

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

**FINANCIAL STATEMENTS**

**Year Ended June 30, 2016**

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

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**FINANCIAL SECTION**

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## Independent Auditor's Report

Board of Trustees  
Soda Springs Joint School District No. 150

### 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 Soda Springs Joint School District No. 150 (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 combining and individual nonmajor fund financial statements 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 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 30, 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 30, 2016

## **BASIC FINANCIAL STATEMENTS**

# SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

## Statement of Net Position

June 30, 2016

	<b><u>Governmental Activities</u></b>
<b>Assets</b>	
Current Assets	
Cash & Investments	\$1,697,270
Receivables:	
Local Sources	513,245
State Sources	115,350
Federal Sources	75,869
Total Current Assets	<u>2,401,734</u>
Noncurrent Assets	
Nondepreciable Capital Assets	481,785
Depreciable Net Capital Assets	4,126,609
Total Noncurrent Assets	<u>4,608,394</u>
<b>Total Assets</b>	<u>7,010,128</u>
<b>Deferred Outflows of Resources</b>	
Pension Sources	999,904
<b>Total Deferred Outflows of Resources</b>	<u>999,904</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u><u>\$8,010,032</u></u>
<b>Liabilities</b>	
Current Liabilities	
Accounts Payable	\$0
Salaries & Benefits Payable	605,459
Unspent Grant Allocation	10,785
Total Current Liabilities	<u>616,244</u>
Noncurrent Liabilities	
Net Pension Liability	1,542,298
Total Noncurrent Liabilities	<u>1,542,298</u>
<b>Total Liabilities</b>	<u>2,158,542</u>
<b>Deferred Inflows of Resources</b>	
Pension Sources	994,804
<b>Total Deferred Inflows of Resources</b>	<u>994,804</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>3,153,346</u>
<b>Net Position</b>	
Net Investment in Capital Assets	4,608,394
Restricted:	
Special Programs	526,639
Capital Projects	588,860
Unrestricted (Deficit)	<u>(867,207)</u>
<b>Total Net Position</b>	<u>4,856,686</u>
<b>Total Liabilities and Deferred Inflows of Resources and Net Position</b>	<u><u>\$8,010,032</u></u>

See Accompanying Notes



**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

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>	
<b>Governmental Activities</b>				
Instructional Programs				
Elementary School	\$1,438,437		\$108,814	(\$1,329,623)
Secondary School	1,762,383		13,397	(1,748,986)
Special Education	464,027		220,854	(243,173)
Special Education Preschool	52,956		7,193	(45,763)
Gifted & Talented	1,301			(1,301)
Interscholastic	137,172			(137,172)
Support Service Programs				
Attendance - Guidance - Health	211,035		9,151	(201,884)
Special Education Support Services	69,931			(69,931)
Instruction Improvement	144,354		59,261	(85,093)
Educational Media	129,184			(129,184)
Board of Education	22,438			(22,438)
District Administration	181,332			(181,332)
School Administration	396,595			(396,595)
Business Operations	80,264			(80,264)
Buildings - Care	532,816			(532,816)
Maintenance - Non-Student Occupied	12,408		46,549	34,141
Maintenance - Student Occupied	255,895			(255,895)
Maintenance - Grounds	10,562			(10,562)
Pupil-To-School Transportation	321,163			(321,163)
Pupil-Activity Transportation	23,642			(23,642)
General Transportation	6,552			(6,552)
Non-Instructional Programs				
Child Nutrition	284,454	\$71,604	183,075	(29,775)
Capital Assets - Student Occupied	191,604			(191,604)
Capital Assets - Non-Student Occupied	0			0
<b>Total</b>	<u>\$6,730,505</u>	<u>\$71,604</u>	<u>\$648,294</u>	<u>\$0</u>
<b>General Revenues</b>				
Local Taxes				1,453,141
Other Local Revenues				144,704
State Revenues				4,808,841
Federal Revenues				0
<b>Total</b>				<u>6,406,686</u>
<b>Change in Net Position</b>				396,079
<b>Net Position - Beginning</b>				<u>4,460,607</u>
<b>Net Position - Ending</b>				<u>\$4,856,686</u>

## Balance Sheet - Governmental Funds

June 30, 2016

	<b>General Fund</b>	<b>Forest Reserve Fund</b>	<b>Child Nutrition Fund</b>	<b>Plant Facilities Fund</b>
<b>Assets</b>				
Cash & Investments	\$734,693	\$500,388	\$14,487	\$307,880
Receivables:				
Local Sources	335,180			178,065
State Sources	115,350			
Federal Sources				
Due From Other Funds	63,599			
<b>Total Assets</b>	<u>\$1,248,822</u>	<u>\$500,388</u>	<u>\$14,487</u>	<u>\$485,945</u>
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable	\$590,972		\$14,487	
Unspent Grant Allocation				
<b>Total Liabilities</b>	<u>590,972</u>	<u>\$0</u>	<u>14,487</u>	<u>\$0</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues	20,665			10,656
<b>Total Deferred Inflows of Resources</b>	<u>20,665</u>	<u>0</u>	<u>0</u>	<u>10,656</u>
<b>Fund Balances</b>				
Restricted:				
Special Programs		500,388		
Capital Projects				475,289
Unassigned	637,185			
<b>Total Fund Balances</b>	<u>637,185</u>	<u>500,388</u>	<u>0</u>	<u>475,289</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$1,248,822</u>	<u>\$500,388</u>	<u>\$14,487</u>	<u>\$485,945</u>

## Balance Sheet - Governmental Funds

June 30, 2016

	<b>Bus Depreciation Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash & Investments	\$113,571	\$26,251	\$1,697,270
Receivables:			
Local Sources		0	513,245
State Sources		0	115,350
Federal Sources		75,869	75,869
Due From Other Funds		0	63,599
<b>Total Assets</b>	<b>\$113,571</b>	<b>\$102,120</b>	<b>\$2,465,333</b>
<b>Liabilities</b>			
Accounts Payable		\$0	\$0
Due To Other Funds		63,599	63,599
Salaries & Benefits Payable		0	605,459
Unspent Grant Allocation		10,785	10,785
<b>Total Liabilities</b>	<b>\$0</b>	<b>74,384</b>	<b>679,843</b>
<b>Deferred Inflows of Resources</b>			
Unavailable Tax Revenues		1,485	32,806
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>1,485</b>	<b>32,806</b>
<b>Fund Balances</b>			
Restricted:			
Special Programs		26,251	526,639
Capital Projects	113,571	0	588,860
Unassigned		0	637,185
<b>Total Fund Balances</b>	<b>113,571</b>	<b>26,251</b>	<b>1,752,684</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$113,571</b>	<b>\$102,120</b>	<b>\$2,465,333</b>

## Balance Sheet - Governmental Funds

June 30, 2016

**Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities****Total Governmental Fund Balances** \$1,752,684

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. 4,608,394

Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds. 32,806

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. (1,537,198)

**Net Position of Governmental Activities** \$4,856,686

Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2016

	<u>General Fund</u>	<u>Forest Reserve Fund</u>	<u>Child Nutrition Fund</u>	<u>Plant Facilities Fund</u>
<b>Revenues</b>				
Local Taxes	\$952,381			\$498,000
Other Local Revenue	144,471		\$71,630	207
State Revenue	4,808,841			
Federal Revenue		\$46,549	172,037	
<b>Total Revenues</b>	<u>5,905,693</u>	<u>46,549</u>	<u>243,667</u>	<u>498,207</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	1,373,954			21,476
Secondary School	1,789,805			39,808
Special Education	243,173			
Special Education Preschool	45,763			
Gifted & Talented	1,301			
Interscholastic	137,172			
Support Service Programs				
Attendance - Guidance - Health	201,884			
Special Education Support Services	69,931			
Instruction Improvement	24,845			60,248
Educational Media	129,184			
Board of Education	22,438			
District Administration	172,679			8,653
School Administration	396,595			
Business Operations	77,479			2,785
Buildings - Care	532,816			
Maintenance - Non-Student Occupied				12,408
Maintenance - Student Occupied	68,960			295,544
Maintenance - Grounds	2,892			7,670
Pupil-To-School Transportation	269,650			18,849
Pupil-Activity Transportation	23,642			
General Transportation	6,552			
Non-Instructional Programs				
Child Nutrition			284,454	
Capital Assets - Student Occupied				34,171
Capital Assets - Non-Student Occupied				
<b>Total Expenditures</b>	<u>5,590,715</u>	<u>0</u>	<u>284,454</u>	<u>501,612</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>				
	314,978	46,549	(40,787)	(3,405)
<b>Other Financing Sources (Uses)</b>				
Transfers In			40,787	
Transfers Out	(73,451)			
<b>Total Other Financing Sources (Uses)</b>	<u>(73,451)</u>	<u>0</u>	<u>40,787</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	241,527	46,549	0	(3,405)
<b>Fund Balances - Beginning</b>	395,658	453,839	0	478,694
<b>Fund Balances - Ending</b>	<u>\$637,185</u>	<u>\$500,388</u>	<u>\$0</u>	<u>\$475,289</u>

Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2016

	<b>Bus Depreciation Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>			
Local Taxes		\$0	\$1,450,381
Other Local Revenue		0	216,308
State Revenue		59,135	4,867,976
Federal Revenue		370,573	589,159
<b>Total Revenues</b>	<b>\$0</b>	<b>429,708</b>	<b>7,123,824</b>
<b>Expenditures</b>			
Instructional Programs			
Elementary School		108,814	1,504,244
Secondary School		13,397	1,843,010
Special Education		220,854	464,027
Special Education Preschool		7,193	52,956
Gifted & Talented		0	1,301
Interscholastic		0	137,172
Support Service Programs			
Attendance - Guidance - Health		9,151	211,035
Special Education Support Services		0	69,931
Instruction Improvement		59,261	144,354
Educational Media		0	129,184
Board of Education		0	22,438
District Administration		0	181,332
School Administration		0	396,595
Business Operations		0	80,264
Buildings - Care		0	532,816
Maintenance - Non-Student Occupied		0	12,408
Maintenance - Student Occupied		0	364,504
Maintenance - Grounds		0	10,562
Pupil-To-School Transportation		0	288,499
Pupil-Activity Transportation		0	23,642
General Transportation		0	6,552
Non-Instructional Programs			
Child Nutrition		0	284,454
Capital Assets - Student Occupied		0	34,171
Capital Assets - Non-Student Occupied		0	0
<b>Total Expenditures</b>	<b>0</b>	<b>418,670</b>	<b>6,795,451</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>			
	0	11,038	328,373
<b>Other Financing Sources (Uses)</b>			
Transfers In	32,664	0	73,451
Transfers Out		0	(73,451)
<b>Total Other Financing Sources (Uses)</b>	<b>32,664</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>32,664</b>	<b>11,038</b>	<b>328,373</b>
<b>Fund Balances - Beginning</b>	<b>80,907</b>	<b>15,213</b>	<b>1,424,311</b>
<b>Fund Balances - Ending</b>	<b>\$113,571</b>	<b>\$26,251</b>	<b>\$1,752,684</b>

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** \$328,373

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. (81,488)

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 2,760

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. 146,434

**Change in Net Position of Governmental Activities** \$396,079

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

Statement of Fiduciary Net Position

June 30, 2016

	<b>Agency Funds - Student Activity</b>
<b>Assets</b>	
Cash & Investments	\$164,680
<b>Total Assets</b>	<u>\$164,680</u>
<b>Liabilities</b>	
Due to Student Groups	\$164,680
<b>Total Liabilities</b>	<u>164,680</u>
<b>Net Position</b>	
<b>Total Net Position</b>	<u>0</u>
<b>Total Liabilities and Net Position</b>	<u>\$164,680</u>



## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### Notes to Financial Statements

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#### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity** – Soda Springs Joint School District No. 150 (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 Bear Lake, Bonneville, and Caribou Counties.

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

## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### Notes to Financial Statements

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for by providing a separate set of self-balancing accounts that comprises its assets, deferred 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 forest reserve fund, used primarily for major capital outlay, and 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 plant facilities fund, used to account for the maintenance of facilities and other capital assets and the bus depreciation fund, used to account for the acquisition of transportation equipment.

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.

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.

## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### Notes to Financial Statements

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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.

**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.

## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### Notes to Financial Statements

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**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. 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.

## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### Notes to Financial Statements

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**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	\$1,718,822
Investments - Local Government Investment Pool	143,128
<b>Total</b>	<b><u>\$1,861,950</u></b>

**Deposits** – At year end, the carrying amounts of the School's deposits were \$1,718,822 and the bank balances were \$1,755,531. Of the bank balances, \$500,000 was insured, and the balance was uninsured and uncollateralized.

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

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

Notes to Financial Statements

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**C. RECEIVABLES**

Receivables consist of the following at year end:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Plant Facilities Fund</u>	<u>Total</u>
Local Sources				
Local Taxes	\$335,180		\$178,065	\$513,245
<b>Total</b>	<u>\$335,180</u>		<u>\$178,065</u>	<u>\$513,245</u>
State Sources				
Foundation Program	\$107,888			\$107,888
Special Programs	7,462			7,462
<b>Total</b>	<u>\$115,350</u>			<u>\$115,350</u>
Federal Sources				
Special Programs		\$75,869		\$75,869
<b>Total</b>		<u>\$75,869</u>		<u>\$75,869</u>

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

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	\$481,785			\$481,785
<b>Total</b>	<u>481,785</u>	<u>\$0</u>	<u>\$0</u>	<u>481,785</u>
Depreciable Capital Assets				
Buildings	7,515,294	86,809		7,602,103
Equipment	835,462			835,462
Transportation	1,538,502	21,800		1,560,302
Subtotal	<u>9,889,258</u>	<u>108,609</u>	<u>0</u>	<u>9,997,867</u>
Accumulated Depreciation				
Buildings	3,826,705	120,053		3,946,758
Equipment	653,695	37,380		691,075
Transportation	1,200,761	32,664		1,233,425
Subtotal	<u>5,681,161</u>	<u>190,097</u>	<u>0</u>	<u>5,871,258</u>
<b>Total</b>	<u>4,208,097</u>	<u>(81,488)</u>	<u>0</u>	<u>4,126,609</u>
<b>Net Capital Assets</b>	<u>\$4,689,882</u>	<u>(\$81,488)</u>	<u>\$0</u>	<u>\$4,608,394</u>

Depreciation expense was charged to the following programs:

Capital Assets - Student Occupied	\$157,433
Pupil-To-School Transportation	32,664
<b>Total</b>	<u>\$190,097</u>

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

Notes to Financial Statements

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**E. 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.



## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### 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 \$376,127 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 0.1171214 percent.

For the year ended June 30, 2016, the School recognized pension expense (revenue) of \$229,693. At June 30, 2016, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience		\$184,888
Changes in assumptions or other inputs	\$56,168	
Net difference between projected and actual earnings on pension plan investments	567,609	809,916
Employer contributions subsequent to the measurement date	376,127	
<b>Total</b>	<b>\$999,904</b>	<b>\$994,804</b>

\$376,127 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.

## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### 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	(\$158,207)
6/30/18	(158,207)
6/30/19	(158,207)
6/30/20	114,831
6/30/21	(11,236)
<b>Total</b>	<u><u>(\$371,026)</u></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 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

## SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150

### 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

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

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)	\$3,756,478	\$1,542,298	(\$298,499)

*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).

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

Notes to Financial Statements

**F. 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	\$63,599	\$63,599
<b>Total</b>	<u>\$63,599</u>	<u>\$63,599</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		\$73,451	Support, Benefits, Depreciation
Child Nutrition	\$40,787		Support, Benefits
Bus Depreciation	32,664		Depreciation
<b>Total</b>	<u>\$73,451</u>	<u>\$73,451</u>	

**REQUIRED SUPPLEMENTARY INFORMATION**

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150** Page 1 of 3  
 Budgetary Comparison Schedule - General and Major Special Revenue Funds  
 Year Ended June 30, 2016

<b>General Fund</b>	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Final Budget</b>
	<b>(GAAP Basis)</b>			
	<b>Original</b>	<b>Final</b>		<b>Positive</b>
				<b>(Negative)</b>
<b>Revenues</b>				
Local Taxes	\$949,727	\$949,727	\$952,381	\$2,654
Other Local Revenue	83,000	83,000	144,471	61,471
State Revenue	4,486,115	4,486,115	4,808,841	322,726
Federal Revenue	0	0	0	0
<b>Total Revenues</b>	<u>5,518,842</u>	<u>5,518,842</u>	<u>5,905,693</u>	<u>386,851</u>
<b>Expenditures</b>				
<b>Instructional Programs</b>				
Elementary School	1,377,466	1,377,466	1,373,954	3,512
Secondary School	1,701,541	1,701,541	1,789,805	(88,264)
Special Education	248,315	248,315	243,173	5,142
Special Education Preschool	33,757	33,757	45,763	(12,006)
Gifted & Talented	1,700	1,700	1,301	399
Interscholastic	133,452	133,452	137,172	(3,720)
<b>Support Service Programs</b>				
Attendance - Guidance - Health	199,145	199,145	201,884	(2,739)
Special Education Support Services	70,319	70,319	69,931	388
Instruction Improvement	44,000	44,000	24,845	19,155
Educational Media	130,941	130,941	129,184	1,757
Board of Education	25,000	25,000	22,438	2,562
District Administration	171,756	171,756	172,679	(923)
School Administration	416,240	416,240	396,595	19,645
Business Operations	80,081	80,081	77,479	2,602
Buildings - Care	542,195	542,195	532,816	9,379
Maintenance - Non-Student Occupied	0	0	0	0
Maintenance - Student Occupied	82,890	82,890	68,960	13,930
Maintenance - Grounds	5,000	5,000	2,892	2,108
Pupil-To-School Transportation	288,752	288,752	269,650	19,102
Pupil-Activity Transportation	25,575	25,575	23,642	1,933
General Transportation	8,500	8,500	6,552	1,948
<b>Non-Instructional Programs</b>				
Child Nutrition	0	0	0	0
Capital Assets - Student Occupied	60,000	60,000	0	60,000
Capital Assets - Non-Student Occupied	0	0	0	0
<b>Total Expenditures</b>	<u>5,646,625</u>	<u>5,646,625</u>	<u>5,590,715</u>	<u>55,910</u> *
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	(127,783)	(127,783)	314,978	442,761
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	(33,055)	(33,055)	(73,451)	(40,396) *
<b>Total Other Financing Sources (Uses)</b>	<u>(33,055)</u>	<u>(33,055)</u>	<u>(73,451)</u>	<u>(40,396)</u>
<b>Net Change in Fund Balances</b>	(160,838)	(160,838)	241,527	402,365
<b>Fund Balances - Beginning - As Restated</b>	334,000	334,000	395,658	61,658
<b>Fund Balances - Ending</b>	<u>\$173,162</u>	<u>\$173,162</u>	<u>\$637,185</u>	<u>\$464,023</u>

\*Total expenditures (over) under appropriations are: \$15,514

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150** Page 2 of 3  
 Budgetary Comparison Schedule - General and Major Special Revenue Funds  
 Year Ended June 30, 2016

<b>Forest Reserve Fund</b>	<b>Budgeted Amounts (GAAP Basis)</b>		<b>Actual Amounts</b>	<b>Final Budget Variance Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Local Taxes	\$0	\$0	\$0	\$0
Other Local Revenue	0	0	0	0
State Revenue	0	0	0	0
Federal Revenue	42,000	42,000	46,549	4,549
<b>Total Revenues</b>	<u>42,000</u>	<u>42,000</u>	<u>46,549</u>	<u>4,549</u>
<b>Expenditures</b>				
<b>Instructional Programs</b>				
Elementary School	0	0	0	0
Secondary School	0	0	0	0
Special Education	0	0	0	0
Special Education Preschool	0	0	0	0
Gifted & Talented	0	0	0	0
Interscholastic	0	0	0	0
<b>Support Service Programs</b>				
Attendance - Guidance - Health	0	0	0	0
Special Education Support Services	0	0	0	0
Instruction Improvement	0	0	0	0
Educational Media	0	0	0	0
Board of Education	0	0	0	0
District Administration	0	0	0	0
School Administration	0	0	0	0
Business Operations	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
Pupil-To-School Transportation	0	0	0	0
Pupil-Activity Transportation	0	0	0	0
General Transportation	0	0	0	0
<b>Non-Instructional Programs</b>				
Child Nutrition	0	0	0	0
Capital Assets - Student Occupied	0	0	0	0
Capital Assets - Non-Student Occupied	0	0	0	0
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u> *
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	42,000	42,000	46,549	4,549
<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>	42,000	42,000	46,549	4,549
<b>Fund Balances - Beginning - As Restated</b>	408,555	408,555	453,839	45,284
<b>Fund Balances - Ending</b>	<u>\$450,555</u>	<u>\$450,555</u>	<u>\$500,388</u>	<u>\$49,833</u>

\*Total expenditures (over) under appropriations are: \$0



**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150** Page 3 of 3  
 Budgetary Comparison Schedule - General and Major Special Revenue Funds  
 Year Ended June 30, 2016

<b>Child Nutrition Fund</b>	<b>Budgeted Amounts (GAAP Basis)</b>		<b>Actual Amounts</b>	<b>Final Budget Variance</b>
	<b>Original</b>	<b>Final</b>		<b>Positive (Negative)</b>
<b>Revenues</b>				
Other Local Revenue	\$73,059	\$73,059	\$71,630	(\$1,429)
Federal Revenue	142,910	142,910	172,037	29,127
<b>Total Revenues</b>	<u>215,969</u>	<u>215,969</u>	<u>243,667</u>	<u>27,698</u>
<b>Expenditures</b>				
Non-Instructional Programs				
Child Nutrition	215,969	215,969	284,454	(68,485)
<b>Total Expenditures</b>	<u>215,969</u>	<u>215,969</u>	<u>284,454</u>	<u>(68,485) *</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	0	0	(40,787)	(40,787)
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	40,787	40,787
Transfers Out	0	0	0	0 *
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>40,787</u>	<u>40,787</u>
<b>Net Change in Fund Balances</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances - Beginning</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances - Ending</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<i>*Total expenditures (over) under appropriations are:</i>				<u><u>(\$68,485)</u></u>

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

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	0.1171214%	0.1216649%
School's proportionate share of the net pension liability	\$1,542,298	\$895,644
School's covered-employee payroll	\$3,322,677	\$3,272,235
School's proportional share of the net pension liability as a percentage of its covered-employee payroll	46.42%	27.37%
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).

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years\*

	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$376,127	\$370,417
Contributions in relation to the statutorily required contribution	\$376,127	\$370,417
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>
School's covered-employee payroll	\$3,322,677	\$3,272,235
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**

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2016

	<b>Special Revenue Funds</b>			
	<b>Technology</b>	<b>Substance Abuse</b>	<b>Title I-A ESEA IBP</b>	<b>Special Educ. IDEA Part B School-Age</b>
<b>Assets</b>				
Cash & Investments	\$10,759	\$15,492		
Receivables:				
Local Sources				
State Sources				
Federal Sources			\$24,674	\$36,789
Due From Other Funds				
<b>Total Assets</b>	<u>\$10,759</u>	<u>\$15,492</u>	<u>\$24,674</u>	<u>\$36,789</u>
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds			\$23,189	\$26,174
Salaries & Benefits Payable				
Unspent Grant Allocation				10,615
<b>Total Liabilities</b>	<u>\$0</u>	<u>\$0</u>	<u>23,189</u>	<u>36,789</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues			1,485	
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>1,485</u>	<u>0</u>
<b>Fund Balances</b>				
Restricted:				
Special Programs	10,759	15,492		
Capital Projects				
Unassigned				
<b>Total Fund Balances</b>	<u>10,759</u>	<u>15,492</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$10,759</u>	<u>\$15,492</u>	<u>\$24,674</u>	<u>\$36,789</u>

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2016

	<b>Special Revenue Funds</b>			<b>Total</b>
	<b>Special Educ. IDEA Preschool</b>	<b>Perkins III Professional Technical Act</b>	<b>Title II-A Improving Teacher Quality</b>	
<b>Assets</b>				
Cash & Investments				\$26,251
Receivables:				
Local Sources				0
State Sources				0
Federal Sources		\$13,397	\$1,009	75,869
Due From Other Funds				0
<b>Total Assets</b>	<u>\$0</u>	<u>\$13,397</u>	<u>\$1,009</u>	<u>\$102,120</u>
<b>Liabilities</b>				
Accounts Payable				\$0
Due To Other Funds		\$13,397	\$839	63,599
Salaries & Benefits Payable				0
Unspent Grant Allocation			170	10,785
<b>Total Liabilities</b>	<u>\$0</u>	<u>13,397</u>	<u>1,009</u>	<u>74,384</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				1,485
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,485</u>
<b>Fund Balances</b>				
Restricted:				
Special Programs				26,251
Capital Projects				0
Unassigned				0
<b>Total Fund Balances</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,251</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$0</u>	<u>\$13,397</u>	<u>\$1,009</u>	<u>\$102,120</u>

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**  
Combining Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Nonmajor Governmental Funds  
Year Ended June 30, 2016

	<u>Special Revenue Funds</u>			
	<u>Technology</u>	<u>Substance Abuse</u>	<u>Title I-A ESEA IBP</u>	<u>Special Educ. IDEA Part B School-Age</u>
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				
State Revenue	\$46,903	\$12,232		
Federal Revenue			\$106,485	\$220,854
<b>Total Revenues</b>	<u>46,903</u>	<u>12,232</u>	<u>106,485</u>	<u>220,854</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School		2,329	106,485	
Secondary School				
Special Education				220,854
Special Education Preschool				
Gifted & Talented				
Interscholastic				
Support Service Programs				
Attendance - Guidance - Health		9,151		
Special Education Support Services				
Instruction Improvement	36,617			
Educational Media				
Board of Education				
District Administration				
School Administration				
Business Operations				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
<b>Total Expenditures</b>	<u>36,617</u>	<u>11,480</u>	<u>106,485</u>	<u>220,854</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	10,286	752	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>	10,286	752	0	0
<b>Fund Balances - Beginning</b>	473	14,740	0	0
<b>Fund Balances - Ending</b>	<u>\$10,759</u>	<u>\$15,492</u>	<u>\$0</u>	<u>\$0</u>

**SODA SPRINGS JOINT SCHOOL DISTRICT NO. 150**  
Combining Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Nonmajor Governmental Funds  
Year Ended June 30, 2016

	<u>Special Revenue Funds</u>			<u>Total</u>
	<u>Special Educ. IDEA Preschool</u>	<u>Perkins III Professional Technical Act</u>	<u>Title II-A Improving Teacher Quality</u>	
<b>Revenues</b>				
Local Taxes				\$0
Other Local Revenue				0
State Revenue				59,135
Federal Revenue	\$7,193	\$13,397	\$22,644	370,573
<b>Total Revenues</b>	<u>7,193</u>	<u>13,397</u>	<u>22,644</u>	<u>429,708</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School				108,814
Secondary School		13,397		13,397
Special Education				220,854
Special Education Preschool	7,193			7,193
Gifted & Talented				0
Interscholastic				0
Support Service Programs				
Attendance - Guidance - Health				9,151
Special Education Support Services				0
Instruction Improvement			22,644	59,261
Educational Media				0
Board of Education				0
District Administration				0
School Administration				0
Business Operations				0
Buildings - Care				0
Maintenance - Non-Student Occupied				0
Maintenance - Student Occupied				0
Maintenance - Grounds				0
Pupil-To-School Transportation				0
Pupil-Activity Transportation				0
General Transportation				0
Non-Instructional Programs				
Child Nutrition				0
Capital Assets - Student Occupied				0
Capital Assets - Non-Student Occupied				0
<b>Total Expenditures</b>	<u>7,193</u>	<u>13,397</u>	<u>22,644</u>	<u>418,670</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	0	0	0	11,038
<b>Other Financing Sources (Uses)</b>				
Transfers In				0
Transfers Out				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	0	11,038
<b>Fund Balances - Beginning</b>	0	0	0	15,213
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$26,251</u>



## **OTHER REPORTS**

Audits  
Taxes  
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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  
Soda Springs Joint School District No. 150

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 Soda Springs Joint School District No. 150 (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 30, 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 30, 2016