TROY SCHOOL DISTRICT NO. 287

Troy, Idaho

Audited Financial Statements
For the Year Ended
June 30, 2026

TROY SCHOOL DISTRICT NO. 287
Troy, Idaho

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Troy School District No. 287
Troy, Idaho 83871

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Troy School District No. 287, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Troy School District No. 287's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Troy School District No. 287 as of June 30, 2026, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Troy School District No. 287 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Troy School District No. 287's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Troy School District No. 287's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Troy School District No. 287's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7-14, the budgetary comparison information on page 51-54, the net pension (asset) liability related schedules on page 55, the other post-employment benefit liability schedule on page 56, and the net OPEB asset – sick leave plan related schedules on page 57, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Troy School District No. 287's basis 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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 September 14, 2026 on our consideration of Troy School District No. 287's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Troy School District No. 287's 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 Troy School District No. 287's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
September 14, 2026

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Troy School District No. 287
Troy, Idaho 83871

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 Troy School District No. 287, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Troy School District No. 287's basic financial statements, and have issued our report thereon dated September 14, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Troy School District No. 287's internal control over financial reporting (internal control) as a basis for designing 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 Troy School District No. 287's internal control. Accordingly, we do not express an opinion on the effectiveness of Troy School District No. 287'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Troy School District No. 287's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hayden Ross, PLLC

Moscow, Idaho
September 14, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2026

The purpose of management's discussion and analysis (MD&A) is to help District residents and other readers understand what the financial statements and notes in this financial report say about the District's financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the District's finances.

If you have questions about this report or require further information, contact the Superintendent, Klaire Vogt, Troy School District No. 287, PO Box 280, Troy, Idaho 83871.

Overview of the Financial Statements

The District's financial report contains basic financial statements. Those financial statements present the District's finances at both an overall and a detailed level. Page 15 and 16 —the government-wide financial statements—cover the District's governmental activities.

- Governmental activities comprise the District's most basic functions, such as instruction, support services, student activity, community services, and child nutrition programs. Governmental activities primarily are financed by taxes paid by District residents and businesses and grants from the State of Idaho and the federal government.

The remaining basic financial statements present the District's finances in greater detail. As their name implies, the fund financial statements disaggregate financial information by separate funds to report on the specific purposes for which resources are used or for which they are restricted. The District reports two categories of funds:

- Governmental fund financial statements report all of the governmental activities except those that involve providing services to District departments. In addition to the District's main operating fund—the general fund—those financial statements report a special revenue fund to track the use of a portion of the District's restricted state funding for school modernization, and other governmental funds that track restricted funding for various services.

- Proprietary fund financial statements report all of the services provided to District departments (internal service funds).

The next section of this financial report contains notes to financial statements, which delve deeper into the District's finances as reported in the financial statements. The information in the notes is as important to understanding the District's finances as the information in the financial statements. The District uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

Types of Information in the Financial Statements

All of the District's financial statements, except for the governmental fund financial statements, use the economic resources measurement focus and accrual basis of accounting. In other words, they comprehensively report all types of financial statement elements:

- Assets—resources the District controls, from short-term assets like cash to long-term assets like buildings and equipment

- Liabilities—amounts the District owes, from short-term liabilities such as salaries payable to long term liabilities such as outstanding debt and net amounts owed to employees for pensions

- Deferred outflows of resources and deferred inflows of resources—flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related

- Revenues and expenses—inflows and outflows of economic resources, respectively, related to the current year

Governmental fund financial statements use the current financial resources measurement focus and modified accrual basis of accounting to report on the sources, uses, and balances of current financial resources. The governmental funds do not report nonfinancial assets, such as capital assets, or certain other long-term items, such as general obligation bonds, but they do report the flows of current financial resources related to those long-term items; for example, the proceeds from issuing of long term-debts or selling equipment, as well as principal and interest payments on long-term debt and spending on the capital assets of a District.

More detail about the measurement focuses and bases of accounting can be found in the first notes to financial statements, the summary of significant accounting policies, beginning on page 24.

Analysis of the District's Finances

Table A-1
Troy School District No. 287's Net Position

	Governmental Activities			Percentage Change
	2026	**2025**	**Change**	**2026-2025**
Assets				
Current Assets	4,733,201	4,790,896	(57,695)	-1.2%
Capital Assets	4,872,102	4,906,399	(34,297)	-0.7%
Noncurrent Assets	315,471	314,459	1,012	0.3%
Total Assets	**9,920,774**	**10,011,754**	**(90,980)**	**-0.9%**
Deferred Outflows of Resources	**672,358**	**779,119**	**(106,761)**	**-13.7%**
Liabilities				
Current Liabilities	592,281	526,745	65,536	12.4%
Noncurrent Liabilities	1,732,967	2,187,750	(454,783)	-20.8%
Total Liabilities	**2,325,248**	**2,714,495**	**(389,247)**	**-14.3%**
Deferred Inflows of Resources	**1,289,402**	**813,124**	**476,278**	**58.6%**
Net Position				
Net Investment in Capital Assets	4,867,809	4,889,439	(21,630)	-0.4%
Restricted	2,634,315	2,444,940	189,375	7.7%
Unrestricted	(523,642)	(71,125)	(452,517)	-636.2%
Total Net Position	**$ 6,978,482**	**$ 7,263,254**	**$ (284,772)**	**-3.9%**

Table A-1 shows that as of June 30, 2026, the District's total net position—assets and deferred outflows minus liabilities and deferred inflows—was $6,978,482, a decrease of $284,772 or 3.9% compared with FY2025. This decrease is primarily due to a $452,517 decrease in unrestricted net position. Most of the decrease in net position was the result of the financial performance of the governmental activities. The following sections of MD&A analyze the finances of the governmental activities.

Governmental Activities

Table A-2 shows that expenses exceeded revenues in the current year, resulting in an decrease in net position. The total net position of the District's governmental activities decreased $284,772 from FY2025. Various events contributed to this decrease in net position; however, the primary factors affecting the change in net position are as follows:

(1) Decrease in intergovernmental revenues, particularly related to operating grants and contributions and other federal and state revenue

(2) Decrease in property tax revenues

(3) Increase in other local revenues

(4) Increase in expenses for certain programs and functions

Table A-2
Changes in Troy School District No. 287's Net Position

	Governmental Activities 2026	2025	Change	Percentage Change 2026-2025
Revenues				
Program Revenues:				
Charges for Services	45,391	52,493	(7,102)	-13.5%
Operating Grants and Contributions	251,306	275,065	(23,759)	-8.6%
General revenues:				
Property Taxes	726,138	817,854	(91,716)	-11.2%
Federal and State Revenues	4,024,131	5,175,044	(1,150,913)	-22.2%
Local Revenues	553,045	414,851	138,194	33.3%
Total Revenues	**5,600,011**	**6,735,307**	**(1,135,296)**	**-16.9%**
Expenses				
Program Expenses:				
Instruction	2,944,777	2,849,512	95,265	3.3%
Support Services:				
Pupil Support	362,595	341,155	21,440	6.3%
Staff Support	159,094	176,229	(17,135)	-9.7%
General Administration	303,048	304,137	(1,089)	-0.4%
School Administration	411,319	383,854	27,465	7.2%
Business Administration	161,146	137,989	23,157	16.8%
Maintenance/Custodial	515,299	545,172	(29,873)	-5.5%
Transportation	248,738	209,357	39,381	18.8%
Student Activity	229,926	233,902	(3,976)	-1.7%
Community services	34,021	25,577	8,444	33.0%
Child Nutrition	219,652	246,175	(26,523)	-10.8%
Capital Asset Program	-	4,472	(4,472)	-100.0%
Debt Service	524	967	(443)	-45.8%
Amortization, unallocated	14,474	14,474	-	0.0%
Depreciation, unallocated	280,170	324,852	(44,682)	-13.8%
Total Expenses	**5,884,783**	**5,797,824**	**86,959**	**1.5%**
Change in Net Position	**(284,772)**	**937,483**	**(1,222,255)**	**-130.4%**
Net Position – Beginning	7,263,254	6,326,924	936,330	14.8%
Accounting changes	-	(1,153)	1,153	-100.0%
Net Position – Ending	**$ 6,978,482**	**$ 7,263,254**	**$ (284,772)**	**-3.9%**

Decrease in Intergovernmental Revenues

There were notable decreases in FY2026 in operating grants and contributions. Operating grants and contributions, which account for 4.5% of overall revenues for governmental activities, decreased by $23,759 from FY2025 to FY2026. Most of that amount was decreased in funding for Title I-A and Idea Part B revenue.

Other Federal and State revenues, which account for 71.9% of overall revenues for governmental activities, decreased 22.2% to $4,024,131 in FY2026. Most of the decrease came from a one-time revenue item in the amount $1,459,004 for school modernization which was received in FY2025.

Decrease in Property Tax Revenue

Property taxes, which are 13.0% of the District's governmental activities revenue sources, decreased 11.2%. The majority of the decrease was due to not receiving as much supplemental tax and tort liability tax as FY2025, due to property tax relief from state of $294,390.

Increase in Other Local Revenues

Other local revenues, which were 9.9% of the governmental activities revenues, rose 33.3%. Major revenue items included, earnings on the District's investments, which increased by $36,664, and contributions and donations which increased by $60,131.

Growth in Expenses

Governmental activities expenses rose 1.5% overall. Notably items include, instructional expenses increased by $95,265 in FY2026. As a result, instructional expenses represented 50.0% of total expenses; by contrast, they were 49.1% of expenses in FY2025. Pupil support expenses increased by $21,440 in FY2026. As a result, pupil support expenses represented 6.2% of total expenses; by contrast, they were 5.9% of expenses in FY2025. School administration expenses increased by $27,465 in FY2026. As a result, school administration expenses represented 7.0% of total expenses; by contrast, they were just 6.6% of expenses in FY2025. Transportation expenses increased by $39,381 in FY2026. As a result, transportation expenses represented 4.2% of total expenses; by contrast, they were just 3.6% of expenses in FY2025.

The overall increase in governmental activities expenses for most District programs reflects, in part, salary and benefit increases under the current collective bargaining contract with nonuniformed District employees. The contract provided for raises of 3.0% in 2026, depending on position.

Governmental Funds

The District reports two major funds individually in the governmental fund financial statements. Those funds are the general fund and the school modernization fund. Most of the discussion regarding governmental activities is equally applicable to the finances of those governmental funds. However, certain factors that are relevant to the District's current financial health are more apparent in the fund financial statements than in the government-wide financial statements. There were significant changes to the two major funds. Those two major funds are shown in Table A-3 and are discussed in more detail below.

Table A-3
Revenues, Expenditures, and Changes in Fund Balances

	General Fund		School Modernization Fund	
	2026	2025	2026	2025
Revenues	**4,593,414**	**4,424,706**	**59,670**	**1,483,930**
Expenses	**4,535,275**	**4,282,744**	**-**	**35,823**
Excess (deficiency) of revenues over expenditures	**58,139**	**141,962**	**59,670**	**1,448,107**
Other Financing Sources (Uses)				
Transfer out	(328,445)	(307,750)	-	-
Net change in fund balances	**(270,306)**	**(165,788)**	**59,670**	**1,448,107**
Fund balances – beginning	1,091,192	1,288,954	1,448,107	-
Accounting changes	-	(31,974)	-	-
Fund balances – ending	**$ 820,886**	**$ 1,091,192**	**$ 1,507,777**	**$ 1,448,107**

Fund balance represents the financial standing of a governmental fund as of the end of the fiscal year from a short-term perspective.

General Fund

The fund balance of the District's general fund decreased by 24.8%. This decrease in fund balance is attributable to (1) 11.3% decrease in tax revenue, (2) growth in instructional expenses of 6.4%, (3) increase of 5.3% in support expenses, and (4) a 6.7% increase in transfers out.

School Modernization Fund

The fund balance of the District's school modernization fund increased by 4.1%. This increase in fund balance is attributable to (1) 138.2% increase in earnings on investments, (2) decrease of 100.0% in capital asset program expenses, and (3) notable revenue item the District received one-time school modernization funds in FY2025 in the amount of $1,459,044.

Significant Capital Asset and Long-Term Financing Activity

The discussion thus far has only touched upon certain significant transactions and events during FY2026 with respect to capital assets and long-term debt. Overall, the carrying value of capital assets—original cost minus accumulated depreciation—decreased 0.7% over FY2025. However, that relatively small change does not completely capture the substantial amount of capital investment activity that occurred in FY2026.

The District's acquired a couple major capital assets during the year. Additions includes $169,635 to transportation, including a $149,840 Thomas Bus and a $19,795 2020 Chevy Silverado. Equipment additions were $56,241, including a $41,799 Toyota fork lift.

In June 2022, the District entered into a lease agreement to lease two copiers for 60 months ending on May 31, 2027. The lease requires monthly payments of $396. As of June 30, 2026 the district has liability of $4,293 for the remaining term of copiers.

Currently Known Facts, Decisions, or Conditions

The District is aware of five developments that will have an impact on the District's finances in the future and were therefore incorporated into next year's budget:

(1) Student Enrollment and Graduation Rates
(2) Local Demographics
(3) District Budget
(4) Capital Assets and Long-Term Debt
(5) Legislative Concerns

Student Enrollment and Graduation Rates

Enrollment within Troy School District has remained relatively stable, with enrollment reported at 326 students in Spring 2026 and 311 students in Fall 2026. Student performance remains strong, as demonstrated by the District's 96.3% graduation rate. The District continues to monitor enrollment trends because state funding is directly affected by student attendance and support unit calculations.

Local Demographic

The District serves a rural community of approximately 960 residents. Current demographic and economic indicators show a median age of 37.4 years, median household income of approximately $89,179, and a free and reduced-price meal eligibility rate of 34%. Latah County unemployment remains low at approximately 2.9%, and limited residential growth has occurred, with only a small number of new construction permits issued during the year. Management will continue to monitor demographic and economic conditions that could affect future enrollment and funding levels.

District Budget

In developing the FY2027 budget, the District incorporated a planned reduction of approximately 3% from the amended FY2026 budget and projected a 5% reduction in support units to account for potential enrollment fluctuations. These budgetary assumptions were necessary to address increased operating costs, including a 19.5% increase in health insurance premiums. Additionally, an Idaho Schools Benefit Trust (ISBT) assessment related to funding shortfalls is expected to reduce available resources for instructional and operational spending.

Management anticipates continued pressure on expenditures due to inflationary impacts on goods and services, employee transitions within the District Office, increased transportation and bus maintenance costs, insurance premium increases, replacement of failed food service equipment, food inventory losses, and the anticipated purchase of a new school bus. These factors are expected to increase operational expenditures in future fiscal periods.

As a result of legislative funding changes and continuing cost increases, the District anticipates a reduction in future fund balance levels. Health insurance costs remain a significant factor affecting the District's financial position and budget planning.

Capital Assets and Long-Term Debt

During FY2026, the District invested in several capital assets and facility improvements, including the purchase of a new district pickup, a forklift acquired through an Agricultural Education Grant, installation of a new reader board, musical playground equipment funded through a Nez Perce Grant, and upgrades to elementary school bathrooms and office flooring. Looking forward, the District plans to evaluate additional capital improvement projects utilizing School Modernization funds over the next eight years.

The District currently has one long-term liability related to the lease of two copiers. Other than this lease obligation, the District has no significant long-term debt, public-private partnership obligations, subscription-based information technology arrangement (SBITA) liabilities, or other long-term financing obligations that are expected to materially affect future financial statements. Management will continue to assess the District's capital needs and evaluate available funding opportunities as facility improvement projects are considered, including the potential use of School Modernization funds for future capital improvements.

Legislative Concerns

Management is not aware of any new legislation, regulations, or additional state appropriations that will materially increase funding for FY2027. Consequently, the District will continue to focus on careful budget management and monitoring of enrollment, funding, and expenditure trends to maintain financial stability in future years.

FINANCIAL STATEMENTS

TROY SCHOOL DISTRICT NO. 287
Troy, Idaho

STATEMENT OF NET POSITION
June 30, 2026

ASSETS		
Current assets:		
Cash	799,992	
Investments	2,835,703	
Taxes receivable	29,417	
Unbilled taxes receivable	666,478	
Other receivables:		
Due from other governments	351,336	
Other receivables	13,055	
Prepaid items	26,479	
Other current assets	741	
Deposit in trust account	10,000	
Total current assets	4,733,201	
Noncurrent assets:		
Investment in TRAC, LLC	200,916	
Non-depreciated capital assets	52,001	
Depreciated capital assets	9,469,236	
Less: accumulated depreciation	(4,653,191)	
Right-of-use lease asset	22,125	
Less: accumulated amortization	(18,069)	
Net OPEB asset - sick leave	114,555	
Total noncurrent assets	5,187,573	
Total assets		9,920,774
DEFERRED OUTFLOWS OF RESOURCES		
Pension related items	633,035	
Net OPEB - PERSI sick leave related items	39,323	
Total deferred outflows of resources		672,358
LIABILITIES		
Current liabilities:		
Accounts payable and other current liabilities	514,704	
Idaho School Benefit Trust Payable	37,523	
Accrued compensated absences	35,761	
Current portion of right-of-use lease liability	4,293	
Total current liabilities	592,281	
Noncurrent liabilities:		
Net pension liability	1,291,787	
Net OPEB liability	441,180	
Total noncurrent liabilities	1,732,967	
Total liabilities		2,325,248
DEFERRED INFLOWS OF RESOURCES		
Unavailable property tax revenue	666,478	
Pension related items	570,165	
Net OPEB - PERSI sick leave related items	52,759	
Total deferred inflows of resources		1,289,402
NET POSITION		
Net investment in capital assets	4,867,809	
Restricted for:		
Capital projects	1,747,104	
Grant programs	775,666	
Medical benefits	111,545	
Unrestricted	(523,642)	
Total net position		$ 6,978,482

TROY SCHOOL DISTRICT NO. 287
Troy, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Governmental activities:					
Preschool - 12 instruction	2,944,777	1,760	165,100	-	(2,777,917)
Support services:					
Pupil support	362,595	-	-	-	(362,595)
Staff support	159,094	-	-	-	(159,094)
General administration	303,048	-	-	-	(303,048)
School administration	411,319	-	-	-	(411,319)
Business administration	161,146	-	-	-	(161,146)
Maintenance/custodial	515,299	-	-	-	(515,299)
Transportation	248,738	-	-	-	(248,738)
Student activity	229,926	-	-	-	(229,926)
Community services	34,021	-	-	-	(34,021)
Child nutrition	219,652	43,631	86,206	-	(89,815)
Debt services	524	-	-	-	(524)
Amortization, unallocated	14,474	-	-	-	(14,474)
Depreciation, unallocated	280,170	-	-	-	(280,170)
Total School District	$ 5,884,783	$ 45,391	$ 251,306	$ -	(5,588,086)

General revenues	
Taxes:	
Property taxes levied for general purposes	726,138
Federal and State aid not restricted to specific purposes	4,024,131
Other revenues	370,577
Earnngs on investments	182,468
Total general revenues	5,303,314
Change in net position	(284,772)
Net position - beginning of year	7,263,254
Net position - end of year	$ 6,978,482

GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2026

	General	School Modernization Facilities	Other Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash	396,288	-	403,704	799,992
Investments	580,149	1,503,053	613,871	2,697,073
Due from other funds	16,398	-	-	16,398
Taxes receivable	29,417	-	-	29,417
Unbilled taxes receivable	666,478	-	-	666,478
Due from other governments	321,979	-	29,357	351,336
Other receivables	2,915	4,724	4,978	12,617
Prepaid items	-	-	26,479	26,479
Other current assets	-	-	741	741
Total assets	2,013,624	1,507,777	1,079,130	4,600,531
Deferred outflows of resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 2,013,624	$ 1,507,777	$ 1,079,130	$ 4,600,531
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Due to other funds	-	-	16,398	16,398
Accounts payable	7,216	-	168	7,384
Salaries and benefits payable	459,749	-	47,571	507,320
Accrued compensated absences	35,761	-	-	35,761
Total liabilities	502,726	-	64,137	566,863
Deferred inflows of resources:				
Deferred revenue	23,534	-	-	23,534
Unavailable property tax revenue	666,478	-	-	666,478
Total deferred inflows of resources	690,012	-	-	690,012
Fund balance:				
Nonspendable	-	-	26,479	26,479
Restricted	-	1,507,777	988,514	2,496,291
Assigned	820,886	-	-	820,886
Total fund balance	820,886	1,507,777	1,014,993	3,343,656
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 2,013,624	$ 1,507,777	$ 1,079,130	$ 4,600,531

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
June 30, 2026

Total fund balances - governmental funds		3,343,656
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 as assets in government funds:		
Cost of capital assets	9,521,237	
Accumulated depreciation	(4,653,191)	
		4,868,046
Right-of-use lease assets used in governmental activities are not financial resources and therefore are not reported as assets in government funds:		
Cost of right-of-use lease assets	22,125	
Accumulated amortization	(18,069)	
		4,056
The investment in TRAC, LLC does not constitute current financial resources and therefore is not reported as assets in government funds.		200,916
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		23,534
Total net OPEB asset for PERSI sick leave is a long-term asset and is not available to pay current year expenditures, therefore is not reported as an asset in governmental funds.		114,555
Certain pension related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:		
Deferred outflow of resources		633,035
Deferred inflow of resources		(570,165)
Certain OPEB - PERSI Sick Leave related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:		
Deferred outflow of resources		39,323
Deferred inflow of resources		(52,759)
Internal service funds are used by the District to charge the cost of medical benefits to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities.		111,545
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of the following:		
Net pension liability	(1,291,787)	
Right-of-use lease liability	(4,293)	
Net OPEB liability	(441,180)	
		(1,737,260)
Total net position - governmental activities		$ 6,978,482

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2026

	General	School Modernization Facilities	Other Governmental Funds	Total Governmental Funds
REVENUES				
Local	790,549	59,290	465,901	1,315,740
State	3,791,210	380	193,651	3,985,241
Federal	11,655	-	283,183	294,838
Total revenues	4,593,414	59,670	942,735	5,595,819
EXPENDITURES				
Instruction	2,534,410	-	340,926	2,875,336
Support	1,990,250	-	124,123	2,114,373
Non-instruction	5,863	-	472,652	478,515
Capital asset program	-	-	149,840	149,840
Debt services	4,752	-	8,439	13,191
Total expenditures	4,535,275	-	1,095,980	5,631,255
Excess (deficiency) of revenues over (under) expenditures	58,139	59,670	(153,245)	(35,436)
Other financing sources (uses)				
Transfer in	-	-	313,445	313,445
Transfer out	(328,445)	-	-	(328,445)
Total other financing sources (uses)	(328,445)	-	313,445	(15,000)
Net change in fund balance	(270,306)	59,670	160,200	(50,436)
Fund balance - beginning of year	1,091,192	1,448,107	854,793	3,394,092
Fund balance - end of year	$ 820,886	$ 1,507,777	$ 1,014,993	$ 3,343,656

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

Net change in fund balances - total governmental funds		(50,436)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities:		
Capital outlays	260,347	
Depreciation expense	(280,170)	
		(19,823)
Capital outlays used to lease right-of-use lease assets are related in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net position and allocated over their estimated useful lives as annual amortization expense:		
Amortization expense		(4,425)
Capital outlays used to acquired right-of-use SBITA assets are related in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net position and allocated over their estimated useful lives as annual amortization expense:		
Amortization expense		(10,049)
Some property taxes will not be collected for several months after the District's fiscal year ends and they are not considered as "available" revenues in the governmental funds. Instead they are counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities.		(5,068)
Net pension (asset) liability adjustments:		
Fiscal year 2025 employer PERSI contributions recognized as pension expense in the current year	(328,500)	
Fiscal year 2026 employer PERSI contributions deferred to subsequent year	344,485	
Pension related amortization revenue (expense)	26,636	
		42,621
Net OPEB asset - sick leave adjustments:		
Fiscal year 2025 employer PERSI Sick Leave contributions recognized as OPEB expense in the current year	-	
Fiscal year 2026 employer PERSI Sick Leave contributions deferred to subsequent year	-	
OPEB related amortization revenue (expense)	(6,473)	
		(6,473)
Net OPEB liability and related item adjustments:		
Change in OPEB liability		(213,291)
Internal service funds are used by the District to charge the cost of medical benefits to the individual funds. The net income of the internal service fund is reported with governmental activities.		(30,495)
Repayment of the principal on long-term debt is an expenditure in the governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities:		
Right-of-use lease principal payments	4,553	
Right-of-use SBITA principal payments	8,114	
		12,667
Net change in net position - governmental activities		$ (284,772)

INTERNAL SERVICE FUND
STATEMENT OF NET POSITION
June 30, 2026

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets:		
Investments	138,630	
Other receivables	438	
Deposit in trust account	10,000	
Total assets	149,068	
Deferred outflows of resources	-	
Total assets and deferred outflows of resources		149,068
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Liabilities		
Idaho School Benefit Trust Payable	37,523	
Deferred inflows of resources	-	
Total liabilities and deferred inflows of resources		37,523
NET POSITION		
Restricted	111,545	
Total net position		$ 111,545

INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2026

OPERATING REVENUES		
Local:		
Other local	3,512	
Total operating revenues		3,512
OPERATING EXPENSES		
Support:		
Benefits	44,061	
Purchased services	10,694	
Total operating expenses		54,755
Operating income (loss)		(51,243)
NON-OPERATING REVENUES (EXPENSES)		
Earnings on investments	5,748	
Transfer in	15,000	
Total non-operating revenues (expenses)		20,748
Change in net position		(30,495)
Net position-beginning of year		142,040
Net position-end of year		$ 111,545

INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2026

Cash Flows From Operating Activities		
Cash received from local governments	3,549	
Cash payments for insurance related expenses	(17,232)	
Net cash provided by (used in) operating activities		(13,683)
Cash Flows From Noncapital Financing Activities		
Cash received from other funds	15,000	
Net cash provided by (used in) noncapital financing activities		15,000
Cash Flows From Investing Activities		
Purchase of investments	(7,535)	
Earnings on investments	5,748	
Net cash provided by (used in) investing activities		(1,787)
Net change in cash and cash equivalents		(470)
Cash and cash equivalents-beginning of year		470
Cash and cash equivalents-end of year		$ -
Reconciliation of changes in operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)		(51,243)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
(Increase) decrease in operating assets		
Other receivables		37
(Increase) decrease in operating liabilities		
Idaho School Benefit Trust Payable		37,523
Net cash provided by (used in) operating activities		$ (13,683)

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2026

NOTE 1 Summary of Accounting Policies

The financial statements of Troy School District No. 287 have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

Reporting Entity - Troy School District No. 287 is the basic level of government, which has financial accountability, and control over all activities related to the public-school education within the District. The Board receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and have primary financial accountability for fiscal matters.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organization that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt, or levying of taxes. There are no organizations that meet the definition of a component unit. There are various organizations (Parent teacher associations, foundations, booster clubs, etc.) which provide donations and in-kind services for the benefit of the District; however, these organizations are not considered component units or reported as part of the reporting entity.

Basis of Presentation, Fund Accounting - Government-wide Statements: The statement of net position and the statement of activities display information about the financial activities of the overall District, except for fiduciary activities. Only governmental-type activities are shown.

The statement of activities presents a comparison between direct expenses and program revenues for each different function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses – expenses of the District related to the administration and support of the District's programs, such as personnel and accounting – are not allocated to programs.

- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state foundation aid, are presented as general revenues.

NOTE 1 Summary of Accounting Policies (Continued)

Fund Financial Statements: The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental fund:

- General Fund. This is the District's primary operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.

- School Modernization Facilities Fund. This is the District's fund established to account for restricted State revenue to be spent on school modernization and maintenance.

The District reports the following fund types:

- Internal Service Fund. The District has an internal service fund which is used to account for a medical risk pool.

- Capital Project Funds. These funds are used to account for financial resources that are legally restricted for the acquisition, construction, or major repair of school property.

- Special Revenue Funds. These funds are used to account for financial resources from local, state, and federal sources.

Basis of Accounting - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. State support for grant revenues are susceptible to accrual.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under right-of-use leases and subscription based information technology arrangements are reported as other financing sources.

NOTE 1 Summary of Accounting Policies (Continued)

Under the terms of grant agreements, the District funds certain programs by cost-reimbursement grants and general revenues. When program expenses are incurred, the related revenue of cost-reimbursement grants is recognized.

Restricted Resources - The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Budgets - Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for general, special revenue, and capital projects funds.

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At least 14 days prior to the public hearing the District publishes a proposed budget for public review.

2. A public hearing is set to obtain taxpayers comments.

3. The final budget is adopted by resolution of the Board at the regular June meeting of the Board of Trustees.

4. Prior to July 15, the final budget is filed with the State Department of Education.

The budget is a plan of spending under which expenditures may not exceed the budget at the fund level.

Management may amend the budget without seeking the approval of the trustees for revisions which do not increase the total budget.

Cash and Investments - The District's cash includes amounts in demand deposits and savings accounts in local depositories. Investments are deposited in the Idaho State Treasurer's Local Government Investment Pool, which allow school districts within the State of Idaho to pool their funds for investment purposes.

Interest income is defined as non-operating revenue.

Deposits in State Treasurer's local government investment pool are stated at cost, which approximates market. All funds are invested in accordance with Section 67-1210 and 67-1210A of the Idaho Code. The primary objectives of the investment pool, in order of priority, are safety, liquidity and yield.

NOTE 1 Summary of Accounting Policies (Continued)

Inventory - The District does not follow the practice of capitalizing expendable supplies at year-end in the General Fund. All supplies are recorded as expenditures in the period in which they were purchased.

Short-Term Interfund Receivables/Payables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These short-term receivables and payables are classified as "due from other funds" or "due to other funds" on the governmental funds Balance Sheet. To the extent possible, these balances have been eliminated on the Statement of Net Position.

Capital Assets - Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

The Board has set a capitalization threshold of $5,000. All purchases and improvements to facilities, which are not considered repairs, are capitalized, and depreciated using the straight-line method in the government-wide statements and proprietary funds. Lives for buildings and improvements range from 15–30 years. Lives for equipment range from 3–10 years. Vehicles and school buses have estimated lives of 10-20 years.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Leases - The District evaluates the term of the lease at inception to determine the reporting requirements of each lease. Leases that met the definition of a right-of-use (ROU) lease are included as ROU lease assets and ROU lease liabilities on the government-wide financial statements.

ROU assets represent the District’s right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the District’s incremental borrowing rate, based on the information available at commencement date, is used to determine the present value of lease payments. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option(s) will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Leases with a maximum term of 12 months or less are excluded from the ROU asset and liability amounts.

Subscription-based Information Technology Arrangements (SBITA) - The District evaluates the term of the subscription arrangement at inception to determine the reporting requirements of each subscription. SBITAs that met the definition of a right-of-use (ROU) agreement are included as SBITA ROU assets and SBITA ROU liabilities on the government-wide financial statements.

NOTE 1 Summary of Accounting Policies (Continued)

ROU assets represent the District's right to use an underlying IT asset for the IT contract term and ROU liabilities represent the obligation to make contract payments arising from the contract. SBITA ROU assets and liabilities are recognized at commencement date based on the present value of contact payments over the IT contract term. As most of the contracts do not provide an implicit rate, the District's incremental borrowing rate, based on the information available at commencement date, is used to determine the present value of contract payments. The IT contract terms may include options to extend or terminate the contract when it is reasonably certain that the option(s) will be exercised. SBITA expense for contract payments is recognized on a straight-line basis over the contract term. IT contracts with a maximum term of 12 months or less are excluded from the SBITA ROU asset and liability amounts.

Compensated Absences - Employees of the District earn various types of paid time off, including vacation, sick leave, and other forms of leave, in accordance with the District's policies. The benefits are earned based on length of service and may be subject to accumulation limits depending on the type of benefit. The liability for compensated absences is recognized to the extent the benefit is attributable to services already rendered, the leave accumulates, and the leave benefit is more likely than not to be used in the future. In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as a liability of the fund. The long-term portion of compensated absences is reported in the government-wide financial statements.

Pensions - For purposes of measuring the net pension (asset) liability, deferred outflows of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long Term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Compensation - The Sick Leave Bank represents a type of long-term payroll protection insurance for absences beyond the employee's accumulated sick leave. Participation is optional for all employees eligible for the Idaho Public Employees Retirement System, with all new participants contributing one sick leave day per year.

Encumbrances - The District does not utilize an encumbrance system.

NOTE 1 Summary of Accounting Policies (Continued)

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.

Fund Balance - The *nonspendable* fund balance category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants), or, through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the Board of Trustees. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, *assigned* fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amount not contained in the other classifications. The District applies committed resources, then assigned resources, then unassigned resources when an expense is incurred for purposes for which all fund balances classifications are available. The Board of Trustees adopted a policy during fiscal year 2024 establishing a minimum general fund balance of $760,000 with a $50,000 contingency for fiscal year 2024, $820,000 with a $50,000 contingency for fiscal year 2025, and $820,000 with a $50,000 contingency for fiscal year 2026.

Restricted balances are as follows:

- **Capital Projects -** The capital projects accounts for the acquisition of capital assets or construction of major capital projects in various schools and grounds.

- **Specific Programs -** Special revenue funds restricted for amounts that can only be spent for specific purposes.

- **Internal Service Fund -** To account for funds for the self-insured medical benefit pool.

Assigned balances, as approved by the Board of Trustees, are as follows:

- **FY2027 -** The Board of Trustee has assigned $820,886 of the FY2026 fund balance to FY2027 expenditures.

Deferred Revenue - Deferred revenue in the general fund represent property taxes recorded but not estimated to be collected within 60 days of the end of the accounting period.

Deferred Grant Revenue - Deferred grant revenue in the funds represents grant money that has been received but not yet earned.

NOTE 1 Summary of Accounting Policies (Continued)

Unavailable Property Tax Revenue - Unavailable property tax revenue in the General Fund represents the property taxes levied for 2026 that are measurable but unavailable to the District, and therefore recorded as a deferred inflow of resources in both the governmental fund and the government-wide financial statements.

Subsequent Events - Management has evaluated subsequent events through the date of the audit report. This is the date the financial statements were available to be issued. Other than the item discussed in Note 18, management has concluded that no material subsequent events have occurred.

NOTE 2 Recently Adopted Accounting Guidance

For the year ended June 30, 2026, there were two new GASB statement that became effective. The adoption of the statement has the following effect for the District:

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

NOTE 3 Property Tax

The District's property tax is recognized as an asset at the time the District has an enforceable legal claim to the resources (January 1st of each year) and the revenue is recognized in the period for which the taxes are levied. For FY2026, the District has recognized the 2025 levy as revenue and the tax year 2026 levy as an asset.

Tax Year 2025 Levy (FY2026 Revenue)

The market value upon which the 2025 levy was based was $308,702,579. The property tax was levied in October 2025 and was due in two equal installments on December 20th and June 20th.

The total tax levy (per $100 of value) for the year was as follows:

	Percentage	Amount
Supplemental	22.57%	$696,605
Judgement	0.37%	$11,561

Tax Year 2026 Levy (FY2026 Asset)

The property tax levy for 2026 has been recorded as an asset in the general fund in the amount of $666,478. This levy is for the FY2027 operations and has been presented as unavailable property tax revenue.

NOTE 3 Property Tax (Continued)

Deferred Revenue

To the extent property taxes are not collected within 60 days of the end of the accounting period, a deferred revenue amount has been recorded.

Total taxes receivable at June 30, 2026	29,417
Less: Taxes collected by the County Treasurer by August 31, 2026	(5,883)
Deferred revenue	$ 23,534

NOTE 4 Cash and Investments

Cash	Carrying Amount	Bank Balance
Checking and Saving Accounts	$ 799,992	$ 877,600

Deposits were with Umpqua Bank of which $250,000 of the accounts were covered by Federal Deposit Insurance. The remaining balance of $627,600 is in excess of the FDIC insured limit and is uncollateralized and unsecured.

Investments

Detail of investments at June 30, 2026 are as follows:

	Rate	General Fund	School Modernization Facilities Fund	Internal Service	Other Governmental Funds	Total
Northwestern Mutual	-	-	-	-	271,564	271,564
Investment in State Treasurer's Pool	Variable	580,149	1,503,053	138,630	342,307	2,564,139
Total		$ 580,149	$ 1,503,053	$ 138,630	$ 613,871	$ 2,835,703

Investment Maturities

Investments	Cost Basis	Market Value	Less than 1 Year	1-8 years
Northwestern Mutual	179,261	271,564	271,564	-
State Investment Pool	2,564,139	2,564,139	2,564,139	-
Total	$ 2,743,400	$ 2,835,703	$ 2,835,703	$ -

The State Treasurer's Local Government Investment Pool is managed by the State of Idaho Treasurer's office. All funds are invested in accordance with Section 67-1210 and 67-1210A of Idaho Code. Authorized investments include bonds, treasury bills, interest-bearing notes, and other obligations of the U.S. Government, general obligation or revenue bonds of the State of Idaho or other local governments within the state of Idaho, bonds, debentures, or other similar obligations issued by the farm credit system or by public corporations of the state of Idaho, repurchase agreements covered by any legal investment for the state of Idaho, tax anticipation bonds or notes and income and revenue anticipation bonds or notes of taxing districts of the

NOTE 4 Cash and Investments (Continued)

state of Idaho, revenue bonds of institutions of higher education of the state of Idaho, and time deposits and savings accounts in amounts not to exceed applicable insurance limits. The primary objectives of the investment pool, in order of priority, are safety, liquidity, and yield.

Participants have overnight availability to their funds, up to $10 million. Withdrawals of $10 million or more require three business days' notification.

The State Treasurer's investment policy and the Local Government Investment Pool financial statements which can be obtained by writing P.O. Box 83720, Boise, ID 83720-0091.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. Custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District does not have a policy restricting the amount of deposits and investments subject to custodial credit risk.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization such as Moody's or Standard & Poor's. The investments of the District at year-end are not required to be rated. The District does not have a policy regarding credit risk.

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Investments that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rate. At year-end, the District is not subject to interest rate risk as all investments are held in the State Treasurer's Local Government Investment Pool, which has a maturity of 129 days. The District does not have a policy regarding interest rate risk.

Concentration of credit risk is the risk that concentration of investments with one issuer represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principal that governments should provide note disclosure when five percent of the total investments of the entity are concentrated in any on issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The District does not have a policy limiting the amount it may invest in any one issuer.

The District has investments in mutual funds with Northwestern Mutual Investment Services, LLC. The market value as of June 30, 2026 was $271,564.

NOTE 5 Capital Assets

A summary of changes in capital assets as of June 30, 2026 is as follows:

	Beginning Balance	Additions	Dispositions	Adjustments	Ending Balance
Capital assets not being depreciated					
Land	52,001	-	-	-	52,001
Capital assets being depreciated/amortized					
Land Improvements	335,482	-	-	-	335,482
Buildings	7,858,782	34,471	-	-	7,893,253
Equipment	398,080	56,241	-	-	454,321
Transportation	616,545	169,635	-	-	786,180
Right-of-use leases:					
Equipment	22,125	-	-	-	22,125
Right-of-use SBITAs	35,171	-	(35,171)	-	-
Total depreciated/amortized assets	9,266,185	260,347	(35,171)	-	9,491,361
Less: Accumulated Depreciation/Amortization					
Land Improvements	(199,695)	(10,161)	-	-	(209,856)
Buildings	(3,645,512)	(197,388)	-	-	(3,842,900)
Equipment	(159,441)	(34,699)	-	-	(194,140)
Transportation	(368,373)	(37,922)	-	-	(406,295)
Right-of-use leases:					
Equipment	(13,644)	(4,425)	-	-	(18,069)
Right-of-use SBITAs	(25,122)	(10,049)	35,171	-	-
Total accumulated depreciation/amortization	(4,411,787)	(294,644)	35,171	-	(4,671,260)
Governmental Activities Assets (Net)	$ 4,906,399	$ (34,297)	$ -	$ -	$ 4,872,102

NOTE 6 Right-of-use Lease Asset/Liability

The District entered into a lease agreement to lease two copiers on June 1, 2022 for 60 months ending on May 31, 2027 with a discount rate of 2.94% based on the estimated incremental borrowing rate determined by the District. The lease requires monthly payments of $396.

During the year ended June 30, 2026, the following changes occurred in right-of-use lease assets:

Right-of-Use Lease Assets	Beginning of Year	Additions	Modifications & Remeasurements	Subtractions	End of Year
Copiers	22,125	-	-	-	22,125
Less: Accumulated Amortization					
Copiers	(13,644)	(4,425)	-	-	(18,069)
Total Right-of-Use Lease Assets, net	$ 8,481	$ (4,425)	$ -	$ -	$ 4,056

Total lease expense for the year ended June 30, 2026 is as follows:

Lease expense	
Amortization expense by class of underlying asset	
Copiers	4,425
Total amortization expense	4,425
Interest on lease liabilites	188
Total	4,613

NOTE 6 Right-of-use Lease Asset/Liability (Continued)

During the year ended June 30, 2026, the following changes occurred in the right-of-use lease liability:

Right-of-Use Lease Liabilities	Beginning of Year	Additions	Modifications & Remeasurements	Subtractions	End of Year	Amounts Due Within One Year
Copier	$ 8,846	$ -	$ -	$ (4,553)	$ 4,293	$ 4,293

Future minimum annual payments as of June 30, 2026 are as follows:

FY Ending June 30,	Principal	Interest	Total Payments
2027	4,293	63	4,356
Total Future Payments	$ 4,293	$ 63	$ 4,356

NOTE 7 Right-of-use Subscription-Based Information Technology Arrangements (SBITA) Asset/Liability

The District entered into a SBITA agreement for PowerSchool software for administrative and education purposes. The District entered into the agreement on January 9, 2023 for 42 months ending on June 30, 2026 with a discount rate of 3.93% based on the estimated incremental borrowing rate determined by the District. The SBITA requires one payment of $11,290 and three yearly payments of $25,317.

During the year ended June 30, 2026, the following changes occurred in right-of-use SBITA assets:

Assets	Beginning of Year	Additions	Modifications & Remeasurements	Subtractions	End of Year
SBITA	35,171	-	-	(35,171)	-
Less: accumulated amortization					
SBITA	(25,122)	(10,049)	-	35,171	-
Total assets, net	$ 10,049	$ (10,049)	$ -	$ -	$ -

Total SBITA expense for the year ended June 30, 2026 is as follows:

SBITA expense	
Amortization expense by class of underlying asset	
SBITA	10,049
Total amortization expense	$ 10,049

During the year ended June 30, 2026, the following changes occurred in the right-of-use SBITA liability:

Liabilities	Beginning of Year	Additions	Modifications & Remeasurements	Subtractions	End of Year	Amounts Due Within One Year
SBITA	$ 8,114	$ -	$ -	$ (8,114)	$ -	$ -

NOTE 8 Compensated Absences

Employees of the District earn various types of paid time off, including vacation, sick leave and other forms of leave, in accordance with the District's policies. The benefits are earned based on length of service and may be subject to accumulation limits depending on the type of benefit. The liability for compensated absences is recognized to the extent the benefit is attributable to services already rendered, the leave accumulates, and the leave benefit is more likely than not to be used in the future. In the governmental funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as a liability of the fund. The long-term portion of compensated absences is reported in the government-wide financial statements.

During the year ended June 30, 2026, the following changes occurred to accrued compensated absences:

	Beginning Balance	Additions (Reductions)	Ending Balance	Due Within One Year
Compensated absences	32,853	2,908	35,761	35,761
Totals	$ 32,853	$ 2,908	$ 35,761	$ 35,761

NOTE 9 Pension Plan

In accordance with GASB 68, *Accounting and Financial Reporting for Pensions*, which became effective for the year ended June 30, 2015, the financial reporting and note disclosures are based off the most recent audited financial statements of PERSI, which was completed for the period ended June 30, 2025. All amounts are as of June 30, 2025 unless otherwise noted.

Plan Description

The District contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies, and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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.

NOTE 9 Pension Plan (Continued)

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary.

Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months. Amounts in parenthesis represent police/firefighters.

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

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation and earnings from investments. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2026 it was 7.18% for general employees and 8.08% for school members. The employer contribution rate is set by the Retirement Board and was 11.96% of covered compensation for general employees and 13.48% for school members. The District's employer contributions required and paid were $344,485 for the year ended June 30, 2026.

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

At June 30, 2026, the District reported a liability of $1,291,787 for its proportionate share of the net pension (asset) liability as of June 30, 2025. The net pension (asset) liability was measured as of June 30, 2025, and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension (asset) liability was based on the District'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, 2025, the District's proportion was 0.05342021%.

The District's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. PERSI's audit for the year ended June 30, 2026 has not been completed at the time of issuance. The pension expense (revenue) for the year ended June 30, 2025 was calculated at $298,860.

At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	243,429	-
Changes in assumptions or other inputs	-	227,157
Change in proportionate share	45,121	10,933
Net difference between projected and actual earning on pension plan investments	-	332,075
Employer contributions subsequent to the measurement date	344,485	-
Total	$633,035	$570,165

$344,485 reported as deferred outflow of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension (asset) liability in the year ended June 30, 2027.

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:

For the Year Ending June 30:	Amount to be Recognized
2027	220,935
2028	(215,896)
2029	(197,571)
2030	(123,271)
Thereafter	34,188

NOTE 9 Pension Plan (Continued)

Actuarial Assumptions

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases including inflation	3.15%
Investment rate of return-net of investment fees	6.55%
Cost of living (COLA) adjustments	1.00%

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2025.

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries - Males	Pub-2010 General Tables, increased 11%.
General Employees and All Beneficiaries - Females	Pub-2010 General Tables, increased 21%.
Teachers - Males	Pub-2010 Teacher Tables, increased 12%.
Teachers - Females	Pub-2010 Teacher Tables, increased 21%.
Fire & Police - Males	Pub-2010 Safety Tables, increased 21%.
Fire & Police - Females	Pub-2010 Safety Tables, increased 26%.*
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%.
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%.

*5% of Fire and Police active member deaths are assumed to be duty related. This assumption was adopted July 1, 2021.

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. 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 PERSI’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.

NOTE 9 Pension Plan (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap US Equity	22%	4.75%
Small/Mid Cap US Equity	10%	4.95%
International Equity	11%	4.75%
Emerging Markets Equity	11%	4.95%
Domestic Fixed	20%	2.25%
TIPS	10%	2.05%
Core Real Estate	8%	3.75%
Private Equity	8%	6.00%

Discount Rate

The discount rate used to measure the total pension (asset) liability was 6.55%. 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 (asset) liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer's proportionate share of the net pension (asset) liability to changes in the discount rate.

The following presents the net pension (asset) liability of PERSI employer's calculated using the discount rate of 6.55% as well as what the employer's liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (5.55%)	Current Discount Rate (6.55%)	1% Increase (7.55%)
Employer's proportionate share of the net pension (asset) liability	$3,108,047	$1,291,787	($192,016)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

NOTE 9 Pension Plan (Continued)

Payables to the pension plan

At June 30, 2026, the District reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 10 Other Post Employment Benefit

Summary of Significant Accounting Policies

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the Troy School District Employment Benefit Plan have been determined based the requirements of GASB 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. The Plan has been calculated using the entry age normal funding method. As an alternative to an actuarial valuation, the District qualifies for and has presented the OPEB liability using the Alternative Measurement Method.

General Information about the OPEB Plan

The Troy School District Employment Benefit Plan is a single-employer defined benefit OPEB plan that provides benefits to current and future retirees.

Retirement and Dependent Medical Benefit Eligibility

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

Eligibility Criteria

Postemployment benefits are provided to employees who attain age-plus-service of at least 90.

Health Benefit Duration

Retiree and spouse benefits are provided through the District-sponsored plans until age 65, at which point the retiree is responsible for purchasing a fully-insured Medicare Supplement plan at full cost.

NOTE 10 Other Post Employment Benefit (Continued)

Funding

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

OPEB Benefits

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

Census Data

As of June 30, 2026, the valuation date, the District had 51 active (future retirees) participants and no inactive (current retirees) participants.

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

At June 30, 2026, the Employer reported a liability of $441,180 of the net OPEB liability. The net OPEB liability was measured as of June 30, 2026, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2026.

Per GASB 75, when using the alternative measurement method, per the standards, the report does not need to be updated if the measurement date is the prior fiscal year end through the current fiscal year end.

For the year ended June 30, 2026, the Employer recognized OPEB (revenue) expense of $213,291.

Under the Alternative Measurement method, no deferred outflows of resources or deferred inflows of resources related to OPEB are applicable as June 30, 2026.

Actuarial assumptions

Valuation Date	June 30, 2026
Measurement Date	June 30, 2026
Interest/Discount Rate	4.67% as of the measurement date
Projected Payroll Increases	3.0%

NOTE 10 Other Post Employment Benefit (Continued)

Health Care Cost Trend Rate	Medical/prescriptions 4.00% and 5.25%
Retiree Contributions	Retiree contributions are assumed to increase to match the health care cost trends.

Participation

The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 50% of all employees and their dependents who are eligible for early retiree benefits will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement. Actives who are currently waiving coverage are assumed to continue waiving coverage until retirement.

Mortality

PUB-2016 generational table, scaled using MP-2021 and applied on a gender-specific basis.

Interest/Discount rate

The interest rate is based on the 20-year Bond General Obligation Index rate.

Sensitivity Disclosures

The following presents the net OPEB liability of the Plan as of June 30, 2026, calculated using the discount rate of 4.67%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.67%) or 1-percentage-point higher (5.67%) than the current rate:

	1% Decrease (3.67%)	Current Discount Rate (4.67%)	1% Increase (5.67%)
Net OPEB liability	$502,000	$441,180	$391,000

The following presents the net OPEB liability of the Plan as of June 30, 2026, calculated using the assumed heath care cost trend rate, as well as what the net OPEB liability would be if it were calculated using a heath care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	$394,000	$441,180	$498,000

NOTE 10 Other Post Employment Benefit (Continued)

Summary of the Change in OPEB Liability

Total OPEB Liability – Beginning of Year	$227,889
Service Cost	12,765
Interest	12,120
Plan Design Changes	-
Difference Between Expected and Actual Experience	85,405
Changes of Assumptions or Other Inputs	118,152
Benefit Payments (Estimated)	(15,151)
Total OPEB Liability – End of Year	$441,180

NOTE 11 Self-Insured Medical Benefit Plan

The escalating cost in health insurance programs have made it necessary for Troy School District No. 287 to look at alternative ways to provide the best medical coverage for its employees. As a result, the Board of Trustees in cooperation with the Troy Education Association has created a Self-Insured Employee Medical Benefit Pool. The purpose of the pool is to create a partial self-fund health insurance plan for its employees, and to help fund future increases in the cost of medical insurance through the savings projected in administering the plan.

The District shall create an account and shall transfer any savings of premiums into the account to pay for the higher deductible required of employees through this plan. The purpose of this account is solely for budgeting and management of the Self-Insured Employee Medical Pool.

The savings in insurance costs, along with interest earned on investments, increased the Self-Insured Medical Benefit Pool balance to $111,545 at June 30, 2026.

<u>Administration</u> – The Troy School District No. 287 Board of Trustees will administer the Self-Insured Medical Benefit Pool. The business manager will provide the board with financial statements upon which the board will make decisions regarding the stability of the fund, authorize transfers into the General M & O Fund to help fund employee medical benefit expense, or transfers from the General M & O Fund to the pool if necessary, and set an annual budget. Operating transfers of funds out of the Pool will only be made at the direction of the Board of Trustees.

<u>District Liability</u> – When achieved, 100% of the liability of self-insuring the employees and dependents of Troy School District No. 287 shall be retained in the Self-Insurance Medical Benefit Pool. Liability is calculated by the number of employee paid family deductible and the district paid family deductible.

<u>Eligibility</u> – All employees of the Troy School District No. 287 enrolled in the school district medical insurance plan and their enrolled dependents are eligible for benefits under the Self-Insured Medical Benefit Pool.

NOTE 11 Self-Insured Medical Benefit Plan (Continued)

Retirees – Retirees who are enrolled in the school district group medical insurance plan and their dependents are eligible for benefits under the Self-Insured Medical Benefit Pool, with no additional cost in premium to the retiree.

Over age 65 and disabled retirees who are enrolled in a supplemental plan are not eligible.

COBRA – COBRA participants are not eligible for benefits under the Self-Insured Medical Benefit Pool.

Dissolution – If the Self-Insured Medical Pool is dissolved at some point in time, the fund balance will revert back into the General M & O Fund through an operating transfer of funds.

NOTE 12 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. 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 government expects such amounts, if any, to be immaterial.

NOTE 13 Excess of Actual Expenditures Over Budget in Nonmajor Funds

The following funds had an excess of actual expenditures over budget for the year ended June 30, 2026:

Fund	Excess
Student Activity	79,326

These over-expenditures arose due to an increase in Local, State and Federal funding. To meet the student's education needs, the Board of Trustees approved the additional expenditures when additional funding became available. Idaho Code Section 33-701 allows the District to make budget adjustments to reflect the availability of funds and the requirements of the school district.

NOTE 14 Interfund Receivables, Payables and Transfers

Generally accepted accounting principles require disclosure of certain information concerning nonmajor funds including:

Interfund Transfers - Transfers to support the operations of other funds are recorded as "Transfers" and are classified with "Other financing sources or uses." Idaho Code and State Department of Education Regulations mandate transfers into the School Plant Facility – Bus Replacement Fund to cover the depreciation reimbursement. Total operating transfers are as follows:

NOTE 14 Interfund Receivables, Payables and Transfers

Fund	Out	In
General	328,445	-
District Facilities	-	126,385
Driver Education - State	-	669
School-Based Medicaid	-	26,000
Child Nutrition	-	78,666
School Plant Facility – Track Project	-	10,000
School Plant Facility – Bus Replacement	-	71,725
Internal Service	-	15,000
Total	$ 328,445	$ 328,445

The composition of interfund receivables and payables as of June 30, 2026 was as follows:

	Due from Other Funds	Due to Other Funds
General Fund	16,398	-
Special Revenue Funds:		
Title I-A, ESSA – Improving Basic Programs	-	3,212
IDEA Part B (611 School Age 3-21)	-	6,088
School-Based Medicaid	-	7,098
Total	$ 16,398	$ 16,398

NOTE 15 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past year.

NOTE 16 Other Post-Employment Benefit Plan – Sick Leave Plan

In accordance with GASB 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, which became effective for the year ended June 30, 2018, the financial reporting and note disclosures are based off the most recent audited financial statements of PERSI, which was completed for the period ended June, 30, 2025. All amounts are as of June 30, 2025 unless otherwise noted.

Plan Description

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

NOTE 16 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

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

OPEB Benefits

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

Employer Contributions

The contribution rate for employees are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave, then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. Beginning January 1, 2020 PERSI approved an 18-month rate holiday. During the rate holiday, all sick leave contribution rates are 0%. The holiday was extended to June 30, 2028, therefore the District’s contributions required and paid were $0 for the year ended June 30, 2026.

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

At June 30, 2026, the District reported an asset of $114,555 for its proportionate share of the net OPEB asset as of June 30, 2025. The net OPEB asset was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB asset was based on the District’s share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2025, the District’s proportion was 0.1275105%.

The District’s OPEB expense (expense offset) is calculated and made available as part of PERSI’s annual audit. PERSI’s audit for the year ended June 30, 2026 has not been completed at the time of issuance. The OPEB expense (expense offset) for the year ended June 30, 2025 was calculated at $5,521.

NOTE 16 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	15,986	3,856
Changes in assumptions or other inputs	22,376	23,184
Change in proportionate share	961	-
Net difference between projected and actual earning on pension plan investments	-	25,719
Total	$39,323	$52,759

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

For the Year Ending June 30:	Amount to be Recognized
2027	6,006
2028	(13,169)
2029	(10,729)
2030	(1,354)
2031	509
Thereafter	5,301

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases including inflation	3.15%
Investment rate of return-net of investment fees	5.45%
Health care trend rate	N/A*

*Health care trend rate is not applicable as the benefit is based on the unused sick leave hours at retirement and is calculated as a fixed dollar amount that can be applied to premiums

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

NOTE 16 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

Even though history provides a valuable perspective for setting the investment return assumption, the approach used builds upon the latest capital market assumptions. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is more conservative than the current allocation of the System's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Capital Market Assumptions

Asset Class	Target Allocation	Expected Real Rate of Return (Arithmetic)
Broad U.S. Equity	39.36%	4.85%
Developed Ex U.S. Equity	10.64%	4.95%
Fixed Income	50.00%	2.25%

Discount Rate

Discount rate – The discount rate used to measure the total OPEB liability was 5.45%. 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 Fund's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Fund investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

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

The following presents the District's proportionate share of net OPEB asset calculated using the discount rate of 5.45 percent, as well as what the District's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.45 percent) or 1-percentage-point higher (6.45 percent) than the current rate:

	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's proportionate share of the net OPEB liability (asset)	$(80,603)	$(114,555)	$(145,659)

OPEB plan fiduciary net position

Detailed information about the OPEB plan's fiduciary net position is available in a separately issued PERSI financial report.

NOTE 16 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

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.

Payable to the OPEB plan

At June 30, 2026, the District reported payables to the defined benefit OPEB plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 17 Investment in TRAC, LLC

On April 8, 2020, the Troy Recreation District (TRD) and Troy School District (TSD) formed the Troy Recreation Athletic Complex, LLC (TRAC) for the purposes of constructing and maintaining the track. The track is available for both public use and school district use. TSD is responsible for the maintenance of the track once it has been built. TSD contributed the land in which the track is located for a value of $50,000 and TRD contributed $225,000 in cash to construct the track. TSD also received donations from individual donors to assist in paying for any track costs above the $225,000 from TRD.

For the year ended June 30, 2026, the balance is reported as a Noncurrent Asset on the Statement of Net Position as Investment in TRAC, LLC of $200,916.

NOTE 18 Idaho School Benefit Trust Obligation

The District participates in the Idaho School Benefit Trust (ISBT), a multiple-employer, self-funded benefit trust that provides medical and other benefit coverage to employees and eligible dependents of participating Idaho school districts and other educational organizations. Participating employers and employees make contributions to ISBT, which pools those resources to pay benefit claims and administrative costs. Blue Cross of Idaho serves as the third-party administrator for the health benefit program. Because the arrangement is self-funded, participating employers retains responsibility for funding benefit claims and related obligations to the extent contributions, reserves, and applicable stop-loss coverage were insufficient.

Subsequent to June 30, 2026, ISBT notified participating employers that medical and dental claims for the benefit plan year ending August 31, 2026 exceeded contributions and available reserves. ISBT approved an additional contribution of approximately $715 per covered medical member to fund the estimated shortfall.

ISBT provided participating employers with the option to satisfy the assessment either through a single lump-sum payment of $45,027 or through 36 monthly payments of $1,370. The District selected the lump-sum payment option.

NOTE 18 Idaho School Benefit Trust Obligation (Continued)

Because the ISBT benefit plan year extended from September 1, 2025 through August 31, 2026, the District estimated that ten months of the twelve-month assessment related to benefit coverage and claims incurred through June 30, 2026. Accordingly, the District recognized an expenditure/expense and related liability of $37,523 representing ten-twelfths of its total allocated assessment, in the accompanying financial statements. The remaining two-twelfths, totaling approximately $7,504, relates to July and August 2026 and will be recognized in the fiscal year ending June 30, 2027.

The assessment is based on ISBT's estimate of the funding required to satisfy claims incurred through August 31, 2026 and is subject to adjustment as claims are finalized. ISBT has indicated that any amounts collected in excess of the final funding requirement will be returned to participating employers on a proportionate basis.

REQUIRED SUPPLEMENTARY INFORMATION

TROY SCHOOL DISTRICT NO. 287
Troy, Idaho

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget over (under)		Variance with Final Budget over (under)
	Original	Final	Final Budget	Actual	Actual
REVENUES					
Local:					
Taxes	858,468	752,346	(106,122)	726,564	(25,782)
Earnings on investments	50,000	50,000	-	53,153	3,153
Contributions/donations	1,000	1,000	-	(971)	(1,971)
Other	16,000	11,000	(5,000)	11,803	803
Total local	925,468	814,346	(111,122)	790,549	(23,797)
State:					
Base support program	2,768,625	2,743,987	(24,638)	2,752,499	8,512
Transportation support	120,634	140,823	20,189	150,166	9,343
Benefit apportionment	386,511	385,235	(1,276)	385,970	735
Other state support	290,296	414,031	123,735	470,161	56,130
Revenue in lieu/ag equip. taxes	9,787	9,787	-	25,575	15,788
Other state revenue	-	-	-	6,839	6,839
Total state	3,575,853	3,693,863	118,010	3,791,210	97,347
Federal:					
Unrestricted	-	-	-	11,655	11,655
Total revenues	4,501,321	4,508,209	6,888	4,593,414	85,205
EXPENDITURES					
Instruction:					
Salaries	1,736,682	1,699,496	37,186	1,680,833	18,663
Benefits	743,150	739,704	3,446	716,961	22,743
Purchased services	96,787	89,552	7,235	65,572	23,980
Supplies-materials	145,200	88,700	56,500	70,194	18,506
Capital objects	10,500	10,000	500	-	10,000
Insurance	500	1,350	(850)	850	500
Total instruction	2,732,819	2,628,802	104,017	2,534,410	94,392
Support:					
Salaries	993,516	991,824	1,692	982,631	9,193
Benefits	396,101	405,951	(9,850)	375,028	30,923
Purchased services	618,105	554,882	63,223	377,536	177,346
Supplies-materials	240,925	208,237	32,688	143,824	64,413
Capital objects	41,000	26,000	15,000	45,292	(19,292)
Insurance	63,029	65,941	(2,912)	65,939	2
Total support	2,352,676	2,252,835	99,841	1,990,250	262,585
Non-instruction:					
Benefits	6,720	7,468	(748)	5,863	1,605
Debt services:					
Principal	-	-	-	4,553	(4,553)
Interest	-	-	-	199	(199)
Total debt services	-	-	-	4,752	(4,752)
Contingency	-	50,000	(50,000)	-	50,000
Total expenditures	5,092,215	4,939,105	153,110	4,535,275	403,830
Excess (deficiency) of revenues over (under) expenditures	(590,894)	(430,896)	159,998	58,139	489,035
Other financing sources (uses)					
Transfers out	(346,774)	(352,612)	(5,838)	(328,445)	24,167
Net change in fund balance	$ (937,668)	$ (783,508)	154,160	$ (270,306)	$ 513,202
Fund balance - beginning of year				1,091,192	
Fund balance - end of year				$ 820,886	

TROY SCHOOL DISTRICT NO. 287
Troy, Idaho

SCHOOL MODERNIZATION FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget over (under)		Variance with Final Budget over (under)
	Original	Final	Final Budget	Actual	Actual
REVENUES					
Local:					
Earnings on investments	30,000	43,157	13,157	59,290	16,133
State:					
Other state revenue	-	-	-	380	380
Total revenues	30,000	43,157	13,157	59,670	16,513
EXPENDITURES					
Support:					
Purchased services	31,283	31,283	-	-	31,283
Capital asset program:					
Purchased services	120,000	120,000	-	-	120,000
Total expenditures	151,283	151,283	-	-	151,283
Excess (deficiency) of revenues over	(121,283)	(108,126)	13,157	59,670	167,796
Net change in fund balance	$ (121,283)	$ (108,126)	13,157	$ 59,670	$ 167,796
Fund balance - beginning of year				1,448,107	
Fund balance - end of year				$ 1,507,777	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – BUDGET AND ACTUAL
June 30, 2026

NOTE 1 Actual Budget Results

GENERAL FUND:

Differences – original budget to final budget:

Tax revenue original budget was amended to account for a decrease of $106,122. This amendment was made to reflect the actual revenue expected to be received from the County. The District received the actual amount of school facilities funds the last day of August, therefore, the actual amount received for the school facilities funds ended up being more than budgeted causing the decrease in the tax revenues budgeted.

Other state support revenue original budget was amended to account for an increase of $123,735. This amendment was made to account for additional state support to reflect the actual support units calculated for the year and to include additional funding for math and science that increased substantially based on a formula set by the State Department of Education.

Instruction supplies and materials original budget was amended to account for a decrease of $56,500. This amendment was made to account for less supplies and materials being needed during the fiscal year. Textbook adoption is budgeted annually, but textbooks were not purchased for this school year. The District's CTE program receives funds to supplement the program and with the supplies purchased through the CTE program, fewer general funds are needed.

Support purchase services original budget was amended to account for a decrease of $63,223. This amendment was made to account for fewer purchased services being needed during the fiscal year. This decrease is due to the budgeting of utilities and snow removal for the District. Electric and gas and snow removal fluctuate with the weather.

Contingency original budget was amended to account for an increase of $50,000. This amendment was made to account for the District's contingency amount that is budgeted for each year to reflect the Three-Year Financial Plan that the Board of Trustees approves each year.

Differences – final budget to actual:

The final budget for other state support revenue was $56,130 lower than actual. This was due to the District receiving more school district facilities and base school support revenue than projected. The District projects approximately 3% less support units annually to compensate for any holdback that could potentially be administered via the Governor.

NOTE 1 Actual Budget Results (Continued)

The final budget for support purchase services was $177,346 higher than actual. This was due to the District needing fewer services than projected. Snow removal, utilities, travel and contracted services were budgeted due to unexpected circumstances with weather, student competition, and building and grounds maintenance.

The final budget for support supplies and materials was $64,413 higher than actual. This was due to the District needing fewer supplies and materials than projected.

The final budget for contingency was $50,000 higher than actual, as the District did not have any contingency expenditures during the fiscal year.

SCHOOL MODERNIZATION FUND:

Differences – final budget to actual:

The final budget for earnings on investments revenue was $16,133 lower than actual. This was due to the District receiving more interest from its investment accounts than originally projected. The District did not need to procure services for building maintenance of the two schools this fiscal year, therefore, the funds in the State Investment fund were untouched allowing for more interest growth.

NET PENSION (ASSET) LIABILITY RELATED SCHEDULES
REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the District's Share of Net Pension (Asset) Liability
PERSI - Base Plan
As of June 30,

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Employer's portion of the net pension (asset) liability	Unavailable	0.05342021%	0.05227889%	0.05097144%	0.05271137%	0.05621670%	0.0554791%	0.0531101%	0.0529374%	0.0565705%
Employer's proportionate share of the net pension (asset) liability	Unavailable	1,291,787	1,955,568	2,034,102	2,076,173	(44,399)	1,288,298	606,237	780,836	889,191
Employer's covered payroll	2,647,197	2,520,865	2,343,037	2,167,261	2,078,643	2,097,931	1,975,544	1,803,834	1,703,189	1,757,041
Employer's proportional share of the net pension (asset) liability as a percentage of its covered payroll	Unavailable	51.24%	83.46%	93.86%	99.88%	-2.12%	65.21%	33.61%	45.85%	50.61%
Plan fiduciary net position as a percentage of the total	Unavailable	90.89%	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%

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

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily required contribution - Class 1 Employees	97,231	89,012	77,722	70,118	67,251	67,875	63,915	55,329	52,242	53,894
Statutorily required contribution - Class 3 Employees	247,254	239,488	209,112	188,653	180,939	182,618	171,965	148,865	140,559	145,003
Total statutorily required contributions	344,485	328,500	286,834	258,771	248,190	250,493	235,880	204,194	192,801	198,897
Contributions in relation to the statutorily required contribution	(344,485)	(328,500)	(286,834)	(258,771)	(248,190)	(250,493)	(235,880)	(204,194)	(192,801)	(198,897)
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll - Class 1 Employees	812,968	744,247	695,188	587,253	563,241	568,467	535,302	488,772	461,502	476,095
Employer's covered payroll - Class 3 Employees	1,834,228	1,776,617	1,647,849	1,580,008	1,515,402	1,529,464	1,440,243	1,315,062	1,241,687	1,280,945
Contributions as a percentage of covered payroll - Class 1	11.96%	11.96%	11.18%	11.94%	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%
Contributions as a percentage of covered payroll - Class 3	13.48%	13.48%	12.69%	11.94%	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%

Data reported is measured as of June 30, 2025.

NOTES TO THE NET PENSION (ASSET) LIABILITY SCHEDULES
As of June 30, 2025 (most recently issued PERSI information)

Change of Assumptions. Actuarial assumptions were adjusted for the year ended June 30, 2025, as follows.
*The discount rate changed from 6.35% to 6.55%

Troy School District No. 287
Troy, Idaho

OTHER POST EMPLOYMENT BENEFIT LIABILITY SCHEDULE
As of June 30,

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Service Cost	12,765	16,252	24,523	21,419	23,659	6,223	23,159	21,079	20,294
Interest	12,120	10,280	12,064	10,848	2,158	1,774	12,429	12,677	12,368
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	85,405	-	19,410	-	58,723	-	(112,204)	-	-
Changes of assumptions or other inputs	118,152	(43,956)	(116,672)	(4,357)	137,697	676	(181,290)	18,156	(12,917)
Benefit payments	(15,151)	-	-	(13,891)	(12,983)	-	-	(26,467)	(25,088)
Net change in total OPEB Liability	213,291	(17,424)	(60,675)	14,019	209,254	8,673	(257,906)	25,445	(5,343)
Total OPEB liability - beginning	227,889	245,313	305,988	291,969	82,715	74,042	331,948	306,503	311,846
Total OPEB liability-ending	$ 441,180	$ 227,889	$ 245,313	$ 305,988	$ 291,969	$ 82,715	$ 74,042	$ 331,948	$ 306,503
Covered-employee payroll	2,574,670	2,482,000	2,397,991	2,081,964	1,915,063	2,081,000	2,010,756	488,772	1,761,684
Total OPEB liability as a percentage of covered-employee	17.14%	9.18%	10.23%	14.70%	15.25%	3.97%	3.68%	67.91%	17.40%

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those use for which information is available.

NOTES TO THE OTHER POST EMPLOYMENT LIABILITY SCHEDULE
As of June 30, 2026

Change of Assumptions. There were no change of assumptions for the year ended June 30, 2026.

NET OPEB ASSET - SICK LEAVE PLAN RELATED SCHEDULES

Schedule of the District's Share of Net OPEB Asset - Sick Leave Plan*
PERSI - OPEB Plan
As of June 30,

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Employer’s portion of the net OPEB asset	Unavailable	0.1275105%	0.1275105%	0.1275105%	0.1275105%	0.1275105%	0.1275105%	0.1275679%	0.1266784%	0.1379410%
Employer’s proportionate share of the net OPEB asset	Unavailable	114,555	113,543	92,530	97,070	185,171	157,004	122,185	105,073	105,888
Employer’s covered payroll	2,647,197	2,520,865	2,343,037	587,253	563,241	568,467	535,302	488,772	1,703,189	1,757,041
Employer’s proportional share of the net OPEB asset as a percentage of its covered payroll	Unavailable	4.54%	4.85%	15.76%	17.23%	32.57%	29.33%	25.00%	6.17%	6.03%
Plan fiduciary net position as a percentage of the total OPEB asset	Unavailable	126.42%	128.64%	124.33%	127.21%	152.61%	152.87%	138.51%	135.69%	136.78%

Schedule of the District's Contributions*
PERSI - OPEB Plan
As of June 30,

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily required contribution	-	-	-	-	-	-	11,433	20,925	19,757	20,382
Contributions in relation to the statutorily required contribution	-	-	-	-	-	-	(11,433)	(20,925)	(19,757)	(20,382)
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Employer’s covered payroll	2,647,197	2,520,865	2,343,037	587,253	563,241	568,467	535,302	488,772	1,703,189	1,757,041
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.14%	4.28%	1.16%	1.16%

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those use for which information is available.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
As of June 30, 2025 (most recently issued PERSI information)

Change of Assumptions. There were no change of assumptions for the year ended June 30, 2025.

SUPPLEMENTARY INFORMATION

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
For the Year Ended June 30, 2026

	Actual	Final Budget	Variance Favorable (Unfavorable)
INSTRUCTION			
Elementary school program:			
Salaries	714,220	723,328	9,108
Benefits	311,457	313,289	1,832
Purchased services	6,831	9,500	2,669
Supplies-materials	32,199	40,000	7,801
Total elementary school program	1,064,707	1,086,117	21,410
Secondary school program:			
Salaries	593,437	592,960	(477)
Benefits	261,386	262,226	840
Purchased services	3,874	6,500	2,626
Supplies-materials	19,387	25,500	6,113
Total secondary school program	878,084	887,186	9,102
Vocational-technical program:			
Salaries	155,319	155,013	(306)
Benefits	54,773	55,182	409
Supplies-materials	3,023	6,000	2,977
Total vocational-technical program	213,115	216,195	3,080
Special education program:			
Salaries	101,298	107,213	5,915
Benefits	65,050	73,564	8,514
Purchased services	4,922	200	(4,722)
Supplies-materials	-	200	200
Total special education program	171,270	181,177	9,907

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2026

	Actual	Final Budget	Variance Favorable (Unfavorable)
INSTRUCTION (Continued)			
Special education preschool program:			
Purchased services	10	1,352	1,342
Interscholastic program:			
Salaries	92,284	94,000	1,716
Benefits	14,875	26,199	11,324
Purchased services	39,351	44,000	4,649
Supplies-materials	11,490	12,500	1,010
Capital objects	-	10,000	10,000
Insurance	-	500	500
Total interscholastic program	158,000	187,199	29,199
School activity program:			
Salaries	24,275	26,982	2,707
Benefits	9,420	9,244	(176)
Purchased services	10,584	28,000	17,416
Supplies-materials	4,095	4,500	405
Insurance	850	850	-
Total school activity program	49,224	69,576	20,352
TOTAL INSTRUCTION			
Salaries	1,680,833	1,699,496	18,663
Benefits	716,961	739,704	22,743
Purchased services	65,572	89,552	23,980
Supplies-materials	70,194	88,700	18,506
Capital objects	-	10,000	10,000
Insurance	850	1,350	500
Total instruction	$ 2,534,410	$ 2,628,802	$ 94,392

GENERAL FUND

SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)

For the Year Ended June 30, 2026

	Actual	Final Budget	Variance Favorable (Unfavorable)
SUPPORT			
Attendance-guidance-health program:			
Salaries	60,472	60,516	44
Benefits	25,792	27,257	1,465
Purchased services	7,201	12,350	5,149
Supplies-materials	7,289	11,792	4,503
Total attendance-guidance-health program	100,754	111,915	11,161
Special education support services program:			
Salaries	98,357	97,974	(383)
Benefits	40,478	41,990	1,512
Purchased services	81,427	89,240	7,813
Supplies-materials	490	500	10
Total special education support services program	220,752	229,704	8,952
Instruction improvement program:			
Purchased services	-	5,200	5,200
Educational media program:			
Salaries	20,797	21,026	229
Benefits	17,558	17,429	(129)
Supplies-materials	224	1,600	1,376
Total educational media program	38,579	40,055	1,476
Instruction-related technology program:			
Purchased services	76,585	94,430	17,845
Supplies-materials	40,458	65,000	24,542
Capital objects	20,358	-	(20,358)
Total instruction-related technology program	137,401	159,430	22,029
Books and periodicals:			
Supplies-materials	1,858	3,600	1,742
Board of education program:			
Benefits	7	10	3
Purchased services	3,745	14,600	10,855
Supplies-materials	314	400	86
Insurance	12,183	12,185	2
Total board of education program	16,249	27,195	10,946
District administration program:			
Salaries	172,255	175,766	3,511
Benefits	63,173	63,886	713
Purchased services	35,144	99,316	64,172
Supplies-materials	5,255	6,000	745
Insurance	236	236	-
Total district administration program	276,063	345,204	69,141

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2026

	Actual	Final Budget	Variance Favorable (Unfavorable)
SUPPORT (Continued)			
School administration program:			
Salaries	280,090	280,747	657
Benefits	91,219	99,757	8,538
Purchased services	7,721	10,600	2,879
Supplies-materials	8,357	9,857	1,500
Total school administration program	387,387	400,961	13,574
Administrative technology service:			
Salaries	68,054	68,774	720
Benefits	26,588	26,995	407
Purchased services	-	1,575	1,575
Total administrative technology service	94,642	97,344	2,702
Buildings-care program (custodial):			
Salaries	71,726	72,838	1,112
Benefits	39,045	43,283	4,238
Purchased services	123,585	143,960	20,375
Supplies-materials	20,430	22,200	1,770
Capital objects	5,139	6,000	861
Insurance	41,664	41,664	-
Total buildings-care program (custodial)	301,589	329,945	28,356
Maintenance - buildings and equipment			
Salaries	51,750	52,952	1,202
Benefits	23,964	24,137	173
Purchased services	4,411	10,000	5,589
Supplies-materials	356	6,685	6,329
Total maintenance - buildings and equipment	80,481	93,774	13,293
Maintenance - grounds:			
Salaries	31,388	31,531	143
Benefits	13,412	17,001	3,589
Purchased services	22,746	40,000	17,254
Supplies-materials	6,615	16,500	9,885
Capital objects	19,795	20,000	205
Total maintenance - grounds	93,956	125,032	31,076
Pupil-to-school transportation program:			
Salaries	104,985	103,950	(1,035)
Benefits	30,205	37,706	7,501
Purchased services	14,868	23,611	8,743
Supplies-materials	51,524	62,315	10,791
Insurance	7,787	7,787	-
Total pupil-to-school transportation program	209,369	235,369	26,000

GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)
For the Year Ended June 30, 2026

	Actual	Final Budget	Variance Favorable (Unfavorable)
SUPPORT (Continued)			
Pupil-activity transportation program:			
Salaries	22,757	25,750	2,993
Benefits	3,587	6,500	2,913
Purchased services	-	5,000	5,000
Supplies-materials	-	500	500
Total pupil-activity transportation program	26,344	37,750	11,406
General transportation program:			
Purchased services	103	5,000	4,897
Supplies-materials	654	1,288	634
Insurance	4,069	4,069	-
Total general transportation program	4,826	10,357	5,531
TOTAL SUPPORT			
Salaries	982,631	991,824	9,193
Benefits	375,028	405,951	30,923
Purchased services	377,536	554,882	177,346
Supplies-materials	143,824	208,237	64,413
Capital objects	45,292	26,000	(19,292)
Insurance	65,939	65,941	2
Total support	$ 1,990,250	$ 2,252,835	$ 262,585
NON-INSTRUCTION			
Child Nutrition Program:			
Benefits	5,863	7,468	1,605
Total non-instruction	$ 5,863	$ 7,468	$ 1,605
DEBT SERVICES			
Principal	4,553	-	(4,553)
Interest	199	-	(199)
Total debt services	$ 4,752	$ -	$ (4,752)

OTHER GOVERNMENTAL FUNDS DESCRIPTIONS

Plant Facilities Fund – To account for restricted local revenues to be spent on plant facilities.

Track Project Fund – To account for restricted local revenues to be spent on the Track construction and repairs.

Bus Replacement Fund – To account for restricted State revenues to be spent on bus replacement.

Federal Forest Reserve Fund – To account for unrestricted Federal revenue received from the U.S. Department of Agriculture. This fund has been used for special capital outlay projects.

Local Special Projects Fund – To account for costs related to local special projects.

District Facilities Fund – To account for restricted revenue to be spent on school repairs and maintenance.

Student Activity Fund – To account for costs related to student activity funds.

Drivers Education – State Fund – To account for costs of providing a driver education program. Financing for the program is provided through the Idaho State Department of Education.

Professional Technical – State Fund – To account for restricted State revenue to be spent on equipment and materials for vocational programs.

Technology – State Fund – To account for restricted State revenue to be spent on the technology program.

Substance Abuse – State Fund – To account for State revenue to be spent on the substance abuse program.

Garden Grant Fund – To account for State revenue to be used for a garden to provide the opportunity for educating kindergarten, first grade, and third grade students about good nutrition, promoting exercise, science, and agricultural education.

Miscellaneous State Grants Fund – To account for State revenue to provide student reading improvement and teacher training and staff development.

Title I-A, ESSA – Improving Basic Programs Fund – To account for restricted Federal revenue to be spent on programs to provide special instruction to disadvantaged students.

OTHER GOVERNMENTAL FUNDS DESCRIPTIONS (CONTINUED)

IDEA Part B (611 School Age 3-21) Fund – To account for restricted Federal revenue to be spent on programs to provide for special testing, physical therapy, teacher aides, equipment, and materials, etc. in special education.

IDEA Part B (619 Pre-School Age 3-5) Fund – To account for restricted Federal revenue to be spent on programs to provide for preschool handicapped (3-5 years old) in the same manner provided for school age children in the Title VI-B program.

School-Based Medicaid Fund – To account for restricted Federal revenue reimbursement of qualified Medicaid expenditures.

Title IV-A, ESSA – Student Support and Academic Enrichment Fund – To account for restricted Federal revenue to be spent on student support and academic enrichment.

Title V-B, ESSA – Rural Education Initiative Fund – To account for restricted Federal revenue to provide specialized instruction for handicapped students.

Title II-A, ESEA – Supporting Effective Instruction Fund – To account for restricted Federal revenue to be spent on in-service training of math and/or science teachers.

Child Nutrition Fund – To account for costs of operating the school lunch program at the District. Financing is provided by State and Federal assistance and by sale of lunches. Reporting is done as a special revenue fund rather than as an enterprise fund due to the large amount of State and Federal assistance received by the program.

Ed Ramsdale Scholarship Trust – To account for contributions to provide scholarships identified specifically by the donors.

Scholarship Trust – To account for contributions to provide scholarships identified specifically by the donors.

OTHER GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2026

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Other Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash	403,704	-	403,704
Investments	375,548	238,323	613,871
Due from other governments	29,357	-	29,357
Other receivables	3,974	1,004	4,978
Prepaid items	26,479	-	26,479
Other current assets	741	-	741
Total assets	839,803	239,327	1,079,130
Deferred outflows of resources	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 839,803	$ 239,327	$ 1,079,130
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Due to other funds	16,398	-	16,398
Accounts payable	168	-	168
Salaries and benefits payable	47,571	-	47,571
Total liabilities	64,137	-	64,137
Deferred inflows of resources	-	-	-
Fund balance:			
Nonspendable	26,479	-	26,479
Restricted	749,187	239,327	988,514
Total fund balance	775,666	239,327	1,014,993
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 839,803	$ 239,327	$ 1,079,130

OTHER GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2026

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Other Governmental Funds
REVENUES			
Local	448,578	17,323	465,901
State	193,651	-	193,651
Federal	283,183	-	283,183
Total revenues	925,412	17,323	942,735
EXPENDITURES			
Instruction	340,926	-	340,926
Support	124,123	-	124,123
Non-instruction	472,652	-	472,652
Capital asset program	-	149,840	149,840
Debt services	8,439	-	8,439
Total expenditures	946,140	149,840	1,095,980
Excess (deficiency) of revenue over (under) expenditures	(20,728)	(132,517)	(153,245)
Other financing sources (uses)			
Transfer in	231,720	81,725	313,445
Net change in fund balance	210,992	(50,792)	160,200
Fund balance - beginning of year	564,674	290,119	854,793
Fund balance - end of year	$ 775,666	$ 239,327	$ 1,014,993

TROY SCHOOL DISTRICT NO. 287
Troy, Idaho

OTHER GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended June 30, 2026

Fund	Final Budgeted Revenue	Actual Revenue	Final Budgeted Expenditures	Actual Expenditures	Other Financing Sources (Uses)	Beginning Fund Balance	Ending Fund Balance
Capital Projects:							
Plant Facilities	6,000	4,517	105,886	-	-	99,887	104,404
Track Project	11,800	4,233	43,144	-	10,000	31,344	45,577
Bus Replacement	75,725	8,573	156,000	149,840	71,725	158,888	89,346
Special Revenue:							
Federal Forest Reserve	3,611	6,624	7,498	-	-	3,887	10,511
Local Special Projects	20,395	20,895	20,395	20,395	-	-	500
District Facilities	126,385	21,183	126,385	68,297	126,385	-	79,271
Student Activity	-	245,324	150,600	229,926	-	158,813	174,211
Driver Education - State	10,325	2,960	10,325	3,629	669	-	-
Professional Technical -State	95,026	95,026	95,026	95,026	-	-	-
Technology - State	67,604	67,110	171,964	31,358	-	104,360	140,112
Substance Abuse - State	6,172	6,140	10,215	4,043	-	4,043	6,140
Garden Grant	24,187	24,175	33,089	19,458	-	8,902	13,619
Miscellaneous State Grants	-	-	16,809	3,880	-	16,809	12,929
Title I-A, ESSA - Improving Basic Programs	39,539	37,442	39,539	37,442	-	-	-
IDEA Part B (611 School Age 3-21)	84,480	74,434	84,480	74,434	-	-	-
IDEA Part B (619 Pre-School Age 3-5)	1,352	1,352	1,352	1,352	-	-	-
School-Based Medicaid	73,000	38,974	73,000	64,265	26,000	32	741
Title IV-A, ESSA - Student Support and Academic Enrichment	10,053	2,311	10,053	2,311	-	-	-
Title V-B, ESSA - Rural Education Initiative	38,389	30,902	38,389	30,902	-	-	-
Title III-A, ESSA - English Language Acquisition	217	-	217	-	-	-	-
Title II-A, ESEA - Supporting Effective Instructions	6,692	5,022	6,692	5,022	-	-	-
Child Nutrition	257,902	130,039	257,902	208,705	78,666	-	-
Ed Ramsdale Scholarship Trust	19,551	65,800	60,000	40,181	-	40,449	66,068
Scholarship Trust	15,000	49,699	9,484	5,514	-	227,379	271,564
Total	$ 993,405	$ 942,735	$ 1,528,444	$ 1,095,980	$ 313,445	$ 854,793	$ 1,014,993

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
June 30, 2026

	Plant Facilities	Track Project	Bus Replacement	Total Nonmajor Capital Project Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Investments	103,966	45,386	88,971	238,323
Other receivable	438	191	375	1,004
Total assets	104,404	45,577	89,346	239,327
Deferred outflows of resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 104,404	$ 45,577	$ 89,346	$ 239,327
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities	-	-	-	-
Deferred inflows of resources	-	-	-	-
Fund balance:				
Restricted	104,404	45,577	89,346	239,327
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 104,404	$ 45,577	$ 89,346	$ 239,327

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2026

	Plant Facilities	Track Project	Bus Replacement	Total Nonmajor Capital Project Funds
REVENUES				
Local:				
Earnings on investments	4,517	1,908	8,573	14,998
Other local	-	2,325	-	2,325
Total local	4,517	4,233	8,573	17,323
EXPENDITURES				
Capital assets program:				
Capital objects	-	-	149,840	149,840
Excess (deficiency) of revenues over (under) expenditures	4,517	4,233	(141,267)	(132,517)
Other financing sources (uses)				
Transfer in	-	10,000	71,725	81,725
Net change in fund balance	4,517	14,233	(69,542)	(50,792)
Fund balance - beginning of year	99,887	31,344	158,888	290,119
Fund balance - end of year	$ 104,404	$ 45,577	$ 89,346	$ 239,327

TROY SCHOOL DISTRICT NO. 287
Troy, Idaho

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2026

	Federal Forest Reserve	Local Special Projects	District Facilities	Student Activity	Driver Education - State	Professional Technical - State	Technology - State
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash	10,511	500	52,792	136,088	-	2,164	140,112
Investments	-	-	-	38,123	-	-	-
Other receivables:							
Due from other governments	-	-	-	-	-	-	-
Other receivable	-	-	-	-	-	-	-
Prepaid items	-	-	26,479	-	-	-	-
Other current assets	-	-	-	-	-	-	-
Total assets	10,511	500	79,271	174,211	-	2,164	140,112
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 10,511	$ 500	$ 79,271	$ 174,211	$ -	$ 2,164	$ 140,112
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities:							
Due to other funds	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	-	-	2,164	-
Total liabilities	-	-	-	-	-	2,164	-
Deferred inflows of resources	-	-	-	-	-	-	-
Fund balance:							
Nonspendable	-	-	26,479	-	-	-	-
Restricted	10,511	500	52,792	174,211	-	-	140,112
Total fund balance	10,511	500	79,271	174,211	-	-	140,112
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 10,511	$ 500	$ 79,271	$ 174,211	$ -	$ 2,164	$ 140,112

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (Continued)
June 30, 2026

	Substance Abuse - State	Garden Grant	Misc. State Grants	Title I-A, ESSA - Improving Basic Programs	IDEA Part B (611 School Age 3-21)	IDEA Part B (619 Pre-School Age 3-5)	School Based Medicaid
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash	6,140	13,619	12,929	-	-	-	4,922
Investments	-	-	-	-	-	-	-
Other receivables:							
Due from other governments	-	-	-	9,606	17,345	-	2,406
Other receivable	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	741
Total assets	6,140	13,619	12,929	9,606	17,345	-	8,069
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 6,140	$ 13,619	$ 12,929	$ 9,606	$ 17,345	$ -	$ 8,069
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities:							
Due to other funds	-	-	-	3,212	6,088	-	7,098
Accounts payable	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	6,394	11,257	-	230
Total liabilities	-	-	-	9,606	17,345	-	7,328
Deferred inflows of resources	-	-	-	-	-	-	-
Fund balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted	6,140	13,619	12,929	-	-	-	741
Total fund balance	6,140	13,619	12,929	-	-	-	741
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 6,140	$ 13,619	$ 12,929	$ 9,606	$ 17,345	$ -	$ 8,069

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (Continued)
June 30, 2026

	Title IV-A, ESSA - Student Support and Academic Enrichment	Title V-B, ESSA - Rural Education Initiative	Title II-A, ESEA - Supporting Effective Instruction	Child Nutrition	Ed Ramsdale Scholarship Trust	Scholarship Trust	Total Nonmajor Special Revenue Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash	-	-	-	23,927	-	-	403,704
Investments	-	-	-	-	65,861	271,564	375,548
Other receivables:							
Due from other governments	-	-	-	-	-	-	29,357
Other receivable	-	3,767	-	-	207	-	3,974
Prepaid items	-	-	-	-	-	-	26,479
Other current assets	-	-	-	-	-	-	741
Total assets	-	3,767	-	23,927	66,068	271,564	839,803
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ -	$ 3,767	$ -	$ 23,927	$ 66,068	$ 271,564	$ 839,803
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities:							
Due to other funds	-	-	-	-	-	-	16,398
Accounts payable	-	-	-	168	-	-	168
Salaries and benefits payable	-	3,767	-	23,759	-	-	47,571
Total liabilities	-	3,767	-	23,927	-	-	64,137
Deferred inflows of resources	-	-	-	-	-	-	-
Fund balance:							
Nonspendable	-	-	-	-	-	-	26,479
Restricted	-	-	-	-	66,068	271,564	749,187
Total fund balance	-	-	-	-	66,068	271,564	775,666
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ -	$ 3,767	$ -	$ 23,927	$ 66,068	$ 271,564	$ 839,803

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2026

	Federal Forest Reserve	Local Special Projects	District Facilities	Student Activity	Driver Education - State	Professional Technical - State	Technology - State
REVENUES							
Local:							
Lunch sales	-	-	-	-	-	-	-
Earnings on investments	-	-	-	1,515	-	-	-
Other local	-	20,895	21,183	243,809	1,760	-	-
Total local	-	20,895	21,183	245,324	1,760	-	-
State:							
Other state support	-	-	-	-	-	95,026	67,110
Driver education program	-	-	-	-	1,200	-	-
Total state	-	-	-	-	1,200	95,026	67,110
Federal:							
School lunch reimbursement	-	-	-	-	-	-	-
Restricted	1,982	-	-	-	-	-	-
Unrestricted	4,642	-	-	-	-	-	-
Total federal	6,624	-	-	-	-	-	-
Total revenues	6,624	20,895	21,183	245,324	2,960	95,026	67,110
EXPENDITURES							
Instruction:							
Salaries	-	420	-	-	-	10,797	-
Benefits	-	-	-	-	-	2,281	-
Purchased services	-	-	-	-	3,629	6,208	4,246
Supplies-materials	-	10,475	-	-	-	33,941	18,673
Capital objects	-	-	-	-	-	41,799	-
Total instruction	-	10,895	-	-	3,629	95,026	22,919
Support:							
Salaries	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-
Purchased services	-	-	21,739	-	-	-	-
Supplies-materials	-	197	32,445	-	-	-	-
Capital objects	-	9,303	14,113	-	-	-	-
Total support	-	9,500	68,297	-	-	-	-
Non-instruction:							
Salaries	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-
Supplies-materials	-	-	-	229,926	-	-	-
Total non-instruction	-	-	-	229,926	-	-	-
Debt services:							
Principal	-	-	-	-	-	-	8,114
Interest	-	-	-	-	-	-	325
Total debt services	-	-	-	-	-	-	8,439
Total expenditures	-	20,395	68,297	229,926	3,629	95,026	31,358
Excess (deficiency) revenues over (under) expenditures	6,624	500	(47,114)	15,398	(669)	-	35,752
Other financing sources (uses)							
Transfers in	-	-	126,385	-	669	-	-
Net change in fund balance	6,624	500	79,271	15,398	-	-	35,752
Fund balance - beginning of year	3,887	-	-	158,813	-	-	104,360
Fund balance - end of year	$ 10,511	$ 500	$ 79,271	$ 174,211	$ -	$ -	$ 140,112

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
For the Year Ended June 30, 2026

	Substance Abuse - State	Garden Grant	Misc. State Grants	Title I-A, ESSA - Improving Basic Programs	IDEA Part B (611 School Age 3-21)	IDEA Part B (619 Pre-School Age 3-5)	School Based Medicaid
REVENUES							
Local:							
Lunch sales	-	-	-	-	-	-	-
Earnings on investments	-	-	-	-	-	-	84
Other local	-	-	-	-	-	-	-
Total local	-	-	-	-	-	-	84
State:							
Other state support	6,140	24,175	-	-	-	-	-
Driver education program	-	-	-	-	-	-	-
Total state	6,140	24,175	-	-	-	-	-
Federal:							
School lunch reimbursement	-	-	-	-	-	-	-
Restricted	-	-	-	37,442	74,434	1,352	38,890
Unrestricted	-	-	-	-	-	-	-
Total federal	-	-	-	37,442	74,434	1,352	38,890
Total revenues	6,140	24,175	-	37,442	74,434	1,352	38,974
EXPENDITURES							
Instruction:							
Salaries	-	190	-	19,915	39,479	-	-
Benefits	-	37	-	13,926	31,577	-	-
Purchased services	4,043	19,231	3,880	397	-	1,352	35,600
Supplies-materials	-	-	-	1,204	1,177	-	-
Capital objects	-	-	-	-	-	-	-
Total instruction	4,043	19,458	3,880	35,442	72,233	1,352	35,600
Support:							
Salaries	-	-	-	2,000	1,090	-	2,000
Benefits	-	-	-	-	228	-	575
Purchased services	-	-	-	-	-	-	26,090
Supplies-materials	-	-	-	-	883	-	-
Capital objects	-	-	-	-	-	-	-
Total support	-	-	-	2,000	2,201	-	28,665
Non-instruction:							
Salaries	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-
Supplies-materials	-	-	-	-	-	-	-
Total non-instruction	-	-	-	-	-	-	-
Debt services:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total debt services	-	-	-	-	-	-	-
Total expenditures	4,043	19,458	3,880	37,442	74,434	1,352	64,265
Excess (deficiency) revenues over (under) expenditures	2,097	4,717	(3,880)	-	-	-	(25,291)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	26,000
Net change in fund balance	2,097	4,717	(3,880)	-	-	-	709
Fund balance - beginning of year	4,043	8,902	16,809	-	-	-	32
Fund balance - end of year	$ 6,140	$ 13,619	$ 12,929	$ -	$ -	$ -	$ 741

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
For the Year Ended June 30, 2026

	Title IV-A, ESSA - Student Support and Academic Enrichment	Title V-B, ESSA - Rural Education Initiative	Title II-A, ESEA - Supporting Effective Instruction	Child Nutrition	Ed Ramsdale Scholarship Trust	Scholarship Trust	Total Nonmajor Special Revenue Funds
REVENUES							
Local:							
Lunch sales	-	-	-	43,631	-	-	43,631
Earnings on investments	-	-	-	-	1,481	46,199	49,279
Other local	-	-	-	202	64,319	3,500	355,668
Total local	-	-	-	43,833	65,800	49,699	448,578
State:							
Other state support	-	-	-	-	-	-	192,451
Driver education program	-	-	-	-	-	-	1,200
Total state	-	-	-	-	-	-	193,651
Federal:							
School lunch reimbursement	-	-	-	86,206	-	-	86,206
Restricted	2,311	30,902	5,022	-	-	-	192,335
Unrestricted	-	-	-	-	-	-	4,642
Total federal	2,311	30,902	5,022	86,206	-	-	283,183
Total revenues	2,311	30,902	5,022	130,039	65,800	49,699	925,412
EXPENDITURES							
Instruction:							
Salaries	-	23,159	3,000	-	-	-	96,960
Benefits	-	5,957	(265)	-	-	-	53,513
Purchased services	2,311	-	2,287	-	-	-	83,184
Supplies-materials	-	-	-	-	-	-	65,470
Capital objects	-	-	-	-	-	-	41,799
Total instruction	2,311	29,116	5,022	-	-	-	340,926
Support:							
Salaries	-	1,614	-	-	-	-	6,704
Benefits	-	172	-	-	-	-	975
Purchased services	-	-	-	-	-	-	47,829
Supplies-materials	-	-	-	-	7,660	4,014	45,199
Capital objects	-	-	-	-	-	-	23,416
Total support	-	1,786	-	-	7,660	4,014	124,123
Non-instruction:							
Salaries	-	-	-	77,258	-	-	77,258
Benefits	-	-	-	51,688	-	-	51,688
Purchased services	-	-	-	6,178	-	-	6,178
Supplies-materials	-	-	-	73,581	32,521	1,500	337,528
Total non-instruction	-	-	-	208,705	32,521	1,500	472,652
Debt services:							
Principal	-	-	-	-	-	-	8,114
Interest	-	-	-	-	-	-	325
Total debt services	-	-	-	-	-	-	8,439
Total expenditures	2,311	30,902	5,022	208,705	40,181	5,514	946,140
Excess (deficiency) revenues over (under) expenditures	-	-	-	(78,666)	25,619	44,185	(20,728)
Other financing sources (uses)							
Transfers in	-	-	-	78,666	-	-	231,720
Net change in fund balance	-	-	-	-	25,619	44,185	210,992
Fund balance - beginning of year	-	-	-	-	40,449	227,379	564,674
Fund balance - end of year	$ -	$ -	$ -	$ -	$ 66,068	$ 271,564	$ 775,666