

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

**FINANCIAL STATEMENTS**

**Year Ended June 30, 2016**

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

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**FINANCIAL SECTION**

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## Independent Auditor's Report

Board of Trustees  
Snake River School District No. 52

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Snake River School District No. 52 (the School) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School'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.

## **Basis for Qualified Opinion on Governmental Activities**

Management believes the costs of implementing GASB 45 (having actuarial calculations performed for other post-employment benefits) cannot be justified at this time. Accounting principles generally accepted in the United States of America require that a liability be recorded for other post-employment benefits, which would decrease net position, increase liabilities, and increase expenses in the governmental activities. The amount by which this departure would affect net position, liabilities, and expenses in the governmental activities has not been determined.

## **Qualified Opinion**

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities” paragraph, the financial statements referred to previously present fairly, in all material respects, the financial position of the governmental activities of the School, as of June 30, 2016, and the changes in financial position thereof for the year then ended in conformity 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 each major fund and the aggregate remaining fund information of the School as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of employer’s share of net pension liability, and schedule of employer contributions listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such information, although not required to be 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, and 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.

Management has not included the management’s discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not 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, and historical context. Our opinion on the basic financial statements is not affected by not including this information.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (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 schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or 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, 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 basic financial statements as a whole.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2016, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 not 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 the School's internal control over financial reporting and compliance.

#### ***Quest CPAs, P.C.***

Payette, Idaho  
August 11, 2016

## **BASIC FINANCIAL STATEMENTS**



**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Statement of Net Position

June 30, 2016

	<u><b>Governmental Activities</b></u>
<b>Assets</b>	
Current Assets	
Cash & Investments	\$3,604,839
Receivables:	
Local Sources	801,886
State Sources	264,645
Federal Sources	409,569
Inventory	22,041
Total Current Assets	<u>5,102,980</u>
Noncurrent Assets	
Nondepreciable Capital Assets	18,824
Depreciable Net Capital Assets	16,248,425
Total Noncurrent Assets	<u>16,267,249</u>
<b>Total Assets</b>	<u>21,370,229</u>
 <b>Deferred Outflows of Resources</b>	
Pension Sources	1,893,180
<b>Total Deferred Outflows of Resources</b>	<u>1,893,180</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$23,263,409</u>
 <b>Liabilities</b>	
Current Liabilities	
Accounts Payable	\$321,743
Salaries & Benefits Payable	1,283,926
Unspent Grant Allocation	180,552
Accrued Interest	115,075
Long-Term Debt, Current	882,857
Total Current Liabilities	<u>2,784,153</u>
Noncurrent Liabilities	
Long-Term Debt, Noncurrent	11,682,858
Net Pension Liability	2,943,326
Total Noncurrent Liabilities	<u>14,626,184</u>
<b>Total Liabilities</b>	<u>17,410,337</u>
 <b>Deferred Inflows of Resources</b>	
Pension Sources	1,898,487
<b>Total Deferred Inflows of Resources</b>	<u>1,898,487</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>19,308,824</u>
 <b>Net Position</b>	
Net Investment in Capital Assets	3,586,459
Restricted:	
Special Programs	531,449
Debt Service	507,546
Capital Projects	603,890
Unrestricted	<u>(1,274,759)</u>
<b>Total Net Position</b>	<u>3,954,585</u>
<b>Total Liabilities and Deferred Inflows of Resources and Net Position</b>	<u>\$23,263,409</u>

# SNAKE RIVER SCHOOL DISTRICT NO. 52

## Statement of Activities Year Ended June 30, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue And Changes in Net Position</u>
		<u>Charges For Services</u>	<u>Operating Grants And Contributions</u>	<u>Capital Grants And Contributions</u>	<u>Governmental Activities</u>
<b>Governmental Activities</b>					
Instructional Programs					
Elementary School	\$2,608,993		\$339,879	(\$2,269,114)	
Secondary School	2,214,896	\$9,020	60,399	(2,145,477)	
Vocational-Technical	35,936		35,936	0	
Special Education	918,746		289,508	(629,238)	
Special Education Preschool	88,091		16,307	(71,784)	
Interscholastic	145,233			(145,233)	
Support Service Programs					
Attendance - Guidance - Health	372,145		9,438	(362,707)	
Special Education Support Services	196,828		45,892	(150,936)	
Instruction Improvement	401,041		330,706	(70,335)	
Educational Media	302,089			(302,089)	
Instruction-Related Technology	344,009		128,468	(215,541)	
Board of Education	12,675			(12,675)	
District Administration	248,356			(248,356)	
School Administration	664,464			(664,464)	
Business Operation	90,763			(90,763)	
Administrative Technology Service	72,007		72,007	0	
Buildings - Care	666,404			(666,404)	
Maintenance - Non-Student Occupied	400			(400)	
Maintenance - Student Occupied	521,083			(521,083)	
Maintenance - Grounds	126,823		18,800	(108,023)	
Security	45,125			(45,125)	
Pupil-To-School Transportation	593,701			(593,701)	
Pupil-Activity Transportation	31,650			(31,650)	
General Transportation	6,830			(6,830)	
Non-Instructional Programs					
Child Nutrition	489,483	116,197	329,440	(43,846)	
Community Services	1,990		1,990	0	
Capital Assets - Student Occupied	535,872			(535,872)	
Capital Assets - Non-Student Occupied	0			0	
Debt Service - Principal	0			0	
Debt Service - Interest	347,406			(347,406)	
<b>Total</b>	<b>\$12,083,039</b>	<b>\$125,217</b>	<b>\$1,678,770</b>	<b>\$0</b>	<b>(10,279,052)</b>
<b>General Revenues</b>					
Local Taxes				2,150,392	
Other Local Revenues				236,587	
State Revenues				8,866,994	
Federal Revenues				0	
<b>Total</b>				<b>11,253,973</b>	
<b>Change in Net Position</b>					
				974,921	
<b>Net Position - Beginning</b>					
				2,979,664	
<b>Net Position - Ending</b>					
				<b>\$3,954,585</b>	

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Balance Sheet - Governmental Funds

June 30, 2016

	<b>General Fund</b>	<b>Medicaid Support Fund</b>	<b>Child Nutrition Fund</b>	<b>Debt Service Fund</b>
<b>Assets</b>				
Cash & Investments	\$2,265,438	\$414,907	\$48,588	\$222,374
Receivables:				
Local Sources	296,480		32	326,556
State Sources	253,864			
Federal Sources				
Due From Other Funds	127,720			
Inventory			22,041	
<b>Total Assets</b>	<u>\$2,943,502</u>	<u>\$414,907</u>	<u>\$70,661</u>	<u>\$548,930</u>
<b>Liabilities</b>				
Accounts Payable	\$289,352		\$8	
Due To Other Funds				
Salaries & Benefits Payable	1,067,467	\$37,673	33,014	
Unspent Grant Allocation				
<b>Total Liabilities</b>	<u>1,356,819</u>	<u>37,673</u>	<u>33,022</u>	<u>\$0</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues	38,170			41,384
<b>Total Deferred Inflows of Resources</b>	<u>38,170</u>	<u>0</u>	<u>0</u>	<u>41,384</u>
<b>Fund Balances</b>				
Restricted:				
Special Programs		377,234	15,598	
Debt Service				507,546
Capital Projects				
Nonspendable			22,041	
Unassigned	1,548,513			
<b>Total Fund Balances</b>	<u>1,548,513</u>	<u>377,234</u>	<u>37,639</u>	<u>507,546</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$2,943,502</u>	<u>\$414,907</u>	<u>\$70,661</u>	<u>\$548,930</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Balance Sheet - Governmental Funds

June 30, 2016

	<b>Capital Construction Fund</b>	<b>Plant Facilities Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>				
Cash & Investments	\$173,308		\$480,224	\$3,604,839
Receivables:				
Local Sources	79	\$173,824	4,915	801,886
State Sources			10,781	264,645
Federal Sources			409,569	409,569
Due From Other Funds			0	127,720
Inventory			0	22,041
<b>Total Assets</b>	<u>\$173,387</u>	<u>\$173,824</u>	<u>\$905,489</u>	<u>\$5,230,700</u>
<b>Liabilities</b>				
Accounts Payable		\$6,970	\$25,413	\$321,743
Due To Other Funds		14,229	113,491	127,720
Salaries & Benefits Payable			145,772	1,283,926
Unspent Grant Allocation			180,552	180,552
<b>Total Liabilities</b>	<u>\$0</u>	<u>21,199</u>	<u>465,228</u>	<u>1,913,941</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues		23,766	0	103,320
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>23,766</u>	<u>0</u>	<u>103,320</u>
<b>Fund Balances</b>				
Restricted:				
Special Programs			138,617	531,449
Debt Service			0	507,546
Capital Projects	173,387	128,859	301,644	603,890
Nonspendable			0	22,041
Unassigned			0	1,548,513
<b>Total Fund Balances</b>	<u>173,387</u>	<u>128,859</u>	<u>440,261</u>	<u>3,213,439</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$173,387</u>	<u>\$173,824</u>	<u>\$905,489</u>	<u>\$5,230,700</u>

## Balance Sheet - Governmental Funds

June 30, 2016

**Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities**

<b>Total Governmental Fund Balances</b>	\$3,213,439
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,267,249
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Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	103,321
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Certain liabilities, including accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	(12,680,790)
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Net pension liability and related pension source deferred outflow and deferred inflow of resources, are not due and payable in the current period and therefore are not reported in the funds.	(2,948,634)
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<b>Net Position of Governmental Activities</b>	<u><u>\$3,954,585</u></u>
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**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2016

	<u>General Fund</u>	<u>Medicaid Support Fund</u>	<u>Child Nutrition Fund</u>	<u>Debt Service Fund</u>
<b>Revenues</b>				
Local Taxes	\$754,077			\$926,306
Other Local Revenue	175,498	\$67,781	\$116,197	
State Revenue	8,526,845			326,271
Federal Revenue	10,067		329,440	
<b>Total Revenues</b>	<u>9,466,487</u>	<u>67,781</u>	<u>445,637</u>	<u>1,252,577</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	2,401,835			
Secondary School	2,292,670			
Vocational-Technical				
Special Education	416,389	212,849		
Special Education Preschool	71,784			
Interscholastic	145,233			
Support Service Programs				
Attendance - Guidance - Health	362,707			
Special Education Support Services	97,273	53,663		
Instruction Improvement	70,335			
Educational Media	302,089			
Instruction-Related Technology	198,483			
Board of Education	12,675			
District Administration	241,045			
School Administration	664,464			
Business Operation	86,263			4,500
Administrative Technology Service				
Buildings - Care	666,404			
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied	299,938			
Maintenance - Grounds				
Security	26,325			
Pupil-To-School Transportation	516,041			
Pupil-Activity Transportation	31,650			
General Transportation	6,830			
Non-Instructional Programs				
Child Nutrition	12,912		476,571	
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				867,857
Debt Service - Interest				351,781
<b>Total Expenditures</b>	<u>8,923,345</u>	<u>266,512</u>	<u>476,571</u>	<u>1,224,138</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	543,142	(198,731)	(30,934)	28,439
<b>Other Financing Sources (Uses)</b>				
Transfers In				
Transfers Out	(202,660)			
<b>Total Other Financing Sources (Uses)</b>	<u>(202,660)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	340,482	(198,731)	(30,934)	28,439
<b>Fund Balances - Beginning</b>	1,208,031	575,965	68,573	479,107
<b>Fund Balances - Ending</b>	<u>\$1,548,513</u>	<u>\$377,234</u>	<u>\$37,639</u>	<u>\$507,546</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2016

	<u>Capital Construction Fund</u>	<u>Plant Facilities Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Local Taxes		\$489,734	\$0	\$2,170,117
Other Local Revenue	\$628	1,180	14,935	376,219
State Revenue			441,129	9,294,245
Federal Revenue			897,597	1,237,104
<b>Total Revenues</b>	<u>628</u>	<u>490,914</u>	<u>1,353,661</u>	<u>13,077,685</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School		13,629	339,879	2,755,343
Secondary School		13,066	33,403	2,339,139
Vocational-Technical			35,936	35,936
Special Education			289,508	918,746
Special Education Preschool			16,307	88,091
Interscholastic			0	145,233
Support Service Programs				
Attendance - Guidance - Health			9,438	372,145
Special Education Support Services			45,892	196,828
Instruction Improvement			330,706	401,041
Educational Media			0	302,089
Instruction-Related Technology	480	40,000	128,468	367,431
Board of Education			0	12,675
District Administration		7,311	0	248,356
School Administration			0	664,464
Business Operation			0	90,763
Administrative Technology Service			72,007	72,007
Buildings - Care			0	666,404
Maintenance - Non-Student Occupied		400	0	400
Maintenance - Student Occupied		288,786	0	588,724
Maintenance - Grounds		126,823	0	126,823
Security			18,800	45,125
Pupil-To-School Transportation			0	516,041
Pupil-Activity Transportation			0	31,650
General Transportation			0	6,830
Non-Instructional Programs				
Child Nutrition			0	489,483
Community Services			1,990	1,990
Capital Assets - Student Occupied	24,773		0	24,773
Capital Assets - Non-Student Occupied			82,042	82,042
Debt Service - Principal			0	867,857
Debt Service - Interest			0	351,781
<b>Total Expenditures</b>	<u>25,253</u>	<u>490,015</u>	<u>1,404,376</u>	<u>12,810,210</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(24,625)	899	(50,715)	267,475
<b>Other Financing Sources (Uses)</b>				
Transfers In			227,660	227,660
Transfers Out			(25,000)	(227,660)
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>202,660</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	(24,625)	899	151,945	267,475
<b>Fund Balances - Beginning</b>	198,012	127,960	288,316	2,945,964
<b>Fund Balances - Ending</b>	<u>\$173,387</u>	<u>\$128,859</u>	<u>\$440,261</u>	<u>\$3,213,439</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2016

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Governmental Funds to the  
Statement of Activities**

**Net Change in Fund Balances - Total Governmental Funds** \$267,475

Amounts reported for governmental activities in the statement of activities are different because:

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the excess of capital outlays over (under) depreciation expense in the current period. (415,654)

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. (19,725)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position. 867,857

In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds. 4,375

Changes in net pension liability and related pension source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds. 270,593

**Change in Net Position of Governmental Activities** \$974,921



**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Statement of Fiduciary Net Position

June 30, 2016

	<b>Agency Funds - Student Activity</b>
<b>Assets</b>	
Cash & Investments	\$325,028
<b>Total Assets</b>	<u>\$325,028</u>
<b>Liabilities</b>	
Due to Student Groups	\$325,028
<b>Total Liabilities</b>	<u>325,028</u>
<b>Net Position</b>	
<b>Total Net Position</b>	<u>0</u>
<b>Total Liabilities and Net Position</b>	<u>\$325,028</u>

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

---

#### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity** – Snake River School District No. 52 (the School) provides public school educational services as authorized by Section 33 of Idaho Code. The School's boundaries for taxing and school enrollment purposes are located within Bingham County.

These financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to school districts. The governmental accounting standards board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the School are discussed below.

**Basic Financial Statements - Government-Wide Statements** – The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. Currently, all the School's activities are categorized as governmental activities.

In the government-wide statement of net position, the activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The functions are also supported by general government revenues as reported in the statement of activities. The statement of activities reduces gross expenses (including depreciation when recorded) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function. Internal activity between funds (when two or more funds are involved) is eliminated in the government-wide statement of activities. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function) are normally covered by general revenues.

The School reports expenditures in accordance with the State Department of Education's "Idaho Financial Accounting Reporting Management System" (IFARMS). IFARMS categorizes all expenditures by function, program and object. Accordingly, there is no allocation of indirect costs.

The government-wide focus is more on the sustainability of the School as an entity and the change in the School's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

**Basic Financial Statements - Fund Financial Statements** – The financial transactions of the School are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

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outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the funds) for the determination of major funds.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Major governmental funds of the School include:

*General Fund* – The general fund is the School's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Major special revenue funds include the Medicaid support fund, which accounts for Medicaid related funding and activities and the child nutrition fund, which serves to account for providing nutritional meals to students (including subsidized meals).

*Debt Service Fund* – The debt service fund is used to account for the accumulation of funds for the periodic payment of principal and interest on long term debt.

*Capital Projects Funds* – Capital projects funds are used to account for the acquisition of capital assets. Major capital project funds include the plant facilities fund, used to account for the maintenance of facilities and other capital assets, and the capital construction fund, used to account for the facility construction and betterments.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support School programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds. Fiduciary funds of the School include:

*Agency Funds* – Agency funds are used to account for assets held by the School on behalf of students.

**Basis of Accounting** – Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

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Activities in the government-wide and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within thirty days after year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which, if any, are recognized when due and payable.

**Cash and Investments** – Nearly all the cash and investment balances of the School's funds are pooled for investment purposes. The individual funds' portions of the pooled cash and investments are reported in each fund as cash and investments. Interest earned on pooled cash and investments is paid to the general fund unless Idaho Code specifies otherwise. Investments include the local government investment pool, reported and measured at amortized cost following the provisions of GASB 79 which provide for consistent measurement of investment value amongst pool participants. Investments also include the diversified bond fund and are stated at fair value using the market approach and Level 2 inputs (inputs other than quoted prices included in Level 1 that are observable for an asset, liability, either directly or indirectly). The fair value of the diversified bond fund is not the same as the value of its shares.

**Receivables** – Receivables are reported net of any estimated uncollectible amounts.

**Inventories** – Material supplies on hand at year end are stated at cost using the first-in, first-out method.

**Capital Assets and Depreciation** – Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight line method, except for certain transportation vehicles which use the declining balance method.

**Compensated Absences** – The School provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is deemed to be immaterial and, accordingly, no liability is recorded.

**Pensions** – For purposes of measuring the net pension liability and pension expense/revenue, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the 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,

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

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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.

**Deferred Outflows/Inflows of Resources** – The School’s financial statements may report deferred outflows/inflows of resources. Deferred outflows of resources represent a consumption of net assets that apply to a future period. Deferred inflows of resources represent an acquisition of net assets that apply to a future period. Deferred outflows/inflows of resources generally represent amounts that are not available in the current period.

**Net Position** – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

**Fund Balance Classifications** – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity’s governing body. Assigned portions represent amounts that are constrained by the government’s intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the School first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the School first utilizes committed resources then assigned resources before using unassigned resources.

**Property Taxes** – The School is responsible for levying property taxes, but the taxes are collected by the respective county. Taxes are levied by the second Monday in September for each calendar year. Taxes are due in two installments – December 20<sup>th</sup> and June 20<sup>th</sup>. A lien is filed on real property three years from the date of delinquency.

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

**Interfund Activity** – Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

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Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**Use of 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.

**Concentrations of Credit Risk** – The School maintains its cash at insured financial institutions. Periodically, balances may exceed federally insured limits. The School does not have a formal policy concerning concentrations of credit risk.

**Risk Management** – The School is exposed to various risks related to its operations. Insurance is utilized to the extent practical to minimize these risks.

**Nonmonetary Transactions** – Items received via food commodities programs are recognized at their stated fair market value.

**Subsequent Events** – Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.

#### **B. CASH AND INVESTMENTS**

Cash and investments consist of the following at year end:

Cash - Deposits	\$1,773,655
Investments - Local Government Investment Pool	2,109,094
Investments - Diversified Bond Fund	47,118
<b>Total</b>	<b><u><u>\$3,929,867</u></u></b>

**Deposits** – At year end, the carrying amounts of the School's deposits were \$1,773,655 and the bank balances were \$1,849,861. Of the bank balances, \$342,567 was insured, \$1,154,371 was collateralized, and the remainder was uninsured and uncollateralized.

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

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Change in fair value of investments (for investments that are recorded at fair value) during the year consists of the following:

Fair value - ending	\$47,118
Plus proceeds from investments sold during the year	0
Less cost of investments purchased during the year	(838)
Less fair value - beginning	<u>(45,314)</u>
<b>Total</b>	<b><u>\$966</u></b>

**Investments** – State statutes authorize government entities to invest in certain bonds, notes, accounts, investment pools, and other obligations of the state, U.S. Government, and U.S. corporations pursuant to Idaho Code 67-1210 and 67-1210A. These statutes are designed to help minimize the custodial risk that deposits may not be returned in the event of the failure of the issuer or other counterparty, interest rate risk resulting from fair value losses arising from rising interest rates, or credit risks that an issuer or other counterparty will not fulfill its obligations. The School's investment policy complies with state statutes.

The local government investment pool is managed by the state treasurer's office and is invested in accordance with state statutes and regulations. More information on the local governmental investment pool including regulatory information, restriction on withdrawals, and rating and risk information can be found at [sto.idaho.gov](http://sto.idaho.gov). Government accounting standards board statements requires government entities to disclose credit quality ratings, concentration of credit risk, and interest rate risk on investment balances. Investments in the local government investment pool and diversified bond fund are, due to their nature, not required to be rated in terms of credit quality, and are excluded from the other disclosure requirements.

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Notes to Financial Statements

**C. RECEIVABLES**

Receivables consist of the following at year end:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Local Sources					
Local Taxes	\$255,995		\$326,556	\$173,903	\$756,454
Other Local Sources	40,485	\$32		4,915	45,432
<b>Total</b>	<u>\$296,480</u>	<u>\$32</u>	<u>\$326,556</u>	<u>\$178,818</u>	<u>\$801,886</u>
State Sources					
Foundation Program	\$208,423				\$208,423
Special Programs	45,441	\$10,781			56,222
<b>Total</b>	<u>\$253,864</u>	<u>\$10,781</u>			<u>\$264,645</u>
Federal Sources					
Special Programs		\$409,569			\$409,569
<b>Total</b>		<u>\$409,569</u>			<u>\$409,569</u>



**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Notes to Financial Statements

**D. CAPITAL ASSETS**

A summary of capital assets for the year is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets				
Land	\$18,824			\$18,824
<b>Total</b>	<u>18,824</u>	<u>\$0</u>	<u>\$0</u>	<u>18,824</u>
Depreciable Capital Assets				
Buildings	26,290,254	65,577		26,355,831
Equipment	671,585	50,189		721,774
Transportation	<u>1,709,069</u>	<u>82,042</u>	<u>53,307</u>	<u>1,737,804</u>
Subtotal	<u>28,670,908</u>	<u>197,808</u>	<u>53,307</u>	<u>28,815,409</u>
Accumulated Depreciation				
Buildings	10,071,615	527,117		10,598,732
Equipment	639,280	8,685		647,965
Transportation	<u>1,295,934</u>	<u>77,660</u>	<u>53,307</u>	<u>1,320,287</u>
Subtotal	<u>12,006,829</u>	<u>613,462</u>	<u>53,307</u>	<u>12,566,984</u>
<b>Total</b>	<u>16,664,079</u>	<u>(415,654)</u>	<u>0</u>	<u>16,248,425</u>
<b>Net Capital Assets</b>	<u>\$16,682,903</u>	<u>(\$415,654)</u>	<u>\$0</u>	<u>\$16,267,249</u>

Depreciation expense was charged to the following programs:

Capital Assets - Student Occupied	\$535,802
Pupil-To-School Transportation	<u>77,660</u>
<b>Total</b>	<u>\$613,462</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Notes to Financial Statements

**E. LONG-TERM DEBT**

At year end, the School's bonded debt was as follows:

	<u>Outstanding</u>
2009 - \$5,000,000 - qualified school construction (QSC) bonds for capital improvements due in annual principal installments without interest (bondholders are compensated in the form of federal tax credits) through 2024/25, secured by future taxes, paid through the debt service fund	\$3,085,715
2009 - \$12,000,000 - general obligation bonds for capital improvements due in annual principal installments and semiannual interest payments with interest at 1.39% - 4.50% through 2028/29, secured by future taxes, paid through the debt service fund	<u>9,480,000</u>
<b>Total</b>	<u><u>\$12,565,715</u></u>

Maturities on the bonds are estimated as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
6/30/17	\$882,857	\$338,475
6/30/18	892,857	324,163
6/30/19	907,857	308,125
6/30/20	927,857	290,143
6/30/21	942,857	268,637
6/30/22-26	4,966,430	963,186
6/30/27-29	<u>3,045,000</u>	<u>185,169</u>
<b>Total</b>	<u><u>\$12,565,715</u></u>	<u><u>\$2,677,898</u></u>

Changes in long-term debt are as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2009 Q.S.C. Bonds	\$3,428,572		\$342,857	\$3,085,715	\$342,857
2009 G.O. Bonds	<u>10,005,000</u>		<u>525,000</u>	<u>9,480,000</u>	<u>540,000</u>
<b>Total</b>	<u><u>\$13,433,572</u></u>	<u><u>\$0</u></u>	<u><u>\$867,857</u></u>	<u><u>\$12,565,715</u></u>	<u><u>\$882,857</u></u>

Interest and related costs during the year amounted to \$347,406 and were charged to the debt service – interest program.

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
Notes to Financial Statements

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**F. PENSION PLAN**

*Plan Description*

The School 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](http://www.persi.idaho.gov).

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

Employee membership data related to the PERSI Base Plan, as of June 30, 2015 was as follows:

Active participants	67,008
Terminated and vested	42,657
Retirees and beneficiaries	11,859
<b>Total</b>	<u><u>121,524</u></u>

*Pension Benefits*

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

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

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

#### *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, 2015 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% for general employees and 8.36% for police and firefighters. The School's contributions were \$702,763 for the year ended June 30, 2016.

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

At June 30, 2016, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At July 1, 2015, the School's proportion was 0.2235148 percent.

For the year ended June 30, 2016, the School recognized pension expense (revenue) of \$432,147. At June 30, 2016, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience		\$352,842
Changes in assumptions or other inputs	\$107,191	
Net difference between projected and actual earnings on pension plan investments	1,083,226	1,545,645
Employer contributions subsequent to the measurement date	<u>702,763</u>	
<b>Total</b>	<b><u>\$1,893,180</u></b>	<b><u>\$1,898,487</u></b>

\$702,763 reported as deferred outflows of resources related to pensions resulting from School contributions made subsequent to the measurement date will be recognized as an addition to the plan pension expense or reduction of the plan pension revenue in the year ending June 30, 2017.

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

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, 2014 the beginning of the measurement period ended June 30, 2015 is 5.5 years.

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:

<b>Year Ended</b>	
6/30/17	(\$301,923)
6/30/18	(301,923)
6/30/19	(301,923)
6/30/20	219,143
6/30/21	<u>(21,443)</u>
<b>Total</b>	<b><u>(\$708,069)</u></b>

#### *Actuarial Assumptions*

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

The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25 – 10.00%
Salary inflation	3.75%
Investment rate of return	7.10%, net of investment expenses
Cost-of-living adjustments	1%

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

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

## SNAKE RIVER SCHOOL DISTRICT NO. 52

### Notes to Financial Statements

An experience study was performed in 2012 for the period July 1, 2007 through June 30, 2011 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The total pension liability as of June 30, 2015 is based on the results of an actuarial valuation date of July 1, 2015.

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 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. The capital market assumptions are as of January 1, 2014.

<b>Asset Class</b>	<b>Index</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return*</b>
Core Fixed Income	Barclays Aggregate	30.00%	0.80%
Broad US Equities	Wilshire 5000 / Russell 3000	55.00%	6.90%
Developed Foreign Equities	MSCI ACWI ex USA	15.00%	7.55%
Assumed Inflation - Mean			3.25%
Assumed Inflation - Standard Deviation			2.00%
Portfolio Arithmetic Mean Return			8.42%
Portfolio Long-Term Expected Geometric Rate of Return			7.50%
Assumed Investment Expenses			0.40%
<b>Long-Term Expected Geometric Rate of Return, Net of Investment Expenses</b>			<b>7.10%</b>

\*Arithmetic Return

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
Notes to Financial Statements

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*Discount Rate*

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

*Sensitivity of the School's proportionate share of the net pension liability to changes in the discount rate.*

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

	<b>1% Decrease (6.10%)</b>	<b>Current Discount Rate (7.10%)</b>	<b>1% Increase (8.10%)</b>
School's proportionate share of the net pension liability (asset)	\$7,168,874	\$2,943,326	(\$569,656)

*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](http://www.persi.idaho.gov).

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Notes to Financial Statements

**G. INTERFUND BALANCES AND TRANSFERS**

Interfund balances at year end consist of the following:

	<b>Due From Fund</b>		
	<u>Plant Facilities</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
<b>Due To Fund</b>			
General	\$14,229	\$113,491	\$127,720
<b>Total</b>	<u>\$14,229</u>	<u>\$113,491</u>	<u>\$127,720</u>

These interfund balances resulted from the time lag between when expenditures are incurred in a fund and when the fund is reimbursed for such expenditures.

Interfund transfers during the year consist of the following:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>
General		\$202,660	Support, Depreciation
Nonmajor Governmental	\$227,660	25,000	Support, Depreciation
<b>Total</b>	<u>\$227,660</u>	<u>\$227,660</u>	



**REQUIRED SUPPLEMENTARY INFORMATION**

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Budgetary Comparison Schedule -  
General and Major Special Revenue Funds  
Year Ended June 30, 2016

General Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Local Taxes	\$746,000	\$746,000	\$754,077	\$8,077
Other Local Revenue	167,480	167,480	175,498	8,018
State Revenue	8,377,319	8,377,319	8,526,845	149,526
Federal Revenue	8,000	8,000	10,067	2,067
<b>Total Revenues</b>	<u>9,298,799</u>	<u>9,298,799</u>	<u>9,466,487</u>	<u>167,688</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	2,488,540	2,488,540	2,401,835	86,705
Secondary School	2,542,552	2,542,552	2,292,670	249,882
Vocational-Technical	0	0	0	
Special Education	433,427	433,427	416,389	17,038
Special Education Preschool	70,411	70,411	71,784	(1,373)
Interscholastic	161,001	161,001	145,233	15,768
Support Service Programs				
Attendance - Guidance - Health	365,017	365,017	362,707	2,310
Special Education Support Services	103,571	103,571	97,273	6,298
Instruction Improvement	85,300	85,300	70,335	14,965
Educational Media	327,851	327,851	302,089	25,762
Instruction-Related Technology	155,198	155,198	198,483	(43,285)
Board of Education	19,150	19,150	12,675	6,475
District Administration	281,130	281,130	241,045	40,085
School Administration	842,966	842,966	664,464	178,502
Business Operation	92,927	92,927	86,263	6,664
Administrative Technology Service	0	0	0	0
Buildings - Care	734,365	734,365	666,404	67,961
Maintenance - Non-Student Occupied	0	0	0	0
Maintenance - Student Occupied	185,257	185,257	299,938	(114,681)
Maintenance - Grounds	0	0	0	0
Security	27,000	27,000	26,325	675
Pupil-To-School Transportation	638,800	638,800	516,041	122,759
Pupil-Activity Transportation	41,690	41,690	31,650	10,040
General Transportation	15,000	15,000	6,830	8,170
Non-Instructional Programs				
Child Nutrition	13,900	13,900	12,912	988
Community Services	0	0	0	0
Capital Assets - Student Occupied	355,999	355,999	0	355,999
Capital Assets - Non-Student Occupied	0	0	0	0
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
<b>Total Expenditures</b>	<u>9,981,052</u>	<u>9,981,052</u>	<u>8,923,345</u>	<u>1,057,707 *</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(682,253)	(682,253)	543,142	1,225,395
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	(190,362)	(190,362)	(202,660)	(12,298) *
<b>Total Other Financing Sources (Uses)</b>	<u>(190,362)</u>	<u>(190,362)</u>	<u>(202,660)</u>	<u>(12,298)</u>
<b>Net Change in Fund Balances</b>	(872,615)	(872,615)	340,482	1,213,097
<b>Fund Balances - Beginning</b>	872,615	872,615	1,208,031	335,416
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$0</u>	<u>\$1,548,513</u>	<u>\$1,548,513</u>

\*Total expenditures (over) under appropriations are: \$1,045,409

Budgetary Comparison Schedule -  
General and Major Special Revenue Funds  
Year Ended June 30, 2016

Medicaid Support Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Local Taxes	\$0	\$0	\$0	\$0
Other Local Revenue	400,000	400,000	67,781	(332,219)
State Revenue	0	0	0	0
Federal Revenue	0	0	0	0
<b>Total Revenues</b>	<u>400,000</u>	<u>400,000</u>	<u>67,781</u>	<u>(332,219)</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	0	0	0	0
Secondary School	0	0	0	0
Vocational-Technical	0	0	0	0
Special Education	316,679	316,679	212,849	103,830
Special Education Preschool	0	0	0	0
Interscholastic	0	0	0	0
Support Service Programs				
Attendance - Guidance - Health	0	0	0	0
Special Education Support Services	83,321	83,321	53,663	29,658
Instruction Improvement	0	0	0	0
Educational Media	0	0	0	0
Instruction-Related Technology	0	0	0	0
Board of Education	0	0	0	0
District Administration	0	0	0	0
School Administration	0	0	0	0
Business Operation	0	0	0	0
Administrative Technology Service	0	0	0	0
Buildings - Care	0	0	0	0
Maintenance - Non-Student Occupied	0	0	0	0
Maintenance - Student Occupied	0	0	0	0
Maintenance - Grounds	0	0	0	0
Security	0	0	0	0
Pupil-To-School Transportation	0	0	0	0
Pupil-Activity Transportation	0	0	0	0
General Transportation	0	0	0	0
Non-Instructional Programs				
Child Nutrition	0	0	0	0
Community Services	0	0	0	0
Capital Assets - Student Occupied	0	0	0	0
Capital Assets - Non-Student Occupied	0	0	0	0
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
<b>Total Expenditures</b>	<u>400,000</u>	<u>400,000</u>	<u>266,512</u>	<u>133,488 *</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	0	0	(198,731)	(198,731)
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0 *
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	0	0	(198,731)	(198,731)
<b>Fund Balances - Beginning</b>	0	0	575,965	575,965
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$0</u>	<u>\$377,234</u>	<u>\$377,234</u>

\*Total expenditures (over) under appropriations are: \$133,488

Budgetary Comparison Schedule -  
 General and Major Special Revenue Funds  
 Year Ended June 30, 2016

	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
<b>Child Nutrition Fund</b>				
<b>Revenues</b>				
Other Local Revenue	\$136,792	\$136,792	\$116,197	(\$20,595)
Federal Revenue	280,000	280,000	329,440	49,440
<b>Total Revenues</b>	<u>416,792</u>	<u>416,792</u>	<u>445,637</u>	<u>28,845</u>
<b>Expenditures</b>				
Non-Instructional Programs				
Child Nutrition	486,792	486,792	476,571	10,221
<b>Total Expenditures</b>	<u>486,792</u>	<u>486,792</u>	<u>476,571</u>	<u>10,221</u> *
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(70,000)	(70,000)	(30,934)	39,066
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	(70,000)	(70,000)	(30,934)	39,066
<b>Fund Balances - Beginning</b>	70,000	70,000	68,573	(1,427)
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$0</u>	<u>\$37,639</u>	<u>\$37,639</u>
<i>*Total expenditures (over) under appropriations are:</i>				<u>\$10,221</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
**Schedule of Employer's Share of Net Pension Liability**  
**PERSI - Base Plan**  
**Last 10 - Fiscal Years\***

	<u>2016</u>	<u>2015</u>
School's portion of the net pension liability	0.2235148%	0.2326591%
School's proportionate share of the net pension liability	\$2,943,326	\$1,712,735
School's covered-employee payroll	\$6,208,154	\$6,260,592
School's proportional share of the net pension liability as a percentage of its covered-employee payroll	47.41%	27.36%
Plan fiduciary net position as a percentage of the total pension liability	91.38%	94.95%

\*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured using the beginning fiscal year measurement date (i.e. July 1).

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years\*

	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$702,763	\$708,699
Contributions in relation to the statutorily required contribution	\$702,763	\$708,699
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>
School's covered-employee payroll	\$6,208,154	\$6,260,592
Contributions as a percentage of covered-employee payroll	11.32%	11.32%

\*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of each year's fiscal year end.

**SUPPLEMENTARY INFORMATION**

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2016

	Special Revenue Funds			
	Limited English Proficiency	Literacy Proficiency	SREF Grants	ISAT Remediation
<b>Assets</b>				
Cash & Investments	\$13,424	\$63,033	\$14,481	\$21,443
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Due From Other Funds				
Inventory				
<b>Total Assets</b>	\$13,424	\$63,033	\$14,481	\$21,443
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable	\$8,447	\$11,995		\$9,481
Unspent Grant Allocation				
<b>Total Liabilities</b>	8,447	11,995	0	9,481
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	0	0	0	0
<b>Fund Balances</b>				
Restricted:				
Special Programs	4,977	51,038	14,481	11,962
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
<b>Total Fund Balances</b>	4,977	51,038	14,481	11,962
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	\$13,424	\$63,033	\$14,481	\$21,443



**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2016

	<b>Special Revenue Funds</b>			
	<b>Driver Education</b>	<b>Professional Technical</b>	<b>Technology</b>	<b>Substance Abuse</b>
<b>Assets</b>				
Cash & Investments	\$18,613		\$52,501	
Receivables:				
Local Sources				
State Sources		\$10,781		
Federal Sources				
Due From Other Funds				
Inventory				
<b>Total Assets</b>	<b>\$18,613</b>	<b>\$10,781</b>	<b>\$52,501</b>	<b>\$0</b>
<b>Liabilities</b>				
Accounts Payable		\$7,296	\$14,955	
Due To Other Funds		3,485		
Salaries & Benefits Payable				
Unspent Grant Allocation				
<b>Total Liabilities</b>	<b>0</b>	<b>10,781</b>	<b>14,955</b>	<b>0</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances</b>				
Restricted:				
Special Programs	18,613		37,546	
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
<b>Total Fund Balances</b>	<b>18,613</b>	<b>0</b>	<b>37,546</b>	<b>0</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$18,613</b>	<b>\$10,781</b>	<b>\$52,501</b>	<b>\$0</b>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2016

	<b>Special Revenue Funds</b>			
	<b>Title I-A ESEA IBP</b>	<b>Title I-C ESEA EMC</b>	<b>Special Educ. IDEA Part B School-Age</b>	<b>Special Educ. IDEA Preschool</b>
<b>Assets</b>				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$176,468	\$10,547	\$151,290	\$13,685
Due From Other Funds				
Inventory				
<b>Total Assets</b>	<u>\$176,468</u>	<u>\$10,547</u>	<u>\$151,290</u>	<u>\$13,685</u>
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds	\$50,843	\$53	\$25,114	\$2,631
Salaries & Benefits Payable	55,328		48,932	2,528
Unspent Grant Allocation	70,297	10,494	77,244	8,526
<b>Total Liabilities</b>	<u>176,468</u>	<u>10,547</u>	<u>151,290</u>	<u>13,685</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
<b>Total Fund Balances</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$176,468</u>	<u>\$10,547</u>	<u>\$151,290</u>	<u>\$13,685</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2016

	<b>Special Revenue Funds</b>			
	<b>Title VI-B ESEA REAP</b>	<b>Perkins III Professional Technical Act</b>	<b>Title III ESEA LILEP&amp;I</b>	<b>Title II-A Improving Teacher Quality</b>
<b>Assets</b>				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$258	\$25,588	\$8,120	\$23,613
Due From Other Funds				
Inventory				
<b>Total Assets</b>	<u>\$258</u>	<u>\$25,588</u>	<u>\$8,120</u>	<u>\$23,613</u>
<b>Liabilities</b>				
Accounts Payable		\$3,162		
Due To Other Funds		22,426	\$1,321	\$7,618
Salaries & Benefits Payable			2,643	6,418
Unspent Grant Allocation	\$258		4,156	9,577
<b>Total Liabilities</b>	<u>258</u>	<u>25,588</u>	<u>8,120</u>	<u>23,613</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
<b>Total Fund Balances</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$258</u>	<u>\$25,588</u>	<u>\$8,120</u>	<u>\$23,613</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2016

	<b>Capital Projects Funds</b>		
	<b>Bus Depreciation</b>	<b>Lottery</b>	<b>Total</b>
<b>Assets</b>			
Cash & Investments	\$21,558	\$275,171	\$480,224
Receivables:			
Local Sources	4,915		4,915
State Sources			10,781
Federal Sources			409,569
Due From Other Funds			0
Inventory			0
<b>Total Assets</b>	<b>\$26,473</b>	<b>\$275,171</b>	<b>\$905,489</b>
<b>Liabilities</b>			
Accounts Payable			\$25,413
Due To Other Funds			113,491
Salaries & Benefits Payable			145,772
Unspent Grant Allocation			180,552
<b>Total Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>465,228</b>
<b>Deferred Inflows of Resources</b>			
Unavailable Tax Revenues			0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances</b>			
Restricted:			
Special Programs			138,617
Debt Service			0
Capital Projects	26,473	275,171	301,644
Nonspendable			0
Unassigned			0
<b>Total Fund Balances</b>	<b>26,473</b>	<b>275,171</b>	<b>440,261</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$26,473</b>	<b>\$275,171</b>	<b>\$905,489</b>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2016

	<b>Special Revenue Funds</b>			
	<b>Limited English Proficiency</b>	<b>Literacy Proficiency</b>	<b>SREF Grants</b>	<b>ISAT Remediation</b>
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				
State Revenue	\$42,185	\$13,878		\$25,893
Federal Revenue				
<b>Total Revenues</b>	<u>42,185</u>	<u>13,878</u>	<u>\$0</u>	<u>25,893</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	55,607		1,652	
Secondary School			1,000	
Vocational-Technical				
Special Education				
Special Education Preschool				
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement		18,558		66,905
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<u>55,607</u>	<u>18,558</u>	<u>2,652</u>	<u>66,905</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(13,422)	(4,680)	(2,652)	(41,012)
<b>Other Financing Sources (Uses)</b>				
Transfers In	10,500	37,500		42,000
Transfers Out				
<b>Total Other Financing Sources (Uses)</b>	<u>10,500</u>	<u>37,500</u>	<u>0</u>	<u>42,000</u>
<b>Net Change in Fund Balances</b>	(2,922)	32,820	(2,652)	988
<b>Fund Balances - Beginning</b>	7,899	18,218	17,133	10,974
<b>Fund Balances - Ending</b>	<u>\$4,977</u>	<u>\$51,038</u>	<u>\$14,481</u>	<u>\$11,962</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2016

	<u>Special Revenue Funds</u>			
	<u>Driver Education</u>	<u>Professional Technical</u>	<u>Technology</u>	<u>Substance Abuse</u>
<b>Revenues</b>				
Local Taxes				
Other Local Revenue	\$9,020			
State Revenue	10,125	\$35,936	\$101,711	\$23,948
Federal Revenue				
<b>Total Revenues</b>	<u>19,145</u>	<u>35,936</u>	<u>\$101,711</u>	<u>23,948</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School				
Secondary School	20,343			
Vocational-Technical		35,936		
Special Education				
Special Education Preschool				
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				5,461
Educational Media				
Instruction-Related Technology			128,468	
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				18,800
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<u>20,343</u>	<u>35,936</u>	<u>128,468</u>	<u>24,261</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(1,198)	0	(26,757)	(313)
<b>Other Financing Sources (Uses)</b>				
Transfers In				
Transfers Out			35,000	
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	(1,198)	0	8,243	(313)
<b>Fund Balances - Beginning</b>	19,811	0	29,303	313
<b>Fund Balances - Ending</b>	<u>\$18,613</u>	<u>\$0</u>	<u>\$37,546</u>	<u>\$0</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2016

	Special Revenue Funds			
	Title I-A	Title I-C	Special Educ.	Special Educ.
	ESEA IBP	ESEA EMC	IDEA Part B School-Age	IDEA Preschool
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$377,211	\$19,842	\$334,100	\$17,607
<b>Total Revenues</b>	<u>377,211</u>	<u>19,842</u>	<u>334,100</u>	<u>17,607</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	263,257	6,748		
Secondary School		260		
Vocational-Technical				
Special Education			289,508	
Special Education Preschool				16,307
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health		9,438		
Special Education Support Services			44,592	1,300
Instruction Improvement	111,964	3,396		
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services	1,990			
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<u>377,211</u>	<u>19,842</u>	<u>334,100</u>	<u>17,607</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	0	0	0	0
<b>Other Financing Sources (Uses)</b>				
Transfers In				
Transfers Out				
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	0	0	0	0
<b>Fund Balances - Beginning</b>	0	0	0	0
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2016

	Special Revenue Funds			
	Title VI-B	Perkins III	Title III	Title II-A
	ESEA REAP	Professional Technical Act	ESEA LILEP&I	Improving Teacher Quality
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$38,652	\$25,588	\$23,201	\$61,396
<b>Total Revenues</b>	<u>38,652</u>	<u>25,588</u>	<u>23,201</u>	<u>61,396</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School			11,401	1,214
Secondary School			11,800	
Vocational-Technical				
Special Education				
Special Education Preschool				
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement	38,652	25,588		60,182
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<u>38,652</u>	<u>25,588</u>	<u>23,201</u>	<u>61,396</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	0	0	0	0
<b>Other Financing Sources (Uses)</b>				
Transfers In				
Transfers Out				
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	0	0	0	0
<b>Fund Balances - Beginning</b>	0	0	0	0
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



**SNAKE RIVER SCHOOL DISTRICT NO. 52**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2016

	<b>Capital Projects Funds</b>		
	<b>Bus</b>		
	<b>Depreciation</b>	<b>Lottery</b>	<b>Total</b>
<b>Revenues</b>			
Local Taxes			\$0
Other Local Revenue	\$5,915		14,935
State Revenue		\$187,453	441,129
Federal Revenue			897,597
<b>Total Revenues</b>	5,915	187,453	1,353,661
<b>Expenditures</b>			
Instructional Programs			
Elementary School			339,879
Secondary School			33,403
Vocational-Technical			35,936
Special Education			289,508
Special Education Preschool			16,307
Interscholastic			0
Support Service Programs			0
Attendance - Guidance - Health			9,438
Special Education Support Services			45,892
Instruction Improvement			330,706
Educational Media			0
Instruction-Related Technology			128,468
Board of Education			0
District Administration			0
School Administration			0
Business Operation			0
Administrative Technology Service		72,007	72,007
Buildings - Care			0
Maintenance - Non-Student Occupied			0
Maintenance - Student Occupied			0
Maintenance - Grounds			0
Security			18,800
Pupil-To-School Transportation			0
Pupil-Activity Transportation			0
General Transportation			0
Non-Instructional Programs			0
Child Nutrition			0
Community Services			1,990
Capital Assets - Student Occupied			0
Capital Assets - Non-Student Occupied	82,042		82,042
Debt Service - Principal			0
Debt Service - Interest			0
<b>Total Expenditures</b>	82,042	72,007	1,404,376
<b>Excess (Deficiency) of Revenues</b>			
<b>Over Expenditures</b>	(76,127)	115,446	(50,715)
<b>Other Financing Sources (Uses)</b>			
Transfers In	102,660		227,660
Transfers Out		(25,000)	(25,000)
<b>Total Other Financing Sources (Uses)</b>	102,660	(25,000)	202,660
<b>Net Change in Fund Balances</b>	26,533	90,446	151,945
<b>Fund Balances - Beginning</b>	(60)	184,725	288,316
<b>Fund Balances - Ending</b>	\$26,473	\$275,171	\$440,261

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2016

<u>Federal Grantor/ Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b>US Dept of Agriculture</b>			
<i>Passed Through Idaho Dept of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553		\$37,940
National School Lunch Program*	10.555		291,500
Total Child Nutrition Cluster			<u>329,440</u>
<b>Total US Dept of Agriculture</b>			<u>329,440</u>
<b>US Dept of Education</b>			
<i>Direct Program:</i>			
Impact Aid Cluster:			
Impact Aid	84.041		10,067
Total Impact Aid Cluster			<u>10,067</u>
<i>Passed Through Idaho Dept of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027		334,100
Special Education - Preschool Grants	84.173		17,607
Total Special Education Cluster			<u>351,707</u>
Title I Grants to Local Educational Agencies	84.010		377,211
Migrant Education - State Grant Program	84.011		19,842
Career & Technical Education - Basic Grants to States	84.048		25,588
Rural Education	84.358		38,652
English Language Acquisition State Grants	84.365		23,201
Improving Teacher Quality State Grants	84.367		61,396
<b>Total US Dept of Education</b>			<u>907,664</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$1,237,104</u>

**NOTES:**

**A. Basis of Presentation** - The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the School under programs of the federal government for the year ended June 30, 2016. 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*. Because the schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School.

**B. Summary of Significant Accounting Policies** - Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The School has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**\*C. Nonmonetary Assistance** - Included in the National School Lunch Program award is USDA food commodities stated at a fair market value of \$52,346.

**OTHER REPORTS AND SCHEDULES**

Audits  
Taxes  
Special Services



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**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***

Board of Trustees  
Snake River School District No. 52

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 the governmental activities, each major fund, and the aggregate remaining fund information of the Snake River School District No. 52 (the School), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated August 11, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School'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 the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 over financial reporting 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 the School's financial statements are free of 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 School's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

***Quest CPAs, P.C.***

Payette, Idaho  
August 11, 2016



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

Board of Trustees  
Snake River School District No. 52

### Report on Compliance for Each Major Federal Program

We have audited Snake River School District No. 52 (the School'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 the School's major federal programs for the year ended June 30, 2016. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School'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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance require that 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 School'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 of the School's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, the School 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, 2016.

## **Report on Internal Control Over Compliance**

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the requirements that could have a direct and material effect on a 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 the School'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 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 in 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.

***Quest CPAs, P.C.***

Payette, Idaho  
August 11, 2016

**SNAKE RIVER SCHOOL DISTRICT NO. 52**

Schedule of Findings and Questioned Costs

Year Ended June 30, 2016

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**SUMMARY OF AUDITOR'S RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report being issued:	Unmodified
<i>Internal control over financial reporting:</i>	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to the financial statements noted?	No

**FEDERAL AWARDS**

<i>Internal control over major programs:</i>	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR section 200.516(a)?	No
Major program identification:	
a. Child Nutrition Cluster – CFDA #10.553, 10.555	
Dollar threshold used to distinguish between type A and B programs:	\$750,000
Auditee qualified as a low-risk auditee?	Yes