.

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) Sick Leave Insurance Reserve Fund and additions to/deductions from Sick Leave Insurance Reserve Fund's fiduciary net position have been determined on the same basis as they are reported by the 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 2018, upon which the Tax Year 2018 levy was based, was \$2,949,415,628.

The District's actual levy was .005223444 of market valuation for general education services. The combined tax rate to finance educational services consisted of a permanent supplemental levy of .000884, and a five year supplemental levy (2013) of .004339444. The total tax levy for the year ended June 30, 2019, was \$15,721,382 and payments totaling \$15,879,226 were received for taxes, penalties, and interest owed from tax years 2014 through 2018.

The District's bond levy was 0.001347224 of market value, for a total levy of \$4,064,474. The debt service payment due March 15, 2019 was interest only, in the amount of \$1,169,600. The debt service payment due September 15, 2019 was principal and interest, in the amount of \$2,889,600.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 2 - PROPERTY TAX (continued)

In the Governmental Funds Statements, property taxes levied but not yet collected for fiscal year 2019 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, 2019 | \$ 7,009,289 | \$ 1,739,138 |
| Less: Taxes estimated to be collected by the County Treasurer by August 31, 2019 | (6,622,805) | (1,631,810) |
| Deferred revenue | \$ 386,484 | \$ 107,328 |

NOTE 3 - ACCOUNTS RECEIVABLE

Details of accounts receivable in the Funds Statements for all governmental funds at June 30, 2019, are as follows:

| | |
|---------------------------|--------------------|
| State apportionment funds | \$ 887,939 |
| Grant reimbursements | 504,460 |
| Interest receivable | 14,182 |
| Medicaid match receivable | 27,651 |
| Other | 82,551 |
| Total | \$1,516,783 |

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, 2019, the carrying amount of the District's deposits (including student activity funds) was \$1,015,445. The bank statements show a total of \$1,048,114 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 \$790,891, and the remaining \$257,223 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 \$39,862,690 (\$61,775,529 was the total at June 30, 2018).

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.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - CASH AND INVESTMENTS (continued)

The District's investment statement balances at June 30, 2019, all held in the Local Governmental Investment Pool (LGIP) are as follows:

| <u>Fund</u> | <u>Category</u> | <u>Amount</u> |
|----------------------------|-----------------|----------------------|
| General | 1 | \$ 2,215,984 |
| Debt Service | 1 | 1,576,907 |
| Capital Construction (LHS) | 1 | 5,346,059 |
| Plant Facilities (SPFR) | 1 | 1,245,950 |
| Athletic Venues Fund | 1 | 388,500 |
| Medical Trust | 1 | 309,056 |
| Total | | <u>\$ 11,082,456</u> |

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, 2019, the LGIP investment portfolio consisted of 45.3% U.S. Government Agency Notes, 17.5% Repo, 19.2% U.S. Treasuries, 7.9% in Commercial Paper, and the remainder in Corporate Bonds and Repurchase Agreements. As of June 30, 2019, the weighted average maturity of the LGIP portfolio was 88 days, and the yield to maturity was 2.557% (as compared to 1.993% at June 30, 2018).

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, 2019:

| <u>External Investment Pool</u> | <u>Book Value</u> | <u>Investment Maturities</u> | | |
|---------------------------------|-------------------|------------------------------|-------------------------|------------------|
| | | <u>Market Value</u> | <u>Less than 1 year</u> | <u>1-8 Years</u> |
| LGIP fund | \$11,082,456 | \$11,082,456 | \$11,082,456 | \$ - |

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 | 1,245,950 |
| Total | <u>\$ 1,745,950</u> |

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.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - CASH AND INVESTMENTS (continued)

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, 2019, the value of investments held with Deutsche Bank Securities, Inc. was \$28,280,234 (as compared to \$55,572,913 at 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, 2019.

| | Bonds Payable | Additions | Payments | Bonds Payable |
|--------------|----------------------|------------------|-----------------|----------------------|
| | 6/30/2018 | | | 6/30/2019 |
| Series 2017A | \$ 11,180,000 | | (935,000) | \$ 10,245,000 |
| Series 2017B | 40,000,000 | | | 40,000,000 |
| | \$ 51,180,000 | - | (935,000) | \$ 50,245,000 |

Bonds payable at June 30, 2019 consisted of the following issue(s):

| General Obligation Bonds | | | |
|---|------------------|-----------------|---------------------|
| Series 2017A (Aa1) and Series 2017B (Aaa) | | | |
| Year Ending June 30 | Principal | Interest | Debt Service |
| 2020 | \$ 1,720,000 | \$ 2,314,900 | \$ 4,034,900 |
| 2021 | 1,765,000 | 2,255,425 | 4,020,425 |
| 2022 | 1,840,000 | 2,175,250 | 4,015,250 |
| 2023 | 1,930,000 | 2,084,100 | 4,014,100 |
| 2024 | 2,020,000 | 1,987,450 | 4,007,450 |
| 2025 | 2,120,000 | 1,883,950 | 4,003,950 |
| 2026 | 2,230,000 | 1,775,200 | 4,005,200 |
| 2027 | 2,340,000 | 1,660,950 | 4,000,950 |
| 2028 | 2,455,000 | 1,543,475 | 3,998,475 |
| 2029 | 2,575,000 | 1,420,125 | 3,995,125 |
| 2030 | 2,700,000 | 1,288,250 | 3,988,250 |
| 2031 | 2,840,000 | 1,149,750 | 3,989,750 |
| 2032 | 2,980,000 | 1,019,150 | 3,999,150 |
| 2033 | 3,095,000 | 913,125 | 4,008,125 |
| 2034 | 3,190,000 | 786,950 | 3,976,950 |
| 2035 | 3,350,000 | 623,450 | 3,973,450 |
| 2036 | 3,520,000 | 451,700 | 3,971,700 |
| 2037 | 3,695,000 | 271,325 | 3,966,325 |
| 2038 | 3,880,000 | 89,475 | 3,969,475 |
| | \$ 50,245,000 | \$ 25,694,000 | \$ 75,939,000 |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - NON-CURRENT LIABILITIES (continued)

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 2018) | \$3,764,316,309 |
| Plus: Urban Renewal Value | <u>35,116,019</u> |
| | \$3,799,432,328 |
| | X 5% |
| General Obligation debt capacity | <u>\$ 189,971,616</u> |
| Less: Outstanding debt subject to limit | <u>(50,245,000)</u> |
| Legal debt margin at June 30, 2019 | <u>\$ 139,726,616</u> |

At June 30, 2019, \$1,576,907 was held in investments in the Debt Service Fund and net taxes receivable were \$1,739,138 to service the General Obligation Bond debt.

Compensated Absences

At June 30, 2019, 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 \$346,641 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, 2019, the following changes occurred to noncurrent liabilities:

| Non-Current Liability | <u>7/1/2018</u> | <u>Additions</u> | <u>Reductions</u> | <u>6/30/2019</u> |
|------------------------------|------------------------|-------------------------|--------------------------|-------------------------|
| Compensated absences | <u>\$ 350,814</u> | <u>250,293</u> | <u>254,466</u> | <u>\$ 346,641</u> |

Other Post-Employment Benefits-Sick

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

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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - NON-CURRENT LIABILITIES (continued)

OPEB Benefits

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

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. The district's contributions were \$334,803 for the year ended June 30, 2018.

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

At June 30, 2019, the District's reported an asset of \$1,780,552 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2018, the District's proportion was 0.021466677 percent.

For the year ended June 30, 2019, the District's recognized OPEB expense (revenue) of \$251,085. At June 30, 2019, 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 | \$ 201,460 | \$ 105,768 |
| Changes of assumptions | 9,023 | - |
| Contribution made after the measurement date | 351,731 | - |
| Total | \$ 562,214 | \$ 105,768 |

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 | \$ 6,446 |
| 2020 | 6,446 |
| 2021 | 6,446 |
| 2022 | 6,446 |
| 2023 | 32,888 |
| Thereafter | 46,043 |

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

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - NON-CURRENT LIABILITIES (continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 3.0%
- Salary increases 3.75%
- Salary inflation 3.75%
- Investment rate of return 7.05%, net of investment expenses

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

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

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

Capital Market Assumptions

| 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

Actuarial Assumptions

| | |
|--|--------------|
| Assumed Inflation – Mean | 2.25% |
| Assumed Inflation – Standard Deviation | 1.50% |
| Portfolio Arithmetic Mean Return | 6.75% |
| Portfolio Long-Term Expected Geometric Rate of Return | 6.13% |
| Assumed Investment Expenses | 0.40% |
| Long-Term Expected Geometric Rate of Return, Net of Investment Expenses | 5.73% |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - NON-CURRENT LIABILITIES (continued)

Discount Rate

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

Sensitivity of the net OPEB asset to changes in the discount rate.

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

| | 1% Decrease (6.05%) | Current Discount Rate (7.05%) | 1% Increase (8.05%) |
|---|--------------------------------|--|--------------------------------|
| Employer's proportionate share of the net OPEB-sick liability (asset) | \$(1,572,171) | \$(1,780,552) | \$(1,976,254) |

OPEB plan fiduciary net position

Detailed information about the OPEB 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.

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).

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - NON-CURRENT LIABILITIES (continued)

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.

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 June 30, 2019, the valuation date, the District had 562 active (future retirees) participants and 57 inactive (current retirees) participants.

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

At June 30, 2019, the Employer reported a liability of \$2,023,175 of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

For the year ended June 30, 2019, the Employer recognized OPEB expense (revenue) of \$66,555. At June 30, 2019, 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 | \$ 489,583 | \$ 123,275 |
| Changes of assumptions | 170,431 | 15,656 |
| Total | \$ 660,014 | \$ 138,931 |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

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: | |
|----------------------------|-----------|
| 2020 | \$ 41,571 |
| 2021 | 41,571 |
| 2022 | 41,571 |
| 2023 | 41,571 |
| 2024 | 41,571 |
| Thereafter | 354,813 |

Actuarial assumptions

Valuation Date June 30, 2019

Measurement Date June 30, 2019

Interest/Discount Rate 3.50%

Projected Payroll Increases 3.75%

Health Care Cost Trend Rate Medical: between 3.8% and 7.0%
Dental: between 2.0% and 3.5%
Prescription Drugs: between 3.8% and 7.0%
Vision: between 1.8% and 2.0%

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 42.4% for dental coverage. Future retired members who elect to participate in the plan are assumed to be married at a rate of 60.0%. 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 3.50% as of the measurement date.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - NON-CURRENT LIABILITIES (continued)

Sensitivity Disclosures

The following presents the net OPEB liability of the Plan as of June 30, 2019, calculated using the discount rate of 3.50%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

| | 1% Decrease (2.50%) | Current Discount Rate (3.50%) | 1% Increase (4.50%) |
|--------------------|--------------------------------|--|--------------------------------|
| Net OPEB liability | \$2,135,704 | \$2,023,175 | \$1,912,801 |

The following presents the net OPEB liability of the Plan as of June 30, 2019, 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 Rate | 1% Increase |
|--------------------|--------------------|---------------------|--------------------|
| Net OPEB liability | \$1,849,640 | \$2,023,175 | \$2,223,156 |

Summary of the Change in OPEB Liability

| | |
|--|---------------------------|
| <i>Total OPEB Liability – Beginning of Year</i> | \$1,293,560 |
| Service Cost | 86,970 |
| Interest | 46,783 |
| Plan Design Changes | 0 |
| Difference Between Expected and Actual Experience | 531,179 |
| Changes of Assumptions or Other Inputs | 173,470 |
| Benefit Payments (Estimated) | <u>(108,787)</u> |
| <i>Total OPEB Liability – End of Year</i> | <u>\$2,023,175</u> |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

| | <u>Balance 7/1/2018</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance 6/30/2019</u> |
|---|-----------------------------|----------------------|---------------------|------------------------------|
| Capital Assets not being depreciated | | | | |
| Land | \$ 3,125,005 | \$ 2,836,820 | \$ - | \$ 5,961,825 |
| Construction in progress | 2,930,378 | 27,202,989 | | 30,133,367 |
| Total non depreciated assets | <u>\$ 6,055,383</u> | <u>\$ 30,039,809</u> | <u>\$ -</u> | <u>\$ 36,095,192</u> |
| Capital Assets being depreciated | | | | |
| Site improvements | \$ 1,829,510 | \$ 37,423 | \$ - | \$ 1,866,933 |
| Buildings | 14,629,854 | 107,576 | (153,583) | 14,583,847 |
| Infrastructure | 490,462 | | 0 | 490,462 |
| Equipment | 2,761,732 | 336,341 | (202,350) | 2,895,723 |
| School buses | 2,903,910 | 103,941 | (92,474) | 2,915,377 |
| Vehicles | 791,446 | 19,413 | (12,823) | 798,036 |
| Printshop equipment | 111,473 | 46,850 | (35,333) | 122,990 |
| Total depreciated assets | <u>\$ 23,518,387</u> | <u>\$ 651,544</u> | <u>\$ (496,563)</u> | <u>\$ 23,673,368</u> |
| Less: Accumulated Depreciation | | | | |
| Site improvements | \$ (1,442,452) | \$ (44,436) | \$ - | \$ (1,486,888) |
| Buildings | (10,956,463) | (320,453) | 72,144 | (11,204,772) |
| Infrastructure | (435,328) | (24,523) | 0 | (459,851) |
| Equipment | (2,337,537) | (116,659) | 202,350 | (2,251,846) |
| School buses | (2,285,240) | (128,995) | 92,474 | (2,321,761) |
| Vehicles | (738,290) | (19,943) | 12,823 | (745,410) |
| Printshop equipment | (98,498) | (11,568) | 35,333 | (74,733) |
| Total accumulated depreciation | <u>\$ (18,293,808)</u> | <u>\$ (666,577)</u> | <u>\$ 415,124</u> | <u>\$ (18,545,261)</u> |

Depreciation expense of \$666,577 in governmental functions was charged as follows:

| | |
|-------------------------|-----------|
| Transportation Services | \$148,938 |
| Unallocated | \$506,071 |
| Print Shop | \$11,568 |

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, 2018. All amounts are as of June 30, 2018 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, 2019

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% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2018 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.32% of covered compensation for general employees and 11.66% for police and firefighters. The District's employer contributions required and paid were \$3,159,712, \$3,008,213, and \$2,854,983 for the three years ended June 30, 2019, 2018 and 2017 respectively.

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

At June 30, 2019, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, 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 .008258894.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

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, 2019 has not been completed at the time of issuance. The pension expense (revenue) for the year ending June 30, 2019 was calculated at \$2,443,100.

At June 30, 2019, 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 | \$171,300 | \$100,319 |
| Employer contributions made subsequent to the measurement date of June 30, 2018 | \$3,159,712 | |
| Differences between expected and actual experience | 1,337,239 | 920,037 |
| Changes in assumptions or other inputs | 792,681 | |
| Net difference between projected and actual earnings on pension plan investments | <u>0</u> | <u>1,353,490</u> |
| Total | <u>\$5,460,932</u> | <u>\$2,373,846</u> |

\$3,159,712 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, 2019.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2017 the beginning of the measurement period ended June 30, 2018 is 4.9 and 5.5 for the measurement period June 30, 2019.

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

| | |
|------|-----------|
| 2019 | 990,243 |
| 2020 | 116,681 |
| 2021 | (998,229) |
| 2022 | (252,302) |

Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------------|---------------|
| Inflation | 3.00% |
| Salary Increases | 3.75% - 1.00% |
| Investment return, net | 7.05% |
| Cost of Living Adjustments | 1% |
| Salary Inflation | 3.75% |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

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 | Target Allocation | Long-term Expected Nominal Rate of Return | Long-term Expected Real Rate of Return |
|----------------------------|-------------------|---|--|
| Core Fixed Income | 30.00% | 3.05% | 0.80% |
| Broad US Equities | 55.00% | 8.30% | 6.05% |
| Developed Foreign Equities | 15.00% | 8.45% | 6.20% |

Actuarial Assumptions

| | | |
|---|--------|--------|
| Assumed Inflation Mean | 2.25% | 2.25% |
| Assumed Inflation Standard Deviation | 1.50% | 1.50% |
| Portfolio Arithmetic Mean Return | 6.75% | 4.50% |
| Portfolio Standard Deviation | 12.54% | 12.54% |
| Portfolio Long-Term (Geometric) Expected Rate of Return | 6.13% | 3.77% |
| Assumed Investment Expenses | 0.40% | 0.40% |
| Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses | 5.73% | 3.37% |
| Portfolio Long-Term Expected Real Rate of Return | | 4.19% |
| Portfolio Standard Deviation | | 14.16% |

Valuation Assumptions Chosen by PERSI Board

| | |
|--|--------------|
| Long-Term Expected Rate of Return, Net of Investment Expenses | 4.05% |
| Assumed Inflation | 3.00% |
| Long-Term Expected Geometric Rate of Return, Net of Investment Expenses | 7.05% |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 7 - DEFINED BENEFIT PENSION PLAN (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension 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 7.05 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

| | 1% Decrease (6.05%) | Current Discount Rate (7.05%) | 1% Increase (8.05%) |
|---|------------------------|----------------------------------|------------------------|
| District's proportionate share of the net pension liability (asset) | \$30,494,334 | \$12,182,013 | \$(2,981,340) |

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, 2019, restricted SPFR assets totaled \$1,970,619. Restricted for athletic venues totaled \$386,824. Restricted for high school construction totaled \$29,964,971. Restricted for debt service in **Debt Service Funds** the amount of \$3,211,977. Restricted and non-spendable assets in **Other Governmental Funds** represent funds restricted by funding agencies for specific uses in the amount of \$414,389. Non-spendable assets in the **General Fund** represent supplies in inventory and other prepaid expenses in the amount of \$425,585. Non-spendable assets in the **Other Governmental Funds** represent supplies in inventory and other prepaid expenses in the amount of \$60,798. Non-spendable assets in the **Internal Service Funds** represent supplies in inventory and other prepaid expenses in the amount of \$10,845.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

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, 2019, were:

| <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|-----------------------------------|---------------------------------|------------------------------|
| General fund | \$ - | \$ 946,423 |
| Misc. Local grants | 40,687 | |
| Literacy Fund | 36,728 | |
| L.I.F.E. Fund | 3,919 | |
| Misc. State grants | 146 | |
| Technology | 120,332 | |
| IDEA Part B | | 72,074 |
| IDEA Part B - Preschool | | 3,369 |
| Medicaid Fund | | 46,388 |
| Carl Perkins | | 12,747 |
| Indian education grant | 2,635 | |
| Johnson O'Malley Indian Education | 18,846 | |
| Title II-A - Student support | 368 | |
| Title IV - Teacher quality | | 14,498 |
| Misc. Federal grants | 3,190 | |
| Child Nutrition | 445,729 | |
| Capital Projects SPFR | 422,919 | |
| Total | <u>\$ 1,095,499</u> | <u>\$ 1,095,499</u> |

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 \$6,797 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

| <u>Transfer From</u> | <u>Transfer To</u> | <u>Amount</u> | <u>Reason</u> |
|------------------------------|------------------------------|---------------|-----------------------------|
| General Fund | Athletic Venues Fund | 225,000 | Five-year plan |
| General Fund | Child Nutrition Fund | 6,797 | Uncollectible meal accounts |
| General Fund | Child Nutrition Fund | 55,121 | Employee FICA taxes |
| General Fund | Capital Projects Fund (SPFR) | 105,000 | Bus and bus depreciation |
| General Fund | Capital Projects Fund (SPFR) | 100,000 | Infrastructure costs |
| Capital Projects Fund (SPFR) | Athletic Venues Fund | 150,000 | Five-year plan |
| Medical Risk Fund | General Fund | 50,000 | Employee Health Insurance |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 8 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (continued)

EXPENDITURES OVER BUDGET

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

| <u>Program</u> | <u>Amount Over Budget</u> |
|------------------------------|---------------------------|
| General | 289,336 |
| Misc. Local grants | 19,500 |
| Literacy Fund | 27,701 |
| Expendable Trust Funds | 8,076 |
| State Mini Grants | 4,238 |
| IDEA Part B - Preschool | 319 |
| Title II-A - Student support | 17,107 |
| Title IV - Teacher quality | 40,907 |
| Other Federal Projects | 100 |
| Child Nutrition | 93,480 |

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, 2019, the District was obligated to make payments totaling \$217,982 on behalf of retiring employees. One payment will be made in September 2019.

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.

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, 2019

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 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, 2018, 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 four (4) years starting in tax year 2018. The abatement amounted to \$382,573 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 amounted to \$89,169 for 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.

NOTE 14 - PRIOR PERIOD ADJUSTMENT

As a result of implementing GASB 75 related to other post-employment benefits – sick leave plan, a prior period adjustment was made to record the estimated net OPEB asset in the amount of \$1,651,102 as of June 30, 2018. The adjustment increased deferred outflows of resources by \$334,811 and increased unrestricted net position by \$1,985,913.

Required
Supplementary
Information

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|--------------|--------------|--------------|--------------|--------------|
| Employer's portion of the net pension liability | 0.8258894% | 0.8121001% | 0.8223209% | 0.8467634% | 0.8734960% |
| Employer's proportionate share of the net pension liability | \$12,182,013 | \$12,764,819 | \$16,669,708 | \$11,150,497 | \$6,430,298 |
| Employer's covered payroll | \$26,571,846 | \$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 payroll | 45.85% | 50.61% | 69.31% | 47.01% | 27.17% |
| Plan Fiduciary net position as a percentage of the total pension liability | 91.69% | 90.68% | 87.26% | 91.38% | 94.95% |

Schedule of District's Contributions
PERSI – Base Plan
As of June 30,

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|--------------|--------------|--------------|--------------|--------------|
| Statutorily required contribution | \$3,007,933 | \$2,855,274 | \$2,722,505 | \$2,684,834 | \$2,678,931 |
| Contributions in relation to the statutorily required contribution | (3,007,933) | (2,855,274) | (2,722,505) | (2,684,834) | (2,678,931) |
| Contribution (deficiency) excess | \$0 | \$0 | \$0 | \$0 | \$0 |
| Employer's covered payroll | \$26,571,846 | \$25,223,269 | \$24,050,397 | \$23,717,615 | \$23,665,454 |
| Contributions as a percentage of covered payroll | 11.32% | 11.32% | 11.32% | 11.32% | 11.32% |

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, 2018, June 30, 2017, June 30, 2016, June 30, 2015 and June 30, 2014.

Notes to the Required Supplementary Information
As of June 30, 2018

Change of Assumptions. Amounts reported as of June 30, 2018 reflect an adjustment of the following:

- Inflation changed to 3.0% from 3.25%
- Salary increases changed to 3.75% from 4.25% – 10.0%
- Investment rate of return changed to 7.05% from 7.10%

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

Other Post Employment Benefits Liability Schedule

As of June 30,

| | <u>2019</u> | <u>2018</u> |
|---|---------------------|---------------------|
| Service Cost | \$ 86,970 | \$ 91,400 |
| Interest | 46,783 | 50,806 |
| Changes of benefit terms | - | - |
| Differences between expected and actual experience | 531,179 | - |
| Changes of assumptions or other inputs | 173,470 | 12,549 |
| Benefit payments (estimated) | <u>(108,787)</u> | <u>(128,757)</u> |
| Net change in total OPEB Liability | 729,615 | 25,998 |
| Total OPEB liability - beginning | <u>1,293,560</u> | <u>1,267,562</u> |
| Total OPEB liability - ending | <u>\$ 2,023,175</u> | <u>\$ 1,293,560</u> |
| | | |
| Covered payroll | \$ 25,810,938 | \$ 22,391,830 |
| Total OPEB liability as a percentage of covered payroll | 7.84% | 5.78% |

*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, 2019

Change of Assumptions. Amounts reported as of June 30, 2019 reflect an adjustment to status, trend, discount and other inputs.

Schedule of the District's Share of Net Pension Asset-Sick

PERSI - Sick Leave Plan

As of June 30,

| | <u>2018</u> | <u>2017</u> |
|--|--------------|--------------|
| Employer's portion of the net pension asset-sick | 0.0214667% | 0.0215091% |
| Employer's proportionate share of the net pension asset-sick | \$1,780,552 | \$1,651,102 |
| Employer's covered payroll | \$26,571,667 | \$25,223,492 |
| Employer's proportional share of the net pension asset-sick as a percentage of covered payroll | 6.70% | 6.55% |
| Plan Fiduciary net position as a percentage of the total pension asset-sick | 135.69% | 136.78% |

Schedule of District's Contributions

PERSI - Sick Leave Plan

As of June 30,

| | <u>2018</u> | <u>2017</u> |
|--|--------------|--------------|
| Statutorily required contribution | \$334,803 | \$317,816 |
| Contributions in relation to the statutorily required contribution | (334,803) | (317,816) |
| Contribution (deficiency) excess | \$0 | \$0 |
| Employer's covered payroll | \$26,571,667 | \$25,223,492 |
| Contributions as a percentage of covered payroll | 1.26% | 1.26% |

*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

GENERAL FUND
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2019

| | Original Budget | Amended Budget | Actual | Variances-- Favorable (Unfavorable) | |
|--|---------------------|---------------------|---------------------|--|----------------------|
| | | | | Original to Actual | Amended to Actual |
| REVENUES | | | | | |
| Property tax | \$ 15,758,571 | \$ 15,885,000 | \$ 15,875,043 | \$ 116,472 | \$ (9,957) |
| State apportionment | 24,391,124 | 24,863,546 | 24,849,753 | 458,629 | (13,793) |
| Charges for services | 20,000 | 32,340 | 43,003 | 23,003 | 10,663 |
| Earnings on investments | 75,000 | 145,000 | 166,792 | 91,792 | 21,792 |
| Other | 1,920,433 | 1,984,850 | 2,103,652 | 183,219 | 118,802 |
| Total revenue | <u>42,165,128</u> | <u>42,910,736</u> | <u>43,038,243</u> | <u>873,115</u> | <u>127,507</u> |
| EXPENDITURES | | | | | |
| Instruction | 26,299,402 | 26,471,444 | 26,681,015 | (381,613) | (209,571) |
| Support: | | | | | |
| Pupil | 2,040,597 | 2,073,265 | 2,094,138 | (53,541) | (20,873) |
| Staff | 1,861,855 | 1,918,131 | 1,960,988 | (99,133) | (42,857) |
| General administration | 1,342,098 | 1,444,747 | 1,408,935 | (66,837) | 35,812 |
| School administration | 2,712,759 | 2,714,181 | 2,714,969 | (2,210) | (788) |
| Business services | 587,952 | 587,952 | 584,493 | 3,459 | 3,459 |
| Technology administration | 494,588 | 469,665 | 463,588 | 31,000 | 6,077 |
| Maintenance and operations | 4,911,893 | 4,958,538 | 4,990,147 | (78,254) | (31,609) |
| Transportation | 1,473,148 | 1,696,109 | 1,725,095 | (251,947) | (28,986) |
| Total expenditures | <u>41,724,292</u> | <u>42,334,032</u> | <u>42,623,368</u> | <u>(899,076)</u> | <u>(289,336)</u> |
| Contingency | <u>408,725</u> | <u>408,725</u> | <u>-</u> | <u>408,725</u> | <u>408,725</u> |
| Excess (deficiency) of revenues over/under expenditures | <u>32,111</u> | <u>167,979</u> | <u>414,875</u> | <u>382,764</u> | <u>246,896</u> |
| Other financing sources (uses): | | | | | |
| Disposal of capital assets | | | 2,998 | 2,998 | 2,998 |
| Operating transfers in | 50,000 | 50,000 | 50,000 | - | - |
| Operating transfers out | (490,000) | (490,000) | (491,918) | (1,918) | (1,918) |
| Total other financing sources (uses) | <u>(440,000)</u> | <u>(440,000)</u> | <u>(438,920)</u> | <u>1,080</u> | <u>1,080</u> |
| Net change in fund balance | <u>\$ (407,889)</u> | <u>\$ (272,021)</u> | <u>(24,045)</u> | <u>\$ 383,844</u> | <u>\$ 247,976</u> |
| Fund balance - beginning of year | | | <u>4,052,819</u> | | |
| Fund balance - end of year | | | <u>\$ 4,028,774</u> | | |

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

**DEBT SERVICE FUND
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2019**

| | <u>Original Budget</u> | <u>Amended Budget</u> | <u>Actual</u> | Variances-- Favorable (Unfavorable) | |
|----------------------------------|----------------------------|---------------------------|---------------------|--|------------------------------|
| | | | | <u>Original to Actual</u> | <u>Amended to Actual</u> |
| REVENUES | | | | | |
| Property tax | \$ 4,030,000 | \$ 4,030,000 | \$ 3,981,276 | \$ (48,724) | \$ (48,724) |
| Earnings on investments | | 23,000 | 25,550 | (25,550) | 2,550 |
| Other state revenue | | 283,500 | 283,602 | 283,602 | 102 |
| Total revenue | <u>4,030,000</u> | <u>4,336,500</u> | <u>4,290,428</u> | <u>260,428</u> | <u>(46,072)</u> |
| EXPENDITURES | | | | | |
| Debt service principal | 4,030,000 | 935,000 | 935,000 | 3,095,000 | - |
| Debt service interest | | 2,348,550 | 2,344,333 | (2,344,333) | 4,217 |
| Total expenditures | <u>4,030,000</u> | <u>3,283,550</u> | <u>3,279,333</u> | <u>750,667</u> | <u>4,217</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ 1,052,950</u> | 1,011,095 | <u>\$ 1,011,095</u> | <u>\$ (41,855)</u> |
| Fund balance - beginning of year | | | <u>2,200,882</u> | | |
| Fund balance - end of year | | | <u>\$ 3,211,977</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, 2019**

| | Original Budget | Amended Budget | Actual | Variances-- Favorable (Unfavorable) | |
|--|-----------------------|-----------------------|---------------------|--|----------------------|
| | | | | Original to Actual | Amended to Actual |
| REVENUES | | | | | |
| Earnings on investments | \$ 635,000 | \$ 774,000 | \$ 798,372 | \$ 163,372 | \$ 24,372 |
| Other | | | | | |
| Rentals | 30,000 | 20,000 | 7,623 | (22,377) | (12,377) |
| Contributions and donations | | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Other local revenue | 53,000 | 20,000 | 9,593 | (43,407) | (10,407) |
| Other state revenue | 289,000 | 288,161 | 288,161 | (839) | - |
| Total other revenue | 372,000 | 2,328,161 | 2,305,377 | 1,933,377 | (22,784) |
| Total revenue | 1,007,000 | 3,102,161 | 3,103,749 | 2,096,749 | 1,588 |
| EXPENDITURES | | | | | |
| Capital outlay | 59,468,651 | 37,245,000 | 30,583,947 | 28,884,704 | 6,661,053 |
| Excess (deficiency) of revenues over/under expenditures | (58,461,651) | (34,142,839) | (27,480,198) | 30,981,453 | 6,662,641 |
| Other financing sources (uses): | | | | | |
| Disposal of capital assets | - | 167,000 | 166,968 | 166,968 | (32) |
| Operating transfers in | 580,000 | 580,000 | 580,000 | - | - |
| Operating transfers out | (150,000) | (150,000) | (150,000) | - | - |
| Total other financing sources (uses) | 430,000 | 597,000 | 596,968 | 166,968 | (32) |
| Net change in fund balance | <u>\$(58,031,651)</u> | <u>\$(33,545,839)</u> | (26,883,230) | <u>\$ 31,148,421</u> | <u>\$ 6,662,609</u> |
| Fund balance - beginning of year | | | 59,205,644 | | |
| Fund balance - end of year | | | <u>\$32,322,414</u> | | |

Supplementary Information

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2019

| | Plant Facilities (SPFR) | Capital Construction (LHS) | Athletic Venues | TOTAL |
|--|------------------------------------|---------------------------------------|----------------------------|----------------------|
| ASSETS | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - |
| Investments | 1,745,950 | 33,626,293 | 388,500 | 35,760,743 |
| Interest receivable | 3,847 | 45,480 | 824 | 50,151 |
| Due from other funds | 422,919 | | | 422,919 |
| Total assets | <u>2,172,716</u> | <u>33,671,773</u> | <u>389,324</u> | <u>36,233,813</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| | | | | - |
| TOTAL ASSETS AND DEFERRED | | | | |
| | <u>\$ 2,172,716</u> | <u>\$ 33,671,773</u> | <u>\$ 389,324</u> | <u>\$ 36,233,813</u> |
| LIABILITIES | | | | |
| Checks not yet presented | \$ - | \$ - | \$ - | \$ - |
| Accounts payable | 173,025 | 2,367,626 | | 2,540,651 |
| Retainage payable | 29,072 | 1,339,176 | 2,500 | 1,370,748 |
| Total liabilities | <u>202,097</u> | <u>3,706,802</u> | <u>2,500</u> | <u>3,911,399</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| | | | | - |
| FUND BALANCE | | | | |
| Restricted | 1,970,619 | 29,964,971 | 386,824 | 32,322,414 |
| Total fund balance | <u>1,970,619</u> | <u>29,964,971</u> | <u>386,824</u> | <u>32,322,414</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES PLUS FUND BALANCE | | | | |
| | <u>\$ 2,172,716</u> | <u>\$ 33,671,773</u> | <u>\$ 389,324</u> | <u>\$ 36,233,813</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, 2019

| | <u>Plant Facilities (SPFR)</u> | <u>Capital Construction (LHS)</u> | <u>Athletic Venues</u> | <u>TOTAL</u> |
|--|------------------------------------|---------------------------------------|----------------------------|----------------------|
| REVENUES | | | | |
| Local: | | | | |
| Earnings on investments | \$ 40,690 | \$ 748,680 | \$ 9,002 | \$ 798,372 |
| Other: | | | | |
| Rentals | 7,623 | | | 7,623 |
| Contributions and donations | | 2,000,000 | | 2,000,000 |
| Other local revenue | 9,593 | | | 9,593 |
| Other state revenue | 288,161 | | - | 288,161 |
| Total other revenue | 305,377 | 2,000,000 | - | 2,305,377 |
| Total revenue | 346,067 | 2,748,680 | 9,002 | 3,103,749 |
| EXPENDITURES | | | | |
| Capital outlay | 544,138 | 29,989,609 | 50,200 | 30,583,947 |
| Excess (deficiency) of revenues over/under expenditures | (198,071) | (27,240,929) | (41,198) | (27,480,198) |
| Other financing sources (uses): | | | | |
| Disposition of capital assets | | | 166,968 | 166,968 |
| Operating transfers in | 205,000 | | 375,000 | 580,000 |
| Operating transfers out | (150,000) | | | (150,000) |
| Total financing sources | 55,000 | 0 | 541,968 | 596,968 |
| Net change in fund balance | (143,071) | (27,240,929) | 500,770 | (26,883,230) |
| Fund balance - beginning of year | 2,113,690 | 57,205,900 | (113,946) | 59,205,644 |
| Fund balance - end of year | <u>\$ 1,970,619</u> | <u>\$ 29,964,971</u> | <u>\$ 386,824</u> | <u>\$ 32,322,414</u> |

Combining and Individual Fund Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

SPECIAL REVENUE FUNDS

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

Title I-A 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 2018-19, the District was also awarded \$29,824 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 II-A – 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.

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, 2019

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accounts receivable | 89,827 | 196,591 | 9,198 | 61,231 | 1,016 | | 40,477 | 15,422 | 132,452 | 546,214 |
| Prepaid expenses | | | | 225 | | | | 60,573 | | 60,798 |
| Due from other funds | | | | | 2,635 | 18,846 | 368 | 445,729 | 205,002 | 672,580 |
| Total assets | <u>89,827</u> | <u>196,591</u> | <u>9,198</u> | <u>61,456</u> | <u>3,651</u> | <u>18,846</u> | <u>40,845</u> | <u>521,724</u> | <u>337,454</u> | <u>1,279,592</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | - |
| ASSETS PLUS DEFERRED OUTFLOWS OF RESOURCES | | | | | | | | | | |
| | <u>\$ 89,827</u> | <u>\$ 196,591</u> | <u>\$ 9,198</u> | <u>\$ 61,456</u> | <u>\$ 3,651</u> | <u>\$ 18,846</u> | <u>\$ 40,845</u> | <u>\$ 521,724</u> | <u>\$ 337,454</u> | <u>\$ 1,279,592</u> |
| LIABILITIES | | | | | | | | | | |
| Accounts payable | \$ 1,560 | \$ - | \$ - | \$ 48,709 | \$ - | \$ - | \$ 27,927 | \$ 27,381 | \$ 39,823 | \$ 145,400 |
| Payroll & taxes payable | 88,267 | 124,517 | 5,829 | - | 3,651 | | 12,918 | 115,126 | 28,821 | 379,129 |
| Due to other funds | | 72,074 | 3,369 | 12,747 | | | | | 60,886 | 149,076 |
| Unearned revenue | | | | | | 18,846 | | | 172,752 | 191,598 |
| Total liabilities | <u>89,827</u> | <u>196,591</u> | <u>9,198</u> | <u>61,456</u> | <u>3,651</u> | <u>18,846</u> | <u>40,845</u> | <u>142,507</u> | <u>302,282</u> | <u>865,203</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | - |
| LIABILITIES PLUS DEFERRED INFLOWS OF RESOURCES | | | | | | | | | | |
| | <u>89,827</u> | <u>196,591</u> | <u>9,198</u> | <u>61,456</u> | <u>3,651</u> | <u>18,846</u> | <u>40,845</u> | <u>142,507</u> | <u>302,282</u> | <u>865,203</u> |
| FUND BALANCE | | | | | | | | | | |
| Total fund balance | - | - | - | - | - | - | - | 379,217 | 35,172 | 414,389 |
| LIABILITIES PLUS DEFERRED INFLOWS OF RESOURCES PLUS FUND BALANCE | | | | | | | | | | |
| | <u>\$ 89,827</u> | <u>\$ 196,591</u> | <u>\$ 9,198</u> | <u>\$ 61,456</u> | <u>\$ 3,651</u> | <u>\$ 18,846</u> | <u>\$ 40,845</u> | <u>\$ 521,724</u> | <u>\$ 337,454</u> | <u>\$ 1,279,592</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, 2019

| | 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 | \$ 782,623 | \$ 872,063 | \$ 40,347 | \$ 61,231 | \$ 21,697 | \$ 1,316 | \$ 168,767 | \$ 1,235,549 | \$ 428,126 | \$ 3,611,719 |
| Earnings on investments | | | | | | | | 7,716 | 7,284 | 15,000 |
| Charges for services | | | | | | | | 747,769 | | 747,769 |
| Other local | | | | | | | | | 583,821 | 583,821 |
| Total revenue | <u>782,623</u> | <u>872,063</u> | <u>40,347</u> | <u>61,231</u> | <u>21,697</u> | <u>1,316</u> | <u>168,767</u> | <u>1,991,034</u> | <u>1,019,231</u> | <u>4,958,309</u> |
| EXPENDITURES | | | | | | | | | | |
| Instruction | 782,623 | 872,063 | 40,347 | 61,231 | 21,697 | 1,316 | 168,767 | | 1,014,922 | 2,962,966 |
| Support | | | | | | | | | | |
| Food service | | | | | | | | 2,044,917 | | 2,044,917 |
| Total expenditures | <u>782,623</u> | <u>872,063</u> | <u>40,347</u> | <u>61,231</u> | <u>21,697</u> | <u>1,316</u> | <u>168,767</u> | <u>2,044,917</u> | <u>1,014,922</u> | <u>5,007,883</u> |
| Excess (deficiency) of revenues over/under expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(53,883)</u> | <u>4,309</u> | <u>(49,574)</u> |
| Other financing sources (uses): | | | | | | | | | | |
| Operating transfers in | | | | | | | | 61,918 | | 61,918 |
| Operating transfers out | | | | | | | | - | | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>61,918</u> | <u>-</u> | <u>61,918</u> |
| Change in fund balances | - | - | - | - | - | - | - | 8,035 | 4,309 | 12,344 |
| Fund balance - beginning of year | - | - | - | - | - | - | - | 371,182 | 30,863 | 402,045 |
| Fund balance - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 379,217</u> | <u>\$ 35,172</u> | <u>\$ 414,389</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, 2019**

| | <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>\$ 797,969</u> | <u>\$ 836,833</u> | <u>\$ 782,623</u> | <u>\$ (15,346)</u> | <u>\$ (54,210)</u> |
| Total revenue | <u>797,969</u> | <u>836,833</u> | <u>782,623</u> | <u>(15,346)</u> | <u>(54,210)</u> |
| EXPENDITURES | | | | | |
| Instruction | <u>797,969</u> | <u>836,833</u> | <u>782,623</u> | <u>15,346</u> | <u>54,210</u> |
| Change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance - beginning of year | | | <u>-</u> | | |
| 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, 2019**

| | <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>\$ 891,250</u> | <u>\$ 873,398</u> | <u>\$ 872,063</u> | <u>\$ (19,187)</u> | <u>\$ (1,335)</u> |
| Total revenue | <u>891,250</u> | <u>873,398</u> | <u>872,063</u> | <u>(19,187)</u> | <u>(1,335)</u> |
| EXPENDITURES | | | | | |
| Instruction | <u>891,250</u> | <u>873,398</u> | <u>872,063</u> | <u>19,187</u> | <u>1,335</u> |
| Total expenditures | <u>891,250</u> | <u>873,398</u> | <u>872,063</u> | <u>19,187</u> | <u>1,335</u> |
| Change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance - beginning of year | | | <u>-</u> | | |
| Fund balance - end of year | | | <u>\$ -</u> | | |

**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, 2019**

| | <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 | \$ 40,028 | \$ 40,028 | \$ 40,347 | \$ 319 | \$ 319 |
| Total revenue | <u>40,028</u> | <u>40,028</u> | <u>40,347</u> | <u>319</u> | <u>319</u> |
| EXPENDITURES | | | | | |
| Instruction | <u>40,028</u> | <u>40,028</u> | <u>40,347</u> | <u>(319)</u> | <u>(319)</u> |
| Change in fund balance | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance - beginning of year | | | <u>-</u> | | |
| Fund balance - 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, 2019**

| | | | | Variances-- Favorable (Unfavorable) | |
|----------------------------------|----------------------------|---------------------------|---------------|--|------------------------------|
| | Original Budget | Amended Budget | Actual | Original to Actual | Amended to Actual |
| REVENUES | | | | | |
| Intergovernmental | \$ 54,463 | \$ 61,231 | \$ 61,231 | \$ 6,768 | \$ - |
| Total revenue | 54,463 | 61,231 | 61,231 | 6,768 | - |
| EXPENDITURES | | | | | |
| Instruction | 54,463 | 61,231 | 61,231 | (6,768) | - |
| Change in fund balance | \$ - | \$ - | - | \$ - | \$ - |
| Fund balance - beginning of year | | | - | | |
| Fund balance - end of year | | | \$ - | | |

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, 2019

| | <u>Original Budget</u> | <u>Amended Budget</u> | <u>Actual</u> | <u>Variances--</u> | |
|----------------------------------|----------------------------|---------------------------|--------------------|---|------------------------------------|
| | | | | <u>Favorable (Unfavorable)</u> <u>Original to</u> <u>Actual</u> | <u>Amended to</u> <u>Actual</u> |
| REVENUES | | | | | |
| Intergovernmental | <u>\$ 22,270</u> | <u>\$ 21,697</u> | <u>\$ 21,697</u> | <u>\$ (573)</u> | <u>\$ -</u> |
| Total revenue | <u>22,270</u> | <u>21,697</u> | <u>21,697</u> | <u>(573)</u> | <u>-</u> |
| EXPENDITURES | | | | | |
| Instruction | <u>22,270</u> | <u>21,697</u> | <u>21,697</u> | <u>573</u> | <u>-</u> |
| Change in fund balance | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u>-</u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| Fund balance - beginning of year | | | <u>-</u> | | |
| Fund balance - end of year | | | <u><u>\$ -</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, 2019**

| | <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 | \$ 7,000 | \$ 7,000 | \$ 1,316 | \$ (5,684) | \$ (5,684) |
| Total revenue | <u>7,000</u> | <u>7,000</u> | <u>1,316</u> | <u>(5,684)</u> | <u>(5,684)</u> |
| EXPENDITURES | | | | | |
| Instruction | <u>7,000</u> | <u>7,000</u> | <u>1,316</u> | <u>5,684</u> | <u>5,684</u> |
| Change in fund balance | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> | <u>\$ -</u> |
| Fund balance - beginning of year | | | <u>-</u> | | |
| Fund balance - end of year | | | <u>\$ -</u> | | |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TITLE II-A - ESSA Supporting Effective Instruction
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2019

| | | | | Variances-- | |
|----------------------------------|-----------------|----------------|---------------|--------------------------------|-------------------|
| | Original | Amended | Actual | Favorable (Unfavorable) | |
| | Budget | Budget | Actual | Original to | Amended to |
| | | | | Actual | Actual |
| REVENUES | | | | | |
| Intergovernmental | \$ 185,725 | \$ 151,660 | \$ 168,767 | \$ (16,958) | \$ 17,107 |
| Total revenue | 185,725 | 151,660 | 168,767 | (16,958) | 17,107 |
| EXPENDITURES | | | | | |
| Instruction | 185,725 | 151,660 | 168,767 | 16,958 | (17,107) |
| Change in fund balance | \$ - | \$ - | - | \$ - | \$ - |
| Fund balance - beginning of year | | | - | | |
| Fund balance - end of year | | | \$ - | | |

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, 2019

| | <u>Original Budget</u> | <u>Amended Budget</u> | <u>Actual</u> | <u>Variances--</u> | |
|--|----------------------------|---------------------------|-------------------|--------------------------------|-------------------------------|
| | | | | <u>Favorable (Unfavorable)</u> | <u>Original to Actual</u> |
| REVENUES | | | | | |
| Intergovernmental | \$ 1,231,000 | \$ 1,231,000 | \$ 1,235,549 | \$ 4,549 | \$ 4,549 |
| Earnings on investments | | | 7,716 | 7,716 | 7,716 |
| Charges for services | 660,437 | 660,437 | 747,769 | 87,332 | 87,332 |
| Total revenue | <u>1,891,437</u> | <u>1,891,437</u> | <u>1,991,034</u> | <u>99,597</u> | <u>99,597</u> |
| EXPENDITURES | | | | | |
| Food services | <u>1,951,437</u> | <u>1,951,437</u> | <u>2,044,917</u> | <u>(93,480)</u> | <u>(93,480)</u> |
| Excess (deficiency) of revenues over/under expenditures | <u>(60,000)</u> | <u>(60,000)</u> | <u>(53,883)</u> | <u>6,117</u> | <u>6,117</u> |
| Other financing sources (uses): | | | | | |
| Operating transfers in | 60,000 | 60,000 | 61,918 | 1,918 | 1,918 |
| Operating transfers out | | | | | |
| Total other financing sources (uses) | <u>60,000</u> | <u>60,000</u> | <u>61,918</u> | <u>1,918</u> | <u>1,918</u> |
| Change in fund balance | <u>\$ -</u> | <u>\$ -</u> | 8,035 | <u>\$ 8,035</u> | <u>\$ 8,035</u> |
| Fund balance - beginning of year | | | <u>371,182</u> | | |
| Fund balance - end of year | | | <u>\$ 379,217</u> | | |

**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, 2019**

| | <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 | \$ 368,450 | \$ 355,280 | \$ 428,126 | \$ 59,676 | \$ 72,846 |
| Earnings on investments | 14,000 | 14,000 | 7,284 | (6,716) | (6,716) |
| Other local | 845,000 | 720,000 | 583,821 | (261,179) | (136,179) |
| Total revenues | <u>1,227,450</u> | <u>1,089,280</u> | <u>1,019,231</u> | <u>(208,219)</u> | <u>(70,049)</u> |
| EXPENDITURES | | | | | |
| Instruction | 1,227,450 | 1,089,280 | 1,014,922 | 212,528 | 74,358 |
| Support | | | | - | - |
| Total expenditures | <u>1,227,450</u> | <u>1,089,280</u> | <u>1,014,922</u> | <u>212,528</u> | <u>74,358</u> |
| Excess (deficiency) of revenues over/under expenditures | <u>-</u> | <u>-</u> | <u>4,309</u> | <u>4,309</u> | <u>4,309</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | 4,309 | <u>\$ 4,309</u> | <u>\$ 4,309</u> |
| Fund balance - beginning of year | | | <u>30,863</u> | | |
| Fund balance - end of year | | | <u>\$ 35,172</u> | | |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

Supplemental Schedule - Other Special Revenue Funds
Budget and Actual
For the Year Ended June 30, 2019

| | <u>Fund</u> | <u>Amended Budget Revenue</u> | <u>Actual Revenue</u> | <u>Amended Budget 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 | 232 | \$ 20,000 | \$ 39,500 | \$ 20,000 | \$ 39,500 | \$ - | \$ 1,273 | \$ 1,273 |
| Literacy Fund | 235 | 220,000 | 247,701 | 220,000 | 247,701 | | 0 | 0 |
| Expendable Trust Funds | 236 | 14,000 | 26,385 | 14,000 | 22,076 | | 12,446 | 16,755 |
| State Mini Grants | 241 | 103,104 | 107,342 | 103,104 | 107,342 | | 0 | 0 |
| Local Technology Fund | 245 | 0 | 0 | 0 | 0 | | 0 | 0 |
| Medicaid Fund | 260 | 700,000 | 525,120 | 700,000 | 525,120 | | 17,144 | 17,144 |
| Title IV Student Support | 273 | 6,776 | 47,683 | 6,776 | 47,683 | | 0 | 0 |
| Other Federal Projects | 274 | 25,400 | 25,500 | 25,400 | 25,500 | | 0 | 0 |
| | | <u>\$ 1,089,280</u> | <u>\$ 1,019,231</u> | <u>\$ 1,089,280</u> | <u>\$ 1,014,922</u> | <u>\$ -</u> | <u>\$ 30,863</u> | <u>\$ 35,172</u> |

Fiduciary Funds

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

**Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
June 30, 2019**

| | Academic Endowment Fund | Activities Endowment Fund | Restricted Endowment Fund | Total |
|--|--|--|--|--------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | |
| ASSETS | | | | |
| Cash | \$ 184,872 | \$ 78,447 | \$ 46,374 | \$ 309,693 |
| Total assets | 184,872 | 78,447 | 46,374 | 309,693 |
| DEFERRED OUTFLOWS OF RESOURCES | - | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 184,872 | \$ 78,447 | \$ 46,374 | \$ 309,693 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | | | | |
| LIABILITIES | | | | |
| Interfund accounts payable | \$ 3,683 | \$ 1,563 | \$ 924 | \$ 6,170 |
| DEFERRED INFLOWS OF RESOURCES | - | - | - | - |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 3,683 | 1,563 | 924 | 6,170 |
| NET POSITION | | | | |
| Reserved for endowments | 181,189 | 76,884 | 45,450 | 303,523 |
| Net position | 181,189 | 76,884 | 45,450 | 303,523 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION | \$ 184,872 | \$ 78,447 | \$ 46,374 | \$ 309,693 |

**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, 2019**

| | Academic Endowment Fund | Extra- curricular Activities Fund | Restricted Endowment Fund | Total |
|-------------------------------------|--|--|--|--------------|
| ADDITIONS | | | | |
| Investment income | \$ 3,683 | \$ 1,563 | \$ 924 | \$ 6,170 |
| DEDUCTIONS | | | | |
| Transfer to expendable fund | 3,683 | 1,563 | 924 | 6,170 |
| 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 Schedule of Assets and Liabilities
Agency Funds
June 30, 2019**

| | <u>Lewiston High School</u> | <u>Jenifer Junior High School</u> | <u>Sacajawea Junior High School</u> | <u>Elementary Schools</u> | <u>Tammany Alternative Center</u> | <u>Total</u> |
|-----------------------|---------------------------------|---------------------------------------|---|-------------------------------|---|-------------------|
| ASSETS | | | | | | |
| Cash | \$ 214,121 | \$ 150,403 | \$ 167,796 | \$ 134,494 | \$ 9,932 | \$ 676,746 |
| Total assets | <u>\$ 214,121</u> | <u>\$ 150,403</u> | <u>\$ 167,796</u> | <u>\$ 134,494</u> | <u>\$ 9,932</u> | <u>\$ 676,746</u> |
| LIABILITIES | | | | | | |
| Liabilities: | | | | | | |
| Due to student groups | \$ 214,121 | \$ 150,403 | \$ 167,796 | \$ 134,494 | \$ 9,932 | \$ 676,746 |
| Total liabilities | <u>\$ 214,121</u> | <u>\$ 150,403</u> | <u>\$ 167,796</u> | <u>\$ 134,494</u> | <u>\$ 9,932</u> | <u>\$ 676,746</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, 2019**

| | <u>Balance 7/1/2018</u> | <u>Cash Receipts & Transfers In</u> | <u>Cash Disbursements & Transfers Out</u> | <u>Balance 6/30/2019</u> |
|--------------------------------|-----------------------------|---|---|------------------------------|
| SCHOOL DISTRICT ACTIVITY FUNDS | | | | |
| Lewiston High School | \$ 238,258 | \$ 633,193 | \$ 657,330 | \$ 214,121 |
| Jenifer Jr. High School | 141,895 | 139,110 | 130,602 | 150,403 |
| Sacajawea Jr. High School | 172,871 | 109,348 | 114,423 | 167,796 |
| Camelot Elementary School | 22,134 | 14,730 | 14,958 | 21,906 |
| Centennial Elementary School | 37,161 | 11,852 | 15,377 | 33,636 |
| McGhee Elementary School | 11,262 | 13,912 | 13,987 | 11,187 |
| McSorley Elementary School | 12,800 | 2,430 | 2,613 | 12,617 |
| Orchards Elementary School | 11,114 | 15,468 | 7,266 | 19,316 |
| Webster Elementary School | 28,253 | 12,656 | 8,573 | 32,336 |
| Whitman Elementary School | 6,969 | 8,407 | 11,880 | 3,496 |
| Tammany Alternative Center | 8,754 | 2,711 | 1,533 | 9,932 |
| | <u>8,754</u> | <u>2,711</u> | <u>1,533</u> | <u>9,932</u> |
| Total Activity Funds | <u>\$ 691,471</u> | <u>\$ 963,817</u> | <u>\$ 978,542</u> | <u>\$ 676,746</u> |

Single Audit Section

**Independent School District No. 1
Lewiston, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

| | <u>Federal CFDA Number</u> | <u>Pass Through Grantor's Number</u> | <u>Federal Grant Number</u> | <u>Expenditures</u> | <u>Passed Through to Sub-Recipients</u> | <u>Total Expenditures</u> |
|--|------------------------------------|--|-------------------------------------|---------------------|---|-------------------------------|
| Department of Agriculture | | | | | | |
| Passed through State Department of Education | | | | | | |
| Child Nutrition Cluster | | | | | | |
| | | | | \$ | - | \$ |
| | 10.555 | 17-391 | 201818N109947 | 129,124 | | 129,124 |
| | 10.555 | 17-391 | 201919N109947 | 677,954 | | 677,954 |
| | 10.582 | 17-391 | 201818L160347 | 3,969 | | 3,969 |
| | 10.582 | 17-391 | 201919L160347 | 25,910 | | 25,910 |
| | 10.555 | 17-391 | 201917N109948 | 183,442 | | 183,442 |
| | 10.553 | 17-391 | 201818N109947 | 24,446 | | 24,446 |
| | 10.553 | 17-391 | 201919N109947 | 143,976 | | 143,976 |
| | 10.559 | 17-391 | 201818N109947 | 46,728 | | 46,728 |
| | | | | <u>1,235,549</u> | <u>-</u> | <u>1,235,549</u> |
| | | | | <u>1,235,549</u> | <u>-</u> | <u>1,235,549</u> |
| Department of Education | | | | | | |
| Passed through State Department of Education | | | | | | |
| Special Education (IDEA) Cluster | | | | | | |
| | 84.027 | 17-391 | H027A170088 | 54,978 | | 54,978 |
| | 84.027 | 17-391 | H027A180088 | 817,085 | | 817,085 |
| | 84.173 | 17-391 | H173A170030 | 2,680 | | 2,680 |
| | 84.173 | 17-391 | H173A180030 | 37,667 | | 37,667 |
| | | | | <u>912,410</u> | <u>-</u> | <u>912,410</u> |
| Other Programs | | | | | | |
| | 84.010 | 17-391 | S010A170012 | 25,635 | | 25,635 |
| | 84.010 | 17-391 | S010A180012 | 756,988 | | 756,988 |
| | 84.048 | 17-391 | V048A180012 | 61,231 | | 61,231 |
| | 84.367 | 17-391 | S367A170011 | 61,361 | | 61,361 |
| | 84.367 | 17-391 | S367A180011 | 107,406 | | 107,406 |
| | 84.424 | 17-391 | S424A170013 | 6,776 | | 6,776 |
| | 84.424 | 17-391 | S424A180013 | 40,907 | | 40,907 |
| | 84.196 | 17-391 | S196A180013 | 25,400 | | 25,400 |
| | | | | <u>1,085,704</u> | <u>-</u> | <u>1,085,704</u> |
| | | | | <u>1,998,114</u> | <u>-</u> | <u>1,998,114</u> |
| Direct through U.S. Department of Education | | | | | | |
| | 84.060A | | S060A181165 | 21,697 | | 21,697 |
| | 15.130 | | A16AV00941 | 1,316 | | 1,316 |
| | | | | <u>23,013</u> | <u>-</u> | <u>23,013</u> |
| | | | | <u>2,021,127</u> | <u>-</u> | <u>2,021,127</u> |
| | | | | <u>\$ 3,256,676</u> | <u>\$ -</u> | <u>\$ 3,256,676</u> |

See accompanying notes to schedule of expenditures of federal awards.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2019

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, 2019. 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, 2019, the organization received food commodities totaling \$183,442.

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, 2019. 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, 2019.

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 23, 2019

**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, 2019 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 23, 2019.

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 23, 2019

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

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 X no
- Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted?

 yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X 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 X no

**Identification of major program:
Reporting Requirements and Communication Considerations**

| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|--------------------------------|---|
| 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 X no

INDEPENDENT SCHOOL DISTRICT NO. 11
Lewiston, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended June 30, 2019

Section II – Findings – Financial Statement Audit

None.

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

None.

Student Activity Accounts Section

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

**LEWISTON HIGH SCHOOL
Statement of Fiduciary Net Position
June 30, 2019**

| | |
|---|--------------------------|
| ASSETS | |
| Cash and cash equivalents | <u>\$ 214,121</u> |
| Total assets | 214,121 |
| DEFERRED OUTFLOW OF RESOURCES | |
| | <u>-</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u><u>\$ 214,121</u></u> |
| LIABILITIES | |
| Due to student groups | <u>\$ 214,121</u> |
| Total liabilities | 214,121 |
| DEFERRED INFLOW OF RESOURCES | |
| | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 214,121 |
| NET POSITION | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION | <u><u>\$ 214,121</u></u> |

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

**LEWISTON HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2019**

| Activity Fund | Balance 7/1/2018 | Cash Receipts | Cash Disbursements | Transfers In | Transfers Out | Balance 6/30/2019 |
|--------------------------------|-----------------------------|--------------------------|-------------------------------|-------------------------|--------------------------|------------------------------|
| Annual | \$ 24,944 | \$ 8,574 | \$ 17,734 | \$ - | \$ 31 | \$ 15,753 |
| Art Honor Society | - | - | - | - | - | - |
| Athletic Director/Century Club | - | 4,000 | 80 | - | - | 3,920 |
| Athletics | - | 62,965 | 69,741 | - | 21,232 | (28,008) |
| Athletic/Special | - | 1,169 | 1,321 | - | - | (152) |
| Auto Mechanics | 4,080 | 1,781 | 6,692 | - | 41 | (872) |
| Band | 3,374 | 11,704 | 8,172 | - | 650 | 6,256 |
| Baseball | - | 2,683 | 5,736 | - | - | (3,053) |
| Basketball Boys | - | 11,503 | 5,506 | - | - | 5,997 |
| Basketball Girls | - | 8,775 | 6,701 | - | - | 2,074 |
| Bengal Lair | - | - | - | - | - | - |
| Bengals Care | 1,961 | - | - | - | - | 1,961 |
| Bengal's Purr | 3,922 | 9,300 | 7,375 | - | 7 | 5,840 |
| BPA | 81 | 9,656 | 9,727 | 364 | - | 374 |
| Cheerleaders | - | - | 13,704 | 1,754 | - | (11,950) |
| Class of 2012 | 86 | - | - | - | 86 | - |
| Class of 2013 | - | - | - | - | - | - |
| Class of 2014 | - | - | - | - | - | - |
| Class of 2015 | - | - | - | - | - | - |
| Class of 2016 | - | - | - | - | - | - |
| Class of 2017 | - | - | - | - | - | - |
| Class of 2018 | 471 | - | - | - | 471 | - |
| Class of 2019 | 2,873 | 2,593 | 6,113 | 629 | - | (18) |
| Class of 2020 | 676 | 5,001 | 526 | - | 1,933 | 3,218 |
| Class of 2021 | - | 617 | - | - | - | 617 |
| Concessions | 1,192 | 22,607 | 11,211 | - | - | 12,588 |
| Crochet Club | - | - | - | - | - | - |
| Cross Country | - | 984 | 2,972 | - | 1 | (1,989) |
| Debate Club | - | - | - | - | - | - |
| DECA Nationals | 1,780 | 36,307 | 38,023 | 6,533 | - | 6,597 |
| DECA Store | 4,870 | 5,418 | 3,667 | - | 3,920 | 2,701 |
| DECA A | 1,093 | 32,443 | 32,779 | - | 303 | 454 |
| DECA B | 2,010 | - | - | - | 2,010 | - |
| District II Music | 8,358 | 8,292 | 9,741 | 656 | - | 7,565 |
| Drama | 6,273 | 5,723 | 6,086 | - | - | 5,910 |
| Drill Team | - | - | - | - | - | - |
| Due to Student Body | - | - | - | - | - | - |
| Faculty Fund | 595 | 1,767 | 4,029 | - | - | (1,667) |
| FCCLA | 4,945 | 4,058 | 4,375 | - | - | 4,628 |
| Football | - | 40,079 | 11,809 | - | 20,304 | 7,966 |
| French Club | 124 | - | - | - | - | 124 |
| Fundraising-Baseball | 8,388 | 16,033 | 10,597 | - | - | 13,824 |
| Fundraising B-Basketball | 3,466 | 16,892 | 21,204 | 794 | - | (52) |
| Fundraising G-Basketball | 4,533 | 15,567 | 17,577 | - | - | 2,523 |
| Fundraising Cheerleading | 3,433 | 30,972 | 29,988 | - | 1,754 | 2,663 |
| Fundraising Cross Country | 457 | 955 | 107 | - | - | 1,305 |
| Fundraising Football | 12,415 | 15,491 | 39,091 | 20,297 | - | 9,112 |
| Fundraising B-Golf | 2,622 | 16,005 | 15,097 | 150 | - | 3,680 |
| Fundraising G-Golf | 173 | 240 | 223 | - | - | 190 |
| Fundraising B-Soccer | 1,539 | 2,680 | 157 | - | - | 4,062 |
| Fundraising G-Soccer | 1,876 | 4,816 | 1,797 | - | - | 4,895 |
| Fundraising Softball | 9,943 | 3,102 | 3,219 | - | - | 9,826 |
| Fundraising Swimming | 199 | 1,271 | 780 | - | - | 690 |
| Fundraising Tennis | 566 | 1,656 | 1,284 | - | - | 938 |
| Fundraising Track | 1,883 | 2,174 | - | - | - | 4,057 |
| Fundraising Volleyball | 3,591 | 3,066 | 5,552 | - | 94 | 1,011 |
| Fundraising Wrestling | 16,796 | 17,238 | 10,179 | - | 10,360 | 13,495 |
| German Club | 12 | - | 83 | - | - | (71) |
| Gold Voices | 113 | 7,641 | 7,713 | 2,650 | - | 2,691 |
| Golden Guard | - | - | - | - | - | - |

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

**LEWISTON HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2019**

| Activity Fund | Balance 7/1/2018 | Cash Receipts | Cash Disbursements | Transfers In | Transfers Out | Balance 6/30/2019 |
|-------------------------|-----------------------------|--------------------------|-------------------------------|-------------------------|--------------------------|------------------------------|
| Golf | - | 700 | 6,180 | - | - | (5,480) |
| Homecoming | 1,069 | 2,238 | 4,483 | - | - | (1,176) |
| HOSA | 217 | 712 | 550 | - | - | 379 |
| ICA | 1,963 | 3,457 | 3,323 | - | - | 2,097 |
| Industrial Club | - | - | - | - | - | - |
| Interest Earned/CD | - | - | - | - | - | - |
| Investment Holding | 40,027 | 4,852 | - | - | - | 44,879 |
| Jazz Band | 1,287 | 4,633 | 1,506 | - | - | 4,414 |
| Junior Achievement | 3,555 | 17 | - | 5 | - | 3,577 |
| Key Club | 238 | - | - | - | - | 238 |
| L Club | 3,676 | - | - | - | - | 3,676 |
| LHS/Pantry | 2,264 | - | 102 | - | - | 2,162 |
| Library | 1,538 | 866 | 64 | - | 120 | 2,220 |
| Life Skills | 223 | 9 | 93 | - | - | 139 |
| Literary Club | - | - | - | - | - | - |
| Lost Books | 2,473 | 1,424 | 96 | - | - | 3,801 |
| Loyalty/Guardian Angels | - | - | - | - | - | - |
| Machinists Club | 12,673 | 1,652 | 2,548 | - | - | 11,777 |
| National Honor Society | 32 | 556 | 791 | 300 | - | 97 |
| Other Activities | 2,876 | 7,452 | 9,109 | - | - | 1,219 |
| Other Income | 2,021 | 300 | - | - | - | 2,321 |
| Photography | 1,128 | - | - | - | - | 1,128 |
| Pictures | 1,887 | - | - | - | - | 1,887 |
| Press Club | - | - | - | - | - | - |
| Purple & Gold | 3,411 | - | 307 | - | - | 3,104 |
| Rodeo Club | 284 | - | - | - | - | 284 |
| Sales Tax | 276 | 13,737 | 13,639 | 249 | - | 623 |
| S.A.V.E. | 91 | - | - | - | - | 91 |
| Scholarships | 4,240 | - | - | - | - | 4,240 |
| Science Club | - | - | - | - | - | - |
| Senior Girls Club | - | - | - | - | - | - |
| Skills | 915 | 7,854 | 7,113 | 211 | - | 1,867 |
| T.S.A. | 141 | 11,290 | 9,110 | 72 | - | 2,393 |
| Soccer Boys | - | 2,404 | 195 | - | - | 2,209 |
| Soccer Girls | - | 2,200 | 3,880 | - | - | (1,680) |
| Softball | - | - | 1,311 | - | 60 | (1,371) |
| Spanish Club | 25 | - | 125 | - | - | (100) |
| Special Accounts | 1,173 | (32,354) | 4,952 | 33,026 | - | (3,107) |
| Student Activities | 1,351 | 52,758 | 25,014 | - | 15,018 | 14,077 |
| Student Insurance | - | - | - | - | - | - |
| Swimming | - | 489 | 2,199 | - | - | (1,710) |
| Tennis | - | - | 4,388 | - | - | (4,388) |
| Track | - | 3,102 | 9,888 | - | - | (6,786) |
| Unclaimed Property | - | - | - | - | - | - |
| Video Production | 1,112 | 717 | 528 | - | - | 1,301 |
| Vocal Music | 379 | 172 | 441 | 344 | - | 454 |
| Volleyball | - | 7,368 | 4,670 | - | - | 2,698 |
| Wrestling | - | 2,395 | 13,862 | 10,361 | - | (1,106) |
| TOTALS | \$ 238,258 | \$ 554,798 | \$ 578,935 | \$ 78,395 | \$ 78,395 | \$ 214,121 |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

JENIFER JUNIOR HIGH SCHOOL
Statement of Fiduciary Net Position
June 30, 2019

| | | |
|---|---------------------------|--------------------------|
| ASSETS | | |
| | Cash and cash equivalents | <u>\$ 150,403</u> |
| | Total assets | 150,403 |
| DEFERRED OUTFLOW OF RESOURCES | | <u>-</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | <u><u>\$ 150,403</u></u> |
| LIABILITIES | | |
| | Due to student groups | <u>\$ 150,403</u> |
| | Total liabilities | 150,403 |
| DEFERRED INFLOW OF RESOURCES | | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | 150,403 |
| NET POSITION | | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION | | <u><u>\$ 150,403</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, 2019

| Activity Fund | Balance 7/1/2018 | Cash Receipts | Cash Disbursements | Transfers In | Tranfers Out | Balance 6/30/2019 |
|-------------------------|-----------------------------|--------------------------|-------------------------------|-------------------------|-------------------------|------------------------------|
| Activities | \$ 38,758 | \$ 13,805 | \$ 10,339 | \$ 7,022 | \$ 4,936 | \$ 44,310 |
| Annual | \$ - | \$ 8,613 | \$ 9,977 | \$ 1,364 | \$ - | \$ - |
| Art Club | \$ 198 | \$ - | \$ 57 | \$ - | \$ - | \$ 141 |
| Band Fundraiser | \$ 2,722 | \$ 11,965 | \$ 11,990 | \$ - | \$ - | \$ 2,697 |
| Books, Equipment Damage | \$ - | \$ 316 | \$ 316 | \$ - | \$ - | \$ - |
| Boys BB | \$ 17,159 | \$ 6,675 | \$ 2,635 | \$ - | \$ - | \$ 21,199 |
| Brick Fund | \$ 859 | \$ - | \$ - | \$ - | \$ - | \$ 859 |
| Cheer Fundraiser | \$ 585 | \$ 11,558 | \$ 11,563 | \$ - | \$ 383 | \$ 197 |
| Cheerleaders | \$ - | \$ 1,065 | \$ 5,259 | \$ 4,194 | \$ - | \$ - |
| Chorus | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Chorus Fundraiser | \$ 108 | \$ - | \$ 118 | \$ 10 | \$ - | \$ - |
| Class Account 2022 | \$ - | \$ 175 | \$ 599 | \$ 424 | \$ - | \$ - |
| Class Account 2023 | \$ - | \$ - | \$ 298 | \$ 298 | \$ - | \$ - |
| Class Account 2024 | \$ - | \$ - | \$ 306 | \$ 306 | \$ - | \$ - |
| Concessions | \$ 5,041 | \$ 8,939 | \$ 6,978 | \$ - | \$ 7,002 | \$ - |
| Drama | \$ 2,201 | \$ 690 | \$ 682 | \$ - | \$ - | \$ 2,209 |
| E Team Account | \$ - | \$ - | \$ 158 | \$ 158 | \$ - | \$ - |
| Eighth Advisory | \$ - | \$ - | \$ 20 | \$ 20 | \$ - | \$ - |
| Explor-Elect Act | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Extend. Learning | \$ 239 | \$ 352 | \$ 337 | \$ - | \$ - | \$ 254 |
| Faculty | \$ (160) | \$ 2,808 | \$ 1,594 | \$ 20 | \$ - | \$ 1,074 |
| Football | \$ - | \$ 4,721 | \$ 8,120 | \$ 3,399 | \$ - | \$ - |
| Fundraiser | \$ 13,929 | \$ 15,049 | \$ 9,418 | \$ - | \$ 9,390 | \$ 10,170 |
| Girls BB | \$ 14,104 | \$ 5,069 | \$ 3,041 | \$ 60 | \$ - | \$ 16,192 |
| Gratz Donation | \$ 200 | \$ - | \$ - | \$ - | \$ - | \$ 200 |
| Hats On | \$ 225 | \$ 1,375 | \$ 1,600 | \$ - | \$ - | \$ - |
| Honor Flight | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Idaho Sales Tax | \$ - | \$ 4,218 | \$ 4,218 | \$ - | \$ - | \$ - |
| Interest CD | \$ 12,358 | \$ 6 | \$ - | \$ - | \$ - | \$ 12,364 |
| Jazz Band | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Jazz Choir | \$ 34 | \$ - | \$ 34 | \$ - | \$ - | \$ - |
| Kirking Donation | \$ - | \$ 100 | \$ - | \$ - | \$ - | \$ 100 |
| STARS | \$ 4,346 | \$ - | \$ 612 | \$ - | \$ 674 | \$ 3,060 |
| Library | \$ 489 | \$ 33 | \$ 150 | \$ - | \$ - | \$ 372 |
| Locks | \$ - | \$ 14 | \$ 14 | \$ - | \$ - | \$ - |
| Music | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| N Team Activity | \$ - | \$ 394 | \$ 329 | \$ - | \$ - | \$ 65 |
| Ninth Team Account | \$ - | \$ - | \$ 132 | \$ 132 | \$ - | \$ - |
| Noon Activity | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| North Team Store | \$ 206 | \$ 20 | \$ 75 | \$ - | \$ - | \$ 151 |
| NSF Checks | \$ - | \$ 226 | \$ 246 | \$ 20 | \$ - | \$ - |
| Over & Short | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Pep Club | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Burro Pride | \$ 1,827 | \$ - | \$ - | \$ - | \$ - | \$ 1,827 |
| Recycle | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Red Wave | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Roberts Donation | \$ - | \$ 100 | \$ - | \$ - | \$ - | \$ 100 |
| S Team Account | \$ 322 | \$ 394 | \$ 304 | \$ - | \$ - | \$ 412 |
| Sales | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Schweitzer Donation | \$ 1,700 | \$ 2,100 | \$ - | \$ - | \$ - | \$ 3,800 |
| Science Dept. | \$ 3,616 | \$ 29 | \$ - | \$ - | \$ - | \$ 3,645 |
| Seventh Advisory | \$ - | \$ - | \$ 249 | \$ 249 | \$ - | \$ - |
| Smart Lab | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Social Studies Dept | \$ 200 | \$ - | \$ - | \$ - | \$ - | \$ 200 |
| SODA | \$ - | \$ 20 | \$ - | \$ - | \$ - | \$ 20 |
| Special Fund | \$ - | \$ - | \$ 15 | \$ 15 | \$ - | \$ - |
| Sports | \$ - | \$ 1,046 | \$ 1,921 | \$ 875 | \$ - | \$ - |
| Student Council | \$ - | \$ - | \$ 671 | \$ 671 | \$ - | \$ - |
| Student Recognition | \$ - | \$ - | \$ 281 | \$ 281 | \$ - | \$ - |

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

**JENIFER JUNIOR HIGH SCHOOL
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2019**

| Activity Fund | Balance 7/1/2018 | Cash Receipts | Cash Disbursements | Transfers In | Tranfers Out | Balance 6/30/2019 |
|---------------------------------|-----------------------------|--------------------------|-------------------------------|-------------------------|-------------------------|------------------------------|
| Teacher of the Year-GL | \$ - | \$ 450 | \$ 378 | \$ - | \$ - | \$ 72 |
| Teacher of the Year-Falkenstein | \$ 206 | \$ - | \$ - | \$ - | \$ - | \$ 206 |
| Teacher of the Year-Gratz | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Thompson Donation | \$ 124 | \$ - | \$ 8 | \$ - | \$ - | \$ 116 |
| Track | \$ - | \$ 2,804 | \$ 4,984 | \$ 2,180 | \$ - | \$ - |
| Vending Machines | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Volleyball | \$ 16,599 | \$ 7,833 | \$ 5,163 | \$ - | \$ - | \$ 19,269 |
| West Team Account | \$ - | \$ - | \$ 593 | \$ 593 | \$ - | \$ - |
| West Team Recognition | \$ - | \$ - | \$ 392 | \$ 392 | \$ - | \$ - |
| Wrestling | \$ 3,700 | \$ 3,465 | \$ 2,043 | \$ - | \$ - | \$ 5,122 |
| | <u>\$ 141,895</u> | <u>\$ 116,427</u> | <u>\$ 108,217</u> | <u>\$ 22,683</u> | <u>\$ 22,385</u> | <u>\$ 150,403</u> |

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

**SACAJAWEA JUNIOR HIGH SCHOOL
Statement of Fiduciary Net Position
June 30, 2019**

| | | |
|---|---------------------------|--------------------------|
| ASSETS | | |
| | Cash and cash equivalents | <u>\$ 167,796</u> |
| | Total assets | 167,796 |
| DEFERRED OUTFLOW OF RESOURCES | | <u>-</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | <u><u>\$ 167,796</u></u> |
| LIABILITIES | | |
| | Due to student groups | <u>\$ 167,796</u> |
| | Total liabilities | 167,796 |
| DEFERRED INFLOW OF RESOURCES | | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | 167,796 |
| NET POSITION | | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION | | <u><u>\$ 167,796</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, 2019

| <u>Activity Fund</u> | <u>Balance 7/1/2018</u> | <u>Cash Receipts</u> | <u>Cash Disbursements</u> | <u>Transfers In</u> | <u>Transfers Out</u> | <u>Balance 6/30/2019</u> |
|--------------------------|-----------------------------|--------------------------|-------------------------------|-------------------------|--------------------------|------------------------------|
| Activities | \$ 153,581 | \$ 19,517 | \$ 20,663 | \$ 12,139 | \$ 7,594 | \$ 156,980 |
| Annual | 130 | 10,080 | 10,960 | - | - | (750) |
| Art | - | - | - | - | - | - |
| Assignment Book | - | - | - | - | - | - |
| Basketball-Boys | - | 4,785 | 2,634 | - | 2,151 | - |
| Basketball-Girls | - | 3,414 | 966 | - | 2,448 | - |
| Box Tops | 1,144 | 95 | 410 | - | - | 829 |
| Cheerleading | 88 | 11,202 | 15,760 | - | - | (4,470) |
| Choir | - | - | - | - | - | - |
| Class Account 2023 | - | - | - | - | - | - |
| Class Account 2021 | - | - | - | - | - | - |
| Class Account 2022 | 926 | 350 | 517 | - | - | 759 |
| Concessions | - | 8,614 | 5,197 | - | 3,417 | - |
| Damage Deposits | - | 164 | 164 | - | - | - |
| Dance Team | - | - | - | - | - | - |
| Drama | 2,945 | 1,932 | 2,559 | - | - | 2,318 |
| Faculty | 1,113 * | 1,243 | 1,371 | - | - | 985 |
| Football | - | 2,551 | 7,986 | 5,435 | - | - |
| Interest-CD | - | 72 | - | - | 72 | - |
| Interest | 6 | 80 | - | - | 80 | 6 |
| Jazz Band | 628 | - | - | - | - | 628 |
| Library | 1,137 | 4,705 | 3,976 | - | - | 1,866 |
| Locks (Sac) | - | - | - | - | - | - |
| Music | 4,875 | 202 | 1,929 | - | - | 3,148 |
| NSF Checks | - | 344 | 344 | - | - | - |
| Other Activity | 231 | 123 | 118 | - | - | 236 |
| Over and Short | - | 180 | - | - | 180 | - |
| Pay to Participate | 945 | 11,126 | 12,046 | - | - | 25 |
| Pictures | - | - | - | - | - | - |
| Principal's Fund | 41 | - | - | - | - | 41 |
| PTSA | - | - | - | - | - | - |
| Rentals | - | - | - | - | - | - |
| Sales | - | - | - | - | - | - |
| School Store | 108 | - | - | - | - | 108 |
| Science-Brandt | 1,927 | - | - | - | - | 1,927 |
| Season Passes | - | 547 | - | - | 547 | - |
| Student Council | 148 | 48 | - | - | - | 196 |
| Student Recognition | - | - | - | - | - | - |
| Tax-Idaho Sales | - | 3,101 | 3,101 | - | - | - |
| Teacher of the Year-Ferr | 300 | - | - | - | - | 300 |
| Teen and Young Living | 2,598 | 66 | - | - | - | 2,664 |
| Track | - | 590 | 2,170 | 1,580 | - | - |
| Volleyball | - | 4,483 | 1,238 | - | 3,245 | - |
| Wrestling | - | - | 580 | 580 | - | - |
| | <u>\$ 172,871</u> | <u>\$ 89,614</u> | <u>\$ 94,689</u> | <u>\$ 19,734</u> | <u>\$ 19,734</u> | <u>\$ 167,796</u> |

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

**ELEMENTARY SCHOOLS
Statement of Fiduciary Net Position
June 30, 2019**

ASSETS

| | | |
|------------------------------|----|--------------|
| Cash and cash equivalents | | |
| Camelot Elementary School | \$ | 21,906 |
| Centennial Elementary School | | 33,636 |
| McGhee Elementary School | | 11,187 |
| McSorley Elementary School | | 12,617 |
| Orchards Elementary School | | 19,316 |
| Webster Elementary School | | 32,336 |
| Whitman Elementary School | | <u>3,496</u> |
| Total assets | | 134,494 |

DEFERRED OUTFLOW OF RESOURCES

-

**TOTAL ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES**

\$ 134,494

LIABILITIES

| | | |
|------------------------------|----|--------------|
| Due to student groups | | |
| Camelot Elementary School | \$ | 21,906 |
| Centennial Elementary School | | 33,636 |
| McGhee Elementary School | | 11,187 |
| McSorley Elementary School | | 12,617 |
| Orchards Elementary School | | 19,316 |
| Webster Elementary School | | 32,336 |
| Whitman Elementary School | | <u>3,496</u> |
| Total liabilities | | 134,494 |

DEFERRED INFLOW OF RESOURCES

-

**TOTAL LIABILITIES AND DEFERRED INFLOWS
OF RESOURCES**

134,494

NET POSITION

-

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

\$ 134,494

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

**ELEMENTARY SCHOOLS
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2019**

| SCHOOL | Balance 07/01/18 | Cash Receipts & Transfers In | Cash Disbursements & Transfers Out | Balance 06/30/19 |
|-------------------|-----------------------------|---|---|-----------------------------|
| CAMELOT | | | | |
| Activity Account | \$ 7,828 | \$ 7,872 | \$ 5,721 | \$ 9,979 |
| Library Account | 1,119 | 4,153 | 4,997 | 275 |
| Pop Account | 2,750 | 260 | 46 | 2,964 |
| Knowledge Bowl | - | - | - | - |
| Grade 4 | 8,911 | 18 | 2,398 | 6,531 |
| Grade 6 | 1,191 | 1,270 | 1,268 | 1,193 |
| Student Council | 335 | 1,157 | 528 | 964 |
| TOTAL | \$ 22,134 | \$ 14,730 | \$ 14,958 | \$ 21,906 |
| CENTENNIAL | | | | |
| Activity Account | \$ 25,971 | \$ 5,174 | \$ 7,443 | \$ 23,702 |
| Classroom Account | 11,154 | 6,678 | 7,898 | 9,934 |
| Pop Account | 36 | - | 36 | - |
| ISD | - | - | - | - |
| TOTAL | \$ 37,161 | \$ 11,852 | \$ 15,377 | \$ 33,636 |
| MCGHEE | | | | |
| Activity Account | \$ 8,984 | \$ 9,529 | \$ 9,933 | \$ 8,580 |
| Pop Account | 303 | 65 | 208 | 160 |
| Library Account | 10 | 3,369 | 3,346 | 33 |
| 4th Grade | 619 | 306 | 78 | 847 |
| Title Account | 175 | 50 | 175 | 50 |
| 6th Grade | 357 | 500 | 121 | 736 |
| Choir | 131 | - | - | 131 |
| Student Council | 683 | 93 | 126 | 650 |
| TOTAL | \$ 11,262 | \$ 13,912 | \$ 13,987 | \$ 11,187 |
| MCSORLEY | | | | |
| Activity | \$ 87 | \$ 10 | \$ 61 | \$ 36 |
| Classroom | 12,403 | 2,394 | 2,241 | 12,556 |
| Pop Account | 310 | 26 | 311 | 25 |
| ISD | - | - | - | - |
| TOTAL | \$ 12,800 | \$ 2,430 | \$ 2,613 | \$ 12,617 |

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, ID

ELEMENTARY SCHOOLS
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2019

| SCHOOL | Balance 07/01/18 | Cash Receipts & Transfers In | Cash Disbursements & Transfers Out | Balance 06/30/19 |
|------------------------|-----------------------------|---|---|-----------------------------|
| ORCHARDS | | | | |
| Activity Account | \$ 2,598 | \$ 11,828 | \$ 2,811 | \$ 11,615 |
| Pop Account | 307 | 67 | - | 374 |
| Taxes | 5 | - | - | 5 |
| Library Account | 932 | 321 | 427 | 826 |
| Camp Wittman | 4,136 | 2,122 | 1,987 | 4,271 |
| Student Council | 544 | 1,130 | 1,887 | (213) |
| 4th River Trip | 2,301 | - | 154 | 2,147 |
| Curriculum | 255 | - | - | 255 |
| Share Account | 36 | - | - | 36 |
| TOTAL | \$ 11,114 | \$ 15,468 | \$ 7,266 | \$ 19,316 |
| WEBSTER | | | | |
| Activity Account | \$ 5,863 | \$ 10,433 | \$ 6,479 | \$ 9,817 |
| Camp | 1,717 | 1,326 | 1,531 | 1,512 |
| Computer Account | 4,373 | - | - | 4,373 |
| Library Account | 952 | 18 | 242 | 728 |
| Camp Martin/KR | - | - | - | - |
| River Trip | 6,281 | - | 58 | 6,223 |
| Savings | 35 | - | - | 35 |
| Service Learning Group | 9,032 | 879 | 263 | 9,648 |
| TOTAL | \$ 28,253 | \$ 12,656 | \$ 8,573 | \$ 32,336 |
| WHITMAN | | | | |
| Activity Account | \$ 4,938 | \$ 8,151 | \$ 11,330 | \$ 1,759 |
| Pop Account | 350 | \$ 75 | \$ 64 | 361 |
| Hell's Canyon | (460) | \$ - | \$ - | (460) |
| Student Council | 2,136 | \$ 181 | \$ 486 | 1,831 |
| Share Account | 5 | \$ - | - | 5 |
| TOTAL | \$ 6,969 | \$ 8,407 | \$ 11,880 | \$ 3,496 |
| GRAND TOTAL | \$ 129,693 | \$ 79,455 | \$ 74,654 | \$ 134,494 |

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

**TAMMANY ALTERNATIVE CENTER
Statement of Fiduciary Net Position
June 30, 2019**

| | |
|---|------------------------|
| ASSETS | |
| Cash and cash equivalents | <u>\$ 9,932</u> |
| Total assets | 9,932 |
| DEFERRED OUTFLOW OF RESOURCES | |
| | <u>-</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u><u>\$ 9,932</u></u> |
| LIABILITIES | |
| Due to student groups | <u>\$ 9,932</u> |
| Total liabilities | <u>9,932</u> |
| DEFERRED INFLOW OF RESOURCES | |
| | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 9,932 |
| NET POSITION | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS PLUS NET POSITION | <u><u>\$ 9,932</u></u> |

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

**TAMMANY ALTERNATIVE CENTER
Statement of Receipts, Disbursements, and Transfers
For the Year Ended June 30, 2019**

| <u>Activity Fund</u> | <u>Balance 07/01/18</u> | <u>Cash Receipts & Transfers In</u> | <u>Cash Disbursements & Transfers Out</u> | <u>Balance 06/30/19</u> |
|----------------------|-----------------------------|---|---|-----------------------------|
| Activity Account | \$ 7,533 | \$ 2,711 | \$ 1,533 | \$ 8,711 |
| FCCLA | 525 | | | 525 |
| Construction | 696 | - | - | 696 |
| | <u>\$ 8,754</u> | <u>\$ 2,711</u> | <u>\$ 1,533</u> | <u>\$ 9,932</u> |