

WEISER SCHOOL DISTRICT NO. 431

AUDITED FINANCIAL STATEMENTS

Year Ended June 30, 2017

WEISER SCHOOL DISTRICT NO. 431

Table of Contents

	<u>PAGE (S)</u>
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report.....	1-3
<u>BASIC FINANCIAL STATEMENTS</u>	
Government-Wide Financial Statements	
Statement of Net Position.....	4
Statement of Activities.....	5
Fund Financial Statements	
Balance Sheet – Governmental Funds.....	6-8
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	9-11
Statement of Fiduciary Net Position.....	12
Statement of Changes in Fiduciary Net Position.....	13
Notes to Financial Statements.....	14-26
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Budgetary Comparison Schedule – General and Major Special Revenue Funds.....	27-28
Schedule of Employer’s Share of Net Pension Liability.....	29
Schedule of Employer Contributions.....	30
<u>SUPPLEMENTARY INFORMATION</u>	
Combining Balance Sheet – Nonmajor Governmental Funds.....	31-36
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	37-42
Schedule of Expenditures of Federal Awards.....	43

WEISER SCHOOL DISTRICT NO. 431

Table of Contents

	<u>PAGE (S)</u>
<u>OTHER REPORTS AND SCHEDULES</u>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	44-45
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	46-47
Schedule of Findings and Questioned Costs.....	48

FINANCIAL SECTION

Audits
Taxes
Special Services



11501 Highway 95
Payette, Idaho 83661
www.qcpas.com
info@qcpas.com
P: 208-642-1417
F: 208-642-1582

Independent Auditor's Report

Board of Trustees
Weiser School District No. 431

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 Weiser School District No. 431 (the School) as of and for the year ended June 30, 2017, 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, 2017, 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, 2017, 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 July 26, 2017, 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 PLLC

Payette, Idaho
July 26, 2017

BASIC FINANCIAL STATEMENTS

WEISER SCHOOL DISTRICT NO. 431

Statement of Net Position

June 30, 2017

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash & Investments	\$3,108,676
Receivables:	
Local Sources	247,168
State Sources	235,377
Federal Sources	374,889
Inventory	47,052
Total Current Assets	<u>4,013,162</u>
Noncurrent Assets	
Nondepreciable Capital Assets	363,517
Depreciable Net Capital Assets	4,073,284
Total Noncurrent Assets	<u>4,436,801</u>
Total Assets	<u>8,449,963</u>
Deferred Outflows of Resources	
Pension Sources	2,819,420
Total Deferred Outflows of Resources	<u>2,819,420</u>
Total Assets and Deferred Outflows of Resources	<u>\$11,269,383</u>
Liabilities	
Current Liabilities	
Accounts Payable	\$0
Salaries & Benefits Payable	1,265,697
Unspent Grant Allocation	116,211
Accrued Interest	4,518
Long-Term Debt, Current	107,590
Total Current Liabilities	<u>1,494,016</u>
Noncurrent Liabilities	
Long-Term Debt, Noncurrent	633,323
Net Pension Liability	4,154,866
Total Noncurrent Liabilities	<u>4,788,189</u>
Total Liabilities	<u>6,282,205</u>
Deferred Inflows of Resources	
Pension Sources	1,358,895
Total Deferred Inflows of Resources	<u>1,358,895</u>
Total Liabilities and Deferred Inflows of Resources	<u>7,641,100</u>
Net Position	
Net Investment in Capital Assets	3,691,370
Restricted:	
Special Programs	150,490
Debt Service	0
Capital Projects	823,830
Unrestricted	<u>(1,037,407)</u>
Total Net Position	<u>3,628,283</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u>\$11,269,383</u>

See Accompanying Notes

WEISER SCHOOL DISTRICT NO. 431

Statement of Activities Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue And Changes in Net Position
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions
Governmental Activities				Governmental Activities
Governmental Activities				
Instructional Programs				
Elementary School	\$2,213,258		\$277,130	(\$1,936,128)
Secondary School	3,121,716	\$10,875	125,185	(2,985,656)
Alternative School	150,404			(150,404)
Special Education	733,340		274,701	(458,639)
Special Education Preschool	14,070		14,070	0
Gifted & Talented	0			0
Interscholastic	12,082			(12,082)
School Activity	3,850			(3,850)
Summer School	32,067		23,694	(8,373)
Support Service Programs				
Attendance - Guidance - Health	543,318		199,569	(343,749)
Special Education Support Services	180,921		180,921	0
Instruction Improvement	108,712		60,325	(48,387)
Educational Media	94,165		124,215	30,050
Instruction-Related Technology	101,964			(101,964)
District Administration	322,195			(322,195)
School Administration	843,406		15,055	(828,351)
Administrative Technology Service	15,851			(15,851)
Buildings - Care	422,486			(422,486)
Maintenance - Non-Student Occupied	3,703			(3,703)
Maintenance - Student Occupied	535,801			(535,801)
Maintenance - Grounds	71,342			(71,342)
Security	0			0
Pupil-To-School Transportation	453,562			(453,562)
Non-Instructional Programs				
Child Nutrition	660,983	107,567	569,457	16,041
Community Services	1,800		1,800	0
Capital Assets - Student Occupied	234,736			(234,736)
Capital Assets - Non-Student Occupied	0			0
Debt Service - Principal	0			0
Debt Service - Interest	4,518			(4,518)
Total	\$10,880,250	\$118,442	\$1,866,122	\$0
General Revenues				
Local Taxes				390,951
Other Local Revenues				759,552
State Revenues				8,542,193
Federal Revenues				0
Total				9,692,696
Change in Net Position				797,010
Net Position - Beginning				2,831,273
Net Position - Ending				\$3,628,283

WEISER SCHOOL DISTRICT NO. 431

Page 1 of 3

Balance Sheet - Governmental Funds

June 30, 2017

	General Fund	Child Nutrition Fund	Plant Facilities Fund	Other Governmental Funds
Assets				
Cash & Investments	\$2,157,470	\$60,368	\$732,927	\$157,911
Receivables:				
Local Sources	137,194		109,652	322
State Sources	205,361			30,016
Federal Sources				374,889
Due From Other Funds	168,487			0
Inventory		47,052		0
Total Assets	\$2,668,512	\$107,420	\$842,579	\$563,138
Liabilities				
Accounts Payable				\$0
Due To Other Funds				168,487
Salaries & Benefits Payable	\$1,077,658	\$52,126		135,913
Unspent Grant Allocation				116,211
Total Liabilities	1,077,658	52,126	0	420,611
Deferred Inflows of Resources				
Unavailable Tax Revenues	23,769		19,028	0
Total Deferred Inflows of Resources	23,769	0	19,028	0
Fund Balances				
Restricted:				
Special Programs		8,242		142,248
Debt Service				0
Capital Projects			823,551	279
Nonspendable		47,052		0
Unassigned	1,567,085			0
Total Fund Balances	1,567,085	55,294	823,551	142,527
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$2,668,512	\$107,420	\$842,579	\$563,138

WEISER SCHOOL DISTRICT NO. 431

Balance Sheet - Governmental Funds

June 30, 2017

	Total Governmental Funds
	<u> </u>
Assets	
Cash & Investments	\$3,108,676
Receivables:	
Local Sources	247,168
State Sources	235,377
Federal Sources	374,889
Due From Other Funds	168,487
Inventory	47,052
Total Assets	<u><u>\$4,181,649</u></u>
 Liabilities	
Accounts Payable	\$0
Due To Other Funds	168,487
Salaries & Benefits Payable	1,265,697
Unspent Grant Allocation	116,211
Total Liabilities	<u>1,550,395</u>
 Deferred Inflows of Resources	
Unavailable Tax Revenues	42,797
Total Deferred Inflows of Resources	<u>42,797</u>
 Fund Balances	
Restricted:	
Special Programs	150,490
Debt Service	0
Capital Projects	823,830
Nonspendable	47,052
Unassigned	1,567,085
Total Fund Balances	<u>2,588,457</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u><u>\$4,181,649</u></u>

Balance Sheet - Governmental Funds

June 30, 2017

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities**Total Governmental Fund Balances** \$2,588,457

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. 4,436,801

Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds. 42,797

Certain liabilities, including accrued interest, are not due and payable in the current period and therefore are not reported in the funds. (745,431)

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. (2,694,341)

Net Position of Governmental Activities \$3,628,283

WEISER SCHOOL DISTRICT NO. 431

**Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017**

	General Fund	Child Nutrition Fund	Plant Facilities Fund	Other Governmental Funds
Revenues				
Local Taxes	\$395,270			\$0
Other Local Revenue	443,283	\$107,567	\$316,269	71,550
State Revenue	8,542,193			253,396
Federal Revenue		569,457		982,594
Total Revenues	9,380,746	677,024	316,269	1,307,540
Expenditures				
Instructional Programs				
Elementary School	1,993,518			277,130
Secondary School	3,065,528		286,045	144,308
Alternative School	50,271			100,133
Special Education	458,639			274,701
Special Education Preschool				14,070
Gifted & Talented				0
Interscholastic	12,082			0
School Activity	3,850			0
Summer School	9,037			23,030
Support Service Programs				
Attendance - Guidance - Health	320,819			222,499
Special Education Support Services				180,921
Instruction Improvement	48,811			59,901
Educational Media	94,165			0
Instruction-Related Technology				110,404
District Administration	322,195			0
School Administration	820,189			23,217
Administrative Technology Service				15,851
Buildings - Care	422,486			0
Maintenance - Non-Student Occupied	3,703			0
Maintenance - Student Occupied	494,189		29,160	12,452
Maintenance - Grounds	61,342		10,000	0
Security				0
Pupil-To-School Transportation	391,724			85,743
Non-Instructional Programs				
Child Nutrition	14,479	646,504		0
Community Services				1,800
Capital Assets - Student Occupied	10,387		50,008	0
Capital Assets - Non-Student Occupied			23,381	0
Debt Service - Principal				0
Debt Service - Interest				0
Total Expenditures	8,597,414	646,504	398,594	1,546,160
Excess (Deficiency) of Revenues Over Expenditures	783,332	30,520	(82,325)	(238,620)
Other Financing Sources (Uses)				
Transfers In	2,327		150,929	224,075
Transfers Out	(360,620)			(16,711)
Proceeds from Capital Lease			740,913	0
Total Other Financing Sources (Uses)	(358,293)	0	891,842	207,364
Net Change in Fund Balances	425,039	30,520	809,517	(31,256)
Fund Balances - Beginning	1,142,046	24,774	14,034	173,783
Fund Balances - Ending	\$1,567,085	\$55,294	\$823,551	\$142,527

WEISER SCHOOL DISTRICT NO. 431

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017

	Total Governmental Funds
	<u> </u>
Revenues	
Local Taxes	\$395,270
Other Local Revenue	938,669
State Revenue	8,795,589
Federal Revenue	1,552,051
Total Revenues	<u>11,681,579</u>
Expenditures	
Instructional Programs	
Elementary School	2,270,648
Secondary School	3,495,881
Alternative School	150,404
Special Education	733,340
Special Education Preschool	14,070
Gifted & Talented	0
Interscholastic	12,082
School Activity	3,850
Summer School	32,067
Support Service Programs	
Attendance - Guidance - Health	543,318
Special Education Support Services	180,921
Instruction Improvement	108,712
Educational Media	94,165
Instruction-Related Technology	110,404
District Administration	322,195
School Administration	843,406
Administrative Technology Service	15,851
Buildings - Care	422,486
Maintenance - Non-Student Occupied	3,703
Maintenance - Student Occupied	535,801
Maintenance - Grounds	71,342
Security	0
Pupil-To-School Transportation	477,467
Non-Instructional Programs	
Child Nutrition	660,983
Community Services	1,800
Capital Assets - Student Occupied	60,395
Capital Assets - Non-Student Occupied	23,381
Debt Service - Principal	0
Debt Service - Interest	0
Total Expenditures	<u>11,188,672</u>
Excess (Deficiency) of Revenues Over Expenditures	492,907
Other Financing Sources (Uses)	
Transfers In	377,331
Transfers Out	(377,331)
Proceeds from Capital Lease	740,913
Total Other Financing Sources (Uses)	<u>740,913</u>
Net Change in Fund Balances	1,233,820
Fund Balances - Beginning	1,354,637
Fund Balances - Ending	<u><u>\$2,588,457</u></u>

WEISER SCHOOL DISTRICT NO. 431
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2017

**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 \$1,233,820

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. 167,193

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. (4,319)

Receipt of debt principal is a financing source in the governmental funds, but the receipt increases long-term debt in the statement of net position. (740,913)

In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds. (4,518)

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. 145,747

Change in Net Position of Governmental Activities \$797,010

WEISER SCHOOL DISTRICT NO. 431

Statement of Fiduciary Net Position

June 30, 2017

	Employee Benefit Trust Fund	Agency Funds - Student Activity	Total
Assets			
Cash & Investments		\$236,372	\$236,372
Total Assets	<u>\$0</u>	<u>\$236,372</u>	<u>\$236,372</u>
Liabilities			
Due to Student Groups		\$236,372	\$236,372
Total Liabilities	<u>\$0</u>	<u>236,372</u>	<u>236,372</u>
Net Position			
Restricted:			
Employees	0		0
Total Net Position	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Net Position	<u>\$0</u>	<u>\$236,372</u>	<u>\$236,372</u>

WEISER SCHOOL DISTRICT NO. 431
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2017

	<u>Employee Benefit Trust Fund</u>
Additions	
Contributions	
Investment Income (Loss)	
Total Additions	<u>\$0</u>
Deductions	
Distributions	
Plan Expenses	
Transfer to Third Party Administrator	231,234
Total Deductions	<u>231,234</u>
Change in Net Position	(231,234)
Net Position - Beginning	231,234
Net Position - Ending	<u>\$0</u>

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Weiser School District No. 431 (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 Washington 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

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

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 child nutrition fund, which serves to account for providing nutritional meals to students (including subsidized meals).

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.

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:

Employee Benefit Trust Funds – Employee benefit trust funds are used to account for the assets, and related income producing and disbursement activities, for which the School acts as a trustee for certain benefits of its employees.

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.

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

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

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 mutual funds in the deferred compensation plan and are stated at fair value using quoted market prices (Level 1).

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, 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.

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

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 20th and June 20th. 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. 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.

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

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	\$608,008
Investments - Local Government Investment Pool	2,737,040
Total	<u><u>\$3,345,048</u></u>

Deposits – At year end, the carrying amounts of the School's deposits were \$608,008 and the bank balances were \$668,431. Of the bank balances, \$527,888 was insured and the remainder was uninsured and uncollateralized.

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

Fair value - ending	\$0
Transfer to third party administrator	231,234
Less cost of investments purchased/reinvested during the year	0
Less fair value - beginning	(231,234)
Total	<u><u>\$0</u></u>

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.

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

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. 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 are, due to their nature, not required to be rated in terms of credit quality, and are excluded from the other disclosure requirements.

C. RECEIVABLES

Receivables consist of the following at year end:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Local Sources				
Other Local Sources		\$322		\$322
Local Taxes	\$137,194		\$109,652	246,846
Total	<u>\$137,194</u>	<u>\$322</u>	<u>\$109,652</u>	<u>\$247,168</u>
State Sources				
Foundation Program	\$205,361			\$205,361
Special Programs		\$30,016		30,016
Total	<u>\$205,361</u>	<u>\$30,016</u>		<u>\$235,377</u>
Federal Sources				
Special Programs		\$374,889		\$374,889
Total		<u>\$374,889</u>		<u>\$374,889</u>

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

D. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	\$290,128			\$290,128
Construction In Progress		\$73,389		73,389
Total	<u>290,128</u>	<u>73,389</u>	<u>\$0</u>	<u>363,517</u>
Depreciable Capital Assets				
Buildings	10,552,799	285,808		10,838,607
Equipment	2,344,892	8,440		2,353,332
Transportation	1,066,643	85,743		1,152,386
Subtotal	<u>13,964,334</u>	<u>379,991</u>	<u>0</u>	<u>14,344,325</u>
Accumulated Depreciation				
Buildings	6,903,686	216,772		7,120,458
Equipment	2,287,347	7,577		2,294,924
Transportation	793,821	61,838		855,659
Subtotal	<u>9,984,854</u>	<u>286,187</u>	<u>0</u>	<u>10,271,041</u>
Total	<u>3,979,480</u>	<u>93,804</u>	<u>0</u>	<u>4,073,284</u>
Net Capital Assets	<u>\$4,269,608</u>	<u>\$167,193</u>	<u>\$0</u>	<u>\$4,436,801</u>

Depreciation expense was charged to the following programs:

Capital Assets - Student Occupied	\$224,349
Pupil-To-School Transportation	61,838
Total	<u>\$286,187</u>

E. LONG-TERM DEBT

Capital Lease – The School has a lease agreement for capital improvements that qualifies as a capital lease obligation. The capital improvements are currently under construction.

Capital lease due in semi-annual installments of \$61,516 with interest at 2.24% through 2023/24, secured by capital improvements, paid through the plant facilities fund	\$740,913
Total	<u>\$740,913</u>

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

Maturities on the capital leases are estimated as follows:

<u>Year Ended</u>	
6/30/18	\$123,031
6/30/19	123,031
6/30/20	123,031
6/30/21	123,031
6/30/22	123,032
6/30/23-24	<u>184,547</u>
Total Future Minimum Lease Payments	799,703
Amount Representing Interest	<u>(58,790)</u>
Present Value of Future Minimum Lease Payments	<u><u>\$740,913</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>
Capital Leases	<u>\$0</u>	<u>\$740,913</u>	<u>\$0</u>	<u>\$740,913</u>	<u>\$107,590</u>
Total	<u><u>\$0</u></u>	<u><u>\$740,913</u></u>	<u><u>\$0</u></u>	<u><u>\$740,913</u></u>	<u><u>\$107,590</u></u>

Interest and related costs during the year amounted to \$4,518 and were charged to the capital assets – non-student occupied program.

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.

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.

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

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.

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. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2016 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The School's contributions were \$704,802 for the year ended June 30, 2017.

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

At June 30, 2017, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, 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 June 30, 2016, the School's proportion was 0.2049606 percent.

For the year ended June 30, 2017, the School recognized pension expense (revenue) of \$559,055. At June 30, 2017, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		\$944,893
Changes in assumptions or other inputs	\$92,360	
Net difference between projected and actual earnings on pension plan investments	2,022,258	414,002
Employer contributions subsequent to the measurement date	704,802	
Total	<u>\$2,819,420</u>	<u>\$1,358,895</u>

\$704,802 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, 2018.

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, 2015 the beginning of the measurement period ended June 30, 2016 is 4.9 and 5.5 for the measurement period June 30, 2015.

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:

<u>Year Ended</u>	
6/30/18	\$4,222
6/30/19	4,222
6/30/20	482,034
6/30/21	265,243
Total	<u>\$755,722</u>

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

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

An experience study was performed for the period July 1, 2007 through June 30, 2013 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, 2016 is based on the results of an actuarial valuation date of July 1, 2016.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses 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, 2016.

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

Capital Market Assumptions

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

*Expected arithmetic return net of fees and expenses

Actuarial Assumptions

Assumed Inflation - Mean	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%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	7.10%

Discount Rate

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

Sensitivity of the 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:

WEISER SCHOOL DISTRICT NO. 431

Notes to Financial Statements

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
School's proportionate share of the net pension liability (asset)	\$8,150,373	\$4,154,866	\$832,161

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.

G. INTERFUND BALANCES AND TRANSFERS

Interfund balances at year end consist of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	
	<u>Nonmajor Governmental</u>	<u>Total</u>
General	\$168,487	\$168,487
Total	\$168,487	\$168,487

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	\$2,327	\$360,620	Support, Indirect Costs
Plant Facilities Fund	150,929		Support
Nonmajor Governmental	224,075	16,711	Support, Indirect Costs
Total	\$377,331	\$377,331	

H. DEFERRED COMPENSATION PLAN

The School has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is funded with employee contributions only.

REQUIRED SUPPLEMENTARY INFORMATION

WEISER SCHOOL DISTRICT NO. 431

Page 1 of 2

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2017

General Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$388,002	\$388,002	\$395,270	\$7,268
Other Local Revenue	132,618	132,618	443,283	310,665
State Revenue	8,283,406	8,283,406	8,542,193	258,787
Federal Revenue	0	0	0	0
Total Revenues	<u>8,804,026</u>	<u>8,804,026</u>	<u>9,380,746</u>	<u>576,720</u>
Expenditures				
Instructional Programs				
Elementary School	2,008,025	2,008,025	1,993,518	14,507
Secondary School	3,091,410	3,091,410	3,065,528	25,882
Alternative School	59,097	59,097	50,271	8,826
Special Education	474,639	474,639	458,639	16,000
Special Education Preschool	0	0	0	0
Gifted & Talented	0	0	0	0
Interscholastic	13,750	13,750	12,082	1,668
School Activity	6,500	6,500	3,850	2,650
Summer School	0	0	9,037	(9,037)
Support Service Programs				
Attendance - Guidance - Health	340,623	340,623	320,819	19,804
Special Education Support Services	0	0	0	0
Instruction Improvement	57,445	57,445	48,811	8,634
Educational Media	97,950	97,950	94,165	3,785
Instruction-Related Technology	0	0	0	0
District Administration	324,635	324,635	322,195	2,440
School Administration	827,238	827,238	820,189	7,049
Administrative Technology Service	0	0	0	0
Buildings - Care	680,708	680,708	422,486	258,222
Maintenance - Non-Student Occupied	1,950	1,950	3,703	(1,753)
Maintenance - Student Occupied	174,088	174,088	494,189	(320,101)
Maintenance - Grounds	64,185	64,185	61,342	2,843
Security	0	0	0	0
Pupil-To-School Transportation	399,778	399,778	391,724	8,054
Non-Instructional Programs				
Child Nutrition	19,100	19,100	14,479	4,621
Community Services	0	0	0	0
Capital Assets - Student Occupied	10,500	10,500	10,387	113
Capital Assets - Non-Student Occupied	0	0	0	0
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
Total Expenditures	<u>8,651,621</u>	<u>8,651,621</u>	<u>8,597,414</u>	<u>54,207</u> *
Excess (Deficiency) of Revenues Over Expenditures	152,405	152,405	783,332	630,927
Other Financing Sources (Uses)				
Transfers In	2,327	2,327	2,327	0
Transfers Out	(135,533)	(135,533)	(360,620)	(225,087) *
Total Other Financing Sources (Uses)	<u>(133,206)</u>	<u>(133,206)</u>	<u>(358,293)</u>	<u>(225,087)</u>
Net Change in Fund Balances	19,199	19,199	425,039	405,840
Fund Balances - Beginning	850,000	850,000	1,142,046	292,046
Fund Balances - Ending	<u>\$869,199</u>	<u>\$869,199</u>	<u>\$1,567,085</u>	<u>\$697,886</u>

*Total expenditures (over) under appropriations are: (\$170,880)

WEISER SCHOOL DISTRICT NO. 431

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2017

	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Child Nutrition Fund				
Revenues				
Other Local Revenue	\$111,518	\$111,518	\$107,567	(\$3,951)
Federal Revenue	560,000	560,000	569,457	9,457
Total Revenues	<u>671,518</u>	<u>671,518</u>	<u>677,024</u>	<u>5,506</u>
Expenditures				
Non-Instructional Programs				
Child Nutrition	668,415	668,415	646,504	21,911
Total Expenditures	<u>668,415</u>	<u>668,415</u>	<u>646,504</u>	<u>21,911</u> *
Excess (Deficiency) of Revenues Over Expenditures	3,103	3,103	30,520	27,417
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0 *
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	3,103	3,103	30,520	27,417
Fund Balances - Beginning	0	0	24,774	24,774
Fund Balances - Ending	<u>\$3,103</u>	<u>\$3,103</u>	<u>\$55,294</u>	<u>\$52,191</u>
				<u>*Total expenditures (over) under appropriations are: \$21,911</u>

WEISER SCHOOL DISTRICT NO. 431
Schedule of Employer's Share of Net Pension Liability
PERSI - Base Plan
Last 10 - Fiscal Years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
School's portion of the net pension liability	0.2049606%	0.2153898%	0.2283487%
School's proportionate share of the net pension liability	\$4,154,866	\$2,836,333	\$1,681,004
School's covered-employee payroll	\$5,994,488	\$6,536,864	\$6,186,263
School's proportional share of the net pension liability as a percentage of its covered-employee payroll	69.31%	43.39%	27.17%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	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 as of June 30.

WEISER SCHOOL DISTRICT NO. 431

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$704,802	\$678,576	\$739,973
Contributions in relation to the statutorily required contribution	\$704,802	\$678,576	\$739,973
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School's covered-employee payroll	<u>\$6,226,166</u>	<u>\$5,994,488</u>	<u>\$6,536,864</u>
Contributions as a percentage of covered-employee payroll	11.32%	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

WEISER SCHOOL DISTRICT NO. 431
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2017

	Special Revenue Funds			
	Forest Reserve	Student Information Systems	School Nurse Program	Indianhead Academy
Assets				
Cash & Investments	\$47,287	\$621		
Receivables:				
Local Sources				
State Sources				
Federal Sources			\$6,140	
Due From Other Funds				
Inventory				
Total Assets	<u>\$47,287</u>	<u>\$621</u>	<u>\$6,140</u>	<u>\$0</u>
Liabilities				
Accounts Payable				
Due To Other Funds			\$2,007	
Salaries & Benefits Payable			4,133	
Unspent Grant Allocation				
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>6,140</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs	47,287	621		
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	<u>47,287</u>	<u>621</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$47,287</u>	<u>\$621</u>	<u>\$6,140</u>	<u>\$0</u>

WEISER SCHOOL DISTRICT NO. 431
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2017

	Special Revenue Funds			
	Local Special Projects	Driver Education	Professional Technical	Limited English Proficiency
Assets				
Cash & Investments	\$41,342	\$10,604		\$8,960
Receivables:				
Local Sources	322			
State Sources		3,750	\$26,266	
Federal Sources				
Due From Other Funds				
Inventory				
Total Assets	<u>\$41,664</u>	<u>\$14,354</u>	<u>\$26,266</u>	<u>\$8,960</u>
Liabilities				
Accounts Payable				
Due To Other Funds			\$24,667	
Salaries & Benefits Payable	\$9,163	\$4,187	1,599	\$4,399
Unspent Grant Allocation				
Total Liabilities	<u>9,163</u>	<u>4,187</u>	<u>26,266</u>	<u>4,399</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs	32,501	10,167		4,561
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	<u>32,501</u>	<u>10,167</u>	<u>0</u>	<u>4,561</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$41,664</u>	<u>\$14,354</u>	<u>\$26,266</u>	<u>\$8,960</u>

WEISER SCHOOL DISTRICT NO. 431
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2017

	Special Revenue Funds			
	Technology	Substance Abuse	Title I-A ESEA IBP	Title I-C ESEA EMC
Assets				
Cash & Investments	\$35,326	\$13,492		
Receivables:				
Local Sources				
State Sources				
Federal Sources			\$114,207	\$11,112
Due From Other Funds				
Inventory				
Total Assets	<u>\$35,326</u>	<u>\$13,492</u>	<u>\$114,207</u>	<u>\$11,112</u>
Liabilities				
Accounts Payable				
Due To Other Funds			\$19,334	\$2,378
Salaries & Benefits Payable	\$1,707		43,654	5,641
Unspent Grant Allocation			51,219	3,093
Total Liabilities	<u>1,707</u>	<u>\$0</u>	<u>114,207</u>	<u>11,112</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs	33,619	13,492		
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	<u>33,619</u>	<u>13,492</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$35,326</u>	<u>\$13,492</u>	<u>\$114,207</u>	<u>\$11,112</u>

WEISER SCHOOL DISTRICT NO. 431
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2017

	Special Revenue Funds			
	Special Educ. IDEA Part B School-Age	Special Educ. IDEA Preschool	Title VI-B ESEA REAP	Perkins III Professional Technical Act
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$89,548	\$6,947	\$6	\$18,081
Due From Other Funds				
Inventory				
Total Assets	<u>\$89,548</u>	<u>\$6,947</u>	<u>\$6</u>	<u>\$18,081</u>
Liabilities				
Accounts Payable				
Due To Other Funds	\$34,582	\$3,868	\$6	\$14,777
Salaries & Benefits Payable	41,609	1,890		3,304
Unspent Grant Allocation	13,357	1,189		
Total Liabilities	<u>89,548</u>	<u>6,947</u>	<u>6</u>	<u>18,081</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$89,548</u>	<u>\$6,947</u>	<u>\$6</u>	<u>\$18,081</u>

WEISER SCHOOL DISTRICT NO. 431
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2017

	Special Revenue Funds			
	Title III ESEA LILEP&I	Title II-A Improving Teacher Quality	21st Century CLC	Gear-Up
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$14,257	\$73,906	\$9,389	\$31,296
Due From Other Funds				
Inventory				
Total Assets	<u>\$14,257</u>	<u>\$73,906</u>	<u>\$9,389</u>	<u>\$31,296</u>
Liabilities				
Accounts Payable				
Due To Other Funds	\$3,098	\$41,581		\$22,189
Salaries & Benefits Payable	2,460	2,778	\$9,389	
Unspent Grant Allocation	8,699	29,547		9,107
Total Liabilities	<u>14,257</u>	<u>73,906</u>	<u>9,389</u>	<u>31,296</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Nonspendable				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$14,257</u>	<u>\$73,906</u>	<u>\$9,389</u>	<u>\$31,296</u>

WEISER SCHOOL DISTRICT NO. 431
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2017

	<u>Capital Projects</u>	
	<u>Bus</u>	<u>Total</u>
	<u>Depreciation</u>	
Assets		
Cash & Investments	\$279	\$157,911
Receivables:		
Local Sources		322
State Sources		30,016
Federal Sources		374,889
Due From Other Funds		0
Inventory		0
Total Assets	<u>\$279</u>	<u>\$563,138</u>
Liabilities		
Accounts Payable		\$0
Due To Other Funds		168,487
Salaries & Benefits Payable		135,913
Unspent Grant Allocation		116,211
Total Liabilities	<u>\$0</u>	<u>420,611</u>
Deferred Inflows of Resources		
Unavailable Tax Revenues		0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>
Fund Balances		
Restricted:		
Special Programs		142,248
Debt Service		0
Capital Projects	279	279
Nonspendable		0
Unassigned		0
Total Fund Balances	<u>279</u>	<u>142,527</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$279</u>	<u>\$563,138</u>

WEISER SCHOOL DISTRICT NO. 431

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017

	Special Revenue Funds			
	Forest Reserve	Student Information Systems	School Nurse Program	Indianhead Academy
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$888		\$21,000	
Total Revenues	<u>888</u>	<u>\$0</u>	<u>21,000</u>	<u>\$0</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School	10,194			
Alternative School				100,133
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health			24,503	
Special Education Support Services	8,756			
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
District Administration				
School Administration	8,162			
Administrative Technology Service		15,851		
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied	12,452			
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>39,564</u>	<u>15,851</u>	<u>24,503</u>	<u>100,133</u>
Excess (Deficiency) of Revenues Over Expenditures	(38,676)	(15,851)	(3,503)	(100,133)
Other Financing Sources (Uses)				
Transfers In		14,384	3,503	100,133
Transfers Out				
Proceeds from Capital Lease				
Total Other Financing Sources (Uses)	<u>0</u>	<u>14,384</u>	<u>3,503</u>	<u>100,133</u>
Net Change in Fund Balances	(38,676)	(1,467)	0	0
Fund Balances - Beginning	85,963	2,088	0	0
Fund Balances - Ending	<u>\$47,287</u>	<u>\$621</u>	<u>\$0</u>	<u>\$0</u>

WEISER SCHOOL DISTRICT NO. 431

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017

	Special Revenue Funds			
	Local Special Projects	Driver Education	Professional Technical	Limited English Proficiency
Revenues				
Local Taxes				
Other Local Revenue	\$60,675	\$10,875		
State Revenue		10,875	\$60,822	\$36,078
Federal Revenue	20			
Total Revenues	<u>60,695</u>	<u>21,750</u>	<u>60,822</u>	<u>36,078</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School			59,253	31,517
Alternative School				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School		21,086		
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services	83,450			
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
District Administration				
School Administration			1,569	
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>83,450</u>	<u>21,086</u>	<u>60,822</u>	<u>31,517</u>
Excess (Deficiency) of Revenues Over Expenditures	(22,755)	664	0	4,561
Other Financing Sources (Uses)				
Transfers In	20,233			
Transfers Out				
Proceeds from Capital Lease				
Total Other Financing Sources (Uses)	<u>20,233</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(2,522)	664	0	4,561
Fund Balances - Beginning	<u>35,023</u>	<u>9,503</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u><u>\$32,501</u></u>	<u><u>\$10,167</u></u>	<u><u>\$0</u></u>	<u><u>\$4,561</u></u>

WEISER SCHOOL DISTRICT NO. 431

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017

	Special Revenue Funds			
	Technology	Substance Abuse	Title I-A ESEA IBP	Title I-C ESEA EMC
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue	\$124,215	\$21,406		
Federal Revenue			\$290,104	\$27,316
Total Revenues	<u>124,215</u>	<u>21,406</u>	<u>290,104</u>	<u>27,316</u>
Expenditures				
Instructional Programs				
Elementary School			264,934	2,140
Secondary School				
Alternative School				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				1,944
Support Service Programs				
Attendance - Guidance - Health		14,649	9,884	23,232
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology	110,404			
District Administration				
School Administration			13,486	
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services			1,800	
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>110,404</u>	<u>14,649</u>	<u>290,104</u>	<u>27,316</u>
Excess (Deficiency) of Revenues Over Expenditures	13,811	6,757	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out	(14,384)			
Proceeds from Capital Lease				
Total Other Financing Sources (Uses)	<u>(14,384)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(573)	6,757	0	0
Fund Balances - Beginning	34,192	6,735	0	0
Fund Balances - Ending	<u>\$33,619</u>	<u>\$13,492</u>	<u>\$0</u>	<u>\$0</u>

WEISER SCHOOL DISTRICT NO. 431

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017

	Special Revenue Funds			
	Special Educ. IDEA Part B School-Age	Special Educ. IDEA Preschool	Title VI-B ESEA REAP	Perkins III Professional Technical Act
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$306,588	\$14,070	\$6	\$18,081
Total Revenues	<u>306,588</u>	<u>14,070</u>	<u>6</u>	<u>18,081</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				18,081
Alternative School				
Special Education	274,701			
Special Education Preschool		14,070		
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services	30,770			
Instruction Improvement	1,117		85	
Educational Media				
Instruction-Related Technology				
District Administration				
School Administration				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>306,588</u>	<u>14,070</u>	<u>85</u>	<u>18,081</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(79)	0
Other Financing Sources (Uses)				
Transfers In			79	
Transfers Out				
Proceeds from Capital Lease				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>79</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

WEISER SCHOOL DISTRICT NO. 431

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017

	Special Revenue Funds			
	Title III	Title II-A	21st Century	Gear-Up
	ESEA LILEP&I	Improving Teacher Quality	CLC	
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$25,263	\$68,755	\$152,055	\$58,448
Total Revenues	<u>25,263</u>	<u>68,755</u>	<u>152,055</u>	<u>58,448</u>
Expenditures				
Instructional Programs				
Elementary School		10,056		
Secondary School	25,263			
Alternative School				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health			150,231	
Special Education Support Services				57,945
Instruction Improvement		58,699		
Educational Media				
Instruction-Related Technology				
District Administration				
School Administration				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>25,263</u>	<u>68,755</u>	<u>150,231</u>	<u>57,945</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	1,824	503
Other Financing Sources (Uses)				
Transfers In				
Transfers Out			(1,824)	(503)
Proceeds from Capital Lease				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(1,824)</u>	<u>(503)</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2017

	<u>Capital Projects</u>	
	<u>Bus Depreciation</u>	<u>Total</u>
Revenues		
Local Taxes		\$0
Other Local Revenue		71,550
State Revenue		253,396
Federal Revenue		982,594
Total Revenues	<u>\$0</u>	<u>1,307,540</u>
Expenditures		
Instructional Programs		
Elementary School		277,130
Secondary School		144,308
Alternative School		100,133
Special Education		274,701
Special Education Preschool		14,070
Gifted & Talented		0
Interscholastic		0
School Activity		0
Summer School		23,030
Support Service Programs		
Attendance - Guidance - Health		222,499
Special Education Support Services		180,921
Instruction Improvement		59,901
Educational Media		0
Instruction-Related Technology		110,404
District Administration		0
School Administration		23,217
Administrative Technology Service		15,851
Buildings - Care		0
Maintenance - Non-Student Occupied		0
Maintenance - Student Occupied		12,452
Maintenance - Grounds		0
Security		0
Pupil-To-School Transportation	85,743	85,743
Non-Instructional Programs		
Child Nutrition		0
Community Services		1,800
Capital Assets - Student Occupied		0
Capital Assets - Non-Student Occupied		0
Debt Service - Principal		0
Debt Service - Interest		0
Total Expenditures	<u>85,743</u>	<u>1,546,160</u>
Excess (Deficiency) of Revenues Over Expenditures	(85,743)	(238,620)
Other Financing Sources (Uses)		
Transfers In	85,743	224,075
Transfers Out		(16,711)
Proceeds from Capital Lease		0
Total Other Financing Sources (Uses)	<u>85,743</u>	<u>207,364</u>
Net Change in Fund Balances	0	(31,256)
Fund Balances - Beginning	279	173,783
Fund Balances - Ending	<u>\$279</u>	<u>\$142,527</u>

WEISER SCHOOL DISTRICT NO. 431
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
US Dept of Agriculture			
<i>Passed Through Washington County:</i>			
Forest Service Schools and Roads Cluster			
Schools and Roads - Grants to States	10.665		\$39,564
Total Forest Service Schools and Roads Cluster			<u>39,564</u>
<i>Passed Through Idaho Dept of Education:</i>			
Fresh Fruit & Vegetable Program	10.582	201616/201717L160347	14,661
Child Nutrition Cluster:			
School Breakfast Program	10.553	201616/201717N109947	120,528
National School Lunch Program*	10.555	201616/201717N109947	413,026
Summer Food Program	10.559	201616N109947	21,242
Total Child Nutrition Cluster			<u>554,796</u>
Total US Dept of Agriculture			<u><u>609,021</u></u>
US Dept of Education			
<i>Passed Through Idaho Dept of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027	H027A15/160088	306,588
Special Education - Preschool Grants	84.173	H173A15/160030	14,070
Total Special Education Cluster			<u>320,658</u>
Title I Grants to Local Educational Agencies	84.010	S010A15/160012	290,104
Migrant Education - State Grant Program	84.011	S011A15/160012	27,316
Career & Technical Education - Basic Grants to States	84.048		18,081
Twenty-First Century Community Learning Centers	84.287	S287C15/160012	152,055
Gaining Early Awareness & Readiness for Undergraduate Programs	84.334	P334S110016	58,448
Rural Education	84.358	S358B150012	6
English Language Acquisition State Grants	84.365	S365A15/160012	25,263
Improving Teacher Quality State Grants	84.367	S367A15/160011	68,755
Total US Dept of Education			<u><u>960,686</u></u>
US Dept of Health & Human Services			
<i>Passed Through Idaho Dept of Health & Welfare:</i>			
Social Services Block Grant	93.667		20
Children's Health Insurance Program	93.767	RC072800	21,000
Total US Dept of Health & Human Services			<u><u>21,020</u></u>
Total Expenditures of Federal Awards			<u><u>\$1,590,727</u></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, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*. 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 \$52,424.

OTHER REPORTS AND SCHEDULES

Audits
Taxes
Special Services



11501 Highway 95
Payette, Idaho 83661
www.qcpas.com
info@qcpas.com
P: 208-642-1417
F: 208-642-1582

**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
Weiser School District No. 431

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 Weiser School District No. 431 (the School), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated July 26, 2017.

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 PLLC

Payette, Idaho
July 26, 2017

Audits
Taxes
Special Services



11501 Highway 95
Payette, Idaho 83661
www.qcpas.com
info@qcpas.com
P: 208-642-1417
F: 208-642-1582

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

Board of Trustees
Weiser School District No. 431

Report on Compliance for Each Major Federal Program

We have audited Weiser School District No. 431 (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, 2017. 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, 2017.

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 PLLC

Payette, Idaho
July 26, 2017

WEISER SCHOOL DISTRICT NO. 431
Schedule of Findings and Questioned Costs
Year Ended June 30, 2017

SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report being issued: Unmodified

- Each Major Fund
- Aggreg Remain Fund Info

Qualified

- Gov't Activities

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Noncompliance material to the financial statements noted? No

FEDERAL AWARDS

Internal control over major programs:

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, 10.559
- b. Special Education Cluster – CFDA #84.027, 84.173

Dollar threshold used to distinguish between type A and B programs: \$750,000

Auditee qualified as a low-risk auditee? No