White Pine Charter School

Financial Statements

Year ended June 30, 2019

White Pine Charter School
Empowering Students, Parents and Educators

WIPFLi LLP
CPAs and Consultants

White Pine Charter School

Contents
June 30, 2019

CPAs and Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
White Pine Charter School
Idaho Falls, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of White Pine Charter School (the Charter School), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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 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 risk 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

Opinion Unit	***Type of Opinion***
Governmental Activities	Qualified
General Fund	Unmodified
Debt Service Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Qualified Opinion on Governmental Activities

As discussed in Note F to the financial statements, management of the Charter School has not implemented the requirements of GASB Statement No. 75 and has not determined the Charter School's annual other postemployment benefit (OPEB) cost and net OPEB obligation. Accounting principles generally accepted in the United States require that such costs and obligations, which would increase the liabilities and change the expenditures in the Statement of Net Position and the Statement of Activities, respectively be recorded. The amount by which this departure would affect the liabilities and expenditures of the Charter School's Government-wide Financial Statements is not reasonably determinable.

Qualified Opinion

In our opinion, except for the matters described in the "Basis for Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the government activities of the Charter School as of June 30, 2019, and changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Charter School as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require the budgetary comparison information and schedule of employer's share of net pension liability for PERSI-Base plan last 10 fiscal years, and schedule of employer contributions PERSI-Base plan for last 10 years on pages 26-28 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 consider 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, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter School's basic financial statements. The accompanying supplementary information, such as the combining and individual nonmajor fund financial statements and the agency fund combining statement of changes in assets and liabilities is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, such as the combining and individual nonmajor fund financial schedules and the agency fund combining schedule of changes in assets and liabilities, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the combining and individual nonmajor fund financial schedules and the agency fund combining schedule of changes in assets and liabilities as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2019, on our consideration of White Pine Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of White Pine Charter School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter School's internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
September 23, 2019

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White Pine Charter School

Statement of Net Position
June 30, 2019

	Governmental Activities
ASSETS	
Cash and investments	986,251
Receivables	
State apportionment	99,625
Federal grants	35,951
Prepaid expenses	71,854
Noncurrent assets	
Capital assets	
Land	82,242
Property, improvements, and equipment, net of accumulated depreciation	2,300,488
Total assets	3,576,411
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions	353,731
Total deferred outflows of resources	353,731
LIABILITIES	
Accounts payable	36,508
Accrued salaries and benefits	201,854
Accrued interest	6,476
Long-term liabilities	
Portion due or payable within one year	
Notes payable	99,620
Portion due or payable after one year	
Net pension liability	650,841
Notes payable	2,239,150
Total liabilities	3,234,449
DEFFERED INFLOWS OF RESOURCES	
Related to pensions	121,466
Total deferred inflows of resources	121,466
NET POSITION	
Net investment in capital assets	43,960
Restricted for debt service	250,000
Unrestricted net position	280,267
Total net position	574,227

The accompanying notes are an integral part of these statements.

White Pine Charter School

Statement of Activities
Fiscal Year Ended June 30, 2019

Functions / Programs	Expenses	Program Revenues: Charges for services	Program Revenues: Operating grants and contributions	Program Revenues: Capital grants and contributions	Net (expense) revenue and changes in net position: Total governmental activities
Governmental activities					
Instruction	1,971,327	38,069	227,910		(1,705,348)
Support services	118,927		118,927		0
Administrative	374,083		8,328		(365,755)
Business admin services	24,619				(24,619)
Operations	210,142		28,804		(181,338)
Transportation	127,441		72,683		(54,758)
Noninstructional	119,878	46,671	92,040		18,833
Facility acquisition	7,909				(7,909)
Interest on long-term debt	119,693				(119,693)
Total governmental activities	3,074,019	84,740	548,692	0	(2,440,587)

General revenues	
State foundation program	2,522,440
Other state revenues	349,650
Other local	5,000
Interest and investments earnings	19,028
Total general revenues	2,896,118
Change in net position	455,531
Net position - beginning (as restated)	118,696
Net position - ending	574,227

The accompanying notes are an integral part of these statements.

White Pine Charter School

Combined Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Debt Reserve Fund	All Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and investments	685,750	250,000	50,501	986,251
Receivables				
State apportionment	99,625			99,625
Federal grants			35,951	35,951
Advance receivable	25,949			25,949
Interfund receivable	24,964			24,964
Prepaid expenses	71,801		53	71,854
Total assets	908,089	250,000	86,505	1,244,594
LIABILITIES				
Accounts payable	27,577		8,931	36,508
Salaries and benefits payable	201,854			201,854
Advance payable			25,949	25,949
Interfund payable			24,964	24,964
Total liabilities	229,431	0	59,844	289,275
FUND BALANCES				
Nonspendable				
Prepaid expenses	71,801			71,801
Advance	25,949			25,949
Restricted for				
Debt reserve		250,000		250,000
Other			26,661	26,661
Unassigned	580,908			580,908
Total fund balances	678,658	250,000	26,661	955,319
Total liabilities, deferred inflows of resources, and fund balances	908,089	250,000	86,505	1,244,594

The accompanying notes are an integral part of these statements.

White Pine Charter School

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balances - governmental funds		955,319
Total net position reported for governmental activities in the Statement of Net Position is different because:		
The net pension liability (asset) and the deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the Statement of Net Position.		(418,576)
Capital assets used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds.		
Cost of capital assets	3,871,574	
Accumulated depreciation	(1,488,844)	
		2,382,730
Interest payable on long-term debt does not require current financial resources and therefore interest payable is not reported as a liability in the governmental funds balance sheet.		(6,476)
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 consisted of two notes payable.		(2,338,770)
Total net position - governmental activities		574,227

The accompanying notes are an integral part of these statements.

White Pine Charter School

Governmental Fund Types
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
Fiscal Year Ended June 30, 2019

	General Fund	Debt Reserve Fund	All Nonmajor Funds	Total Governmental Funds
REVENUES				
Local				
Earnings on investments	19,028			19,028
Other local	43,069		152,161	195,230
State apportionment				
Base	2,522,440			2,522,440
Transportation	72,683			72,683
Other state revenue	364,326		115,641	479,967
Federal assistance			240,202	240,202
Total revenues	3,021,546	0	508,004	3,529,550
EXPENDITURES				
Instruction	1,655,535		227,910	1,883,445
Support services			118,927	118,927
School administration	664,348		8,328	672,676
Business operations	24,619			24,619
Operations	210,142			210,142
Transportation	127,441			127,441
Noninstructional	42		116,041	116,083
Facility acquisition	112,909			112,909
Debt service	212,327			212,327
Total expenditures	3,007,363	0	471,206	3,478,569
OTHER FINANCING SOURCES (USES)				
Proceeds from note payable	28,022			28,022
Operating transfers, net	33,976	(37,300)	3,324	0
Total other financing sources (uses)	61,998	(37,300)	3,324	28,022
Revenues and other financing sources over (under) expenditures	76,181	(37,300)	40,122	79,003
Fund balance - July 1, 2018 (as restated)	602,477	287,300	(13,461)	876,316
Fund balance - June 30, 2019	678,658	250,000	26,661	955,319

The accompanying notes are an integral part of these statements.

White Pine Charter School

Reconciliation of the Governmental Funds Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For Fiscal Year Ended June 30, 2019

Total net change in fund balances - governmental funds:	79,003
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	259,183
Vested employee benefits are reported in the governmental funds when amounts are paid. The Statement of Activities reports the value of benefits earned during the year. Change in net pension liability ($28,026). Change in deferred outflows of resources related to pensions $108,774. Change in deferred inflows of resources related to pensions $49,863.	52,706
Accrued interest expense on long-term debt is reported in the government-wide statement of activities, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as an expenditure in governmental funds. Change in accrued interest.	(221)
Governmental funds report debt proceeds as current financial resources. In contrast the Statement of Activites treats such issuance of debt as a liability. Principle payments on debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount the repayment exceeded the increased note payable.	64,860
Change in net position of governmental activities	455,531

The accompanying notes are an integral part of these statements.

White Pine Charter School

Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2019

	Agency Funds
ASSETS	
Cash	26,000
Total assets	26,000
LIABILITIES	
Due to student groups	26,000
Total liabilities	26,000

The accompanying notes are an integral part of these statements.

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NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. General. The basic financial statements listed in the table of contents have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as applied to school districts. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also complies with the American Institute of Certified Public Accountants' Industry Audit Guide for Audits of State and Local Government Units.

2. Reporting Entity. White Pine Charter School (the Charter School) is an Idaho non-profit corporation organized in December 2001. The Charter School is organized exclusively for educational purposes under section 501c(3) of the Internal Revenue Code. The Charter School serves grades K-8. The Charter School receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The State of Idaho requires that governmental standards be followed. The Charter School is not included in any other governmental "reporting entity" as defined by GASB pronouncement, since Board members are elected and have decision making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

3. Government-wide and Fund Financial Statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the Charter School. For the most part, the effect of interfund activity has been removed from these statements.

   The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to those (customers or applicants) whom purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. State support and other items not included among program revenues are reported as general revenues.

   Separate financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

4. Fund Accounting. The Charter School uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance, and to aid financial management by segregating transactions related to certain government functions or activities.

   A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary. The emphasis of fund financial statements is on major governmental funds, each reported in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

   Governmental Fund Types

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

   Debt Reserve Fund – The Debt Reserve Fund consists of funds set aside as a reserve as required in the debt agreements.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Additionally, the District reports the following fund types:

Special Revenue Fund – The purpose of the Special Revenue Fund is to account for federal, state, and locally funded grants. These grants are awarded to the Charter School with the purpose of accomplishing specific educational tasks as defined in the Grant Awards.

5. Basis of Accounting. The Charter School applies the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. This statement is meant to present the information in a format more closely resembling that of the private sector and to provide the user with more managerial analysis regarding the financial results and the Charter School's financial outlook.

Government-wide Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the Charter School, except for its fiduciary funds. Generally, the effect of material interfund activity has been removed from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of given functions are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other internally directed revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

The Charter School applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. Depreciation has been allocated specifically to functional areas with the majority of it being allocated to instructional. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Charter School considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The agency funds, when applicable, are accounted for on the cash basis of accounting. The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). 'Measurable' means the amount of the transaction can be determined, and 'available' means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year.

The Charter School does not levy property taxes.

6. Budgets. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund. All annual appropriations lapse at year end.

7. Cash and Investments. Cash includes amounts in demand as well as short-term investments with a maturity date within three months of the date acquired by the Charter School. The Charter School pools cash of all funds into common bank accounts. The accounting records of each fund reflect its interest in the pooled cash. Any deficiencies in cash of individual funds represent liabilities to other funds for cash borrowed. Under state law, the Charter School may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Idaho law, and national banks having their principal offices in Idaho.

   State statutes authorize the Charter School to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements. The Charter School has elected to deposit cash in excess of immediate needs into certificates of deposits at various local financial institutions. All other cash is deposited with local banks in checking or savings accounts. For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Charter School will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The Charter School does not have a policy for custodial credit risk outside of the deposit and investment agreements.

   Credit risk is the risk that an issuer of debt securities, or another counterparty to an investment, will not fulfill its obligation and is commonly expressed in terms of the credit quality rating issued by nationally recognized statistical rating organization such as Moody's, Standard & Poor's, and Fitch's. The investments of the Charter School are not rated and the Charter School's policy does not restrict them to rated investments.

8. Short-term Interfund Receivables / Payables. During the course of operations, numerous transactions occur between individual funds and the General Fund for goods provided or services rendered. These receivables and payables are classified as 'interfund receivables' or 'interfund payables' on the balance sheet.

9. Prepaid items. Prepaid items represent payments made by the Charter School for which benefits extend beyond June 30.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

10. Capital Assets. Capital assets, including land, buildings, improvements, and equipment assets, are reported in the government-wide financial statements. The Charter School defines capital assets as assets with an initial, individual cost of more than $5,000 (excluding vehicles which are capitalized regardless of individual cost) and an initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

    The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Buildings, improvements, and equipment assets are depreciated using the straight-line depreciation over the following estimated useful lives:

Assets	Years
Buildings and improvements	20-50
Equipment	5-20
Vehicles	5-8

11. Compensated Absences. Employees are not entitled to compensated absences at the Charter School.

12. Pensions. For purposes of measuring the net pension liability 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.

13. Long-term Obligations. Long-term debt is recognized as a liability of a governmental fund when due.

    For other long-term obligations, only that portion expected to be financed from expendable, available, financial resources is reported as a fund liability of a governmental fund. The entire portion of such obligations is reported in the government-wide financial statements.

14. Deferred Outflows / Inflows of Resources. In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Charter School reports deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and District contributions to pension plans subsequent to the measurement date of the collective net pension liability (asset).

    In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Charter School reports deferred inflows of resources for its proportionate share of the collective deferred inflows of resources related to pensions.

15. Net Position Flow Assumption. Sometimes the Charter School will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

16. Fund Balance Flow Assumptions. It is the Charter School's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

17. Fund Balances. In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

    The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

    Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributions, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

    C*ommitted fund balance:* These amounts can only be used for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The School Board is the highest level of decision-making authority for the Charter School that can, by board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the board resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

    Assigned fund balance: This classification reflects the amounts constrained by the Charter School's "intent" to be used for specific purposes but do not meet the criteria to be classified as restricted or committed. The School Board has by resolution authorized management to assign fund balance. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriation in the subsequent year's appropriated budget. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

    Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

18. Risk Management. The Charter School is exposed to a considerable number of risks of loss, including: (a) damage to and loss of property and contents; (b) employee torts; (c) professional liability, i.e. errors and omissions; (d) environmental damage; (e) workers' compensation, i.e. employee injuries; and (f) medical insurance costs of employees. Commercial policies, transferring the risks of loss, except for relatively small deductible amounts, are purchased for property and content damage, employee torts, and professional liabilities. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

19. Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires the Charter School to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting year. Actual results could differ from those estimates.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

20. Income Taxes. The Charter School applies generally accepted accounting principles for recognition of uncertainty in income taxes and prescribing a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return. In the course of its assessment, the Charter School has determined that it is subject to examination of its income tax filings in the United States for the past three tax years.

    Penalties and interest assessed by income taxing authorities are included in administration and general expenses, if applicable. The Charter School has no interest and penalties related to income taxes for the year ended June 30, 2019.

NOTE B CASH AND INVESTMENTS

At June 30, 2019, the carrying amount of the Charter School's deposits was $502,527 and the bank balance was as follows:

	Bank/Credit Union Balance
Insured by FDIC/NCUA	484,337
Uninsured and uncollateralized	69,801
Total	554,138

At June 30, 2019, the cost and fair market value of the Charter School's investments were as follows:

	Cost	Fair Market Value	Average Maturity
Local Government Investment Pool	483,724	485,030	88 days
Total investments	483,724	485,030	

The Charter School carries the Local Government Investment Pool at cost.

Interest rate risk - The Charter School manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Credit risk - The Charter School invests in accordance with Idaho code, Title 67, chapter 12. The Charter School's deposits and investments at year end are limited to the Local Government Investment Pool (LGIP), bank deposits, and certificates of deposits with various banks and credit unions located in Idaho. The Charter School has reduced its concentration of credit risk by using several financial institutions.

Custodial credit risk - In the case of deposits, this is the risk that in the event of a bank or credit union failure, the Charter School's deposits may not be returned to it. The Charter School does not have a deposit policy for custodial credit risk. As of June 30, 2019, $69,801 of the Charter School's deposits and certificates of deposit was exposed to custodial credit risk because it was uninsured and uncollateralized. Of the investments, $483,724 was held in the Local Government Investment Pool, which is not insured or guaranteed by the FDIC or NCUA.

NOTE B CASH AND INVESTMENTS, continued

Amounts held by the LGIP were held in the following investments: government agency notes, corporate bonds, Idaho bank deposits, commercial paper, U.S. treasury notes, commercial mortgages, repurchase agreements, and purchased accrued interest. All investments for the LGIP are collateralized with securities held by the pool's agent in the pool's name. The investments held by the pools are carried at cost which is not materially different than fair value (determined by the Idaho State Treasurer's Office). Information necessary to determine the level of collateralization for the pools was unavailable.

The LGIP is audited annually, and the related financial statements and note disclosures are included in the State of Idaho's Comprehensive Annual Financial Report, a copy of which can be downloaded from www.sco.idaho.gov.

NOTE C INTERFUND RECEIVABLES AND PAYABLES/ADVANCE RECEIVABLE PAYABLE

Interfund receivable and payable balances in the fund financial statements on June 30, 2019, are as follows:

	Receivable	Payable
General Fund		
Receivable	24,964	
Advance	25,949	
Nonmajor funds		
Payable		24,964
Advance		25,949
Total	50,913	50,913

The purpose for interfund receivable and payable balances in Title I is to eliminate negative cash. There was also an advance from the General Fund to the Child Nutrition fund for $43,249 that the Child Nutrition fund is repaying over 5 years. The Child Nutrition fund repaid $8,650 during the year ended June 30, 2019. The interfund transfer at June 30, 2019, was a transfer of $3,324 to the Child Nutrition Fund to meet the FICA match as required.

NOTE D PAYROLL EXPENDITURES AND RELATED LIABILITIES

Teacher contracts were signed for the ten-month school year August 2018, through May 2019, to be paid over the twelve months of September 2018, through August 2019, or August 2018 through July 2019.

The financial statements reflect the salary expense for this year. The accrued payroll reflects the final one or two months on the contracts.

NOTE E PENSION PLAN

Plan Description

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

NOTE E PENSION PLAN, continued

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2018, it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The Charter School's contributions were $189,118 for the year ended June 30, 2019.

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

At June 30, 2019, the Charter School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Charter School's proportion of the net pension liability was based on the Charter School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2018, the Charter School's proportion was .0441243 percent.

For the year ended June 30, 2019, the Charter School recognized pension expense of $248,234. At June 30, 2019, the Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE E PENSION PLAN, continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	71,444	49,154
Changes in assumptions or other inputs	42,350	
Net difference between projected and actual earnings on pension plan investments		72,312
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	50,819	
Charter School contributions subsequent to the measurement date	189,118	
Total	353,731	121,466

$189,118 reported as deferred outflows 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 ending June 30, 2020.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2017, the beginning of the measurement period ended June 30, 2018, is 4.9 years and 5.5 years for the measurement period ended June 30, 2018.

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:

Year ended June 30:	
2019	47,020
2020	(5,935)
2021	(73,195)
2022	(26,383)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 50-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25 – 10%
Salary inflation	3.75%
Investment rate of return	7.05%, net investment expenses
Cost-of-living adjustments	1%

NOTE E PENSION PLAN, continued

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

The net pension liability was determined by an actuarial valuation as of July 1, 2018, applied to all prior periods included in the measurement. Actuarial valuation involves estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Experience studies were performed for the period 2011 through 2017 for the PERSI Base Plan.

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, 2017.

Capital Market Assumptions

Asset Class	Expected Return	Expected Risk	Strategic Normal	Strategic Ranges
Equities			70%	66% - 77%
Broad Domestic Equity	9.15%	19.00%	55%	50% - 65%
International	9.25%	20.20%	15%	10% - 20%
Fixed Income	3.05%	3.75%	30%	23% - 33%
Cash	2.25%	0.90%	0%	0% - 5%

Total Fund	Expected Return	Expected Inflation	Expected Real Return	Expected Risk
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

*Expected arithmetic return net of fees and expenses.

NOTE E **PENSION PLAN**, continued

Actuarial Assumptions:	
Assumed Inflation – Mean	2.25%
Assumed Inflation – Standard Deviation	1.50%
Portfolio Arithmetic Mean Return	6.75%
Portfolio Long-Term Expected Geometric Rate of Return	6.13%
Assumed Investment Expenses	0.40%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	**7.05%**

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. 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 period 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 7.05 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 (6.05 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.05%)	**Current Discount Rate (7.05%)**	**1% Increase (8.05%)**
Employer's proportionate share of the net pension liability (asset)	1,629,203	650,841	(159,282)

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.

Payables to the pension plan

At June 30, 2019, the Charter School reported no payables to the defined benefit pension plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE F RETIREMENT HEALTHCARE PLAN

GASB Statement 75, is an accounting and financial reporting requirement for employers to measure and report the cost and liabilities associated with other (than pension) postemployment benefits (OPEB).

White Pine Charter School's Employee Group Benefits Plan is a single-employer defined benefit healthcare plan administered by Blue Cross of Idaho. Blue Cross provides medical and prescription drug insurance benefits to eligible retirees and their eligible dependents. Blue Cross Dental and Willamette Dental provide dental insurance benefits to eligible retirees and their eligible dependents.

A retiree who retires with the Public Employee Retirement System of Idaho (PERSI) is eligible to keep the Charter School's health insurance as a retiree until age 65, or until the retiree is eligible for coverage under Medicare. Retirement eligibility is determined based on a minimum of reaching age 55 with at least five years of membership with a PERSI employer. The retiree is on the same medical plan as the Charter School's active employees. The Charter School's required contribution is based on projected pay-as-you-go financing requirements.

The Charter School has not implemented the requirements of GASB Statement 75 and as a result has not determined its annual OPEB cost and net OPEB obligation. The Charter School's plan is considered to be unfunded since there are no assets and retiree benefits are paid annually on a cash basis.

NOTE G POST RETIREMENT BENEFITS

The Charter School funds post retirement benefits on a current basis through PERSI. The Charter School paid 1.16% of the wages covered by PERSI to the State for the year July 1, 2018, through June 30, 2019. At the time of retirement, a sum equal to one-half of the monetary value of unused sick leave, calculated at the rate of pay at that time, is transferred from the sick leave account to the employee's retirement account. This money shall then be used to pay premiums for health, accident, dental, and life insurance.

NOTE H EXCESS OF ACTUAL EXPENDITURES OVER BUDGETED IN THE MAJOR FUNDS

Actual expenditures for the fiscal year ended June 30, 2019 exceed the budgeted expenditures in the General Fund.

NOTE I CAPITAL ASSETS

Following is a summary of the capital assets at June 30, 2019:

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
Capital assets, not being depreciated				
Land	82,242			82,242
Total capital assets, not being depreciated	82,242	0	0	82,242
Buildings and improvements	3,284,062	391,252		3,675,314
Equipment	114,018			114,018
Total capital assets, being depreciated	3,398,080	391,252	0	3,789,332
Less accumulated depreciation for:				
Buildings and improvements	(1,259,805)	(126,407)		(1,386,212)
Equipment	(96,970)	(5,662)		(102,632)
Total accumulated depreciation	(1,356,775)	(132,069)	0	(1,488,844)
Total capital assets being depreciated, net	2,041,305	259,183	0	2,300,488
Governmental activities capital assets, net	2,123,547	259,183	0	2,382,730

Depreciation expense was charged to the functions of the primary government as follows:

Governmental activities	
Instruction	128,274
Non-instructional	3,795
Total depreciation expense – governmental activities	132,069

NOTE J NOTES PAYABLE

The Charter School entered into a $1,625,000 note payable with U.S. Bank for the new school building on December 20, 2007. The note was paid off in April of 2019 with a new bank loan from Bank of Idaho. The note payable with the Bank of Idaho was for $1,223,000 entered into on April 9, 2019. The note requires monthly payments of $9,462 and includes interest at 4.6%.

The Charter School entered into a $1,500,000 note payable with the United States Department of Agriculture – Rural Development for the new school building on December 6, 2007. The note requires monthly payments of $7,275 and includes interest at 4.125%.

NOTE J NOTES PAYABLE, continued

The schedule of payments for the next five years is as follows:

Fiscal Year	Principal	Interest	Total
2020	99,620	101,220	200,840
2021	104,286	96,552	200,838
2022	108,757	92,078	200,835
2023	113,953	86,887	200,840
2024	118,999	81,837	200,836
2025-2029	681,574	322,621	1,004,195
2030-2034	832,197	153,325	985,522
2035-2039	279,384	21,041	300,425
Total	2,338,770	955,561	3,294,331

NOTE K CHANGES IN LONG-TERM DEBT

Following is a summary of the changes in long-term debt for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019	Due Within One Year
Note payable	1,238,431		1,238,431	0	
USDA loan	1,165,199		39,984	1,125,215	41,605
Bank of Idaho loan		1,223,000	9,445	1,213,555	58,015
Net pension liability	622,815	28,026		650,841	
Total	3,026,445	1,251,026	1,287,860	2,989,611	99,620

Payment on the USDA and Bank of Idaho loan are made by the General Fund from state apportionment funding. The pension liability will be paid from the General Fund or the fund in which the employee works.

NOTE L LOAN RESERVES

On December 6, 2007, White Pine Charter School entered into a promissory note with the United States Department of Agriculture for $1,500,000. The note requires a reserve account to be funded at a rate of one-tenth of the annual payment per year until a total of one annual payment has been accumulated as stated in the Letter of Conditions. The annual reserve requirement for Fiscal Year 2018-2019 is $0 and the accumulated reserve amount is $87,300.

On April 9, 2019, White Pine entered into a promissory note with the Bank of Idaho for $1,223,000. The loan requires that White Pine maintain a fund balance of $35,000. White Pine is required to inject the positive Net Change in the Fund Balances each year until the account reaches $250,000 at which time, White Pine will not be required to add any further profits. The accumulated reserve amount for both loans is $250,000 and is held at the Bank of Idaho.

NOTE M COMMITMENTS AND CONTINGENCIES

Federal and State Receivables

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

Other commitments

At the year ended June 30, 2019, White Pine Charter School had commitments with several vendors for construction for the new Stem Academy. Total amount of funds committed at year end were $275,000.

NOTE N LEASE OBLIGATIONS

The District was obligated for the following leases, which are categorized as operating leases subject to non-appropriation:

Lessor	Description of Leased Property	Date of Expiration	Term of Lease	Future Annual Lease Amount	Minimum Lease Payments
Fisher	2 Printers	01/01/2024	60	8,592	38,664
Birchwood	Building	04/01/2021	24	72,552	120,920

On March 1, 2019, White Pine Charter School entered into a two-year lease with Birchwood Holdings, LLC for the property used for the Stem Academy. The Base rent is $4,264 per month for the first 4 months but thereafter will raise to $6,046 per month. Future lease payment for fiscal year 2019-2020 is $75,552 and for 2020-2021 is $48,368. A refundable security deposit of $10,903 was made.

NOTE O NON-MONETARY TRANSACTIONS

The District received $8,998 in USDA Commodities during the 2018-2019 fiscal year. The commodities received are valued at the average wholesale price as determined by the distributing agency. All commodities received by the Charter School were treated as revenue and expense of the fund receiving the commodities.

NOTE P RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE

Management of the Charter School noted old outstanding checks back from fiscal year 2017-2018 and a receivable for Medicaid that was not ultimately collected. The prior period fund balance in the General Fund was decreased by $5,476 as a result of these items. The net position was also decreased by this amount at June 30, 2019.

NOTE Q SUBSEQUENT EVENTS

Management of the Charter School evaluated subsequent events through September 23, 2019, which was the date the financial statements were available to be issued. The Charter School extended the building lease for the Stem Academy to a 5 year lease. There were no other subsequent type events, identified by management of the Charter School, that are required to be disclosed.

REQUIRED FINANCIAL INFORMATION

White Pine Charter School

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget to Actual-
Fiscal Year Ended June 30, 2019

	Budget	Actual	Favorable (Unfavorable) Variance
REVENUES			
Local			
Earnings on investments	2,000	19,028	17,028
Other local	98,000	43,069	(54,931)
State			
Base support	2,273,653	2,522,440	248,787
Transportation	70,000	72,683	2,683
Other state revenue	276,837	364,326	87,489
Total revenues	2,720,490	3,021,546	301,056
EXPENDITURES			
Instructional services	1,561,893	1,655,535	(93,642)
School administration	598,340	664,348	(66,008)
Business operations	13,500	24,619	(11,119)
Operations	160,127	210,142	(50,015)
Transportation	90,000	127,441	(37,441)
Noninstructional	27,300	42	27,258
Facility acquisition	50,000	112,909	(62,909)
Debt service	204,715	212,327	(7,612)
Total expenditures	2,705,875	3,007,363	(301,488)
OTHER FINANCING SOURCES (USES)			
Proceeds from note payable		28,022	28,022
Operating transfers, net		33,976	33,976
Total other financing sources (uses)	0	61,998	61,998
Revenues and other financing sources over (under) expenditures	14,615	76,181	61,566
Fund balance - July 1, 2018 (as restated)		602,477	
Fund balance - June 30, 2019		678,658	

White Pine Charter School

Required Supplementary Information
Fiscal Year Ended June 30, 2019

Schedule of Employer's Share of Net Pension Liability
PERSI-Base Plan Last 10-Fiscal Years *

	2019	2018	2017	2016	2015
Employer's portion of net pension liability	0.0441243%	0.0396236%	0.0414373%	0.0406789%	0.0368874%
Employers proportionate share of the net pension liability	650,841	622,815	839,998	535,675	271,549
Employer's covered payroll	1,419,639	1,107,709	1,211,906	1,155,718	1,007,230
Employer's proportional share of the net pension liability as a percentage of its covered payroll	45.85%	56.23%	69.31%	46.35%	26.96%
Plan fiduciary net position as a percentage of the total pension liability	91.69%	90.68%	87.26%	91.38%	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 years for which information is available.

Data reported is measured as of June 30, 2018 (measurement date).

Schedule of Employer Contributions
PERSI-Base Plan Last 10-Fiscal Years *

	2019	2018	2017	2016	2015
Statutorily required contribution	189,118	160,703	125,393	137,188	130,827
Contributions in relation to the statutorily required contribution	189,118	160,703	126,893	137,188	128,981
Contribution (deficiency) excess	0	0	1,500	0	(1,846)
Employer's covered payroll	1,670,656	1,419,639	1,107,709	1,211,906	1,155,718
Contributions as a percentage of covered payroll	11.3200%	11.3200%	11.4554%	11.3200%	11.1602%

* 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 years for which information is available.

Data reported is measured as of June 30, 2019 (reporting date).

NOTE A BUDGET ADOPTION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund. All annual appropriations lapse at year end. A budget was not adopted for the Debt Reserve Fund.

NOTE B EXCESS OF ACTUAL EXPENDITURES OVER BUDGETED IN THE MAJOR FUNDS

Actual expenditures for the fiscal year ended June 30, 2019, exceeded the budgeted expenditures in the General Fund.

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OTHER FINANCIAL INFORMATION

White Pine Charter School

All Nonmajor Funds
Combining Balance Sheet
June 30, 2019

	State Technology	Substance Abuse	Medicaid	Title I Fund
ASSETS				
Cash and investments	13,160	2,669		744
Receivable				
Grants receivable	8,828		16,645	
Prepaid expenses				
Total assets	21,988	2,669	16,645	744
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts payable	1,075		17	744
Advance payable				
Interfund payable			16,628	
Total liabilities	1,075	0	16,645	744
FUND EQUITY				
Restricted	20,913	2,669		
Total fund equity	20,913	2,669	0	0
Total liabilities and fund equity	21,988	2,669	16,645	744

White Pine Charter School

All Nonmajor Funds
Combining Balance Sheet
June 30, 2019

IDEA School Age	Title IV	Title II Fund	Community of Excellence	Child Nutrition	All Nonmajor Funds
			(45)	33,973	50,501
			10,478		35,951
	53				53
0	53	0	10,433	33,973	86,505
			2,150	4,945	8,931
				25,949	25,949
	53		8,283		24,964
0	53	0	10,433	30,894	59,844
				3,079	26,661
0	0	0	0	3,079	26,661
0	53	0	10,433	33,973	86,505

White Pine Charter School

All Nonmajor Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Fiscal Year Ended June 30, 2019

	State Technology	Substance Abuse	Medicaid	Title I Fund
REVENUES				
Food service				
Other local			105,490	
Other state revenue	107,919	7,722		
Federal grants and assistance				46,637
Total revenues	107,919	7,722	105,490	46,637
EXPENDITURES				
Instruction				
Elementary			105,490	46,637
Special education program				
Support services				
Attendance, guidance, & health		5,053		
Instructional improvement				
Instructional related technology	96,460			
School administration				
Noninstructional services				
Total expenditures	96,460	5,053	105,490	46,637
Revenues over (under) expenditures	11,459	2,669	0	0
OTHER FINANCING SOURCES (USES)				
Net transfers				
Total other financing sources	0	0	0	0
Revenues and other financing sounces over (under) expenditures and other financing sources (uses)	11,459	2,669		
Fund balance - July 1, 2018	9,454	0	0	0
Fund balance - June 30, 2019	20,913	2,669	0	0

See Independent Auditor's Report.

White Pine Charter School

All Nonmajor Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Fiscal Year Ended June 30, 2019

IDEA School Age	Title IV Fund	Title II	Community of Excellence	Child Nutrition	Nonmajor Funds
				46,671	46,671
					105,490
					115,641
75,783	7,283	7,981	10,478	92,040	240,202
75,783	7,283	7,981	10,478	138,711	508,004
					152,127
75,783					75,783
	7,283				12,336
		7,981	2,150		10,131
					96,460
			8,328		8,328
				116,041	116,041
75,783	7,283	7,981	10,478	116,041	471,206
0	0	0	0	22,670	36,798
				3,324	3,324
0	0	0	0	3,324	3,324
				25,994	40,122
0	0	0	0	(22,915)	(13,461)
0	0	0	0	3,079	26,661

See Independent Auditor's Report.

White Pine Charter School

All Agency Funds
Combining Schedule of Changes in Assets and Liabilities
Fiscal Year Ended June 30, 2019

	Balance June 30, 2018	Receipts	Disbursements	Balance June 30, 2019
ASSETS				
Cash	24,930	43,480	42,410	26,000
Total assets	24,930	43,480	42,410	26,000
LIABILITIES				
Due to student groups	24,930	43,480	42,410	26,000
Total liabilities	24,930	43,480	42,410	26,000

See Independent Auditor's Report.

WIPFLi LLP
CPAs and Consultants

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

Board of Directors
White Pine Charter School
Idaho Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to the financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of White Pine Charter School as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise White Pine Charter School's basic financial statements, and have issued our report thereon dated September 23, 2019, where we qualified our opinion on the governmental activities due to the Charter School not recording their other postemployment benefit (OPEB) cost and net OPEB obligation.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered White Pine Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of White Pine Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of White Pine Charter School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the 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 out audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether White Pine Charter School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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Idaho Falls, Idaho
September 23, 2019