

FORREST M. BIRD CHARTER SCHOOLS, INC.

Sandpoint, Idaho

Audited Financial Statements
For the Years Ended June 30, 2019 and 2018

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Forrest M. Bird Charter Schools, Inc.
Sandpoint, Idaho 83864

Report on the Financial Statements

We have audited the accompanying financial statements of Forrest M. Bird Charter Schools, Inc. (an Idaho nonprofit corporation) which comprise the statements of financial position as of June 30, 2019 and 2018 and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

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 an opinion 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 the 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 from 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Forrest M. Bird Charter Schools, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 13 to the financial statements, Forrest M. Bird Charter Schools, Inc. has adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2019, on our consideration of Forrest M. Bird Charter Schools, Inc.'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 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 Forrest M. Bird Charter Schools, Inc.'s internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
September 9, 2019

**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 Directors
Forrest M. Bird Charter Schools, Inc.
Sandpoint, Idaho 83864

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 Forrest M. Bird Charter Schools, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated September 9, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Forrest M. Bird Charter Schools, Inc.’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Forrest M. Bird Charter Schools, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Forrest M. Bird Charter Schools, Inc.’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination for deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financials 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 the section and was not designed to identify all deficiencies in the internal control that might be material weakness or significant deficiencies. Given these limitations, during our

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Forrest M. Bird Charter Schools, Inc.'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 your 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 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, the communication is not suitable for any other purpose.

Hayden Ross, PLLC

Moscow, Idaho
September 9, 2019

FINANCIAL STATEMENTS



FORREST M. BIRD CHARTER SCHOOLS, INC.

Sandpoint, Idaho

STATEMENTS OF FINANCIAL POSITION

June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current Assets		
Cash	1,127,511	1,041,458
Federal receivable	21,941	47,761
State support receivable	119,966	86,573
Prepaid expenses and other current assets	3,213	46,614
Total Current Assets	<u>1,272,631</u>	<u>1,222,406</u>
Property and Equipment		
Land	14,227	14,227
Buildings and land improvements	4,947,431	4,932,838
Fixtures and equipment	138,322	76,910
Less: accumulated depreciation	<u>(1,508,861)</u>	<u>(1,370,908)</u>
Net Property and Equipment	<u>3,591,119</u>	<u>3,653,067</u>
Other Assets		
Cash with donor restrictions	<u>256,002</u>	<u>652,441</u>
Total Other Assets	<u>256,002</u>	<u>652,441</u>
Total Assets	<u>\$ 5,119,752</u>	<u>\$ 5,527,914</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	13,911	32,891
Salaries and benefits payable	300,078	275,415
Accrued interest	4,349	4,465
Deferred revenue	262,129	702,671
Due to students fund	31,489	27,153
Current portion of long-term debt	<u>129,597</u>	<u>130,543</u>
Total Current Liabilities	<u>741,553</u>	<u>1,173,138</u>
Long-term liabilities, less current portion	<u>2,625,462</u>	<u>2,744,212</u>
Total Liabilities	<u>3,367,015</u>	<u>3,917,350</u>
Net Assets		
Without donor restrictions	1,674,285	1,543,665
With donor restrictions	<u>78,452</u>	<u>66,899</u>
Total Net Assets	<u>1,752,737</u>	<u>1,610,564</u>
Total Liabilities and Net Assets	<u>\$ 5,119,752</u>	<u>\$ 5,527,914</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, Grants, and Other Support			
Federal support	-	179,863	179,863
State support	2,676,886	114,812	2,791,698
Local support	8,672	444,365	453,037
Interest	1,480	-	1,480
Total Revenue, Grants and Other Support	<u>2,687,038</u>	<u>739,040</u>	<u>3,426,078</u>
Net Assets Released From Restrictions			
Restrictions satisfied by payments	727,487	(727,487)	-
Total net assets released from restrictions	<u>727,487</u>	<u>(727,487)</u>	<u>-</u>
Expense			
Program (instructional)	1,873,362	-	1,873,362
Administrative (support)	1,142,832	-	1,142,832
Debt-service interest	129,758	-	129,758
Depreciation	137,953	-	137,953
Total Expense	<u>3,283,905</u>	<u>-</u>	<u>3,283,905</u>
Change in net assets	130,620	11,553	142,173
Net assets - beginning of year	<u>1,543,665</u>	<u>66,899</u>	<u>1,610,564</u>
Net assets - end of year	<u>\$ 1,674,285</u>	<u>\$ 78,452</u>	<u>\$ 1,752,737</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, Grants, and Other Support			
Federal support	-	179,017	179,017
State support	2,690,826	95,602	2,786,428
Local support	16,203	1,992,966	2,009,169
Interest	1,432	-	1,432
	<u>2,708,461</u>	<u>2,267,585</u>	<u>4,976,046</u>
Net Assets Released From Restrictions			
Restrictions satisfied by payments	2,252,215	(2,252,215)	-
Total net assets released from restrictions	<u>2,252,215</u>	<u>(2,252,215)</u>	<u>-</u>
Expense			
Program (instructional)	1,847,520	-	1,847,520
Administrative (support)	2,472,207	-	2,472,207
Capital objects	56,114	-	56,114
Debt-service interest	135,376	-	135,376
Depreciation	131,462	-	131,462
Loss on disposition	12,620	-	12,620
	<u>4,655,299</u>	<u>-</u>	<u>4,655,299</u>
Change in net assets	305,377	15,370	320,747
Net assets - beginning of year	<u>1,238,288</u>	<u>51,529</u>	<u>1,289,817</u>
Net assets - end of year	<u>\$ 1,543,665</u>	<u>\$ 66,899</u>	<u>\$ 1,610,564</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Cash received from state support	2,758,305	2,777,359
Cash received from federal support	205,683	159,999
Cash received from local grant	-	3,350,000
Cash received from interest	1,480	1,432
Other cash received	12,495	(1,140,959)
Cash paid for interest	(129,874)	(133,844)
Cash paid to suppliers and employees	(2,962,774)	(4,371,079)
	<u>(114,685)</u>	<u>642,908</u>
Cash Flows from Investing Activities		
Cash paid for property and equipment	(76,005)	(98,248)
	<u>(76,005)</u>	<u>(98,248)</u>
Cash Flows from Financing Activities		
Payment on long-term debt	(119,696)	(115,727)
	<u>(119,696)</u>	<u>(115,727)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(310,386)	428,933
Cash and Cash Equivalents - Beginning of Year	<u>1,693,899</u>	<u>1,264,966</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,383,513</u>	<u>\$ 1,693,899</u>
Reconciliation of Change in Net Assets to Net Cash Provided by (Used In) Operating Activities:		
Change in net assets	142,173	320,747
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	137,953	131,462
Loss on disposition of property and equipment	-	12,620
Decrease (increase) in federal support receivable	25,820	(19,018)
Decrease (increase) in state support receivable	(33,393)	(9,069)
Decrease (increase) in other receivable	-	61,439
Decrease (increase) in prepaid expenses	43,401	6,936
Increase (decrease) in accrued interest	(116)	1,532
Increase (decrease) in accounts payable	(18,980)	(12,610)
Increase (decrease) in deferred revenue	(440,542)	125,813
Increase (decrease) in due to student funds	4,336	10,827
Increase (decrease) in salaries and benefits payable	24,663	12,229
	<u>142,173</u>	<u>320,747</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (114,685)</u>	<u>\$ 642,908</u>
Cash and Cash Equivalents Reconciliation		
Cash and cash equivalents without donor restrictions	1,127,511	1,041,458
Cash and cash equivalents with donor restrictions	256,002	652,441
	<u>\$ 1,383,513</u>	<u>\$ 1,693,899</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended June 30, 2019

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Other</u>	<u>Total</u>
Salaries	1,137,993	497,204	-	1,635,197
Benefits	414,189	151,451	-	565,640
Purchased services	250,376	429,115	-	679,491
Supply-materials	70,804	65,062	-	135,866
Debt service interest	-	-	129,758	129,758
Depreciation	-	-	137,953	137,953
Total Expense	<u>\$ 1,873,362</u>	<u>\$ 1,142,832</u>	<u>\$ 267,711</u>	<u>\$ 3,283,905</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended June 30, 2018

	Program (Instructional)	Administrative (Support)	Other	Total
Salaries	1,235,375	915,323	-	2,150,698
Benefits	400,803	256,947	-	657,750
Purchased services	148,709	1,125,668	-	1,274,377
Supply-materials	62,633	174,269	-	236,902
Capital objects	-	-	56,114	56,114
Debt service interest	-	-	135,376	135,376
Depreciation	-	-	131,462	131,462
Loss on disposition	-	-	12,620	12,620
Total Expense	<u>\$ 1,847,520</u>	<u>\$ 2,472,207</u>	<u>\$ 335,572</u>	<u>\$ 4,655,299</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 1 Organization

The Forrest M. Bird Charter Schools, Inc. (the School) is a non-profit state-funded public School. The School serves 6th through 12th grade. The School was approved in January 2001 by the Lake Pend Oreille School District Board of Trustees. The expansion to a high school was approved by the Lake Pend Oreille School District Board of Trustees in August of 2008.

NOTE 2 Summary of Significant Accounting Policies

Basis of Accounting - The School uses the accrual basis of accounting. Revenues are recognized as earned, and expenses are recognized when incurred.

Cash - For purposes of the statement of cash flows, cash equivalents include money market mutual funds, time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less. The School has no requirement to hold cash in separate accounts.

Accounts Receivable - No allowance for uncollectible accounts is calculated by the School since all receivables were deemed to be collectible.

Income Tax Status - The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except for income, if any, derived from unrelated business. The School's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending 2017, 2018, and 2019 are subject to examination by the IRS, generally for three years after they were filed.

Property and Equipment - The cost of property and equipment is depreciated over the estimated useful lives of the assets. Major expenditures costing at least \$5,000 which substantially increase useful lives are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. Depreciation is computed on the straight-line method for financial reporting purposes. The useful lives of property and equipment for purposes of computing depreciation are 5 to 7 years for office furniture and equipment and 40 years for buildings. Depreciation expense for the years ending June 30, 2019 and 2018 was \$137,953 and \$131,462, respectively.

NOTE 2 Summary of Significant Accounting Policies (Continued)

Use of Estimates - The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses, and actual results may differ from estimated amounts.

Net Assets - Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the School and changes therein are classified as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the School. The School’s board may designate assets without restrictions for specific operational purposes from time to time.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantor. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Statement of Cash Flows - For purposes of the Statement of Cash Flows, the School considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Reports Required by the State - Idaho Department of Education requires the School to submit financial information in accordance with accounting principles generally accepted in the United States of America for governmental entities. This information is included as supplemental information to the basic financial statements. The General Fund accounts for activities for general operations and the other funds presented are used to account for activities related to restricted funds and grants the School received. The effects of GASB 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement 27*, and GASB 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, have been recorded in the Statement of Net Position.

Subsequent Events - Subsequent events have been evaluated through the date of the auditor’s report. This is the date the financial statement were available to be issued. The School has concluded that a material subsequent events has occurred. See note 14 for further details.

NOTE 3 Long-Term Debt

Long-term debt for the School as of June 30, 2019 and 2018 consists of the following:

	<u>2019</u>	<u>2018</u>
United States Department of Agriculture (USDA) secured by land, building, and equipment payable at \$8,118 per month including interest at 4.25%. The note matures July 2040.	1,354,906	1,393,833
Mountain West Bank (MWB) secured by land, building, and equipment, payable at \$3,409 per month including interest at 5.08%. The note matures February 2035.	425,172	443,658
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$1,065 per month including interest at 4.5%. The note matures March 2039.	166,606	171,762
Columbia Bank secured by land, building, and equipment, payable at \$4,592 per month including interest. Interest is computed at a variable rate referenced to the prime rate as reported in the Wall Street Journal. The interest rate to be applied to unpaid principal will be at a rate of 2.0% over the prime rate. The interest rate at June 30, 2019 and 2018 was 5.5% and 4.75% respectively. The note matures December 2028.	472,133	501,700
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$3,614 per month including interest at 4.5%. The note matures January 2029.	<u>336,242</u>	<u>363,802</u>
Total Long Term Debt	2,755,059	2,874,755
Less Current Portion	<u>(129,597)</u>	<u>(130,543)</u>
Net Long-term Debt	<u><u>\$ 2,625,462</u></u>	<u><u>\$ 2,744,212</u></u>

NOTE 3 Long-Term Debt (Continued)

Future debt service is as follows:

Fiscal Year	
Ended June 30,	
2020	129,597
2021	135,909
2022	142,533
2023	149,481
2024	156,773
Thereafter	<u>2,040,766</u>
Total	<u>\$ 2,755,059</u>

NOTE 4 Net Assets Without Donor Restrictions – Board Designated

The United States Department of Agriculture (USDA) loaned monies to the Forrest M. Bird Charter Schools Inc. for the construction of the high school building. One of the requirements of the loans is a debt service reserve account be established and funded by the School at a rate of one-tenth of the annual payment per year until a total of one annual payment has been accumulated.

The Board has designated, from net assets without donor restrictions, net assets for the following purposes at June 30, 2019 and 2018 are as follows:

	2019	2018
Debt service reserve	<u>142,539</u>	<u>113,520</u>
Total	<u>\$ 142,539</u>	<u>\$ 113,520</u>

NOTE 5 Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

	2019	2018
Subject to expenditure for specified purpose		
Special revenue funds	<u>78,452</u>	<u>66,899</u>
Total	<u>\$ 78,452</u>	<u>\$ 66,899</u>

NOTE 6 Liquidity and Availability of Resources

The Organization has \$1,073,449 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$953,483 and accounts receivable of \$119,966. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. The accounts receivable are subject to implied time restrictions but are expected to be collected within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 7 Major Funding Sources

The School received a majority of its revenue from the Idaho Department of Education and J.A. Kathryn Albertson Foundation.

	<u>2019</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$2,791,698	81.48%
J.A. Kathryn Albertson Foundation	\$444,195	12.88%

	<u>2018</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$2,786,428	56.46%
J.A. Kathryn Albertson Foundation	\$1,991,876	37.67%

NOTE 8 Employee's Retirement System

Public Employee Retirement System of Idaho (PERSI), The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and charter School employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive 42 months.

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2019, the required contribution rate as a percentage of covered payroll for members was 6.79%. The employer rate as a percentage of covered payroll was 11.32%. The School's contributions required and paid were \$200,960, \$234,430, and \$222,842, for the three years ended June 30, 2019, 2018, and 2017, respectively.

NOTE 8 Employee's Retirement System (Continued)

PERSI is subject to pronouncement issued by the Governmental Accounting Standards Board (GASB) and was required to implement GASB 67, Financial Reporting for Pension Plan-an amendment of GASB Statement No. 25, effective as of June 30, 2014. The statement established standards and specified the required approach for measuring the pension liability of contributing entities for benefits provided through the pension plan (the net pension liability). As of June 30, 2018, the most recent available audited financial statement of PERSI at the time of issuance, the Plan was reported to be 91.69% funded. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2018 the School's proportion was 0.0643676% and the estimated net pension liability was \$949,433.

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees.

PERSI issues publicly available stand-alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website www.persi.idaho.gov.

NOTE 9 Other Post-Employment Benefit Plan – Sick Leave Plan

The School contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

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

The contribution rate for employees are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. The District's contributions required and paid were \$18,356, \$24,023 and \$22,835 for the three years ended June 30, 2019, 2018, and 2017, respectively.

PERSI is subject to pronouncement issued by the Governmental Accounting Standards Board (GASB) and was required to implement GASB 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, effective as of June 30, 2017. The statement established standards and specified the required approach for measuring the OPEB asset of

NOTE 9 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

contributing entities for benefits provided through the OPEB plan (the net OPEB asset). As of June 30, 2018, the most recent available audited financial statement of PERSI at the time of issuance, the Plan was reported to be 135.69% funded. The School's proportion of the net OPEB asset was based on the School's share of contributions in the Base Plan OPEB plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2018, the School's proportion was 0.1540315 percent and the estimated OPEB sick leave asset was \$127,761

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. The reports may be obtained from PERSI's website www.persi.idaho.gov.

NOTE 10 Concentration of Credit Risk

Forrest M. Bird Charter Schools, Inc. maintains five checking accounts at a single bank. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 at an institution for fiscal year-end 2019 and 2018. At fiscal year-end 2019 cash exceeds FDIC insurance by \$1,158,308. At fiscal year-end 2018 cash exceeded FDIC insurance by \$1,503,557.

NOTE 11 P-TECH Operating Agreement

On July 12, 2013 the School entered into an operating agreement with Pathways in Technology Early College High School (P-TECH) Network of Idaho, LLC, to help provide early college access and professional technical training to high School students in Idaho no matter their physical location. The School will serve as the sole member of P-TECH and will operate as an exempt organization under Section 501(c)(3) of the Internal Revenue Code. P-TECH shall operate as an independent entity separate from the School and any other entity and is required to be governed by a Board of Managers separate from the School. The School will have one representative on the P-TECH Board of Managers. The School will provide support services for P-TECH including IT support, accounting services, institutional expertise, and education capabilities. The School may bill P-TECH for such services.

NOTE 12 Deferred Revenue

During fiscal year end June 30, 2018, 2017, 2016, and 2015 the School received cash deposits totaling \$8,900,000 from the J.A. & K Albertson Foundation to implement the Idaho P-TECH Network described in Note 11. As of June 30, 2019, the School had spent \$8,637,871 of the award. The remaining amount of \$262,129 is being deferred in the financial statements and will be recognized as qualifying expenses are incurred in future periods.

NOTE 13 Implementation of ASU 2016-14

ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, was implemented for the year ended June 30, 2019. The standard has been retroactively applied to fiscal year 2018 (FY2018) and the FY2018 Statement of Activities has been restated to present the activity in two columns; Without Donor Restrictions or With Donor Restrictions. There was no change to the total revenues, expenses or ending net assets as a result of the implementation of the standard. As part of the restatement, the equity amounts as of June 30, 2017 have been restated and presented as either net assets without donor restrictions or net assets with donor restriction. This resulted in the following equity classifications as of June 30, 2017:

Net assets without donor restrictions	1,238,288
Net assets with donor restrictions	<u>51,529</u>
Total net assets	<u><u>\$ 1,289,817</u></u>

NOTE 14 Subsequent Event

Since its inception PTECH's funding from the J.A. & K Albertson Foundation has provided nearly all the resources necessary to cover the costs of PTECH's operations. During mid fiscal 2018 management was advised that the J.A. & K Albertson Foundation would discontinue funding. Management was unable to secure long-term funding from other sources so effective June 30, 2018 no further students will be admitted to the PTECH program. The Foundation has agreed to provide limited funding through June of 2020 to support legacy students who are still involved with the program until they graduate. In response to the elimination of funding management has reduced staff to a level sufficient to meet the needs of existing students, still in the program, and will be operating on a much smaller budget until June 2020.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors
Forrest M. Bird Charter Schools, Inc.
Sandpoint, Idaho 83864

We have audited the financial statements of Forrest M. Bird Charter Schools, Inc. as of and for the years ended June 30, 2019 and 2018, and have issued our report thereon dated September 9, 2019 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information presented on pages 20 through 27 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 financials or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Emphasis of Matter

We draw your attention to Note 2 which requires Forrest M. Bird Charter Schools, Inc. to submit to the Idaho State Department of Education financial statements in accordance with accounting principles generally accepted in the United States of America for governmental entities. Schedules I through VIII have been presented for this purpose. Our opinion is not modified with respect to this matter.

Hayden Ross, PLLC

Moscow, Idaho
September 9, 2019

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SCHEDULE I - STATEMENT OF NET POSITION
June 30, 2019

ASSETS

Current Assets:

Cash	1,127,511	
Federal receivable	21,941	
State support receivable	119,966	
Prepaid expenses and other current assets	3,213	
Total current assets	<u>1,272,631</u>	

Noncurrent Assets:

Land	14,227	
Buildings and land improvements	4,947,431	
Fixtures and equipment	138,322	
Less: accumulated depreciation	(1,508,861)	
Cash with donor restrictions	256,002	
Net OPEB asset - sick leave	127,761	
Total noncurrent assets	<u>3,974,882</u>	

Total assets 5,247,513

DEFERRED OUTFLOWS OF RESOURCES

Net OPEB - sick leave related items	33,459	
Pension related items	360,116	
Total deferred outflows of resources	<u>393,575</u>	

LIABILITIES

Current Liabilities:

Accounts payable and other current liabilities	349,827	
Unearned revenue	262,129	
Current portion of long-term debt	129,597	
Total current liabilities	<u>741,553</u>	

Noncurrent Liabilities:

Noncurrent portion of long-term debt	2,625,462	
Net pension liability	949,433	
Total noncurrent liabilities	<u>3,574,895</u>	

Total liabilities 4,316,448

DEFERRED INFLOWS OF RESOURCES

Net OPEB - sick leave related items	7,589	
Pension related items	177,192	
Total deferred inflows of resources	<u>184,781</u>	

NET POSITION

Net investment in capital assets	836,060	
Restricted for debt service	142,539	
Unrestricted	161,260	
Total net position	<u>1,139,859</u>	

Total net position \$ 1,139,859

Adjustments to conform with GAAP:

Pension related items:

Net OPEB asset - sick leave	(127,761)	
Deferred outflow of resources	(393,575)	
Deferred inflow of resources	184,781	
Net pension liability	949,433	
Total adjustments to conform with GAAP	<u>612,878</u>	

Net Assets - End of year (GAAP) \$ 1,752,737

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SCHEDULE II - BALANCE SHEET
June 30, 2019

	General	Special Revenue	Plant Facility	Totals
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash	1,127,511	256,002	-	1,383,513
Federal receivable	-	21,941	-	21,941
State support program receivable	119,966	-	-	119,966
Due from other funds	-	57,337	-	57,337
Prepaid expenses and other current assets	3,213	-	-	3,213
Total assets	<u>1,250,690</u>	<u>335,280</u>	<u>-</u>	<u>1,585,970</u>
Deferred outflows of resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,250,690</u>	<u>\$ 335,280</u>	<u>\$ -</u>	<u>\$ 1,585,970</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts payable	10,888	3,023	-	13,911
Accrued payroll and benefits	300,078	-	-	300,078
Accrued interest	4,349	-	-	4,349
Due to students fund	31,489	-	-	31,489
Due to other funds	38,621	18,716	-	57,337
Total liabilities	<u>385,425</u>	<u>21,739</u>	<u>-</u>	<u>407,164</u>
Deferred inflows of resources:				
Deferred revenue	-	262,129	-	262,129
Fund balance:				
Nonspendable	3,213	-	-	3,213
Restricted	142,539	51,412	-	193,951
Unrestricted	719,513	-	-	719,513
Total fund balance	<u>865,265</u>	<u>51,412</u>	<u>-</u>	<u>916,677</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 1,250,690</u>	<u>\$ 335,280</u>	<u>\$ -</u>	<u>\$ 1,585,970</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.

Sandpoint, Idaho

**SCHEDULE III - RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES**

June 30, 2019

Total Fund Balances - Governmental Funds	916,677
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 governmental funds.	
Cost of capital assets	5,099,980
Accumulated depreciation	(1,508,861)
Certain pension related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	360,116
Deferred inflow of resources	(177,192)
Certain OPEB sick leave related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities :	
Deferred outflow of resources	33,459
Deferred inflow of resources	(7,589)
Total Net OPEB asset for PERSI sick leave is a long-term asset and is not available to pay current year expenditures, therefore is not reported as an asset in governmental funds	127,761
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:	
Note payable	(2,755,059)
Net pension liability	(949,433)
Total Net Position - Governmental Activities	<u>\$ 1,139,859</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SCHEDULE IV - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2019

	General Fund	PTech	Khan Grant	SDE Grant	Driver's Education	Professional Technical State	State Technology	Substance Abuse	Title I-A, ESSA Improving Basic Programs	IDEA Part B (611 School Age 3-21)	Title IV-A ESSA Student Support and Academic Enrichment	Title V-B ESSA Rural Education Initiative	Title II-A, ESEA Supporting Effective Instruction	Plant Facility	Total
REVENUES															
Local	10,152	444,195	-	-	-	-	170	-	-	-	-	-	-	-	454,517
State	2,676,886	-	-	-	16,638	5,926	86,025	6,223	-	-	-	-	-	-	2,791,698
Federal	-	-	-	-	-	-	-	-	82,027	57,079	10,913	16,609	13,235	-	179,863
Total revenues	2,687,038	444,195	-	-	16,638	5,926	86,195	6,223	82,027	57,079	10,913	16,609	13,235	-	3,426,078
EXPENDITURES															
Instruction:															
Salaries	1,056,487	-	-	-	-	-	-	-	39,482	28,684	6,740	-	6,600	-	1,137,993
Benefits	397,868	-	-	-	-	-	-	-	7,810	5,857	1,276	-	1,378	-	414,189
Purchased services	31,403	174,123	-	-	16,638	-	-	-	875	22,177	-	126	5,034	-	250,376
Supply-material	9,736	16,748	-	-	-	5,576	-	-	22,330	361	17	16,036	-	-	70,804
Total instruction	1,495,494	190,871	-	-	16,638	5,576	-	-	70,497	57,079	8,033	16,162	13,012	-	1,873,362
Support:															
Salaries	372,855	102,635	-	-	-	-	14,714	-	7,000	-	-	-	-	-	497,204
Benefits	119,153	32,012	-	-	-	-	286	-	-	-	-	-	-	-	151,451
Purchased services	266,043	113,067	-	-	-	350	39,667	3,666	4,027	-	1,766	306	223	-	429,115
Supply-material	37,645	5,610	-	-	-	-	7,719	12,330	503	-	1,114	141	-	-	65,062
Total support	795,696	253,324	-	-	-	350	62,386	15,996	11,530	-	2,880	447	223	-	1,142,832
Capital objects	33,323	-	-	6,989	-	-	18,609	2,491	-	-	-	-	-	14,593	76,005
Debt services:															
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	119,696	119,696
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	129,758	129,758
Total debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	249,454	249,454
Total expenditures	2,324,513	444,195	-	6,989	16,638	5,926	80,995	18,487	82,027	57,079	10,913	16,609	13,235	264,047	3,341,653
Excess (deficiency) of revenues over (under) expenditures	362,525	-	-	(6,989)	-	-	5,200	(12,264)	-	-	-	-	-	(264,047)	84,425
Other financing sources (uses):															
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-	-	264,047	264,047
Transfer out	(264,047)	-	-	-	-	-	-	-	-	-	-	-	-	-	(264,047)
Total other financing sources (uses)	(264,047)	-	-	-	-	-	-	-	-	-	-	-	-	264,047	-
Net change in fund balance	98,478	-	-	(6,989)	-	-	5,200	(12,264)	-	-	-	-	-	-	84,425
Fund balance beginning of year	766,787	-	2	33,148	-	-	13,009	18,781	-	525	-	-	-	-	832,252
Fund balance end of year	\$ 865,265	\$ -	\$ 2	\$ 26,159	\$ -	\$ -	\$ 18,209	\$ 6,517	\$ -	\$ 525	\$ -	\$ -	\$ -	\$ -	\$ 916,677

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

GENERAL FUND
SCHEDULE V - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local:			
Interest	1,480	-	1,480
Contributions/donations	1,350	-	1,350
Other	7,322	-	7,322
Total local	<u>10,152</u>	<u>-</u>	<u>10,152</u>
State:			
Base support	2,042,351	1,861,335	181,016
Transportation	108,595	75,000	33,595
Exceptional child support	11,939	-	11,939
Benefit support	258,649	243,619	15,030
Lottery	21,136	19,000	2,136
Other state support	234,216	191,598	42,618
Total state	<u>2,676,886</u>	<u>2,390,552</u>	<u>286,334</u>
Total revenues	<u>2,687,038</u>	<u>2,390,552</u>	<u>296,486</u>
EXPENDITURES			
Instruction:			
Salaries	1,056,487	969,563	(86,924)
Benefits	397,868	364,822	(33,046)
Purchased services	31,403	27,000	(4,403)
Supply-materials	9,736	3,000	(6,736)
Total instruction	<u>1,495,494</u>	<u>1,364,385</u>	<u>(131,109)</u>
Support:			
Salaries	372,855	366,785	(6,070)
Benefits	119,153	124,694	5,541
Purchased services	266,043	260,618	(5,425)
Supply-materials	37,645	19,500	(18,145)
Total support	<u>795,696</u>	<u>771,597</u>	<u>(24,099)</u>
Capital objects	<u>33,323</u>	<u>5,000</u>	<u>(28,323)</u>
Total expenditures	<u>2,324,513</u>	<u>2,140,982</u>	<u>(183,531)</u>
Excess(deficiency) of revenues over(under) expenditures	362,525	249,570	112,955
Other financing sources (uses):			
Transfer out	<u>(264,047)</u>	<u>-</u>	<u>(264,047)</u>
Change in fund balance	98,478	<u>\$ 249,570</u>	<u>\$ (151,092)</u>
Fund balance - beginning of year	<u>766,787</u>		
Fund balance - end of year (budget basis)	865,265		
Adjustments to conform with GAAP:			
Capitalized capital objects	110,233		
Accumulated depreciation	<u>(79,006)</u>		
Net Assets - End of Year (GAAP)	<u>\$ 896,492</u>		

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

GENERAL FUND
SCHEDULE VI - STATEMENT OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	Actual	Budget	Variance Favorable (Unfavorable)
INSTRUCTION			
Secondary:			
Salaries	961,748	877,702	(84,046)
Benefits	365,427	332,994	(32,433)
Purchased services	31,403	27,000	(4,403)
Supply-materials	9,736	3,000	(6,736)
Total Secondary	<u>1,368,314</u>	<u>1,240,696</u>	<u>(127,618)</u>
Special Education Program:			
Salaries	94,739	91,861	(2,878)
Benefits	32,441	31,828	(613)
Total Special Education Program	<u>127,180</u>	<u>123,689</u>	<u>(3,491)</u>
TOTAL INSTRUCTION			
Salaries	1,056,487	969,563	(86,924)
Benefits	397,868	364,822	(33,046)
Purchased services	31,403	27,000	(4,403)
Supply-materials	9,736	3,000	(6,736)
Total Instruction	<u>\$ 1,495,494</u>	<u>\$ 1,364,385</u>	<u>\$ (131,109)</u>
SUPPORT			
Instructional Improvement Program:			
Purchased services	11,008	8,508	(2,500)
School Administration Program:			
Salaries	306,296	308,650	2,354
Benefits	101,196	106,351	5,155
Purchased Services	33,943	27,600	(6,343)
Supply-materials	15,794	7,000	(8,794)
Total School Administration Program	<u>457,229</u>	<u>449,601</u>	<u>(7,628)</u>
Building-Care Program (Custodial):			
Salaries	21,799	58,135	36,336
Benefits	8,192	18,343	10,151
Purchased services	46,393	49,000	2,607
Supply-materials	6,905	7,000	95
Total Building-Care Program (Custodial)	<u>83,289</u>	<u>132,478</u>	<u>49,189</u>
Maintenance - Student Occupied Bldgs:			
Salaries	36,760	-	(36,760)
Benefits	8,150	-	(8,150)
Purchased services	7,558	600	(6,958)
Supply-materials	14,946	4,000	(10,946)
Total Maintenance - Student Occupied Bldgs	<u>67,414</u>	<u>4,600</u>	<u>(62,814)</u>
Maintenance - Grounds:			
Salaries	8,000	-	(8,000)
Benefits	1,615	-	(1,615)
Purchased services	10,955	17,600	6,645
Supply-materials	-	1,500	1,500
Total Maintenance - Grounds	<u>20,570</u>	<u>19,100</u>	<u>(1,470)</u>
Pupil-To-School Transportation:			
Purchased services	155,747	157,310	1,563
Pupil-Activity Transportation:			
Purchased services	439	-	(439)
TOTAL SUPPORT			
Salaries	372,855	366,785	1,930
Benefits	119,153	124,694	7,156
Purchased services	266,043	260,618	(5,425)
Supply-materials	37,645	19,500	(18,145)
Total Support	<u>\$ 795,696</u>	<u>\$ 771,597</u>	<u>\$ (14,484)</u>
CAPITAL ASSET PROGRAM	<u>\$ 33,323</u>	<u>\$ 5,000</u>	<u>\$ (28,323)</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SPECIAL REVENUE FUNDS
SCHEDULE VII - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2019

	PTech	Khan Grant	SDE Grant	Driver's Education	Professional Technical State	State Technology	Substance Abuse	Title I-A, ESSA Improving Basic Programs	IDEA Part B (611 School Age 3-21)	Title IV-A ESSA Student Support and Academic Enrichment	Title V-B ESSA Rural Education Initiative	Title II-A, ESEA Supporting Effective Instruction	Total
REVENUES													
Local	444,195	-	-	-	-	170	-	-	-	-	-	-	444,365
State	-	-	-	16,638	5,926	86,025	6,223	-	-	-	-	-	114,812
Federal	-	-	-	-	-	-	-	82,027	57,079	10,913	16,609	13,235	179,863
Total revenues	444,195	-	-	16,638	5,926	86,195	6,223	82,027	57,079	10,913	16,609	13,235	739,040
EXPENDITURES													
Instruction:													
Salaries	-	-	-	-	-	-	-	39,482	28,684	6,740	-	6,600	81,506
Benefits	-	-	-	-	-	-	-	7,810	5,857	1,276	-	1,378	16,321
Purchased services	174,123	-	-	16,638	-	-	-	875	22,177	-	126	5,034	218,973
Supplies-materials	16,748	-	-	-	5,576	-	-	22,330	361	17	16,036	-	61,068
Total instruction	190,871	-	-	16,638	5,576	-	-	70,497	57,079	8,033	16,162	13,012	377,868
Support:													
Salaries	102,635	-	-	-	-	14,714	-	7,000	-	-	-	-	124,349
Benefits	32,012	-	-	-	-	286	-	-	-	-	-	-	32,298
Purchased services	113,067	-	-	-	350	39,796	3,666	4,027	-	1,766	306	223	163,201
Supplies-materials	5,610	-	-	-	-	7,590	12,330	503	-	1,114	141	-	27,288
Total support	253,324	-	-	-	350	62,386	15,996	11,530	-	2,880	447	223	347,136
Capital objects	-	-	6,989	-	-	18,609	2,491	-	-	-	-	-	28,089
Total expenditures	444,195	-	6,989	16,638	5,926	80,995	18,487	82,027	57,079	10,913	16,609	13,235	753,093
Excess (deficiency) of revenues over (under) expenditures	-	-	(6,989)	-	-	5,200	(12,264)	-	-	-	-	-	(14,053)
Change in fund balance	-	-	(6,989)	-	-	5,200	(12,264)	-	-	-	-	-	(14,053)
Fund balance-beginning of year	-	2	33,148	-	-	13,009	18,781	-	525	-	-	-	65,465
Fund balance-end of year	-	2	26,159	-	-	18,209	6,517	-	525	-	-	-	51,412
Adjustments to conform with GAAP:													
Capitalized capital objects	-	-	14,147	-	-	18,609	2,491	-	-	-	-	-	35,247
Depreciation expense	-	-	(6,700)	-	-	(1,329)	(178)	-	-	-	-	-	(8,207)
Net Assets - End of Year (GAAP)	\$ -	\$ 2	\$ 33,606	\$ -	\$ -	\$ 35,489	\$ 8,830	\$ -	\$ 525	\$ -	\$ -	\$ -	\$ 78,452

FORREST M. BIRD CHARTER SCHOOLS, INC.

Sandpoint, Idaho

PLANT FACILITY FUND

SCHEDULE VIII - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2019

REVENUES		-
EXPENDITURES		
Debt service principal	119,696	
Debt service interest	129,758	
Capital objects	<u>14,593</u>	
Total expenditures		<u>264,047</u>
Excess (deficiency) of revenues over(under) expenditures		(264,047)
Other financing sources:		
Transfer in	<u>264,047</u>	
Total other financing sources		<u>264,047</u>
Change in fund balance		-
Fund balance-beginning of year		<u>-</u>
Fund balance-end of year (budget basis)		-
Adjustments to conform with GAAP:		
Capitalized capital objects		4,954,500
Accumulated depreciation		(1,421,648)
Long-term debt		<u>(2,755,059)</u>
Net assets - end of year (GAAP)		<u><u>\$ 777,793</u></u>