

# **TROY SCHOOL DISTRICT No. 287**

**Troy, Idaho**

**Audited Financial Statements  
For the Year Ended June 30, 2015**

# **TROY SCHOOL DISTRICT No. 287**

**Troy, Idaho**

**Audited Financial Statements  
For the Year Ended June 30, 2015**



**TROY SCHOOL DISTRICT No. 287**  
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## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Troy School District No. 287, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Summary of Opinions**

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Aggregate discretely presented component unit	Qualified
General Fund	Unmodified
Child Nutrition	Unmodified
Debt Service	Unmodified
Capital Projects	Unmodified
Aggregate Remaining Fund Information	Unmodified

### ***Basis for Qualified Opinion on Governmental Activities and Aggregate Discretely Presented Component Unit***

The financial statements of Edward Ramsdale Scholarship Fund, Inc. have not been audited, and we were not engaged to audit the Edward Ramsdale Scholarship Fund, Inc. financial statements as part of our audit of the Troy School District No. 287's basic financial statements. Edward Ramsdale Scholarship Fund, Inc.'s financial activities are included in the District's basic financial statements as a discretely presented component unit and represent all of the assets, net position, and revenues, respectively, of the District's aggregate discretely presented component units.

Troy School District No. 287 believes the cost of adopting GASB 45 cannot be justified at the present time. The District believes the future cost of the implicit rate subsidy built into the current health care premiums is not material to the financial statements. The amount by which this GAAP departure would affect the liabilities and net position of the Statement of Net Position is not determinable.

### ***Qualified Opinion***

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion on Governmental Activities and Aggregate Discretely Presented Component Unit" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and aggregate discretely presented component unit of Troy School District No. 287, as of June 30, 2015, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Unmodified Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of Troy School District No. 287 as of June 30, 2015, 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.

### ***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6-10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Troy School District No. 287's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2015 on our consideration of the Troy School District No. 287's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Troy School District No. 287's internal control over financial reporting and compliance.

*Hayden Ross, PLLC*

Moscow, Idaho  
September 14, 2015

**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 governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Troy School District No. 287, as of and for the year ended June 30, 2015 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, 2015.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Troy School District No. 287's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control

that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify any certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses, that we consider to be significant deficiencies (Finding 2015-01).

### **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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings and responses as Finding 2015-01.

### **Troy School District No. 287's Response to Findings**

Troy School District No. 287's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the District's response and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Hayden Ross, PLLC*

Moscow, Idaho  
September 14, 2015

**TROY SCHOOL DISTRICT NO. 287**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2015**

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As management of the Troy School District #287 (District), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ending June 30, 2015.

**Financial Highlights**

During the 2014-2015 fiscal year, the District was able to operate a budget which maintained a carryover in the fund balance. Some of the items the District provided were the following:

- Maintained programs
- Completed Trojan Drive Project and Reseal of Parking Lots
- Completed Installation of Double Door in Elementary School

At the end of the 2013-2014 fiscal year, the District would anticipate a decline in enrollment. With the anticipated decline in enrollment, the District implemented the following:

- Reduced Administration .2 FTE
- Reduced Certificated Staff .81 FTE

During the 2014-2015 fiscal year, the District did have a decline in enrollment. The District dropped from 21.14 Support Units to 19.3 Support Units with Protected Units of 20.34.

In looking at the new 2015-2016 fiscal year, the 2001 Refinanced Bond for the Elementary School will be paid in February 2016.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise of three components:

- 1) Government-wide Financial Statements
- 2) Fund Financial Statements, and
- 3) Notes to the Financial Statements

This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statement.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statements present an aggregate view of the District's finances. They contain useful long-term information for the just completed fiscal year.

The statement of net position presents information on all of the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District, with the difference

between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. In the statements, the District's activities are all classified as government activities.

Governmental activities include all regular and special education, all educational support activities, administration, transportation, and food services. Most of these activities are supported by property taxes and formula aid from the State of Idaho.

The government-wide financial statements can be found on pages 11 through 12 of this report.

**Fund Financial Statements.** A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund statements generally report operations in more detail than the government-wide statements.

Some funds are required by state law and bond covenants. The District establishes other funds to control and manage money for particular purposes (i.e. repaying long-term debt.) The District has three types of funds: Governmental, Proprietary and Fiduciary.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 13 through 19 of this report.

**Proprietary Funds.** Proprietary funds are used to record transactions for the medical risk pool. Proprietary funds use the accrual basis of accounting, as business-type activities, and are considered with the governmental activities in the district-wide statements.

The basic fiduciary fund financial statement can be found on pages 20 through 22 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the district's own programs.

The basic fiduciary fund financial statement can be found on pages 23 through 24 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 25 through 44 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Combining and individual fund statements and schedules can be found on pages 45 through 90 of this report.

**Government-Wide Financial Analysis  
Statement of Net Position**

<b>Assets</b>	<b><u>2014-2015</u></b>	<b><u>2013-2014</u></b>	<b><u>Change</u></b>
Current Assets	2,470,617	2,559,714	(89,097)
Noncurrent Assets	<u>5,236,849</u>	<u>5,226,682</u>	<u>10,167</u>
<b>Total Assets</b>	<b><u>7,707,466</u></b>	<b><u>7,826,396</u></b>	<b><u>(118,930)</u></b>
 <b>Deferred Outflows of Resources</b>	 <b><u>258,622</u></b>	 <b><u>-</u></b>	 <b><u>258,622</u></b>
 <b>Liabilities</b>			
Current Liabilities	583,121	769,028	(185,907)
Long-Term Liabilities	<u>1,475,979</u>	<u>1,138,000</u>	<u>337,979</u>
<b>Total Liabilities</b>	<b><u>2,059,100</u></b>	<b><u>1,907,028</u></b>	<b><u>152,072</u></b>
 <b>Deferred Inflows of Resources</b>	 <b><u>1,939,411</u></b>	 <b><u>1,221,100</u></b>	 <b><u>718,311</u></b>
 <b>Net Position</b>			
Net Investment in Capital Assets	4,077,718	3,879,670	198,048
Restricted	435,166	535,643	(100,477)
Unrestricted	<u>(545,307)</u>	<u>282,955</u>	<u>(828,262)</u>
<b>Total Net Position</b>	<b><u>\$3,967,577</u></b>	<b><u>\$4,698,268</u></b>	<b><u>\$(730,691)</u></b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$3,967,577 at the close of the most recent fiscal year.

The largest portion of the District's net position (102.78%) reflects its investment in capital assets (e.g., land, buildings and improvements, and furniture and equipment), less any related debt (general obligation bonds payable and obligations under capital leases less unspent bond proceeds) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (10.97%) represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (-13.75%) may be used to meet the District's ongoing obligations to students, employees, and creditors.

The unrestricted net position amount is typically earmarked for the following purposes: To meet cash flow needs throughout the year and to provide a General Fund contingency. With the implementation of GASB 68 (see note 6), the District is reporting a deficit in unrestricted net position.

**Government-Wide Financial Analysis  
Changes in Net Position**

<b>Revenues</b>	<b><u>2014-2015</u></b>	<b><u>2013-2014</u></b>	<b><u>Change</u></b>
Program Revenues:			
Charges for Services	31,461	31,921	(460)
Operating Grants and contributions	370,483	328,316	42,167
General revenues:			
Property Taxes	1,262,454	1,258,626	3,828
Federal and State Revenues	2,024,745	1,998,261	26,484
Local Revenues	<u>59,771</u>	<u>225,716</u>	<u>(165,945)</u>
<b>Total Revenues</b>	<b><u>3,748,914</u></b>	<b><u>3,842,840</u></b>	<b><u>(93,926)</u></b>
 <b>Expenses</b>			
Program Expenses:			
Instruction	1,681,901	1,841,796	(159,895)
Support Services			
Pupil Support	258,296	264,647	(6,351)
Staff Support	69,642	109,627	(39,985)
General Administration	193,808	237,753	(43,945)
School Administration	268,309	295,193	(26,884)
Maintenance/Custodial	311,929	344,243	(32,314)
Transportation	128,713	134,079	(5,366)
Other services	11,266	-	11,266
Child Nutrition	100,204	107,179	(6,975)
Capital Outlay	7,965	109,914	(101,949)
Debt Service	54,449	90,082	(35,633)
Depreciation, unallocated	<u>175,388</u>	<u>174,966</u>	<u>422</u>
<b>Total Expenses</b>	<b><u>3,261,870</u></b>	<b><u>3,709,479</u></b>	<b><u>(447,609)</u></b>
 <b>Change in Net Position</b>	<b>487,044</b>	<b>133,361</b>	<b>353,683</b>



<b>Net Position – Beginning</b>	4,698,268	4,564,907	133,361
<b>Prior Period Adjustment</b>	<u>(1,217,735)</u>	<u>-</u>	<u>(1,217,735)</u>
<b>Net Position – Ending</b>	<u>\$3,967,577</u>	<u>\$4,698,268</u>	<u>\$(730,691)</u>

### District Funds

Most of the District’s basic services and operations are included in the governmental funds which focus on how money flows into and out of those funds and the balances remaining at year-end are available for use in future periods. The general fund is the chief operating fund of the District. At the end of the current fiscal year the total balance of \$408,167 was unassigned. The unassigned fund balance increased by \$110,455 during the current fiscal year.

Expenditures for general District purposes totaled \$2,931,110, a decrease of 2.8% from the prior year of \$3,015,705.

### Capital Asset and Debt Administration

Capital Assets. The Plant Facility Fund is the District fund used to pay for capital construction, building repair and remodeling, and furniture, fixtures, and equipment. At the end of the current fiscal year the fund balance was \$10,048, a decrease of 83.33%.

#### Governmental Activities Capital Assets Net of Accumulated Depreciation

	<u>2014-2015</u>	<u>2013-2014</u>	<u>Change</u>
Land	52,001	52,001	-
Sites	148,950	65,672	83,278
Buildings	4,855,346	4,988,505	(133,159)
Equipment	42,839	51,742	(8,903)
Transportation	<u>137,713</u>	<u>68,762</u>	<u>68,951</u>
Total Net Assets	<u>\$5,236,849</u>	<u>\$5,226,682</u>	<u>\$10,167</u>

Long-term Debt. The debt service fund has a total fund balance of \$290,042, all of which is reserved for the payment of debt service on general obligation bonds. The fund balance increased by \$4,739 during the current year primarily from an increase in the property tax revenue.

At year end the District had \$1,138,000 in general obligation bonds outstanding. The District retired \$183,000 of outstanding bonds during the fiscal year. The debt of the District is secured by an annual tax levy authorization by the patrons of the District in a prior year.

### Requests for Information

This financial report is designed to provide a general overview of the Troy School District No. 287’s finances for all those with interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Dr. Christy Castro, Superintendent, Troy School District No. 287, PO Box 280, Troy, Idaho 83871.

## FINANCIAL STATEMENTS



**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**STATEMENT OF NET POSITION**

June 30, 2015

**ASSETS**

## Current Assets

Cash	364,517
Investments	268,576
Taxes receivable	77,008
Unbilled taxes receivable	1,208,456
Other receivables:	
Due from other governmental units	535,249
Other receivables	16,811
Total current assets	<u>2,470,617</u>

## Noncurrent Assets

Non-depreciated capital assets	52,001
Depreciated capital assets	7,624,344
Less: Accumulated Depreciation	<u>(2,439,496)</u>
Total noncurrent assets	<u>5,236,849</u>

Total Assets 7,707,466

**DEFERRED OUTFLOWS OF RESOURCES**

Pension related items 258,622

**LIABILITIES**

## Current Liabilities

Accounts payable and other current liabilities	390,121
Current portion of long-term debt	<u>193,000</u>
Total current liabilities	<u>583,121</u>

## Noncurrent Liabilities

Noncurrent portion of long-term debt	945,000
Net pension liability	<u>530,979</u>
Total noncurrent liabilities	<u>1,475,979</u>

Total Liabilities 2,059,100

**DEFERRED INFLOWS OF RESOURCES**

Unavailable property tax revenue	1,208,456
Pension related items	<u>730,955</u>

Total Deferred Inflows of Resources 1,939,411**NET POSITION**

Net investment in capital assets	4,077,718
Restricted for:	
Debt service	301,810
Capital projects	10,048
Grant programs	78,553
Medical benefits	44,755
Unrestricted	<u>(545,307)</u>

Total net position \$ 3,967,577

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2015

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital Grants</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>and</u>	<u>Changes in Net</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Position</u>
					<u>Governmental</u>
					<u>Activities</u>
<b>FUNCTIONS/PROGRAMS</b>					
Governmental activities:					
Preschool - 12 Instruction	1,681,980	3,595	228,482	-	(1,449,903)
Support Services:					
Pupil Support	258,296	-	-	-	(258,296)
Staff Support	69,642	-	-	-	(69,642)
General Administration	193,808	-	-	-	(193,808)
School Administration	268,309	-	-	-	(268,309)
Maintenance/Custodial	311,929	-	-	-	(311,929)
Transportation	128,713	-	86,069	-	(42,644)
Other services	11,266	-	-	-	(11,266)
Child Nutrition	100,125	27,866	55,932	-	(16,327)
Capital Outlay	7,965	-	-	-	(7,965)
Debt Services	54,449	-	-	-	(54,449)
Depreciation, unallocated	175,388	-	-	-	(175,388)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total School District	<u>\$ 3,261,870</u>	<u>\$ 31,461</u>	<u>\$ 370,483</u>	<u>\$ -</u>	<u>(2,859,926)</u>

**General Revenues**

Taxes:

Property taxes levied for general purposes	1,027,247
Property taxes levied for liability insurance	155
Property taxes levied for debt service	235,052
Federal and State aid not restricted to specific purposes	2,024,745
Other	58,623
Interest and investment earnings	<u>1,148</u>
 Total General Revenues	 <u>3,346,970</u>
 Change in Net Position	 487,044
 <b>Net position - beginning</b>	 4,698,268
 <b>Prior period adjustment - pension related items (see note 12)</b>	 <u>(1,217,735)</u>
 <b>Net position - ending</b>	 <u>\$ 3,967,577</u>

**TROY SCHOOL DISTRICT NO. 287**  
Troy, Idaho

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
June 30, 2015**

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Cash	364,517	-	-	-	364,517
Investments	18,629	206,758	-	-	225,387
Due from other funds	-	-	10,806	86,177	96,983
Taxes receivable	62,297	14,711	-	-	77,008
Unbilled taxes receivable	995,000	213,456	-	-	1,208,456
Other assets:					
Due from other governmental units	406,685	80,277	-	48,287	535,249
Other receivables	16,740	64	-	-	16,804
Total assets	<u>1,863,868</u>	<u>515,266</u>	<u>10,806</u>	<u>134,464</u>	<u>2,524,404</u>
Deferred outflows of resources	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 1,863,868</b>	<b>\$ 515,266</b>	<b>\$ 10,806</b>	<b>\$ 134,464</b>	<b>\$ 2,524,404</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>					
Liabilities:					
Due to other funds	70,646	-	-	27,896	98,542
Accounts payable	4,052	-	-	1,290	5,342
Salaries and benefits payable	336,165	-	758	26,725	363,648
Total liabilities	<u>410,863</u>	<u>-</u>	<u>758</u>	<u>55,911</u>	<u>467,532</u>
Deferred inflows of resources:					
Deferred revenue	49,838	11,768	-	-	61,606
Unavailable property tax revenue	995,000	213,456	-	-	1,208,456
Total deferred inflows of resources	<u>1,044,838</u>	<u>225,224</u>	<u>-</u>	<u>-</u>	<u>1,270,062</u>
Fund balance:					
Restricted	-	290,042	10,048	78,553	378,643
Unassigned	408,167	-	-	-	408,167
Total fund balance	<u>408,167</u>	<u>290,042</u>	<u>10,048</u>	<u>78,553</u>	<u>786,810</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 1,863,868</b>	<b>\$ 515,266</b>	<b>\$ 10,806</b>	<b>\$ 134,464</b>	<b>\$ 2,524,404</b>

**TROY SCHOOL DISTRICT NO. 287**

**Troy, Idaho**

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**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**June 30, 2015**

Total Fund Balances - Governmental Funds	786,810
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	7,676,345
Accumulated depreciation	(2,439,496)
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.	
	61,606
Certain pension related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities (see note 6):	
Deferred outflow of resources	258,622
Deferred inflow of resources	(730,955)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the government fund financial statements, an interest expenditure is reported when paid.	
	(21,131)
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.	
	44,755
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:	
General obligation bonds	(1,138,000)
Net pension liability	(530,979)
Total Net Position - Governmental Activities	<u>\$ 3,967,577</u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
For the Year Ended June 30, 2015**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local	1,077,830	237,232	134	31,461	1,346,657
State	2,097,412	-	-	65,349	2,162,761
Federal	13,268	-	-	219,065	232,333
Total revenues	<u>3,188,510</u>	<u>237,232</u>	<u>134</u>	<u>315,875</u>	<u>3,741,751</u>
<b>EXPENDITURES</b>					
Instruction	1,626,497	-	-	195,111	1,821,608
Support	1,224,455	-	95,452	14,040	1,333,947
Non-instruction	3,058	-	-	101,265	104,323
Capital objects	77,100	-	83,404	363	160,867
Debt service	-	232,493	-	-	232,493
Total expenditures	<u>2,931,110</u>	<u>232,493</u>	<u>178,856</u>	<u>310,779</u>	<u>3,653,238</u>
Excess (deficiency) of revenue over expenditures	<u>257,400</u>	<u>4,739</u>	<u>(178,722)</u>	<u>5,096</u>	<u>88,513</u>
Other financing sources (uses):					
Transfer in	-	-	128,470	26,634	155,104
Transfer out	<u>(146,945)</u>	<u>-</u>	<u>-</u>	<u>(8,159)</u>	<u>(155,104)</u>
Total other financing sources (uses)	<u>(146,945)</u>	<u>-</u>	<u>128,470</u>	<u>18,475</u>	<u>-</u>
Net change in fund balance	110,455	4,739	(50,252)	23,571	88,513
Fund balance-Beginning of year	<u>297,712</u>	<u>285,303</u>	<u>60,300</u>	<u>54,982</u>	<u>698,297</u>
Fund balance-End of year	<u>\$ 408,167</u>	<u>\$ 290,042</u>	<u>\$ 10,048</u>	<u>\$ 78,553</u>	<u>\$ 786,810</u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**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, 2015**

Net change in fund balances - total governmental funds 88,513

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	185,555	
Depreciation expense	<u>(175,388)</u>	
		10,167

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. (6,426)

Employer PERSI contributions made after the net pension liability measurement date are expenditures in the governmental funds but are recorded as a deferred outflow of resources for governmental activities. 214,423

Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the government fund financial statements, an interest expenditure is reported when paid. (4,956)

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. 2,323

Repayment of the principal on general bonded indebtedness is an expenditure in the governmental funds, but they reduce long-term liabilities in the statement of net assets and does not affect the statement of activities. 183,000

Total change in net position of governmental activities \$ 487,044



**TROY SCHOOL DISTRICT NO. 287**  
Troy, Idaho

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2015

	Original Budget	Amended Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Amended to Actual
<b>REVENUES</b>					
Local:					
Taxes	1,001,220	1,000,000	1,031,970	30,750	31,970
Earnings on investments	1,000	1,000	761	(239)	(239)
Contributions/donations	1,000	10,000	100	(900)	(9,900)
Other	22,500	21,424	44,999	22,499	23,575
Total local	1,025,720	1,032,424	1,077,830	52,110	45,406
State:					
Base support program	1,652,815	1,689,354	1,674,489	21,674	(14,865)
Transportation support	85,000	86,796	86,069	1,069	(727)
Exceptional child support	-	-	4,887	4,887	4,887
Benefit apportionment	224,598	230,943	230,748	6,150	(195)
Other state support	57,206	82,466	81,803	24,597	(663)
Revenue in lieu/ag equip. taxes	23,602	23,602	15,416	(8,186)	(8,186)
Other state revenue	4,916	2,000	4,000	(916)	2,000
Total state	2,048,137	2,115,161	2,097,412	49,275	(17,749)
Federal:					
Unrestricted	-	10,000	13,268	13,268	3,268
Total revenues	3,073,857	3,157,585	3,188,510	114,653	30,925
<b>EXPENDITURES</b>					
Instruction:					
Salaries	1,247,302	1,272,569	1,189,228	58,074	83,341
Benefits	412,435	442,712	377,619	34,816	65,093
Purchased services	35,193	50,193	33,036	2,157	17,157
Supplies-materials	30,663	35,305	25,352	5,311	9,953
Capital objects	1,200	1,200	-	1,200	1,200
Insurance	11,785	11,975	1,262	10,523	10,713
Total instruction	1,738,578	1,813,954	1,626,497	112,081	187,457
Support:					
Salaries	685,984	693,636	660,844	25,140	32,792
Benefits	233,920	225,141	209,063	24,857	16,078
Purchased services	260,390	287,879	244,492	15,898	43,387
Supplies-materials	81,260	80,060	52,504	28,756	27,556
Capital objects	31,850	32,025	27,826	4,024	4,199
Insurance	41,019	42,454	29,726	11,293	12,728
Total support	1,334,423	1,361,195	1,224,455	109,968	136,740
Non-instruction:					
Benefits	4,000	4,000	3,058	942	942
Capital objects	99,000	77,100	77,100	21,900	-
Contingency	13,856	41,048	-	13,856	41,048
Total expenditures	3,189,857	3,297,297	2,931,110	258,747	366,187
Excess (deficiency) of revenues over (under) expenditures	(116,000)	(139,712)	257,400	373,400	397,112
Other financing sources (uses):					
Transfers out:					
Special revenue fund	(17,980)	(19,865)	(18,475)	(495)	1,390
Capital projects fund	(125,020)	(138,135)	(128,470)	(3,450)	9,665
Total other financing sources (uses)	(143,000)	(158,000)	(146,945)	(3,945)	11,055
Net change in fund balance	\$ (259,000)	\$ (297,712)	110,455	\$ 369,455	\$ 408,167
Fund balance-Beginning of year			297,712		
Fund balance-End of year			\$ 408,167		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variances Favorable (Unfavorable)</u>	
				<u>Original to Actual</u>	<u>Amended to Actual</u>
<b>REVENUES</b>					
Local:					
Taxes	237,722	237,722	236,910	(812)	(812)
Earnings on investments	125	125	322	197	197
Total revenues	<u>237,847</u>	<u>237,847</u>	<u>237,232</u>	<u>(615)</u>	<u>(615)</u>
<b>EXPENDITURES</b>					
Purchased services	2,000	2,000	1,000	1,000	1,000
Debt service principal	183,000	183,000	183,000	-	-
Debt service interest	48,494	48,494	48,493	1	1
Total expenditures	<u>233,494</u>	<u>233,494</u>	<u>232,493</u>	<u>1,001</u>	<u>1,001</u>
Net change in fund balance	<u>\$ 4,353</u>	<u>\$ 4,353</u>	4,739	<u>\$ 386</u>	<u>\$ 386</u>
Fund balance-Beginning of year			<u>285,303</u>		
Fund balance-End of year			<u>\$ 290,042</u>		

**TROY SCHOOL DISTRICT NO. 287**  
**Troy, Idaho**

**CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variances Favorable (Unfavorable)</u>	
				<u>Original to Actual</u>	<u>Amended to Actual</u>
<b>REVENUES</b>					
Local:					
Other local	-	-	134	134	134
<b>EXPENDITURES</b>					
Support:					
Salaries	53,525	54,525	54,859	(1,334)	(334)
Benefits	22,640	22,640	23,179	(539)	(539)
Purchased services	8,300	13,300	7,507	793	5,793
Supplies-materials	6,000	4,000	9,907	(3,907)	(5,907)
Insurance	2,335	2,335	-	2,335	2,335
Total support	<u>92,800</u>	<u>96,800</u>	<u>95,452</u>	<u>(2,652)</u>	<u>1,348</u>
Capital objects	<u>94,000</u>	<u>86,000</u>	<u>83,404</u>	<u>10,596</u>	<u>2,596</u>
Total expenditures	<u>186,800</u>	<u>182,800</u>	<u>178,856</u>	<u>7,944</u>	<u>3,944</u>
Excess (deficiency) of revenues over expenditures	(186,800)	(182,800)	(178,722)	8,078	4,078
Other financing sources (uses):					
Transfer in	<u>121,500</u>	<u>122,500</u>	128,470	<u>6,970</u>	<u>5,970</u>
Net change in fund balance	<u>\$ (65,300)</u>	<u>\$ (60,300)</u>	(50,252)	<u>\$ 15,048</u>	<u>\$ 10,048</u>
Fund balance-Beginning of year			<u>60,300</u>		
Fund balance-End of year			<u>\$ 10,048</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**INTERNAL SERVICE FUNDS  
STATEMENT OF NET POSITION  
June 30, 2015**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

Assets:

Investments	43,189	
Due from other funds	1,559	
Other receivable	7	
Total assets	<u>44,755</u>	

Deferred outflows of resources	<u>-</u>	
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Total assets and deferred outflows of resources 44,755

**LIABILITIES AND DEFERRED INFLOWS OF RESOURCES**

Liabilities	-	
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Deferred inflows of resources	<u>-</u>	
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Total liabilities and deferred inflows of resources -

**NET POSITION**

Restricted	<u>44,755</u>	
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Total net position \$ 44,755

**TROY SCHOOL DISTRICT NO. 287**  
**Troy, Idaho**

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**INTERNAL SERVICE FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For the Year Ended June 30, 2015**

**REVENUE**

Local:

Other local	13,524	
Earnings on investments	65	
	<u>        </u>	

Total revenue		13,589
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**EXPENDITURES**

Benefits	9,057	
Purchased services	2,209	
	<u>        </u>	

Total expenditures		<u>11,266</u>
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Net change in fund balance		2,323
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Net Position-Beginning of year		<u>42,432</u>
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Net Position-End of year		<u><u>\$ 44,755</u></u>
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**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**INTERNAL SERVICE FUNDS  
STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2015**

**Cash Flows From Operating Activities**

Cash received from local governments	13,524	
Cash payments for insurance related expenses	<u>(11,529)</u>	

Net cash provided by operating activities		1,995
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**Cash Flows From Noncapital Financing Activities**

Cash paid to other funds	<u>(2,444)</u>	
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Net cash used in noncapital financing activities		(2,444)
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**Cash Flows From Investing Activities**

Sale of investments	386	
Earnings on investments	<u>63</u>	

Net cash provided by investing activities		<u>449</u>
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<b>Net change in cash</b>		-
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<b>Cash-beginning of year</b>		<u>-</u>
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<b>Cash-end of year</b>		<u><u>\$ -</u></u>
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**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**FIDUCIARY FUNDS AND COMPONENT UNIT  
STATEMENT OF FIDUCIARY NET POSITION**

June 30, 2015

	<u>Private Purpose Trusts</u>	<u>Agency Funds</u>	<u>Component Unit - Edward Ramsdale Scholarship</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash	-	78,367	49,961
Investments	171,159	29,848	757,186
Other receivable	6	-	560
Total assets	<u>171,165</u>	<u>108,215</u>	<u>807,707</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>171,165</u>	<u>108,215</u>	<u>807,707</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
Liabilities:			
Due to student groups	-	108,215	-
Scholarship awards payable	-	-	21,432
Total liabilities	<u>-</u>	<u>108,215</u>	<u>21,432</u>
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>108,215</u>	<u>21,432</u>
<b>NET POSITION</b>			
Restricted	-	-	786,275
Restricted for scholarships	<u>171,165</u>	<u>-</u>	<u>-</u>
Total net position	<u>\$ 171,165</u>	<u>\$ -</u>	<u>\$ 786,275</u>

**TROY SCHOOL DISTRICT NO. 287**  
Troy, Idaho

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**FIDUCIARY FUNDS AND COMPONENT UNIT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FIDUCIARY NET POSITION**  
For the Year Ended June 30, 2015

	<u>Private Purpose Trusts</u>	<u>Component Unit - Edward Ramsdale Scholarship Fund, Inc.</u>
<b>REVENUES</b>		
Net investment income	4,897	70,354
Restricted donations	33,069	-
Total revenues	<u>37,966</u>	<u>70,354</u>
<b>EXPENDITURES</b>		
Administrative expenses	-	3,077
Scholarship awards	29,853	29,144
Total expenditures	<u>29,853</u>	<u>32,221</u>
<b>Change in Net Position</b>	8,113	38,133
<b>Net Position - Beginning</b>	<u>163,052</u>	<u>748,142</u>
<b>Net Position - Ending</b>	<u>\$ 171,165</u>	<u>\$ 786,275</u>



**TROY SCHOOL DISTRICT NO. 287**  
**Notes to the Financial Statements**  
**June 30, 2015**

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**NOTE 1      Summary of Accounting Policies**

The financial statements of the 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** - The 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. The unaudited statements of the Ed Ramsdale Scholarship Fund, Inc., a component unit, is presented on the Statement of Net Position and Statement of Revenues, Expenditures and Changes in Net Position. The fiscal year end of the Ed Ramsdale Scholarship Fund, Inc., differs from Troy School District No. 287, so reports are presented for the year ended December 31, 2014.

**Basis of Presentation, Fund Accounting** - District-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 and business-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.

Fund Financial Statements: The fund financial statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. 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 non-major funds.

The District reports the following major governmental funds:

- General Fund. This is the District's primary operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.
- Debt Service Fund. This fund is used to account for the financial resources that are legally restricted for the retirement of District general obligation bonds.
- Capital Projects Fund. This fund is used to account for financial resources that are legally restricted for the acquisition, construction, or major repair of school property.

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. It uses the same basis of accounting as business-type activities
- Agency funds. These funds account for assets held by the District as an agent for various student groups and clubs.
- Private-purpose trust fund. These funds report a trust arrangement under which contributions to endowments are maintained to support programs identified specifically by the donors.
- Component unit. The District reports the net position and changes in net position of one component unit, the Ed Ramsdale Scholarship Fund, Inc. These statements are presented to meet the requirement of GASB Statement 39 because the economic resources received by the Fund are held for the direct benefit of the District and its students.

The unaudited statements of the Ed Ramsdale Scholarship Fund, Inc. are fiduciary in nature and are not included in the activity of the government-wide financial statements.

**Basis of Accounting** - The district-wide and fiduciary fund (excepting agency funds) 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 capital leases are reported as other financing sources.

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 Directors follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At least 14 days prior to the public hearing the District publishes a proposed budget for public review.
2. A public hearing is set to obtain taxpayers comments.

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

**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.

**General Fixed 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.

**Accumulated Unpaid Vacation and Sick Pay** - Under the terms of the "Troy School District Personnel Manual" District employees are granted vacation and sick leave in varying amounts. In the event an employee leaves the District, unused vacation credits are compensated at the employee's current rate of pay,

ranging from 0 - 15 days. Employees are not paid for unused sick leave upon termination of employment with the District.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In accordance with the provisions of Governmental Accounting Standards Board Statement 16, Accounting for Compensated Absences, no liability is recorded for non-vesting an accumulating right to receive sick pay benefits.

**Pensions** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho 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 district-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.

The Bank is administered by an in-District five-member committee as provided in the Teacher Negotiated Agreement. At June 30, 2015 there were 239.38 days of sick leave in the bank.

**Encumbrances** - The District does not utilize an encumbrance system.

**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, GASB 54** - The *nonspendable* fund balance category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants), or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, *assigned* fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amount not contained in the other classifications.

**Deferred Revenue** - Deferred revenue in the General, and Debt Service Funds represent property taxes recorded but not estimated to be collected within 60 days of the end of the accounting period.

**Unavailable Property Tax Revenue** - Unavailable property tax revenue in the General Fund and Debt Service Fund represent the property taxes levied for 2015 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. Management has concluded that no material subsequent events have occurred.

## **NOTE 2      Property Tax**

The District's property tax is levied each October on the value listed as of the prior January 1 for all real property located in the District. A revaluation of all property is required to be completed no less than every five years. The market value for the list of January 1, 2014 upon which the 2014 levy was based was \$133,894,630.

The District's actual levy was 16.886% per \$100 for the payment of principal and interest on long-term debt. The combined tax rate to finance educational services other than the payment of principal and interest on long-term debt for the year ended June 30, 2015 was 74.312% per \$100, which means that the

District was required to pass an override levy in the amount of 74.312% per \$100. The total tax levy for the year ended June 30, 2015 was \$1,225,699 with total tax collections being \$1,180,927.

Taxes are due in two equal installments on December 20th and June 20th following the levy date. Current tax collections for the year ended June 30, 2014 were 96.35% of the tax levy. Property taxes levied for 2014 are recorded as receivables to the extent of taxes not estimated to be collected within 60 days of the end of the accounting period.

In accordance with GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the District has recognized the 2015 property tax levy as an asset. This levy is an enforceable legal claim created during the fiscal year. The 2015 property tax levy funds are considered unearned as of June 30, 2015. The total property taxes levy for 2015 of \$1,208,456 is recorded as uncollected but are not considered available at June 30, 2015. The entire receivable is considered a deferred inflow of resources.

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
Total taxes receivable at June 30, 2015	62,297	14,711	77,008
Less: Taxes estimated to be collected by the County Treasurer by August 31, 2015	<u>12,459</u>	<u>2,943</u>	<u>15,402</u>
Deferred revenue	<u>\$49,838</u>	<u>\$11,768</u>	<u>\$61,606</u>

**NOTE 3 Deposits and Investments**

	<b><u>Carrying Amount</u></b>	<b><u>Bank Balance</u></b>
<b><u>Cash</u></b>		
Checking and Saving Accounts	<u>\$442,884</u>	<u>\$569,862</u>

Deposits were with Umpqua Bank of which \$250,000 of the accounts were covered by Federal Deposit Insurance. The remaining balance of \$319,862 is in excess of the FDIC insured limit and is uncollateralized and unsecured.

**Investments**

Detail of investments at June 30, 2015 are as follows:

	<b><u>Rate</u></b>	<b><u>General Fund</u></b>	<b><u>Debt Service</u></b>	<b><u>Internal Service</u></b>	<b><u>Agency</u></b>	<b><u>Total</u></b>
Northwestern Mutual Investment in State	-	-	-	-	130,097	130,097
Treasurer's Pool	Variable	<u>18,629</u>	<u>206,758</u>	<u>43,189</u>	<u>70,910</u>	<u>339,486</u>
Total		<u>\$18,629</u>	<u>\$206,758</u>	<u>\$43,189</u>	<u>\$201,007</u>	<u>\$469,583</u>

**Investment Maturities**

<u>External Investment Pool</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Less than 1 Year</u>	<u>1-8 Years</u>
State Investment Pool	<u>\$339,486</u>	<u>\$339,486</u>	<u>\$339,486</u>	<u>\$ -</u>

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 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.

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 91 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 one issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The District has no policy limiting the amount it may invest in any one issuer.

The District acts as a trustee for the Scholarship Trust Fund. This fund is composed of investments in mutual funds with Northwestern Mutual Investment Services, LLC. The stock is registered and held in the Trust's name. The market price as of June 30, 2015 was \$130,097.

#### **NOTE 4      Changes in Fixed Assets**

A summary of changes in general fixed assets is as follows:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<b>Capital assets not being depreciated</b>				
Land	52,001	-	-	52,001
<b>Capital assets being depreciated</b>				
Land Improvements	110,231	97,100	-	207,331
Buildings	6,803,604	6,099	-	6,809,703
Equipment	177,162	-	-	177,162
Transportation	396,456	82,356	(48,664)	430,148
Total depreciated assets	<u>7,487,453</u>	<u>185,555</u>	<u>(48,664)</u>	<u>7,624,344</u>
<b>Less: Accumulated Depreciation</b>				
Land Improvements	(44,559)	(13,822)	-	(58,381)
Buildings	(1,815,099)	(139,258)	-	(1,954,357)
Equipment	(125,420)	(8,903)	-	(134,323)
Transportation	(327,694)	(13,405)	48,664	(292,435)
Total accumulated depreciation	<u>(2,312,772)</u>	<u>(175,388)</u>	<u>48,664</u>	<u>(2,439,496)</u>
Governmental Activities Assets (Net)	<u>\$5,226,682</u>	<u>\$10,167</u>	<u>\$ -</u>	<u>\$5,236,849</u>

**NOTE 5 Long-term Debt**

The following is a summary of bond transactions of the District for the year ended June 30, 2015.

Bonds payable @ July 1, 2014	1,321,000
Debt acquired	-
Debt retired	<u>(183,000)</u>
Bonds payable @ June 30, 2015	<u>\$1,138,000</u>

Bonds payable at June 30, 2015 consisted of the following issue:

**General Obligation Bonds**

Series 2001

Original issue of \$440,000 due February 1, 2016. Interest is stated at 6.58%	53,000
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Series 2011 – Refunding Bonds

Original issue of \$1,235,000 due August 1, 2021. Interest ranges from 3.5% to 3.75%	<u>1,085,000</u>
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Total	<u>\$1,138,000</u>
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On December 15, 2011, \$1,240,000 of the Series 2003 bonds were refinanced at interest rates ranging from 3.00% to 5.00%. Repayment on these new bonds began during the fiscal year ending June 30, 2013.

The annual requirements to amortize bond debt outstanding as of June 30, 2015 including interest is as follows:

	<b><u>Series 2001</u></b>		
<b><u>Date of Redemption</u></b>	<b><u>Bond Principal</u></b>	<b><u>Interest Requirement</u></b>	<b><u>Total Requirement</u></b>
8/01/15	-	1,815	1,815
2/01/16	<u>53,000</u>	<u>1,815</u>	<u>54,815</u>
Total	<u>\$53,000</u>	<u>\$3,630</u>	<u>\$56,630</u>

	<b><u>Series 2011 – Refunding</u></b>		
<b><u>Date of Redemption</u></b>	<b><u>Bond Principal</u></b>	<b><u>Interest Requirement</u></b>	<b><u>Total Requirement</u></b>
8/1/15	140,000	19,606	159,606
2/1/16	-	17,156	17,156
8/1/16	145,000	17,156	162,156
2/1/17	-	14,619	14,619

8/1/17	150,000	14,619	164,619
2/1/18	-	11,994	11,994
8/1/18	155,000	11,994	166,994
2/1/19	-	9,281	9,281
8/1/19	160,000	9,281	169,281
2/1/20	-	6,281	6,281
8/1/20	165,000	6,281	171,281
2/1/21	-	3,188	3,188
8/1/21	<u>170,000</u>	<u>3,188</u>	<u>173,188</u>
Total	<u>\$1,085,000</u>	<u>\$144,644</u>	<u>\$1,229,644</u>

**Combined Totals**

<b><u>Year</u></b>	<b><u>Bonds</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2016	193,000	40,392	233,392
2017	145,000	31,775	176,775
2018	150,000	26,613	176,613
2019	155,000	21,275	176,275
2020	160,000	15,562	175,562
2021	165,000	9,469	174,469
2022	<u>170,000</u>	<u>3,188</u>	<u>173,188</u>
Totals	<u>\$1,138,000</u>	<u>\$148,274</u>	<u>\$1,286,274</u>

During the year ended June 30, 2015, the following changes occurred in Liabilities:

	<b><u>Balance</u></b>	<b><u>Additions</u></b>	<b><u>Reductions</u></b>	<b><u>Balance</u></b>
	<b><u>July 1, 2014</u></b>			<b><u>June 30, 2015</u></b>
Series 2001	101,000	-	48,000	53,000
2011 Refunding Series	<u>1,220,000</u>	-	<u>135,000</u>	<u>1,085,000</u>
Totals	<u>\$1,321,000</u>	<u>\$-</u>	<u>\$183,000</u>	<u>\$1,138,000</u>

The District's Legal Debt Margin is calculated at 5% of the fair market value of property located within the District. At June 30, 2015 the Legal Debt Margin was:

Market Value at January 1, 2014	133,894,630
Percentage allowed	<u>5%</u>
Debt Limitation	6,694,732
Less: Bonded debt at June 30, 2015	<u>1,138,000</u>
Legal Debt Margin	<u>\$5,556,732</u>

As of June 30, 2015, \$290,042 was available in the debt service fund to service the general obligation bonds.

## NOTE 6 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, 2014. All amounts are as of June 30, 2014 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](http://www.persi.idaho.gov).

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

### *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% (72%) of the employer rate. As of June 30, 2015 it was 6.79% (8.36%). The employer contribution rate is set by the Retirement Board and was 11.32% (11.66%) of covered compensation. The District's employer contributions required and paid were \$238,552, \$221,199, and \$206,068 for the three years ended June 30, 2015, 2014, and 2013, respectively.

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

At June 30, 2015, the District reported a liability for its proportionate share of the net pension liability as of June 30, 2014. The net pension liability was measured as of July 1, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At July 1, 2014, the District's proportion was 0.0721285 percent.

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, 2015 has not been completed at the time of issuance. The pension expense (revenue) for the year ending June 30, 2014 was calculated at (\$162,135).

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	-	65,913
Changes in assumptions or other inputs	44,199	-

Net difference between projected and actual earning on pension plan investments	-	665,042
Employer contributions subsequent to the measurement date	<u>214,423</u>	<u>-</u>
Total	<u>\$258,622</u>	<u>\$730,955</u>

\$214,423 reported as deferred outflow of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

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

<b><u>For the Year</u></b> <b><u>Ending June 30:</u></b>	<b><u>Amount to be</u></b> <b><u>Recognized</u></b>
2016	170,981
2017	170,981
2018	170,981
2019	170,981
Thereafter	2,832

#### *Actuarial Assumptions*

The total pension liability in the July 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary Increases	4.5 – 10.25%
Salary Inflation	3.75%
Investment rate of return	7.10% net of investment expenses
Cost-of-living adjustments	1%

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

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

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

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2014.

<b>Asset Class</b>	<b>Index</b>	<b>Target Allocation</b>	<b>Long-term Expected Real Rate of Return</b>
Core Fixed Income	Barclays Aggregate Wilshire 5000/Russell	30.00%	0.80%
Broad US Equities	3000	55.00%	6.9%
Developed Foreign Equities	MSCI EAFE	15.00%	7.55%
Assumed Inflation Mean			3.25%
Assumed Inflation Standard Deviation			2.00%
Portfolio Arithmetic Mean Return			8.42%
Portfolio Standard Deviation			13.34%
Portfolio Long-Term Expected Rate of			7.50%

Return	
Assumed Investment	
Expenses	.40%
Long-Term Expected	
Rate of Return, Net	
Investment Expenses	7.10%

*Discount Rate*

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

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

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

	<u>1% Decrease</u> <u>(6.10%)</u>	<b>Current</b> <b>Discount Rate</b> <u>(7.10%)</u>	<u>1% Increase (8.10%)</u>
Employer's proportionate share of the net pension liability (asset)	1,843,934	530,979	(560,470)

*Pension plan fiduciary net position*

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

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



*Payables to the pension plan*

At June 30, 2014, 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.

*Required Supplementary Information*

**Schedule of the District's Share of Net Pension Liability\***

**PERSI – Base Plan**

**As of June 30th**

	<b><u>2014</u></b>
Employer's portion of the net pension liability	0.0721285%
Employer's proportionate share of the net pension liability	\$530,979
Employer's covered employee payroll	\$1,954,059
Employer's proportional share of the net pension liability as a percentage of its covered employee payroll	27.17%
Plan fiduciary net position as a percentage of the total	94.95%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those use for which information is available.

Data reported is measured as of July 1, 2014 (measurement date)

**Schedule of District Contributions\***

**PERSI – Base Plan**

**As of June 30th**

	<b><u>2014</u></b>
Statutorily required contribution	\$221,199
Contributions in relation to the statutorily required contribution	\$(221,199)
Contribution (deficiency) excess	\$0
Employer's covered employee payroll	\$1,954,059
Contributions as a percentage of covered employee payroll	11.32%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the {Employer} will present information for those use for which information is available.

Data is reported is measured as of June 30, 2014.

*Notes to the Required Supplementary Information*

Change of Assumptions. Amounts reported as of June 30, 2014 reflect an adjustment of the investment rate of return to 7.10 percent, net of pension plan investment expense.

## **NOTE 7      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 \$44,755 at June 30, 2015.

Administration – 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.

District Liability – 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.

Eligibility – 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.

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 8      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 9      Excess of Actual Expenditures Over Budget in Individual Funds**

The following funds had an excess of actual expenditures over budget for the year ended June 30, 2015:

<u>Fund</u>	<u>Excess</u>
IDEA Part B School-Age Fund	10,051
Substance Abuse – State	49

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 10      Interfund Receivables, Payables and Transfers**

Generally accepted accounting principles require disclosure of certain information concerning individual 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 Capital Projects Fund to cover the depreciation reimbursement. Total operating transfers are as follows:

	<u>Out</u>	<u>In</u>
General	146,945	-
Child Nutrition	-	17,467
Driver’s Education	-	1,008

Title I-A, ESEA – Improve Basic Programs	-	8,159
Title II-A, ESEA – Improving Teacher Quality	8,159	-
School Plant Facility – Bus Replacement	-	30,970
School Plant Facility – School Maintenance and Repair	-	<u>97,500</u>
Total	<u>\$155,104</u>	<u>\$155,104</u>

The composition of interfund receivables and payables as of June 30, 2015 was as follows:

	<b><u>Due from Other Funds</u></b>	<b><u>Due to Other Funds</u></b>
General Fund	-	70,646
Special Revenue Funds:		
Child Nutrition	7,451	-
Driver Education	-	2,125
Federal Forest	29,055	-
Title I-A, ESEA – Improve Basic Programs	-	2,292
IDEA Part B School Age	-	2,204
State Professional Technical	-	5,919
Title II-A, ESEA – Improve Teacher Quality	-	4,701
Public School Technology Grant	12,527	-
Miscellaneous State Grants	7,444	-
Perkins III – Professional Technical Act	-	10,655
Title VI-B, ESEA – Rural Education Achievement Program	173	-
Garden Grant	29,527	-
Capital Projects Funds	10,806	-
Internal Service Fund	<u>1,559</u>	-
Total	<u>\$98,542</u>	<u>\$98,542</u>

**NOTE 11 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 12 Prior Period Adjustment**

An adjustment to beginning net position is necessary for fiscal year ended June 30, 2015 due to the implementation of GASB 68, which is discussed in detail in Note 6.

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS**



**TROY SCHOOL DISTRICT No. 287**  
**General Fund**

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To account for resources traditionally associated with District operations which are not required to be accounted for in another fund.

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND  
BALANCE SHEET  
June 30, 2015**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

Assets:

Cash	364,517	
Investments	18,629	
Taxes receivable	62,297	
Unbilled taxes receivable	995,000	
Other receivables:		
State support	53,850	
Taxes due from county	352,835	
Other receivable	16,740	
Total assets		1,863,868

Deferred outflows of resources -

**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** \$ 1,863,868

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE**

Liabilities:

Due to other funds	70,646	
Accounts payable	4,052	
Salaries and benefits payable	336,165	
Total liabilities		410,863

Deferred inflows of resources:

Deferred revenue	49,838	
Unavailable property tax revenue	995,000	
Total deferred inflows of resources		1,044,838

Fund balance:

Unassigned	408,167	
Total fund balance		408,167

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** \$ 1,863,868

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>			
Local:			
Taxes	1,031,970	1,000,000	31,970
Earnings on investments	761	1,000	(239)
Contributions/donations	100	10,000	(9,900)
Other local revenue	44,999	21,424	23,575
Total local	<u>1,077,830</u>	<u>1,032,424</u>	<u>45,406</u>
State:			
Base support	1,674,489	1,689,354	(14,865)
Transportation support	86,069	86,796	(727)
Exceptional child support	4,887	-	4,887
Benefit apportionment	230,748	230,943	(195)
Other state support	81,803	82,466	(663)
Revenue in lieu of/ag equip. taxes	15,416	23,602	(8,186)
Other state revenue	4,000	2,000	2,000
Total state	<u>2,097,412</u>	<u>2,115,161</u>	<u>(17,749)</u>
Federal:			
Unrestricted	13,268	10,000	3,268
Total revenues	<u>3,188,510</u>	<u>3,157,585</u>	<u>30,925</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	1,189,228	1,272,569	83,341
Benefits	377,619	442,712	65,093
Purchased services	33,036	50,193	17,157
Supplies-materials	25,352	35,305	9,953
Capital objects	-	1,200	1,200
Insurance	1,262	11,975	10,713
Total instruction	<u>1,626,497</u>	<u>1,813,954</u>	<u>187,457</u>
Support:			
Salaries	660,844	693,636	32,792
Benefits	209,063	225,141	16,078
Purchased services	244,492	287,879	43,387
Supplies-materials	52,504	80,060	27,556
Capital objects	27,826	32,025	4,199
Insurance	29,726	42,454	12,728
Total support	<u>1,224,455</u>	<u>1,361,195</u>	<u>136,740</u>



**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL (Continued)  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>EXPENDITURES (Continued)</b>			
Non-instruction:			
Benefits	<u>3,058</u>	<u>4,000</u>	<u>942</u>
Capital objects	<u>77,100</u>	<u>77,100</u>	<u>-</u>
Contingency	<u>-</u>	<u>41,048</u>	<u>41,048</u>
Total expenditures	<u>2,931,110</u>	<u>3,297,297</u>	<u>366,187</u>
Excess (deficiency) of revenues over expenditures	<u>257,400</u>	<u>(139,712)</u>	<u>397,112</u>
Other financing sources (uses):			
Transfers out:			
Special revenue	<u>(18,475)</u>	<u>(19,865)</u>	<u>1,390</u>
Capital projects	<u>(128,470)</u>	<u>(138,135)</u>	<u>9,665</u>
Total other financing sources (uses)	<u>(146,945)</u>	<u>(158,000)</u>	<u>11,055</u>
Net change in fund balance	<u>110,455</u>	<u>\$ (297,712)</u>	<u>\$ 408,167</u>
Fund balance-Beginning of year	<u>297,712</u>		
Fund balance-End of year	<u>\$ 408,167</u>		

**TROY SCHOOL DISTRICT NO. 287**  
**Troy, Idaho**

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**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>INSTRUCTION:</b>			
Elementary School Program			
Salaries	409,777	440,820	31,043
Benefits	134,003	159,041	25,038
Purchased services	3,148	6,000	2,852
Supplies-materials	6,671	13,514	6,843
Insurance	-	4,150	4,150
Total elementary school program	<u>553,599</u>	<u>623,525</u>	<u>69,926</u>
Secondary School Program			
Salaries	499,407	535,049	35,642
Benefits	162,122	167,884	5,762
Purchased services	15,015	23,393	8,378
Supplies-materials	14,872	16,591	1,719
Insurance	-	4,600	4,600
Total secondary school program	<u>691,416</u>	<u>747,517</u>	<u>56,101</u>
Vocational-Technical Program			
Salaries	116,898	117,782	884
Benefits	36,545	38,085	1,540
Purchased services	800	800	-
Supplies-materials	3,143	4,400	1,257
Insurance	-	815	815
Total vocational-technical program	<u>157,386</u>	<u>161,882</u>	<u>4,496</u>
Special Education Program			
Salaries	64,963	84,928	19,965
Benefits	29,947	64,058	34,111
Purchased services	123	1,200	1,077
Supplies-materials	-	100	100
Insurance	-	500	500
Total special education program	<u>95,033</u>	<u>150,786</u>	<u>55,753</u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND  
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>INSTRUCTION:</b>			
Special Education Preschool Program			
Salaries	300	300	-
Benefits	170	170	-
Purchased services	-	1,200	1,200
Total special education preschool program	<u>470</u>	<u>1,670</u>	<u>1,200</u>
 Interscholastic Program			
Salaries	71,861	67,000	(4,861)
Benefits	9,501	8,100	(1,401)
Purchased services	11,646	12,000	354
Insurance	462	970	508
Total interscholastic program	<u>93,470</u>	<u>88,070</u>	<u>(5,400)</u>
 School Activity Program			
Salaries	26,022	26,690	668
Benefits	5,331	5,374	43
Purchased services	2,304	5,600	3,296
Supplies-materials	666	700	34
Capital objects	-	1,200	1,200
Insurance	800	940	140
Total school activity program	<u>35,123</u>	<u>40,504</u>	<u>5,381</u>
 <b>TOTAL INSTRUCTION</b>			
Salaries	1,189,228	1,272,569	83,341
Benefits	377,619	442,712	65,093
Purchased services	33,036	50,193	17,157
Supplies-materials	25,352	35,305	9,953
Capital objects	-	1,200	1,200
Insurance	1,262	11,975	10,713
Total Instruction	<u>\$ 1,626,497</u>	<u>\$ 1,813,954</u>	<u>\$ 187,457</u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND  
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>SUPPORT:</b>			
Attendance-Guidance-Health Program			
Salaries	70,174	77,891	7,717
Benefits	19,150	24,123	4,973
Purchased services	2,255	3,125	870
Supplies-materials	166	1,420	1,254
Insurance	-	435	435
Total attendance-guidance-health program	<u>91,745</u>	<u>106,994</u>	<u>15,249</u>
Special Education Support Services Program			
Salaries	114,541	119,886	5,345
Benefits	37,846	38,250	404
Purchased services	19,316	28,000	8,684
Supplies-materials	251	500	249
Insurance	-	945	945
Total special education support services program	<u>171,954</u>	<u>187,581</u>	<u>15,627</u>
Instruction Improvement Program			
Purchased services	<u>2,637</u>	<u>12,200</u>	<u>9,563</u>
Educational Media Program			
Salaries	18,145	18,130	(15)
Benefits	12,357	12,194	(163)
Purchased services	850	1,700	850
Supplies-materials	4,354	6,000	1,646
Capital objects	24	150	126
Insurance	-	220	220
Total educational media program	<u>35,730</u>	<u>38,394</u>	<u>2,664</u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>SUPPORT (Continued):</b>			
Instruction-Related Technology Program			
Purchased services	32,059	38,000	5,941
Supplies-materials	1,146	4,700	3,554
Capital objects	26,779	28,200	1,421
Total instruction-related technology program	<u>59,984</u>	<u>70,900</u>	<u>10,916</u>
Board of Education Program			
Benefits	25	-	(25)
Purchased services	5,703	9,250	3,547
Supplies-materials	18	125	107
Insurance	5,535	5,565	30
Total board of education program	<u>11,281</u>	<u>14,940</u>	<u>3,659</u>
District Administration Program			
Salaries	124,686	127,095	2,409
Benefits	42,953	43,623	670
Purchased services	25,036	36,300	11,264
Supplies-materials	2,842	2,600	(242)
Capital objects	626	975	349
Insurance	106	856	750
Total district administration program	<u>196,249</u>	<u>211,449</u>	<u>15,200</u>
School Administration Program			
Salaries	177,955	181,898	3,943
Benefits	50,632	50,979	347
Purchased services	6,235	8,600	2,365
Insurance	-	1,025	1,025
Total school administration program	<u>234,822</u>	<u>242,502</u>	<u>7,680</u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND  
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>SUPPORT (Continued):</b>			
Administrative Technology Service			
Salaries	41,999	42,660	661
Benefits	14,453	15,774	1,321
Purchased services	348	600	252
Insurance	-	260	260
Total administrative technology service	<u>56,800</u>	<u>59,294</u>	<u>2,494</u>
 Buildings-Care Program (Custodial)			
Salaries	41,009	46,420	5,411
Benefits	18,063	19,828	1,765
Purchased services	116,492	105,150	(11,342)
Supplies-materials	10,192	15,000	4,808
Capital objects	397	900	503
Insurance	18,453	23,553	5,100
Total buildings-care program (custodial)	<u>204,606</u>	<u>210,851</u>	<u>6,245</u>
 Maintenance - Non-Student Occupied			
Salaries	5,220	5,522	302
Benefits	1,089	4,746	3,657
Purchased services	3,103	5,000	1,897
Supplies-materials	1,419	3,000	1,581
Capital objects	-	100	100
Insurance	-	115	115
Total maintenance - non-student occupied	<u>10,831</u>	<u>18,483</u>	<u>7,652</u>
 Maintenance - Grounds			
Salaries	4,902	5,522	620
Benefits	1,014	4,746	3,732
Purchased services	2,800	8,000	5,200
Supplies-materials	3,853	6,000	2,147
Capital objects	-	1,200	1,200
Insurance	-	115	115
Total maintenance - grounds	<u>12,569</u>	<u>15,200</u>	<u>8,547</u>
 Pupil-To-School Transportation Program			
Salaries	48,371	52,612	4,241
Benefits	9,255	9,004	(251)
Purchased services	27,361	31,500	4,139
Supplies-materials	27,309	38,265	10,956
Capital objects	-	500	500
Insurance	4,265	7,280	3,015
Total pupil-to-school transportation program	<u>116,561</u>	<u>139,161</u>	<u>22,600</u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**GENERAL FUND  
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (Continued)  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<b>Variance Favorable (Unfavorable)</b>
<b>SUPPORT (Continued):</b>			
Pupil-Activity Transportation Program			
Salaries	13,842	16,000	2,158
Benefits	2,226	1,874	(352)
Purchased services	-	25	25
Supplies-materials	139	1,500	1,361
Insurance	-	700	700
Total pupil-activity transportation program	<u>16,207</u>	<u>20,099</u>	<u>3,892</u>
 General Transportation Program			
Purchased services	297	429	132
Supplies-materials	815	950	135
Insurance	1,367	1,385	18
Total general transportation program	<u>2,479</u>	<u>2,764</u>	<u>285</u>
 <b>TOTAL SUPPORT</b>			
Salaries	660,844	693,636	32,792
Benefits	209,063	225,141	16,078
Purchased services	244,492	287,879	43,387
Supplies-materials	52,504	80,060	27,556
Capital objects	27,826	32,025	4,199
Insurance	29,726	42,454	12,728
Total Support	<u>\$ 1,224,455</u>	<u>\$ 1,361,195</u>	<u>\$ 136,740</u>
 <b>NON-INSTRUCTION:</b>			
Child Nutrition:			
Benefits	<u>3,058</u>	<u>4,000</u>	<u>942</u>
Total Non-Instruction	<u>\$ 3,058</u>	<u>\$ 4,000</u>	<u>\$ 942</u>

**TROY SCHOOL DISTRICT No. 287**  
**Special Revenue Funds**

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**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.

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

**Federal Forest 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.

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

**IDEA Part B– School Age 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 – Preschool 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.

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

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

**Public School Technology Fund** - To account for restricted State revenue to be spent on the technology program.

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

**Perkins III – Professional Technical Act Fund** - To account for restricted Federal revenue to be spent on equipment for the vocational program.

**Title VI-B, ESEA – Rural Education Achievement Programs Fund** - To account for Federal revenue to provide specialized instruction for handicapped students.

**6<sup>th</sup> Grade Outdoor Classroom Project Fund**- To account for local revenues for the purpose of constructing an outdoor classroom.



**Garden Grant Fund** - To account for Federal 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.

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

TROY SCHOOL DISTRICT NO. 287  
Troy, Idaho

ALL SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2015

	Child Nutrition	Driver Education	Federal Forest	Title I-A, ESEA - Improve Basic Programs	IDEA Part B School Age	IDEA Part B Preschool	State Professional Technical	Title II-A, ESEA - Improving Teacher Quality	Public School Technology Grant	Misc State Grants	Perkins III - Professional Technical Act	Title VI-B, ESEA - Rural Education Achievement Programs	6th Grade Outdoor Project	Garden Grant	Substance Abuse - State	Total
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>																
Assets:																
Due from other funds	7,451	-	29,055	-	-	-	-	-	12,527	7,444	-	173	-	29,527	-	86,177
Other receivables:																
State reimbursement	-	2,125	-	-	-	-	7,179	-	-	-	-	-	-	-	-	9,304
Federal reimbursement	70	-	-	8,375	12,246	-	-	5,190	-	-	10,754	2,348	-	-	-	38,983
Total assets	7,521	2,125	29,055	8,375	12,246	-	7,179	5,190	12,527	7,444	10,754	2,521	-	29,527	-	134,464
Deferred outflows of resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 7,521</b>	<b>\$ 2,125</b>	<b>\$ 29,055</b>	<b>\$ 8,375</b>	<b>\$ 12,246</b>	<b>\$ -</b>	<b>\$ 7,179</b>	<b>\$ 5,190</b>	<b>\$ 12,527</b>	<b>\$ 7,444</b>	<b>\$ 10,754</b>	<b>\$ 2,521</b>	<b>\$ -</b>	<b>\$ 29,527</b>	<b>\$ -</b>	<b>\$ 134,464</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>																
Liabilities:																
Due to other funds	-	2,125	-	2,292	2,204	-	5,919	4,701	-	-	10,655	-	-	-	-	27,896
Accounts payable	-	-	-	-	-	-	801	489	-	-	-	-	-	-	-	1,290
Salaries and benefits payable	7,521	-	-	6,083	10,042	-	459	-	-	-	99	2,521	-	-	-	26,725
Total liabilities	7,521	2,125	-	8,375	12,246	-	7,179	5,190	-	-	10,754	2,521	-	-	-	55,911
Deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund balance:																
Restricted	-	-	29,055	-	-	-	-	-	12,527	7,444	-	-	-	29,527	-	78,553
Total fund balance	-	-	29,055	-	-	-	-	-	12,527	7,444	-	-	-	29,527	-	78,553
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 7,521</b>	<b>\$ 2,125</b>	<b>\$ 29,055</b>	<b>\$ 8,375</b>	<b>\$ 12,246</b>	<b>\$ -</b>	<b>\$ 7,179</b>	<b>\$ 5,190</b>	<b>\$ 12,527</b>	<b>\$ 7,444</b>	<b>\$ 10,754</b>	<b>\$ 2,521</b>	<b>\$ -</b>	<b>\$ 29,527</b>	<b>\$ -</b>	<b>\$ 134,464</b>

ALL SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 For the Year Ended June 30, 2015

	Child Nutrition	Driver Education	Federal Forest	Title I-A, ESEA - Improve Basic Programs	IDEA Part B School Age	IDEA Part B Preschool	State Professional Technical	Title II-A, ESEA - Improving Teacher Quality	Public School Technology Grant	Misc State Grants	Perkins III - Professional Technical Act	Title VI-B, ESEA - Rural Education Achievement Programs	6th Grade Outdoor Project	Garden Grant	Substance Abuse - State	Total
<b>REVENUES</b>																
Local:																
Lunch sales	27,866	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,866
Other local	-	3,595	-	-	-	-	-	-	-	-	-	-	-	-	-	3,595
Total local	27,866	3,595	-	-	-	-	-	-	-	-	-	-	-	-	-	31,461
State:																
Other state support	-	-	-	-	-	-	23,931	-	7,899	1,423	-	-	-	24,758	3,963	61,974
Driver education program	-	3,375	-	-	-	-	-	-	-	-	-	-	-	-	-	3,375
Total state	-	3,375	-	-	-	-	23,931	-	7,899	1,423	-	-	-	24,758	3,963	65,349
Federal:																
School lunch reimbursement	55,932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,932
Restricted	-	-	4,500	20,032	90,258	993	-	21,979	-	-	10,754	14,617	-	-	-	163,133
Total federal	55,932	-	4,500	20,032	90,258	993	-	21,979	-	-	10,754	14,617	-	-	-	219,065
Total revenues	83,798	6,970	4,500	20,032	90,258	993	23,931	21,979	7,899	1,423	10,754	14,617	-	24,758	3,963	315,875
<b>EXPENDITURES</b>																
Instruction:																
Salaries	-	-	-	21,412	53,791	-	2,315	2,000	-	654	497	12,081	-	1,421	-	94,171
Benefits	-	-	-	3,131	16,774	-	115	402	-	90	41	2,536	-	176	-	23,265
Purchased services	-	7,978	-	-	3,769	993	4,419	11,418	-	-	10,216	-	79	4,484	3,963	47,319
Supply-materials	-	-	-	1,648	2,474	-	15,513	-	1,425	-	-	-	-	4,469	-	25,529
Capital objects	-	-	-	-	2,509	-	1,569	-	749	-	-	-	-	-	-	4,827
Total instruction	-	7,978	-	26,191	79,317	993	23,931	13,820	2,174	744	10,754	14,617	79	10,550	3,963	195,111
Support:																
Salaries	-	-	-	2,000	401	-	-	-	-	-	-	-	-	-	-	2,401
Benefits	-	-	-	-	74	-	-	-	-	-	-	-	-	-	-	74
Purchased services	-	-	-	-	10,466	-	-	-	1,099	-	-	-	-	-	-	11,565
Total support	-	-	-	2,000	10,941	-	-	-	1,099	-	-	-	-	-	-	14,040
Non-instruction:																
Salaries	39,973	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,973
Benefits	12,288	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,288
Purchased services	2,877	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,877
Supply-materials	46,127	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,127
Total non-instruction	101,265	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101,265
Capital objects	-	-	363	-	-	-	-	-	-	-	-	-	-	-	-	363
Total expenditures	101,265	7,978	363	28,191	90,258	993	23,931	13,820	3,273	744	10,754	14,617	79	10,550	3,963	310,779
Excess (deficiency) revenues over expenditures	(17,467)	(1,008)	4,137	(8,159)	-	-	-	8,159	4,626	679	-	-	(79)	14,208	-	5,096
Other financing sources (uses) Transfers in (out)	17,467	1,008	-	8,159	-	-	-	(8,159)	-	-	-	-	-	-	-	18,475
Net change in fund balance	-	-	4,137	-	-	-	-	-	4,626	679	-	-	(79)	14,208	-	23,571
Fund balance - Beginning of year	-	-	24,918	-	-	-	-	-	7,901	6,765	-	-	79	15,319	-	54,982
Fund balance - End of year	\$ -	\$ -	\$ 29,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,527	\$ 7,444	\$ -	\$ -	\$ -	\$ 29,527	\$ -	\$ 78,553

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**CHILD NUTRITION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Lunch sales	27,866	29,700	(1,834)
Federal:			
School lunch reimbursement	<u>55,932</u>	<u>65,293</u>	<u>(9,361)</u>
Total revenues	<u>83,798</u>	<u>94,993</u>	<u>(11,195)</u>
<b>EXPENDITURES</b>			
Non-instruction:			
Salaries	39,973	41,487	1,514
Benefits	12,288	12,106	(182)
Purchased services	2,877	1,700	(1,177)
Supply-materials	46,127	50,000	3,873
Insurance	<u>-</u>	<u>1,700</u>	<u>1,700</u>
Total expenditures	<u>101,265</u>	<u>106,993</u>	<u>5,728</u>
Excess (deficiency) of revenues over expenditures	(17,467)	(12,000)	(5,467)
Other financing sources (uses)			
Transfer in	<u>17,467</u>	<u>12,000</u>	<u>5,467</u>
Net change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

**TROY SCHOOL DISTRICT NO. 287**  
Troy, Idaho

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**DRIVERS EDUCATION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Actual	Budget	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Local:			
Other local support	3,595	4,375	(780)
State:			
Driver education program	3,375	5,600	(2,225)
Total revenue	6,970	9,975	(3,005)
<b>EXPENDITURES</b>			
Instruction:			
Purchased services	7,978	10,475	2,497
Total expenditures	7,978	10,475	2,497
Excess (deficiency) of revenues over expenditures	(1,008)	(500)	(508)
Other financing sources (uses)			
Transfer in	1,008	500	508
Net change in fund balance	-	\$ -	\$ -
Fund balance-Beginning of year	-		
Fund balance-End of year	\$ -		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**FEDERAL FOREST FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Federal:			
Restricted	<u>4,500</u>	<u>1,007</u>	<u>3,493</u>
<b>EXPENDITURES</b>			
Capital objects	<u>363</u>	<u>25,925</u>	<u>25,562</u>
Total expenditures	<u>363</u>	<u>25,925</u>	<u>25,562</u>
Net change in fund balance	4,137	<u>\$ (24,918)</u>	<u>\$ 29,055</u>
Fund balance-Beginning of year	<u>24,918</u>		
Fund balance-End of year	<u>\$ 29,055</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**TITLE I-A, ESEA - IMPROVING BASIC PROGRAMS FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Federal:			
Restricted	<u>20,032</u>	<u>22,577</u>	<u>(2,545)</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	21,412	24,530	3,118
Benefits	3,131	1,206	(1,925)
Supply-materials	<u>1,648</u>	<u>3,000</u>	<u>1,352</u>
Total instruction	<u>26,191</u>	<u>28,736</u>	<u>2,545</u>
Support:			
Salaries	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total expenditures	<u>28,191</u>	<u>30,736</u>	<u>2,545</u>
Excess (deficiency) of revenues over expenditures	(8,159)	(8,159)	-
Other financing sources (uses)			
Transfer in	<u>8,159</u>	<u>8,159</u>	<u>-</u>
Net change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance -Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**IDEA PART B SCHOOL-AGE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Federal:			
Restricted	<u>90,258</u>	<u>65,463</u>	<u>24,795</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	53,791	38,590	(15,201)
Benefits	16,774	13,730	(3,044)
Purchased services	3,769	2,243	(1,526)
Supply-materials	2,474	695	(1,779)
Capital objects	2,509	600	(1,909)
Insurance	-	148	148
Total instruction	<u>79,317</u>	<u>56,006</u>	<u>(23,311)</u>
Support:			
Salaries	401	2,700	2,299
Benefits	74	543	469
Purchased services	10,466	20,958	10,492
Total support	<u>10,941</u>	<u>24,201</u>	<u>13,260</u>
Total expenditures	<u>90,258</u>	<u>80,207</u>	<u>(10,051)</u>
Net change in fund balance	-	<u>\$ (14,744)</u>	<u>\$ 14,744</u>
Fund balance-Beginning of year	-		
Fund balance-End of year	<u>\$ -</u>		



**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**IDEA PART B PRE-SCHOOL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Federal:			
Restricted	<u>993</u>	<u>993</u>	<u>-</u>
<b>EXPENDITURES</b>			
Instruction:			
Purchased services	<u>993</u>	<u>993</u>	<u>-</u>
Total expenditures	<u>993</u>	<u>993</u>	<u>-</u>
Net change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

**TROY SCHOOL DISTRICT NO. 287**

**Troy, Idaho**

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**STATE PROFESSIONAL TECHNICAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State:			
Other state support	<u>23,931</u>	<u>23,931</u>	<u>-</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	2,315	2,315	-
Benefits	115	115	-
Purchased services	4,419	6,583	2,164
Supply-materials	15,513	11,418	(4,095)
Capital objects	<u>1,569</u>	<u>3,500</u>	<u>1,931</u>
Total expenditures	<u>23,931</u>	<u>23,931</u>	<u>-</u>
Net change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**TITLE II-A, ESEA - IMPROVING TEACHER QUALITY FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Federal:			
Restricted	<u>21,979</u>	<u>20,119</u>	<u>1,860</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	2,000	-	(2,000)
Benefits	402	-	(402)
Purchased services	<u>11,418</u>	-	<u>(11,418)</u>
Total instruction	<u>13,820</u>	<u>-</u>	<u>(13,820)</u>
Support:			
Salaries	-	2,000	2,000
Benefits	-	404	404
Purchased services	-	<u>14,461</u>	<u>14,461</u>
Total support	<u>-</u>	<u>16,865</u>	<u>16,865</u>
Total expenditures	<u>13,820</u>	<u>16,865</u>	<u>3,045</u>
Excess (deficiency) of revenues over expenditures	8,159	3,254	4,905
Other financing sources (uses)			
Transfer out	<u>(8,159)</u>	<u>(8,159)</u>	<u>-</u>
Net change in fund balance	-	<u><u>\$ (4,905)</u></u>	<u><u>\$ 4,905</u></u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u><u>\$ -</u></u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**PUBLIC SCHOOL TECHNOLOGY FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State:			
Other state revenue	<u>7,899</u>	<u>8,624</u>	<u>(725)</u>
<b>EXPENDITURES</b>			
Instruction:			
Supplies-materials	1,425	-	(1,425)
Capital objects	<u>749</u>	<u>-</u>	<u>(749)</u>
Total instruction	<u>2,174</u>	<u>-</u>	<u>(2,174)</u>
Support:			
Purchased services	1,099	2,659	1,560
Capital objects	-	<u>13,866</u>	<u>13,866</u>
Total support	<u>1,099</u>	<u>16,525</u>	<u>15,426</u>
Total expenditures	<u>3,273</u>	<u>16,525</u>	<u>13,252</u>
Net change in fund balance	4,626	<u>\$ (7,901)</u>	<u>\$ 12,527</u>
Fund balance-Beginning of year	<u>7,901</u>		
Fund balance-End of year	<u>\$ 12,527</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**MISCELLANEOUS STATE GRANTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State:			
Other state revenue	<u>1,423</u>	<u>1,740</u>	<u>(317)</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	654	4,000	3,346
Benefits	90	805	715
Purchased services	<u>-</u>	<u>3,700</u>	<u>3,700</u>
Total expenditures	<u>744</u>	<u>8,505</u>	<u>7,761</u>
Net change in fund balance	679	<u>\$ (6,765)</u>	<u>\$ 7,444</u>
Fund balance-Beginning of year	<u>6,765</u>		
Fund balance-End of year	<u>\$ 7,444</u>		

**TROY SCHOOL DISTRICT NO. 287**  
Troy, Idaho

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**PERKINS III - PROFESSIONAL TECHNICAL ACT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET**  
**AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<b>Actual</b>	<b>Budget</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>			
Federal:			
Restricted	10,754	10,754	-
<b>EXPENDITURES</b>			
Instruction:			
Salaries	497	497	-
Benefits	41	41	-
Purchased services	10,216	10,216	-
Total expenditures	10,754	10,754	-
Net change in fund balance	-	\$ -	\$ -
Fund balance-Beginning of year	-		
Fund balance-End of year	\$ -		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**TITLE VI-B, ESEA - RURAL EDUCATION ACHIEVEMENT PROGRAMS FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Federal:			
Restricted	<u>14,617</u>	<u>14,197</u>	<u>420</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	12,081	13,678	1,597
Benefits	2,536	5,217	2,681
Insurance	<u>-</u>	<u>29</u>	<u>29</u>
Total expenditures	<u>14,617</u>	<u>18,924</u>	<u>4,307</u>
Net change in fund balance	-	<u>\$ (4,727)</u>	<u>\$ 4,727</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**6th GRADE OUTDOOR CLASSROOM PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Contributions/donations	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>
<b>EXPENDITURES</b>			
Instruction:			
Purchased services	<u>79</u>	<u>2,079</u>	<u>2,000</u>
Total expenditures	<u>79</u>	<u>2,079</u>	<u>2,000</u>
Net change in fund balance	(79)	<u>\$ (79)</u>	<u>\$ -</u>
Fund balance-Beginning of year	<u>79</u>		
Fund balance-End of year	<u>\$ -</u>		



**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**GARDEN GRANT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State:			
Other state support	<u>24,758</u>	<u>24,575</u>	<u>183</u>
<b>EXPENDITURES</b>			
Instruction:			
Salaries	1,421	12,600	11,179
Benefits	176	2,536	2,360
Purchased services	4,484	19,233	14,749
Supply-materials	<u>4,469</u>	<u>5,525</u>	<u>1,056</u>
Total expenditures	<u>10,550</u>	<u>39,894</u>	<u>29,344</u>
Net change in fund balance	14,208	<u>\$ (15,319)</u>	<u>\$ 29,527</u>
Fund balance-Beginning of year	<u>15,319</u>		
Fund balance-End of year	<u>\$ 29,527</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**SUBSTANCE ABUSE - STATE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State:			
Other state support	<u>3,963</u>	<u>3,914</u>	<u>49</u>
<b>EXPENDITURES</b>			
Instruction:			
Purchased services	<u>3,963</u>	<u>3,914</u>	<u>(49)</u>
Total expenditures	<u>3,963</u>	<u>3,914</u>	<u>(49)</u>
Net change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

**TROY SCHOOL DISTRICT No. 287**  
**Debt Service Fund**

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The debt service fund is established to receive property taxes levied for the redemption of general obligation bonds and payment of interest on those bonds as it is due. The District is allowed by law to carry in fund balance an additional twenty one months bond requirement in this fund to cover cash flow requirements.

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**DEBT SERVICE FUND  
BALANCE SHEET  
June 30, 2015**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

Assets:

Investments	206,758	
Taxes receivable	14,711	
Unbilled taxes receivable	213,456	
Taxes due from counties	80,277	
Other receivables	64	
Total assets		515,266

Deferred outflows of resources		-
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**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** \$ 515,266

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES  
AND FUND BALANCE**

Liabilities		-
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Deferred inflows of resources:

Deferred revenue	11,768	
Unavailable property tax revenue	213,456	
Total deferred inflows of resources		225,224

Fund balance:

Restricted	290,042	
Total fund balance		290,042

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES  
AND FUND BALANCE** \$ 515,266

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**DEBT SERVICE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Taxes	236,910	237,722	(812)
Earnings on investments	322	125	197
Total revenues	<u>237,232</u>	<u>237,847</u>	<u>(615)</u>
<b>EXPENDITURES</b>			
Purchased services	1,000	2,000	1,000
Debt service principal	183,000	183,000	-
Debt service interest	48,493	48,494	1
Total expenditures	<u>232,493</u>	<u>233,494</u>	<u>1,001</u>
Net change in fund balance	4,739	<u>\$ 4,353</u>	<u>\$ 386</u>
Fund balance-Beginning of year	<u>285,303</u>		
Fund balance-End of year	<u>\$ 290,042</u>		

**TROY SCHOOL DISTRICT No. 287**  
**Capital Projects Funds**

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**Bus Replacement Fund** - This fund is established to account for funds to replace school buses only.

**School Maintenance and Repair Fund** - This fund is established to account for the costs associated with maintaining student occupied buildings.

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**ALL CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
June 30, 2015**

	<u>Bus Replacement</u>	<u>School Maintenance and Repair</u>	<u>Total</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Due from other funds	<u>10,048</u>	<u>758</u>	<u>10,806</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>\$ 10,048</u></u>	<u><u>\$ 758</u></u>	<u><u>\$ 10,806</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
Liabilities:			
Salaries and benefits payable	<u>-</u>	<u>758</u>	<u>758</u>
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:			
Restricted	<u>10,048</u>	<u>-</u>	<u>10,048</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<u><u>\$ 10,048</u></u>	<u><u>\$ 758</u></u>	<u><u>\$ 10,806</u></u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**ALL CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2015**

	<u>Bus Replacement</u>	<u>School Maintenance and Repair</u>	<u>Total</u>
<b>REVENUES</b>			
Local:			
Other local	134	-	134
<b>EXPENDITURES</b>			
Support:			
Salaries	-	54,859	54,859
Benefits	-	23,179	23,179
Purchased services	-	7,507	7,507
Supply-materials	-	9,907	9,907
Total support	-	95,452	95,452
Capital objects	81,356	2,048	83,404
Total expenditures	81,356	97,500	178,856
Excess (deficiency) of revenues over expenditures	(81,222)	(97,500)	(178,722)
Other financing sources (uses):			
Transfer in	30,970	97,500	128,470
Net change in fund balance	(50,252)	-	(50,252)
Fund balance-Beginning of year	60,300	-	60,300
Fund balance-End of year	<u>\$ 10,048</u>	<u>\$ -</u>	<u>\$ 10,048</u>



**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**BUS REPLACEMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND  
ACTUAL**

**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Other local	<u>134</u>	<u>-</u>	<u>134</u>
<b>EXPENDITURES</b>			
Capital objects	<u>81,356</u>	<u>85,300</u>	<u>3,944</u>
Excess (deficiency) of revenues over expenditures	(81,222)	(85,300)	4,078
Other financing sources (uses):			
Transfer in	<u>30,970</u>	<u>25,000</u>	<u>5,970</u>
Net change in fund balance	(50,252)	<u>\$ (60,300)</u>	<u>\$ 10,048</u>
Fund balance-Beginning of year	<u>60,300</u>		
Fund balance-End of year	<u>\$ 10,048</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**SCHOOL PLANT FACILITY - SCHOOL MAINTENANCE AND REPAIR FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL**

For the Year Ended June 30, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Support:			
Salaries	54,859	54,525	(334)
Benefits	23,179	22,640	(539)
Purchased services	7,507	13,300	5,793
Supply-materials	9,907	4,000	(5,907)
Insurance	-	2,335	2,335
Total support	<u>95,452</u>	<u>96,800</u>	<u>1,348</u>
Capital objects	<u>2,048</u>	<u>700</u>	<u>(1,348)</u>
Total expenditures	<u>97,500</u>	<u>97,500</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(97,500)	(97,500)	-
Other financing sources (uses):			
Transfer in	<u>97,500</u>	<u>97,500</u>	<u>-</u>
Net change in fund balance	-	<u>\$ -</u>	<u>\$ -</u>
Fund balance-Beginning of year	<u>-</u>		
Fund balance-End of year	<u>\$ -</u>		

**TROY SCHOOL DISTRICT No. 287**  
**Internal Service Fund**

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To account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial information. Goods or services from such activities are provided to other funds.

The purpose of this proprietary fund type is solely for budgeting and management of the Self-Insured Employee Medical Pool.

**TROY SCHOOL DISTRICT NO. 287**  
Troy, Idaho

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**INTERNAL SERVICE FUND**  
**STATEMENT OF NET POSITION**  
June 30, 2015

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

Assets:

Investments	43,189	
Due from other funds	1,559	
Other receivable	7	
Total assets	<u>44,755</u>	

Deferred outflows of resources	<u>-</u>	
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Total assets and deferred outflows of resources		<u>44,755</u>
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**LIABILITIES AND DEFERRED INFLOWS OF RESOURCES**

Liabilities	-	
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Deferred inflows of resources	<u>-</u>	
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Total liabilities and deferred inflows of resources		<u>-</u>
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**NET POSITION**

Restricted	<u>44,755</u>	
Total net position		<u><u>\$ 44,755</u></u>

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**INTERNAL SERVICE FUND**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Other local	13,524	7,200	6,324
Earnings on investments	<u>65</u>	<u>45</u>	<u>20</u>
Total revenues	<u>13,589</u>	<u>7,245</u>	<u>6,344</u>
<b>EXPENDITURES</b>			
Benefits	9,057	-	(9,057)
Purchased services	<u>2,209</u>	<u>50,850</u>	<u>48,641</u>
Total expenditures	<u>11,266</u>	<u>50,850</u>	<u>39,584</u>
Net change in net position	2,323	<u>\$ (43,605)</u>	<u>\$ 45,928</u>
Net Position-Beginning of year	<u>42,432</u>		
Net Position-End of year	<u>\$ 44,755</u>		

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**INTERNAL SERVICE FUND  
STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2015**

**Cash Flows From Operating Activities**

Cash received from local government	13,524
Cash payments for insurance related expenses	<u>(11,529)</u>

Net cash provided by operating activities 1,995

**Cash Flows From Noncapital Financing Activities**

Cash paid to other funds	<u>(2,444)</u>
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Net cash used in noncapital financing activities (2,444)

**Cash Flows From Investing Activities**

Sale of investments	386
Earnings on investments	<u>63</u>

Net cash provided by investing activities 449

**Net change in cash** -

**Cash-beginning of year** -

**Cash-end of year** \$ -

**TROY SCHOOL DISTRICT No. 287**  
**Agency and Trust Funds**

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**Agency Fund** - The agency fund includes funds held for elementary and secondary student groups by the District for disbursements as dictated by the individual student groups. Operations of these student groups are not considered a part of District financial operations.

**Scholarships Trust Funds** - The trust funds were established to provide scholarships to outgoing senior high school graduates.

**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

**ALL TRUST AND AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
For the Year Ended June 30, 2015**

	Expendable Trust		Agency	
	Ed Ramsdale Scholarship Trust	Scholarships Trust	Student Activity Funds	Total
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Cash	-	-	78,367	78,367
Investments	41,063	130,096	29,848	201,007
Other receivable	6	-	-	6
Totals assets	41,069	130,096	108,215	279,380
Deferred outflows of resources	-	-	-	-
Total asset and deferred outflows of resources	41,069	130,096	108,215	279,380
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>				
Liabilities:				
Due to student groups	-	-	108,215	108,215
Deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	108,215	108,215
<b>NET POSITION</b>				
Restricted for scholarships:				
Ramsdale scholarship	41,069	-	-	41,069
Kelly scholarship	-	100,407	-	100,407
Granlund donation	-	11,215	-	11,215
Uebelher scholarship	-	11,579	-	11,579
BPA endowment	-	6,895	-	6,895
Total net position	\$ 41,069	\$ 130,096	\$ -	\$ 171,165



**TROY SCHOOL DISTRICT NO. 287**  
**Troy, Idaho**

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**ALL TRUST FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FIDUCIARY NET**  
**POSITION**  
**For the Year Ended June 30, 2015**

	<b>Ed Ramsdale Scholarship Trust</b>	<b>Scholarships Trust</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES</b>			
Local:			
Interest	60	4,837	4,897
Contributions/donations	28,069	5,000	33,069
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	28,129	9,837	37,966
	<u>          </u>	<u>          </u>	<u>          </u>
<b>EXPENDITURES</b>			
Scholarships	28,853	1,000	29,853
	<u>          </u>	<u>          </u>	<u>          </u>
Change in net position	(724)	8,837	8,113
Net Position-Beginning of year	41,793	121,259	163,052
	<u>          </u>	<u>          </u>	<u>          </u>
Net Position-End of year	\$ 41,069	\$ 130,096	\$ 171,165
	<u>          </u>	<u>          </u>	<u>          </u>

**TROY SCHOOL DISTRICT NO. 287**  
Troy, Idaho

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**ED RAMSDALE SCHOLARSHIP TRUST FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FIDUCIARY NET POSITION**  
For the Year Ended June 30, 2015

**REVENUES**

Local:

Interest	60
Contributions/donations	<u>28,069</u>

Total revenues	<u>28,129</u>
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**EXPENDITURES**

Scholarships	<u>28,853</u>
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Change in net position	(724)
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Net Position-Beginning of year	<u>41,793</u>
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Net Position-End of year	<u><u>\$ 41,069</u></u>
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**TROY SCHOOL DISTRICT NO. 287**

Troy, Idaho

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**SCHOLARSHIPS TRUST FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FIDUCIARY NET POSITION - BUDGET  
AND ACTUAL**

**For the Year Ended June 30, 2015**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Interest	4,837	8,080	(3,243)
Contributions/donations	<u>5,000</u>	<u>17,500</u>	<u>(12,500)</u>
Total revenues	<u>9,837</u>	<u>25,580</u>	<u>(15,743)</u>
<b>EXPENDITURES</b>			
Scholarships	<u>1,000</u>	<u>47,297</u>	<u>46,297</u>
Change in net position	8,837	<u>\$ (21,717)</u>	<u>\$ 30,554</u>
Net Position-Beginning of year	<u>121,259</u>		
Net Position-End of year	<u>\$ 130,096</u>		

**TROY SCHOOL DISTRICT No. 287**  
**Schedule of Findings and Responses**  
**For the Year Ended June 30, 2015**

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**Finding 2015-01    Review of Journal Entries**

**Criteria**                      Journal entries made in the accounting software should be reviewed by a second person.

**Condition**                    Throughout our testing, we found no secondary review of journal entries posted throughout the year. We discussed internal controls with management and inquired as to the controls over journal entries. Based on the responses from management, we determined that no controls over journal entries were in place during the year.

**Recommendation**        We recommend that management designate a second person to review all journal entries made in the accounting software. This review should be documented.

**Management's  
Response**                      The superintendent will review journal entries in a timely manner and present them to the Board in the form of monthly financial statements.