

**GREENFIELD SCHOOL DISTRICT NO. 75**

**TETON COUNTY  
FAIRFIELD, MONTANA**

**FINANCIAL AND COMPLIANCE REPORT**

**Fiscal years Ended June 30, 2013 & 2014**

**Strom & Associates, P. C.**  
**PO BOX 1980**  
**Billings, Montana 59103**

Greenfield School District No. 75  
Teton County  
Fairfield, Montana 59436

TABLE OF CONTENTS

	Page No
TABLE OF CONTENTS	1
ORGANIZATION - BOARD OF TRUSTEES AND OFFICIALS	2
INDEPENDENT AUDITOR'S REPORT	3 - 4
<b>BASIC FINANCIAL STATEMENTS:</b>	
Statement of Net Assets Fiscal Years 2013 & 2014	5
Statement of Activities Fiscal Year 2013	6
Statement of Activities Fiscal Years 2014	7
Balance Sheet – Governmental Funds and a Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Assets Fiscal Year 2013	8
Balance Sheet – Governmental Funds and a Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Assets Fiscal Year 2014	9
Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds FY13	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities Fiscal Year 2013	11
Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds FY14	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities Fiscal Year 2014	13
Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets FY 2013	14
Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets FY 2014	15
Notes to the Financial Statements	16 - 25
<b>REQUIRED SUPPLEMENTAL INFORMATION:</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Budget and Actual) All Budgeted Major Funds	26 - 30
Notes to the Budget and Actual Schedule	31 - 32
<b>SUPPLEMENTAL SCHEDULES:</b>	
Schedule of Revenues, Expenditures, and Fund Balances Expendable Trust - Extracurricular Funds FY 2013 & FY 2014	33
Schedule of Reported Enrollment FY 2013 & FY 2014	34 - 35
<b>INDEPENDENT AUDITOR'S REPORTS:</b>	
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"	36 - 37
SCHEDULE OF FINDINGS AND RESPONSES	38

Greenfield School District No. 75  
Teton County  
Fairfield, Montana 59436

ORGANIZATION

BOARD OF TRUSTEES Fiscal Year 2013

Michael Hager	Chair
Mervin Carper	Trustee
Spencer Pearson	Trustee

BOARD OF TRUSTEES Fiscal Year 2014

Spencer Pearson	Chair
Mervin Carper	Trustee
Michael Hager	Trustee

OFFICIALS

Paul Wilson	Principal
Caroline J. Forseth	District Clerk
Diane Inbody	County Superintendent
Joe Coble	County Attorney

STROM & ASSOCIATES, PC  
Certified Public Accountants  
P.O. Box 1980  
Billings, Montana 59103

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Greenfield School District No. 75  
Teton County  
Fairfield, Montana 59436

**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 Greenfield School District No. 75 as of and for the years ended June 30, 2013 and June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

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

**Auditor's Responsibility**

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Greenfield School District No. 75 as of June 30, 2013 and 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America 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.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information (pages 26-32) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Greenfield School District No. 75's basic financial statements. The accompanying schedule of revenues, expenses and balances student activity funds (page 33) and schedule of reported enrollment (page 34-35) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying schedule of revenues, expenses and balances student activity funds and schedule of reported enrollment are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedule of revenues, expenses and balances student activity funds and schedule of reported enrollment 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 November 10, 2014 on our consideration of Greenfield School District No. 75 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 Greenfield School District No. 75 internal control over financial reporting and compliance.



STROM & ASSOCIATES, PC  
Billings, Montana  
November 10, 2014

	STATEMENT OF NET POSITION as of June 30, 2013	STATEMENT OF NET POSITION as of June 30, 2014
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
<b>ASSETS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 272,133	\$ 266,366
Taxes Receivable	4,228	2,203
Due From Other Governments	<u>874</u>	<u>845</u>
Total Current Assets	<u>277,235</u>	<u>269,414</u>
Noncurrent Assets:		
Capital Assets:		
Land	1,778	1,778
Net Depreciable Assets	<u>447,909</u>	<u>496,172</u>
Total Noncurrent Assets	<u>449,687</u>	<u>497,950</u>
Total Assets	<u>\$ 726,922</u>	<u>\$ 767,364</u>
<b>LIABILITIES:</b>		
Noncurrent Liabilities:		
Compensated Absences	<u>10,346</u>	<u>11,110</u>
Total Noncurrent Liabilities	<u>10,346</u>	<u>11,110</u>
Total Liabilities	<u>10,346</u>	<u>11,110</u>
<b>NET POSITION:</b>		
Net investment in capital assets	449,687	497,950
Restricted	193,524	151,560
Unrestricted (Deficit)	<u>73,365</u>	<u>106,744</u>
Total Net Position	<u>716,576</u>	<u>756,254</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 726,922</u>	<u>\$ 767,364</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF ACTIVITIES  
as of June 30, 2013

	Program Revenues			Net (Expenses) Revenues and Governmental Activities
	Expenses	Charge for Services	Operating Grants and Contributions	
<b>GOVERNMENT OPERATIONS</b>				
Instructional Services	\$ 268,574	\$ -	\$ 30,470	\$ (238,104)
Support Services	7,020	-	-	(7,020)
Educational Media Services	11,988	-	-	(11,988)
General Administrative Services	87,769	-	-	(87,769)
Operation & Maintenance Services	87,565	4,600	-	(82,965)
Transportation Services	61,794	-	14,201	(47,593)
School Food Services	52,343	19,602	7,772	(24,969)
Extracurricular	4,317	-	-	(4,317)
Unallocated Depreciation Expense *	11,152	-	-	(11,152)
<b>Total Governmental Activities</b>	<b>592,522</b>	<b>24,202</b>	<b>52,443</b>	<b>(515,877)</b>
<b>GENERAL REVENUES</b>				
District Levies				144,995
State Equalization				178,870
Other State Revenues				131,784
County				52,079
Interest				2,220
Other				175
<b>Total General Revenues</b>				<b>510,123</b>
Change in Net Position				(5,754)
Net Position				
Beginning of the Year				725,275
Prior Period Adjustments				(2,945)
End of the Year				<b>\$ 716,576</b>

\* Excludes depreciation included in direct expenses of the various functions

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF ACTIVITIES  
as of June 30, 2014

	Program Revenues			Net (Expenses) Revenues and
	Expenses	Charge for Services	Operating Grants and Contributions	Primary Government Governmental Activities
<b>GOVERNMENT OPERATIONS</b>				
Instructional Services	\$ 305,302	\$ 26,997	\$ 11,933	\$ (266,372)
Support Services	7,666	-	-	(7,666)
Educational Media Services	13,218	-	-	(13,218)
General Administrative Services	74,059	-	-	(74,059)
Operation & Maintenance Services	116,687	-	-	(116,687)
Transportation Services	73,394	-	15,067	(58,327)
School Food Services	52,866	18,853	8,482	(25,531)
Extracurricular	5,000	-	-	(5,000)
Unallocated Depreciation Expense *	11,152	-	-	(11,152)
<b>Total Governmental Activities</b>	<u>659,344</u>	<u>45,850</u>	<u>35,482</u>	<u>(578,012)</u>
<b>GENERAL REVENUES</b>				
District Levies				142,257
State Equalization				213,532
Other State Revenues				156,865
County				97,631
Interest				604
Other				6,801
<b>Total General Revenues</b>				<u>617,690</u>
<b>Change in Net Position</b>				39,678
<b>Net Position</b>				
Beginning of the Year				<u>716,576</u>
End of the Year				<u>\$ 756,254</u>

\* Excludes depreciation included in direct expenses of the various functions

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

BALANCE SHEET  
GOVERNMENTAL FUNDS  
as of June 30, 2013

	MAJOR				Other Governmental Funds	Total Governmental Funds
	General Fund	Transportation	Bus Depreciation	Retirement		
<b>ASSETS:</b>						
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ 81,231	\$ 26,119	\$ 110,553	\$ 32,640	\$ 21,590	\$ 272,133
Taxes Receivable	2,480	1,415	333	-	-	4,228
Due From Other Governments	-	-	-	-	874	874
<b>Total Assets</b>	<b>\$ 83,711</b>	<b>\$ 27,534</b>	<b>\$ 110,886</b>	<b>\$ 32,640</b>	<b>\$ 22,464</b>	<b>\$ 277,235</b>
<b>LIABILITIES:</b>						
Total Liabilities	-	-	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Property Taxes Receivable	2,480	1,415	333	-	-	4,228
<b>Total Deferred Inflows of resources</b>	<b>2,480</b>	<b>1,415</b>	<b>333</b>	<b>-</b>	<b>-</b>	<b>4,228</b>
<b>FUND BALANCE:</b>						
<b>Fund Balances:</b>						
Restricted	-	26,119	110,553	32,640	22,464	191,776
Assigned	33,473	-	-	-	-	33,473
Unassigned:	47,758	-	-	-	-	47,758
<b>Total Fund Balance</b>	<b>81,231</b>	<b>26,119</b>	<b>110,553</b>	<b>32,640</b>	<b>22,464</b>	<b>273,007</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 83,711</b>	<b>\$ 27,534</b>	<b>\$ 110,886</b>	<b>\$ 32,640</b>	<b>\$ 22,464</b>	<b>\$ 277,235</b>

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total fund balance reported above	\$ 273,007
Governmental Capital Assets	449,687
Long-term Liabilities	
Compensated Absences	(10,346)
Unavailable Property Taxes Receivable	4,228
<b>Net Position of Governmental Activities</b>	<b>\$ 716,576</b>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

BALANCE SHEET  
GOVERNMENTAL FUNDS  
as of June 30, 2014

	MAJOR				Other Governmental Funds	Total Governmental Funds
	General	Transportation	Bus Depreciation	Retirement		
<b>ASSETS:</b>						
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ 116,529	\$ 28,285	\$ 36,134	\$ 61,480	\$ 23,938	\$ 266,366
Taxes Receivable	1,325	647	231	-	-	2,203
Due From Other Governments	-	-	-	-	845	845
<b>Total Assets</b>	<b>\$ 117,854</b>	<b>\$ 28,932</b>	<b>\$ 36,365</b>	<b>\$ 61,480</b>	<b>\$ 24,783</b>	<b>\$ 269,414</b>
<b>LIABILITIES:</b>						
Total Liabilities	-	-	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Property Taxes Receivable	1,325	647	231	-	180	2,383
<b>Total Deferred Inflows of resources</b>	<b>1,325</b>	<b>647</b>	<b>231</b>	<b>-</b>	<b>180</b>	<b>2,383</b>
<b>FUND BALANCE:</b>						
<b>Fund Balances:</b>						
Restricted	-	28,285	36,134	61,480	24,603	150,502
Assigned	65,564	-	-	-	-	65,564
Unassigned:	50,965	-	-	-	-	50,965
<b>Total Fund Balance</b>	<b>116,529</b>	<b>28,285</b>	<b>36,134</b>	<b>61,480</b>	<b>24,603</b>	<b>267,031</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 117,854</b>	<b>\$ 28,932</b>	<b>\$ 36,365</b>	<b>\$ 61,480</b>	<b>\$ 24,783</b>	<b>\$ 269,414</b>

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total fund balance reported above	\$ 267,031
Governmental Capital Assets	497,950
Long-term Liabilities Compensated Absences	(11,110)
Unavailable Property Taxes Receivable	2,383
<b>Net Position of Governmental Activities</b>	<b>\$ 756,254</b>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
as of June 30, 2013

	MAJOR				Other Governmental Funds	Total Governmental Funds
	General Fund	Transportation	Bus Depreciation	Retirement		
<b>REVENUES:</b>						
District Levies	\$ 82,585	\$ 48,349	\$ 10,576	\$ -	\$ -	\$ 141,510
Interest	925	171	690	222	212	2,220
Charges for Services	-	-	-	-	24,202	24,202
Other	-	175	-	-	-	175
County	-	7,513	-	52,079	-	59,592
State	318,747	13,050	-	-	468	332,265
Federal	-	-	-	-	28,319	28,319
<b>Total Revenues</b>	<b>402,257</b>	<b>69,258</b>	<b>11,266</b>	<b>52,301</b>	<b>53,201</b>	<b>588,283</b>
<b>EXPENDITURES:</b>						
<b>Current</b>						
Instructional Services	212,311	-	-	29,472	20,865	262,648
Support Services	6,089	-	-	931	-	7,020
Educational Media Services	8,970	-	-	1,318	1,700	11,988
General Administrative Services	71,147	7,784	-	8,838	-	87,769
Operation & Maintenance Services	59,261	8,365	-	4,516	13,540	85,682
Transportation Services	100	46,802	-	4,487	-	51,389
School Food Services	23,818	-	-	3,191	24,999	52,008
Extracurricular	4,213	-	-	104	-	4,317
Capital Outlay	31,038	-	-	-	-	31,038
<b>Total Expenditures</b>	<b>416,947</b>	<b>62,951</b>	<b>-</b>	<b>52,857</b>	<b>61,104</b>	<b>593,859</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>(14,690)</b>	<b>6,307</b>	<b>11,266</b>	<b>(556)</b>	<b>(7,903)</b>	<b>(5,576)</b>
<b>FUND BALANCE:</b>						
Beginning of the Year	86,634	19,812	99,287	33,196	39,654	278,583
Prior Period Adjustments	9,287	-	-	-	(9,287)	-
<b>End of the Year</b>	<b>\$ 81,231</b>	<b>\$ 26,119</b>	<b>\$ 110,553</b>	<b>\$ 32,640</b>	<b>\$ 22,464</b>	<b>\$ 273,007</b>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

Greenfield School District No. 75  
Teton County  
Fairfield, Montana 59436

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
as of June 30, 2013

Net Changes in Fund Balance		\$	(5,576)
Revenues on the Statement of Activity not included in governmental funds statement:			
Increase (decrease) in taxes receivable			(1,515)
Expenses on the Statement of Activity not included in the governmental funds statement:			
Depreciation Expense	(29,152)		
(Increase) decrease in compensated absence liability	<u>(549)</u>		(29,701)
Expenditures reported in the governmental funds statement not included in the Statement of Activity			
Capital outlays			<u>31,038</u>
Change in net position reported on the Statement of Activity		\$	<u>(5,754)</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
as of June 30, 2014

	MAJOR				Other Governmental Funds	Total Governmental Funds
	General	Transportation	Bus Depreciation	Retirement		
<b>REVENUES:</b>						
District Levies	\$ 86,420	\$ 43,805	\$ 13,877	\$ -	\$ -	\$ 144,102
Interest	386	12	179	18	9	604
Charges for Services	-	-	-	-	18,853	18,853
Other	341	-	-	-	6,460	6,801
County	-	7,877	-	97,631	-	105,508
State	377,175	11,347	-	-	1,235	389,757
Federal	-	-	-	-	35,242	35,242
<b>Total Revenues</b>	<b>464,322</b>	<b>63,041</b>	<b>14,056</b>	<b>97,649</b>	<b>61,799</b>	<b>700,867</b>
<b>EXPENDITURES:</b>						
<b>Current</b>						
Instructional Services	230,188	-	-	43,789	25,184	299,161
Support Services	6,586	-	-	1,080	-	7,666
Educational Media Services	9,002	-	-	1,308	2,908	13,218
General Administrative Services	57,441	7,732	-	8,886	-	74,059
Operation & Maintenance Services	100,744	7,147	-	4,880	2,033	114,804
Transportation Services	848	45,996	-	5,085	-	51,929
School Food Services	19,215	-	-	3,781	29,535	52,531
Extracurricular	5,000	-	-	-	-	5,000
Capital Outlay	-	-	88,475	-	-	88,475
<b>Total Expenditures</b>	<b>429,024</b>	<b>60,875</b>	<b>88,475</b>	<b>68,809</b>	<b>59,660</b>	<b>706,843</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>35,298</b>	<b>2,166</b>	<b>(74,419)</b>	<b>28,840</b>	<b>2,139</b>	<b>(5,976)</b>
<b>FUND BALANCE:</b>						
Beginning of the Year	81,231	26,119	110,553	32,640	22,464	273,007
End of the Year	\$ 116,529	\$ 28,285	\$ 36,134	\$ 61,480	\$ 24,603	\$ 267,031

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

Greenfield School District No. 75  
Teton County  
Fairfield, Montana 59436

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
as of June 30, 2014

Net Changes in Fund Balance		\$	(5,976)
Revenues on the Statement of Activity not included in governmental funds statement:			
Increase (decrease) in taxes receivable			(1,845)
Expenses on the Statement of Activity not included in the governmental funds statement:			
Depreciation Expense	(40,212)		
(Increase) decrease in compensated absence liability	<u>(764)</u>	(40,976)	
Expenditures reported in the governmental funds statement not included in the Statement of Activity			
Capital outlays		<u>88,475</u>	
Change in net position reported on the Statement of Activity		\$	<u>39,678</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
as of June 30, 2013

	Private Purpose	
	Trust Funds	Agency Funds
<b>ASSETS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 9,691	\$ 25,560
Total Assets	<u>9,691</u>	<u>25,560</u>
<b>LIABILITIES:</b>		
Current Liabilities		
Warrants Payable	-	25,560
Total Liabilities	<u>-</u>	<u>25,560</u>
<b>NET POSITION:</b>		
Restricted for Endowment	4,000	
Restricted for Student Activities	<u>5,691</u>	
Total Net Position	<u>\$ 9,691</u>	

STATEMENT OF CHANGES IN FIDUCIARY NET  
FIDUCIARY FUNDS  
as of June 30, 2013

	Private Purpose
	Trust Funds
<b>ADDITIONS:</b>	
Revenues from Student Activities	\$ 3,640
Contributions to Endowment	<u>4,000</u>
Total Additions	<u>7,640</u>
<b>DEDUCTIONS:</b>	
Expenses of Student Activities	<u>8,790</u>
Total Deductions	<u>8,790</u>
CHANGE IN NET POSITION	(1,150)
<b>NET POSITION:</b>	
Beginning of the Year	<u>10,841</u>
End of the Year	<u>\$ 9,691</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
as of June 30, 2014

	Private Purpose	
	Trust Funds	Agency Funds
<b>ASSETS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 10,486	\$ 20,085
Total Assets	<u>10,486</u>	<u>20,085</u>
<b>LIABILITIES:</b>		
Current Liabilities		
Warrants Payable	-	20,085
Total Liabilities	<u>-</u>	<u>20,085</u>
<b>NET POSITION:</b>		
Restricted for Endowment	4,000	
Restricted for Student Activities	6,486	
Total Net Position	<u>\$ 10,486</u>	

STATEMENT OF CHANGES IN FIDUCIARY NET  
FIDUCIARY FUNDS  
as of June 30, 2014

	Private Purpose
	Trust Funds
<b>ADDITIONS:</b>	
Revenues from Student Activities	\$ 1,402
Total Additions	<u>1,402</u>
<b>DEDUCTIONS:</b>	
Expenses of Student Activities	607
Total Deductions	<u>607</u>
CHANGE IN NET POSITION	795
<b>NET POSITION:</b>	
Beginning of the Year	9,691
End of the Year	<u>\$ 10,486</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. a. REPORTING ENTITY

The basic financial statements of Greenfield School District No. 75 (School District) have been prepared on a prescribed basis of accounting that demonstrates compliance with the accounting and budget laws of the State of Montana, which conforms to generally accepted accounting principles (GAAP). The School District applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

During fiscal years 2013 and 2014 the School District adopted the following

- GASB Statement No. 61 - The Financial Reporting Entity, which amended GASB Statement No. 14 and No. 34. The amendment amended the criteria for reporting component units. This statement did not represent a change in the School District's reporting entity.
- GASB Statement No. 62 – Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. The statement eliminated the need for state and local governments to reference the use of the Financial Accounting Standards Board (FASB) and place all sources of generally accepted accounting principles for state and local governments in a single source.
- GASB Statement No. 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which revised the terminology for financial reporting from “net assets” to “net position” and introduced “deferred outflows/deferred inflows” terminology. There is no effect on the financial statements only a terminology change.
- GASB Statement No. 65 – Items Previously Reported as Assets and Liabilities. This statement made changes in major fund determination and the use of the term “deferred”. For the School District deferred property taxes are reported as an element of deferred inflows of resources.
- GASB Statement No. 67 – Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25. The amendment revised existing guidance for financial report of pension systems for state and local government. The statement is applicable for fiscal years 2013 and 2014. This statement affects the applicable retirement plan administration at the State level and did not have any effect on the School District.
- GASB Statement No. 70 – Accounting and Financial Reporting for Nonexchange Financial Guarantees. The statement is applicable for fiscal year 2014. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The School District has not extend any financial guarantees to other parties. This statement has no effect on the financial statements.

The following are a listing of GASB statements which have been issued and the School District assessment of effects to the financial statements.

- GASB Statement No. 68 – Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. This statement revises and establishes new financial reporting requirement that provide employees with pension benefits. The statement is effective for fiscal year 2015. This statement will require the School District to expand its pension foot note disclosures. The School District plans to implement this in fiscal year 2015 after the State of Montana provides the required information for reporting and disclosure.
- GASB Statement No. 69 – Government Combinations and Disposals of Government Operations. The statement is applicable for fiscal years 2013 and 2014. The statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The School District is not merging with another School District or ceasing to exist. This statement has no effect on the financial statements.
- GASB Statement No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68. This statement amends paragraph 137 of statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The School District plans to implement this in fiscal year 2015 after the State of Montana provides the required information for reporting and disclosure.

The criteria for including organizations as component units within the School District's reporting entity is set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) "Codification of Government Accounting and Financial Reporting Standards." The basic criteria include appointing a voting majority of an organization's governing body, as well as the School District's ability to impose its will on that organization, or the potential for the organization to provide specific financial benefit to, or impose specific financial burdens on, the School District. Based on those criteria this School District has no component units.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

1. b. BASIS OF PRESENTATION AND ACCOUNTING

1. b. 1 GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements include the statement of net position and the statement of activities. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The government-wide financial statements report using the economic resource measurement focus and the accrual basis of accounting generally including the elimination of internal activity between or within funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. Expenses which are not directly related to a function, indirect expenses, are not charges to a function. Program revenues include:

- Charges for services such as school lunch fees and facility rental fees and
- Operating grants that are restricted to a particular functional program.

Property taxes, investment earnings, state equalization payments, and other revenue sources not properly included with program revenue are reported as general revenues.

1. b. 2 FUND ACCOUNTING

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The student activity fund and endowment fund are displayed as fiduciary funds. Since the resources in the fiduciary funds cannot be used for School District operations, they are not included in the entity-wide statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, and fund balance are included on the balance sheet. Operating statement of these funds present net increases and decreases in current assets. Revenues are recorded when they are both measurable and available. Available means collectible within the current period anything collected after June 30 are generally not material. Unavailable income are recorded in governmental funds for delinquent taxes. Expenditures are recorded when the related fund liability is incurred except for compensated absence payments which are recognized when due. Capital assets are functional expenditures in governmental funds.

Revenues from local sources consist primarily of property taxes. Property tax revenue and revenues received from the State of Montana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Cost reimbursement grant funds are considered to be both measurable and available to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received and the expenditure has not been incurred they are recorded as unearned grant revenues because the revenues are available. All other revenue items are considered to be measurable and available only when cash is received by the government.

Trust and agency fund financial statements report using the economic resources measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. On an accrual basis, revenue from property taxes and assessments are recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

GASB Statement No. 34 requires the general fund be reported as a major fund. Other individual governmental and enterprise funds should be reported in separate columns as major funds based on these criteria:

- Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of that category or type (that is, total governmental funds)

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

In addition to funds that meet the major fund criteria, any other governmental funds that government officials believe is particularly important to financial statement users may be reported as a major fund. The School District reports the following major governmental funds:

- General Fund – The General Fund is the general operating fund of the School District and accounts for all revenues and expenditures of the School District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. On the GASB 34 financial statements the general fund also includes the activities of the flexibility fund since the restrictions on those funds are similar to the general fund.
- Transportation Fund – This fund is used to account for financing the maintenance and operation of School District owned school buses, contracts with private carriers for school bus service, individual transportation contracts, and any amount necessary for the purchase, rental, or insurance of yellow school buses or operation of the transportation program. County wide levies to this fund are to be based upon projected transportation costs for the fiscal year.
- Bus Depreciation Fund – This fund is used to account for financing the replacement of yellow school buses and two-way radio equipment owned by a school. Deposits made to the fund are limited by depreciation percentages of current busses and two-way radio equipment owned by the School District.
- Retirement Fund – This fund is used to account for financing the employer’s contribution to the Teachers’ Retirement System (TRS), the Public Employees’ Retirement System (PERS), Unemployment Compensation, Social Security and Medicare benefits for School District employees. County wide levies to this fund are to be based upon projected salaries for the fiscal year.

1. b. 3 OTHER FUND TYPES

Private-Purpose Trust Funds – Accounts for the receipt and disbursement of monies from student activity organizations, as well as any donated scholarship funds. These organizations exist with the explicit approval of and are subject to revocation by the School District's Board of Trustees. This accounting reflects the School District's trust relationship with the student activity organizations and any scholarship commitments.

Agency Funds – Account for assets that the School District holds on behalf of others as their agent in the payroll and claims clearing funds and employee payroll tax withholdings. Cash is held for warrants which were written but have not been paid by the County Treasurer.

1. c. ASSETS, LIABILITIES AND NET POSITION (FUND BALANCE)

1. c. 1 CASH AND INVESTMENTS

Cash includes amounts in demand deposits, as well as short-term investments as authorized by State statutes. Montana Code Annotated (MCA) allows Montana local governments to invest public money not necessary for immediate use in United States government treasure bills, notes, bonds; certain United States treasury obligations; United States government security money market fund if investments consist of those listed above; time or savings deposits with a bank, savings and loan association, or credit union which is FDIC, FSLIC, or NCUA insured and are located in the state; or in repurchase agreements as authorized by MCA, or Montana Board of Investments Short Term Investment Pool (STIP). Interest earned on the pooled investments is distributed to each contributing entity and fund on a pro rata basis. Investments are recorded at fair market value.

Information regarding the collateral and security for cash is not available to the School District. However, State statute requires that United State government securities or agencies be held as collateral to secure deposits of public funds in excess of Federal Deposit Insurance Corporation (FDIC) insurance. The external investment pool is audited as part of Teton County's financial statements. This investment pool is not registered with or monitored by the Securities and Exchange Commission (SEC).

1. c. 2 TAXES

Property taxes are collected by the County Treasurer who credits to the School District funds their respective share of the collections. The tax levies are collectible in two installments, which become delinquent after November 30 and May 31. Property taxes are liens upon the property being taxed. After a period of three years, the County may begin foreclosure proceedings and sell the property at auction. The School District receives its share of the sale proceeds of any such auction.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

1. c. 3 INVENTORIES

Materials, supplies and food inventory at year end was not material. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

1. c. 4 CAPITAL ASSETS

The School District's property, plant, and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. Historical cost was established at the initial booking of the capital assets by determining actual costs or estimating using standard costing procedures. The School District considers capital assets to be items in excess of \$5,000 with a useful life in excess of one year. The costs of normal maintenance and repair are not capitalized. Land and construction in progress are not depreciated. Depreciation on the other capital assets is provided over their estimated useful lives on the straight-line method. The useful lives of these assets have been estimated as follows:

<u>Capital Asset Classes</u>	<u>Lives</u>
Buildings	20 – 50 years
Improvements other than buildings	25 years
Machinery and Equipment	5 – 20 years

1.c. 5 DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the statement of financial position reports 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 government has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable, is reported only in the governmental funds balance sheet. The governmental funds report unavailable from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

1.c. 6 VACATION AND SICK LEAVE

Classified School District employees accumulate vacation and sick leave for later use or for payment upon termination, death, or retirement. Classified School District employees earn vacation leave at the rate of 15 days per year during the first 10 years of employment, and at increasing rates thereafter to a maximum of 24 days per year after 20 years of employment. There is no requirement that vacation leave be taken, but the maximum permissible accumulation is the amount earned in the most recent two-year period. At termination, employees are paid for any accumulated vacation leave at the current rate of pay. Classified School District employees earn sick leave at the rate of one day per month. There is no limit on the accumulation of unused sick leave. However, upon termination, only 25% of accumulated sick leave is paid at the current rate of pay.

Certified School District employees shall accrue 20 days of sick leave at the beginning of each year. Unused sick leave will be accruable without limit. Up to 2 days personal leave with pay shall be granted each year. Upon termination, all payments are made at the employee's current salary.

Liabilities incurred because of unused sick leave accumulated by employees are reflected in the financial statements. Expenditures for unused leave are recorded when paid in governmental funds and when accrued on the statement of activities. The amount expected to be paid within one year for 2013 and 2014 is \$0 and \$0 respectively, and it is generally paid out of the general fund.

1.c. 7 NET POSITION AND FUND BALANCE

Statement of Net Position include the following:

- Net Investment in Capital Assets – The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction, or improvement of these capital assets.
- Restricted – The component of net position that is either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – The difference between the assets and liabilities that is not reported in the other element of net position.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

Governmental fund financial statements include the following fund balances:

- **Restricted** - Includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- **Assigned** – the executing a purchase order for a specific purpose such as an encumbrance.
- **Unassigned** - Amounts that are available for any purpose; these amounts are reported only in the general fund.

As of June 30, 2013, fund balance components other than unassigned fund balance consist of the following:

<u>Purpose</u>	<u>Restricted</u>	<u>Assigned</u>
Instructional - Regular	\$ 27,984	\$ 17,124
Support Services	575	511
Educational Media Services	1,327	752
General Administrative Services	8,687	5,985
Operation & Maintenance Service	13,901	6,696
Transportation services	132,742	8
School Food Services	6,496	2044
Extracurricular	64	353
Total	<u>\$ 191,776</u>	<u>\$ 33,473</u>

As of June 30, 2014, fund balance components other than unassigned fund balance consist of the following:

<u>Purpose</u>	<u>Restricted</u>	<u>Assigned</u>
Instructional - Regular	\$ 50,001	\$ 35,178
Support Services	4,640	1,006
Educational Media Services	2,021	1,376
General Administrative Services	11,532	8,778
Operations & Maintenance	14,553	15,396
Transportation Services	25,915	130
School Food Services	5,706	2,936
Extracurricular	-	764
Capital Outlay	36,134	-
Total	<u>\$ 150,502</u>	<u>\$ 65,564</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School District considers restricted funds to have been spent first. When an expenditure is incurred for assigned or unassigned fund balances are available, the School District considers amounts to have been spent first out of assigned and then unassigned funds as needed.

1. d. OTHER

1. d. 1 USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1.d. 2 County Provided Services

The School District is provided various financial services by Teton County. The Teton County also serves as cashier and treasurer for the School District for tax and assessment collections and other revenues received by the Teton County which are subject to distribution to the various taxing jurisdictions located in the Teton County. The collections made by the Teton County on behalf of the School District are accounted for in an agency fund in the School District’s name and are periodically remitted to the School District by the Teton County Treasurer. No service charges have been recorded by the School District or the Teton County.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

NOTE 2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

At June 30, 2013, the summary of cash, cash equivalents for governmental and fiduciary funds is as follows:

<u>Account Type</u>	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 272,133	\$ 35,251	\$ 307,384
Total	\$ 272,133	\$ 35,251	\$ 307,384

At June 30, 2014, the summary of cash, cash equivalents for governmental and fiduciary funds is as follows:

<u>Account Type</u>	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 266,366	\$ 30,571	\$ 296,937
Total	\$ 266,366	\$ 30,571	\$ 296,937

The carrying amount of cash on hand, deposits and investments at June 30, 2013 and June 30, 2014, is as follows:

	<u>FY2013 Amount</u>	<u>FY2014 Amount</u>
Demand Accounts	\$ 5,691	\$ 6,486
County Investment Pool	303,897	292,746
Total	\$ 309,588	\$ 299,232

Cash resources of the School District are held and managed by the Teton County Treasurer pursuant to State Law. They are combined with cash resources of other governmental entities within Teton County to form a pool of cash and cash equivalents. Investments of pooled cash consist primarily of Certificates of Deposit and are carried at fair value. The School District's exposure to credit risk is not available to the School District. Risk in the event of loss is unclear in state law, but appears to be the liability of the Teton County government. Because of the custodial involvement of the Teton County government, and the commingling of cash in County deposits in the name of the Teton County Treasurer, full risk classifications according to GASB 40 are available in the Teton County's annual report. There is no known maturity and credit rating of the Teton County Investment Pool.

The cash of the extracurricular funds is held separately by the School District, not at the Teton County. The amount exposed to custodial credit risk and covered by FDIC insurance as of June 30, 2013 and 2014 was \$5,691 and \$6,486, respectively.

NOTE 3. TAXES RECEIVABLE

The assessed value of the roll as of January 1, 2012 and 2013, upon which the levy for the 2013 and 2014 fiscal years was based, was \$873,448 and \$891,432, respectively for the District. The tax rates assessed for the years ended June 30, 2013 and 2014 to finance School District operations and applicable taxes receivable District follows:

<u>Fund</u>	<u>FY2013 Mill Levies</u>	<u>FY2013 Taxes Receivable</u>	<u>FY2014 Mill Levies</u>	<u>FY2014 Taxes Receivable</u>
General*	92.29	\$ 2,480	99.60	\$ 1,325
Transportation*	54.49	1,415	50.27	647
Bus Depreciation*	11.14	333	16.09	231
Total	157.92	\$ 4,228	165.96	\$ 2,203

\* Denotes Major Funds

NOTE 4. DUE FROM OTHER GOVERNMENTS

<u>FY2013 Fund</u>	<u>Amount</u>	<u>Due From</u>	<u>Reason</u>
Miscellaneous	\$ 874	USDA	REAP Grant

  

<u>FY2014 Fund</u>	<u>Amount</u>	<u>Due From</u>	<u>Reason</u>
Miscellaneous	\$ 845	US DoE	Title I

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

NOTE 5. CAPITAL ASSETS, DEPRECIATION AND NET CAPITAL ASSETS

5. a. At June 30, 2013, the schedule of changes in general capital assets follows:

<u>Governmental Activities:</u>	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments/</u> <u>Transfers</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>Non-depreciable:</u>					
Land	\$ 1,778	\$ -	\$ -	\$ -	\$ 1,778
<u>Depreciable:</u>					
Improvements	\$ 69,790	\$ -	\$ -	\$ -	\$ 69,790
Buildings	464,790	-	-	-	464,790
Major Equipment	247,791	31,038	(23,554)	-	255,275
Total Depreciable	\$ 782,371	\$ 31,038	\$ (23,554)	\$ -	\$ 789,855
<u>Accumulated Depreciation:</u>					
Land Improvements	\$ (5,584)	\$ (1,396)	\$ -	\$ -	\$ (6,980)
Buildings	(151,101)	(9,756)	-	-	(160,857)
Major Equipment	(176,718)	(18,000)	23,554	(2,945)	(174,109)
Total Depreciation	\$ (333,403)	\$ (29,152)	\$ 23,554	\$ (2,945)	\$ (341,946)
Net Depreciable Assets	448,968	1,886	-	(2,945)	447,909
Net Governmental Capital Assets	\$ 450,746	\$ 1,886	\$ -	\$ (2,945)	\$ 449,687

At June 30, 2014, the schedule of changes in general capital assets follows:

<u>Governmental Activities:</u>	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Balance</u> <u>June 30, 2014</u>
<u>Non-depreciable:</u>			
Land	\$ 1,778	\$ -	\$ 1,778
<u>Depreciable:</u>			
Improvements	\$ 69,790	\$ -	\$ 69,790
Buildings	464,790	-	464,790
Major Equipment	255,275	88,475	343,750
Total Depreciable	\$ 789,855	\$ 88,475	\$ 878,330
<u>Accumulated Depreciation:</u>			
Land Improvements	\$ (6,980)	\$ (1,396)	\$ (8,376)
Buildings	(160,857)	(9,756)	(170,613)
Major Equipment	(174,109)	(29,060)	(203,169)
Total Depreciation	\$ (341,946)	\$ (40,212)	\$ (382,158)
Net Depreciable Assets	447,909	48,263	496,172
Net Governmental Capital Assets	\$ 449,687	\$ 48,263	\$ 497,950

5. b. General capital asset depreciation expense was charged to governmental functions as follows:

<u>Function</u>	<u>FY2013</u> <u>Amount</u>	<u>FY2014</u> <u>Amount</u>
Instructional	\$ 5,377	\$ 5,377
Operation & Maintenance	1,883	1,883
Transportation	10,405	21,465
School Food	335	335
Unallocated	11,152	11,152
Total Depreciation Expense	\$ 29,152	\$ 40,212

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

NOTE 6. CHANGES IN LONG-TERM DEBT

6. a At June 30, 2013, the schedule of changes in general Long-Term debt follows:

<u>Governmental Activities</u>	<u>Balance</u> <u>July 1, 2012</u>	<u>Other</u> <u>Additions</u>	<u>Other</u> <u>Reductions</u>	<u>Balance</u> <u>June 30, 2013</u>	<u>Due within</u> <u>One Year</u>
<u>Other Liabilities:</u>					
Compensated Absences	\$ 9,797	\$ 549	\$ -	\$ 10,346	\$ -

At June 30, 2014, the schedule of changes in general Long-Term debt follows:

<u>Governmental Activities</u>	<u>Balance</u> <u>July 1, 2013</u>	<u>Other</u> <u>Additions</u>	<u>Other</u> <u>Reductions</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Due within</u> <u>One Year</u>
<u>Other Liabilities:</u>					
Compensated Absences	\$ 10,346	\$ 764	\$ -	\$ 11,110	\$ -

NOTE 7. DEFERRED INFLOWS OF RESOURCES

7. a. PROPERTY TAXES

<u>FY2013 Fund</u>	<u>Amount</u>	<u>Reason</u>
General*	\$ 2,480	Taxes Receivable
Transportation*	1,415	Taxes Receivable
Bus Depreciation*	333	Taxes Receivable
Total	\$ 4,228	

\* Denotes Major Funds

<u>FY2014 Fund</u>	<u>Amount</u>	<u>Reason</u>
General*	\$ 1,325	Taxes Receivable
Transportation*	647	Taxes Receivable
Bus Depreciation*	231	Taxes Receivable
Miscellaneous	180	Unearned grants
Total	\$ 2,383	

\* Denotes Major Funds

NOTE 8. PRIOR PERIOD ADJUSTMENTS

<u>FY2013 Fund</u>	<u>Amount</u>	<u>REASON</u>
General*	\$ 9,287	GASB-54 reclassification
Flex Fund	(9,287)	GASB-54 reclassification
Total	\$ -	

\* Denotes Major Funds

Governmental Type Activities \$ 2,945 Correction to accumulated depreciation

NOTE 9. OTHER COMMITMENTS

9. a. 1 ENCUMBRANCES

The School District's encumbrance policy is for fiscal year end encumbrances exceeding \$1,000 to be considered significant encumbrances. All encumbrances are classified as assigned or restricted in the funds noted below:

<u>FY2013 Fund</u>	<u>Amount</u>
General*	\$ 33,473
Transportation*	905
Total	\$ 34,378

\* Denotes Major Funds

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

<u>FY2014 Fund</u>	<u>Amount</u>
General*	\$ 65,564
Transportation*	2,062
School Food	822
Total	<u>\$ 68,448</u>

\* Denotes Major Funds

NOTE 10. RISK MANAGEMENT

The School District is exposed to various types of risk 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. Several methods are used to provide insurance for these risks. Commercial policies, transferring all risks of loss, except for relatively small deductible amounts, are purchased for property and contents damage, employee torts, professional liabilities, and employee medical insurance. The School District has joined with other School Districts throughout the state into an interlocal common risk pool to insure workers compensation for all participating School Districts in a self-insurance pool. The Workers Compensation Risk Retention Program is managed by a board of directors elected annually. Members are responsible for fully funding the Workers Compensation Risk Retention Program through the payment of annual premiums assessed. There is no other liability to the School District other than timely payments of premiums. The School District can withdraw from the Workers Compensation Risk Retention Program with 60 days' notice at any time. The School District has no coverage for potential losses from environmental damages.

Levels of insurance have not changed materially from the prior year and settlements have not exceeded insurance coverage limits during the current or each of the two previous years.

NOTE 11. EMPLOYEE RETIREMENT SYSTEM

The School District participates in two state-wide, cost-sharing multiple employer defined benefit retirement plans which cover all School District employees, except certain substitute teachers and part-time, non-teaching employees. The Teachers' Retirement System (TRS) covers teaching employees, including administrators and aides. The Public Employee Retirement System (PERS) covers nonteaching employees. The plans are established under State law and are administered by the State of Montana.

Both plans issue publicly available annual reports that include financial statements and required supplemental information for the plans. Those reports may be obtained from the following:

Teachers Retirement System	Public Employees Retirement System
P.O. Box 200139	P.O. Box 200131
1500 Sixth Avenue	1712 Ninth Avenue
Helena, MT 59620-0139	Helena, MT 59620-0131
Phone: 406-444-3134	Phone: 406-444-3154
www.trs.doa.state.mt.us	www.state.mt.us/doa/perb/prb.htm

The PERS defined benefit contribution rates for employees was 7.9%. The PERS rate for the State was set at .37%. For the defined contribution plan the rates are the same except only 4.19% of the employer amount is added to the employee account. Employees who elect the defined contribution plan are in control of their investments and the retirement is based upon the cash in their fund. The PERS rate for employers was 7.8%. The TRS rates for employees was 8.15% and the State was set at 2.49%. The TRS rate for employers was 8.47%. The State's contribution to the retirement system qualifies as an on-behalf payment and has not been reported in the School District's financial statements.

Contribution rates for both plans are required and determined by State law. The amounts contributed to the plans during the years ended June 30, 2011, 2012, 2013 and 2014 were equal to the required contribution for each year. The amounts contributed by the State, School District and its employees (including additional voluntary contributions by employees as permitted by State law) were as follows:

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
TRS	\$ 40,503	\$ 41,966	\$ 41,673	\$ 43,938
PERS	13,997	15,437	15,800	18,201
Total	<u>\$ 54,500</u>	<u>\$ 57,403</u>	<u>\$ 57,473</u>	<u>\$ 62,139</u>

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

NOTE 12. COOPERATIVE

12. a. SPECIAL EDUCATION

The Greenfield School District No. 75 is a member of the Big Sky Special Needs Cooperative, a Special Education Cooperative. The financial records of the Cooperative are prepared and maintained by the Cooperative Clerk. The financial records of the Cooperative are separate from those of Greenfield School District No. 75, and the financial statements of the Cooperative are not included in the School Districts' financial statements. The Cooperative's financial statements are audited separately from those of the School District. All revenue received, including Federal, State, or other types of grant payments, and the financial support provided by each of the Cooperative's members are deposited into the Cooperative's funds, which are maintained in the custody of the Pondera County Treasurer. The Superintendent of Public Instruction may directly deposit to the Cooperative the State and Federal portion of any participating member School District's budgeted costs for contracted special education services. All capital assets of the Cooperative are included in the Cooperative's financial statements.

A Joint Board of Directors governs the Cooperative. The Joint Board has the power to set policies, enter into contracts, review the performance of the Cooperative annually, review the financial management of the Cooperative annually, and set and approve the annual fiscal budget of the Cooperative.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
(Budget and Actual)  
ALL BUDGETED MAJOR GOVERNMENTAL FUNDS  
as of June 30, 2013

	General Fund			Transportation		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
<b>REVENUES:</b>						
District Levies	\$ 80,610	\$ 80,610	\$ 82,317	\$ 47,590	\$ 47,590	\$ 48,349
Interest	1,052	1,052	925	-	-	171
Other	1,361	1,361	-	-	-	175
County	-	-	-	6,989	6,989	7,513
State	318,747	318,747	318,747	13,351	13,351	13,050
<b>Total Revenues</b>	<u>401,770</u>	<u>401,770</u>	<u>401,989</u>	<u>67,930</u>	<u>67,930</u>	<u>69,258</u>
<b>EXPENDITURES:</b>						
<b>Current</b>						
Instructional Services			204,173	-	-	-
Support Services			6,089	-	-	-
Educational Media Services			8,970	-	-	-
General Administrative Services			71,370	7,784	7,784	7,835
Operation & Maintenance Services			79,846	8,365	8,365	7,158
Transportation Services			100	55,851	55,851	47,521
School Food Services			24,373	-	-	-
Extracurricular			4,213	-	-	-
Capital Outlay			1,236	-	-	-
<b>Total Expenditures</b>	<u>401,770</u>	<u>401,770</u>	<u>400,370</u>	<u>72,000</u>	<u>72,000</u>	<u>62,514</u>
<b>NET CHANGES IN FUND BALANCES</b>			1,619			6,744
<b>FUND BALANCE:</b>						
Beginning of the Year			42,009			18,470
End of the Year			<u>\$ 43,628</u>			<u>\$ 25,214</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
(Budget and Actual)  
ALL BUDGETED MAJOR GOVERNMENTAL FUNDS  
as of June 30, 2013

	Bus Depreciation			Retirement		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
<b>REVENUES:</b>						
District Levies	\$ 9,729	\$ 9,729	\$ 10,576	\$ -	\$ -	\$ -
Interest	800	800	690	-	-	222
Other	-	-	-	-	-	-
County	-	-	-	50,504	50,504	52,079
State	-	-	-	-	-	-
<b>Total Revenues</b>	<b>10,529</b>	<b>10,529</b>	<b>11,266</b>	<b>50,504</b>	<b>50,504</b>	<b>52,301</b>
<b>EXPENDITURES:</b>						
<b>Current</b>						
Instructional Services	-	-	-	38,615	38,615	29,472
Support Services	-	-	-	931	931	931
Educational Media Services	-	-	-	1,318	1,318	1,318
General Administrative Services	-	-	-	8,838	8,838	8,838
Operation & Maintenance Services	-	-	-	4,516	4,516	4,516
Transportation Services	-	-	-	4,487	4,487	4,487
School Food Services	-	-	-	3,191	3,191	3,191
Extracurricular	-	-	-	104	104	104
Capital Outlay	109,816	109,816	-	-	-	-
<b>Total Expenditures</b>	<b>109,816</b>	<b>109,816</b>	<b>-</b>	<b>62,000</b>	<b>62,000</b>	<b>52,857</b>
<b>NET CHANGES IN FUND BALANCES</b>			<b>11,266</b>			<b>(556)</b>
<b>FUND BALANCE:</b>						
Beginning of the Year			99,287			33,196
End of the Year			<u>\$ 110,553</u>			<u>\$ 32,640</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
(Budget and Actual)  
ALL BUDGETED MAJOR GOVERNMENTAL FUNDS  
as of June 30, 2014

	General (Elem)			Transportation		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
<b>REVENUES:</b>						
District Levies	\$ 88,799	\$ 88,799	\$ 86,420	\$ 44,812	\$ 44,812	\$ 43,805
Interest	657	657	213	-	-	12
Other	-	-	341	-	-	-
County	-	-	-	7,909	7,909	7,877
State	377,175	377,175	377,175	12,065	12,065	11,347
<b>Total Revenues</b>	<b>466,631</b>	<b>466,631</b>	<b>464,149</b>	<b>64,786</b>	<b>64,786</b>	<b>63,041</b>
<b>EXPENDITURES:</b>						
<b>Current</b>						
Instructional Services			257,440	-	-	-
Support Services			6,586	-	-	-
Educational Media Services			9,002	-	-	-
General Administrative Services			58,104	7,732	7,732	7,923
Operation & Maintenance Services			105,476	7,147	7,147	7,731
Transportation Services			848	60,121	60,121	46,378
School Food Services			18,660	-	-	-
Extracurricular			5,000	-	-	-
Capital Outlay			-	-	-	-
<b>Total Expenditures</b>	<b>466,631</b>	<b>466,631</b>	<b>461,116</b>	<b>75,000</b>	<b>75,000</b>	<b>62,032</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>3,033</b>	<b>(10,214)</b>	<b>(10,214)</b>	<b>1,009</b>
<b>FUND BALANCE:</b>						
Beginning of the Year			43,628			25,214
Prior Period Adjustments			-			-
<b>End of the Year</b>			<b>\$ 46,661</b>			<b>\$ 26,223</b>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
(Budget and Actual)  
ALL BUDGETED MAJOR GOVERNMENTAL FUNDS  
as of June 30, 2014

	Bus Depreciation			Flex fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
<b>REVENUES:</b>						
District Levies	\$ 14,343	\$ 14,343	\$ 13,877	\$ -	\$ -	\$ -
Interest	-	-	179	-	-	173
Other	-	-	-	-	-	-
County	-	-	-	-	-	-
State	-	-	-	-	-	-
<b>Total Revenues</b>	<u>14,343</u>	<u>14,343</u>	<u>14,056</u>	<u>-</u>	<u>-</u>	<u>173</u>
<b>EXPENDITURES:</b>						
<b>Current</b>						
Instructional Services	-	-	-	4,130	4,130	-
Support Services	-	-	-	-	-	-
Educational Media Services	-	-	-	-	-	-
General Administrative Services	-	-	-	-	-	-
Operation & Maintenance Services	-	-	-	-	-	-
Transportation Services	-	-	-	-	-	-
School Food Services	-	-	-	-	-	-
Extracurricular	-	-	-	-	-	-
Capital Outlay	124,896	124,896	88,475	-	-	-
<b>Total Expenditures</b>	<u>124,896</u>	<u>124,896</u>	<u>88,475</u>	<u>4,130</u>	<u>4,130</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>(110,553)</u>	<u>(110,553)</u>	<u>(74,419)</u>	<u>(4,130)</u>	<u>(4,130)</u>	<u>173</u>
<b>FUND BALANCE:</b>						
Beginning of the Year			110,553			4,130
Prior Period Adjustments			-			-
End of the Year			<u>\$ 36,134</u>			<u>\$ 4,303</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
(Budget and Actual)  
ALL BUDGETED MAJOR GOVERNMENTAL FUNDS  
as of June 30, 2014

	Retirement		Actual
	Original Budget	Final Budget	
<b>REVENUES:</b>			
District Levies	\$ -	\$ -	\$ -
Interest	-	-	18
Other	-	-	-
County	98,560	98,560	97,631
State	-	-	-
<b>Total Revenues</b>	<u>98,560</u>	<u>98,560</u>	<u>97,649</u>
<b>EXPENDITURES:</b>			
<b>Current</b>			
Instructional Services	89,980	89,980	43,789
Support Services	1,080	1,080	1,080
Educational Media Services	1,308	1,308	1,308
General Administrative Services	8,886	8,886	8,886
Operation & Maintenance Services	4,880	4,880	4,880
Transportation Services	5,085	5,085	5,085
School Food Services	3,781	3,781	3,781
Extracurricular	-	-	-
Capital Outlay	-	-	-
<b>Total Expenditures</b>	<u>115,000</u>	<u>115,000</u>	<u>68,809</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>(16,440)</u>	<u>(16,440)</u>	<u>28,840</u>
<b>FUND BALANCE:</b>			
Beginning of the Year			<u>32,640</u>
Prior Period Adjustments			-
End of the Year			<u>\$ 61,480</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BUDGET VS ACTUAL SCHEDULE  
Fiscal Year-Ended June 30, 2014

NOTE 1. BUDGETS

1. a. BUDGETS

Budgets are adopted on a basis consistent with the State of Montana budget laws which are consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted for the general fund and budgeted special revenue funds including (Transportation, Bus Depreciation, Retirement, Technology, Flexibility). All annual appropriations lapse at fiscal year-end, unless the School District elects to encumber supplies and personal property ordered but not received at year end.

1. a. 1 General Budget Policies:

The School District's funds are either budgeted or non-budgeted in accordance with State statutes. Budgeted funds are those of which a legal budget must be adopted to have expenditures from such funds and are noted above. All other funds are non-budgeted, meaning a legal budget is not required in order to spend the cash balance of such a fund. The Schedule of Revenues, Expenditures, and Changes in Fund Balances, Budget vs. Actual, has been prepared on the modified accrual basis of accounting and contains financial information for only the major general and special revenue fund budgeted funds.

1. a. 2 Budget Operation:

The School District operates within the budget requirements for School Districts as specified by State law. The financial report reflects the following budgetary standards:

- By the second Monday in July, the County Assessor transmits a statement of the assessed valuation and taxable valuation of all property in the School District's borders.
- Before the fourth Monday in July, the County Superintendent estimates the revenue required for each fund.
- Before the fourth Monday in August, the Board of Trustees must meet to legally adopt the final budget. The final budget for the general fund is fund total only.
- Once adopted, the budget can be amended by subsequent Board action. An increase of the total budget of a given fund requires the adoption of an amended budget in accordance with State statutes.
- According to State statutes, the expenditures of a budgeted fund may not legally exceed the adopted budget.
- At the end of a fiscal year, unencumbered appropriations lapse unless specifically obligated by the School District.

NOTE 2. FUND BALANCE RECONCILIATION

The fund balances of the general fund and transportation fund displayed on the Statement of Revenue, Expenditures, and Changes in Fund Balances is differently displayed on the Schedule of Revenues, Expenditures, and Changes in Fund Balance (Budget and Actual) by \$43,473, \$905, respectively in fiscal year 2013. This is due to the reserve for encumbrances. The general fund on the Statement of Revenue, Expenditures, and Changes in Fund Balances also contains \$4,130 of flexibility fund balance as noted below. Encumbrances are not included as expenditures on the first statement as they do not meet the GAAP definition of expenditures. The District reports encumbrances at year end as budgeted expenditures and displays these amounts as assigned or reserve of fund balances, as applicable.

The fund balances of the general fund and transportation fund displayed on the Statement of Revenue, Expenditures, and Changes in Fund Balances is differently displayed on the Schedule of Revenues, Expenditures, and Changes in Fund Balance (Budget and Actual) by \$65,564, \$2,062, respectively in fiscal year 2014. This is due to the reserve for encumbrances. The general fund on the Statement of Revenue, Expenditures, and Changes in Fund Balances also contains \$4,303 of flexibility fund balance as noted below. Encumbrances are not included as expenditures on the first statement as they do not meet the GAAP definition of expenditures. The District reports encumbrances at year end as budgeted expenditures and displays these amounts as assigned or reserve of fund balances, as applicable.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BUDGET VS ACTUAL SCHEDULE

Fiscal Year-Ended June 30, 2014

NOTE 3. COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE ALL SUB-FUNDS OF THE GENERAL FUND

	<u>Sub-fund</u> <u>General</u> <u>Fund</u> <u>(Elem)</u>	<u>Sub-fund</u> <u>Flexibility</u> <u>Fund</u>	<u>Total</u> <u>General</u> <u>Fund</u>
<u>Fiscal Year 2013</u>			
REVENUES:			
District Levies	\$ 82,585	\$ 0	\$ 82,585
Interest Earnings	657	268	925
State Sources	<u>318,747</u>	<u>0</u>	<u>318,747</u>
Total Revenues	<u>\$ 401,989</u>	<u>\$ 268</u>	<u>\$ 402,257</u>
EXPENDITURES:			
Total Expenditures	<u>\$ 411,522</u>	<u>\$ 5,425</u>	<u>\$ 416,947</u>
Net Changes In Fund Balance	(9,533)	(5,157)	(14,690)
FUND BALANCE:			
Beginning of the Year	86,634	0	86,634
Prior Period Adjustment	<u>0</u>	<u>9,287</u>	<u>9,287</u>
Ending of the Year	<u>77,101</u>	<u>4,130</u>	<u>81,231</u>

In the reconciliation the general fund and flexibility fund are added together to get to the aggregate general fund shown as a major fund on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds. The flexibility fund is maintained as special revenue fund for accounting purposes, however, for external financial reporting it is added to the general fund because it has unassigned fund balance like the general fund.

On the Statement of Revenues, Expenditures, and Changes in Fund Balance (Budget and Actual) All Budgeted Major Governmental Funds the general fund and flexibility fund are shown because they are reported as major funds and have legally adopted budgets.

	<u>Sub-fund</u> <u>General</u> <u>Fund</u> <u>(Elem)</u>	<u>Sub-fund</u> <u>Flexibility</u> <u>Fund</u>	<u>Total</u> <u>General</u> <u>Fund</u>
<u>Fiscal Year 2014</u>			
REVENUES:			
District Levies	\$ 86,420	\$ 0	\$ 86,420
Interest Earnings	213	173	386
Other	341	0	341
State Sources	<u>377,175</u>	<u>0</u>	<u>377,175</u>
Total Revenues	<u>\$ 464,149</u>	<u>\$ 173</u>	<u>\$ 464,322</u>
EXPENDITURES:			
Total Expenditures	<u>\$ 429,024</u>	<u>\$ -</u>	<u>\$ 429,024</u>
Net Changes In Fund Balance	35,125	173	35,298
FUND BALANCE:			
Beginning of the Year	<u>77,101</u>	<u>4,130</u>	<u>81,231</u>
Ending of the Year	<u>116,356</u>	<u>4,303</u>	<u>116,529</u>

In the reconciliation the general fund and flexibility fund are added together to get to the aggregate general fund shown as a major fund on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds. The flexibility fund is maintained as special revenue fund for accounting purposes, however, for external financial reporting it is added to the general fund because it has unassigned fund balance like the general fund.

On the Statement of Revenues, Expenditures, and Changes in Fund Balance (Budget and Actual) All Budgeted Major Governmental Funds the general fund and flexibility fund are shown because they are reported as major funds and have legally adopted budgets.

GREENFIELD SCHOOL DISTRICT NO. 75

NOTES TO THE BASIC FINANCIAL STATEMENTS  
Fiscal Year-Ended June 30, 2013 and June 30, 2014

Activity Account Name	Beginning Balance 7/1/2012	Revenues	Expenses	Ending Balance 6/30/2013
7th and 8th Grade	4,094	1,376	2,959	2,511
Music	490	201	15	676
Revolving	6,168	1,971	5,724	2,415
Referees	36	-	-	36
5th and 6th Grade	-	92	92	-
3rd and 4th Grade	53	-	-	53
<b>Total</b>	<b><u>\$ 10,841</u></b>	<b><u>\$ 3,640</u></b>	<b><u>\$ 8,790</u></b>	<b><u>\$ 5,691</u></b>

Activity Account Name	Beginning Balance 7/1/2013	Revenues	Expenses	Ending Balance 6/30/2014
7th and 8th Grade	2,511	621	418	2,714
Music	676	245	-	921
Revolving	2,415	535	188	2,762
Referees	36	-	-	36
5th and 6th Grade	-	-	-	-
3rd and 4th Grade	53	-	-	53
<b>Total</b>	<b><u>\$ 5,691</u></b>	<b><u>\$ 1,401</u></b>	<b><u>\$ 606</u></b>	<b><u>\$ 6,486</u></b>

GREENFIELD SCHOOL DISTRICT NO. 75

SCHEDULE OF REPORTED ENROLLMENT  
Fiscal Year-Ended June 30, 2013

FALL ENROLLMENT – OCTOBER 7, 2012

Elementary	<u>Reported</u>	<u>Audited</u>	<u>Variance</u>
Kindergarten Full	12	12	0
Grade 1	10	10	0
Grade 2	7	7	0
Grade 3	6	6	0
Grade 4	5	5	0
Grade 5	6	6	0
Grade 6	<u>5</u>	<u>5</u>	<u>0</u>
Total	<u>51</u>	<u>51</u>	<u>0</u>
Grade 7	3	3	0
Grade 8	<u>10</u>	<u>10</u>	<u>0</u>
Total	<u>13</u>	<u>13</u>	<u>0</u>
Total Elementary	<u>64</u>	<u>64</u>	<u>0</u>

SPRING ENROLLMENT – FEBRUARY 3, 2013

Elementary	<u>Reported</u>	<u>Audited</u>	<u>Variance</u>
Kindergarten Full	11	11	0
Grade 1	10	10	0
Grade 2	6	6	0
Grade 3	6	6	0
Grade 4	5	5	0
Grade 5	6	6	0
Grade 6	<u>4</u>	<u>4</u>	<u>0</u>
Total	<u>48</u>	<u>48</u>	<u>0</u>
Grade 7	3	3	0
Grade 8	<u>10</u>	<u>10</u>	<u>0</u>
Total	<u>13</u>	<u>13</u>	<u>0</u>
Total Elementary	<u>61</u>	<u>61</u>	<u>0</u>

GREENFIELD SCHOOL DISTRICT NO. 75

SCHEDULE OF REPORTED ENROLLMENT  
Fiscal Year-Ended June 30, 2014

FALL ENROLLMENT – OCTOBER 7, 2013

Elementary	<u>Reported</u>	<u>Audited</u>	<u>Variance</u>
Kindergarten Full	12	12	0
Grade 1	8	8	0
Grade 2	10	10	0
Grade 3	6	6	0
Grade 4	5	5	0
Grade 5	4	4	0
Grade 6	<u>6</u>	<u>6</u>	<u>0</u>
Total	<u>51</u>	<u>51</u>	<u>0</u>
Grade 7	5	5	0
Grade 8	<u>3</u>	<u>3</u>	<u>0</u>
Total	<u>8</u>	<u>8</u>	<u>0</u>
Total Elementary	<u>59</u>	<u>59</u>	<u>0</u>
Part-time Students			
Less than 539 hours	<u>1</u>	<u>1</u>	<u>0</u>
Total	<u>1</u>	<u>1</u>	<u>0</u>

WINTER ENROLLMENT – December 2, 2013

Elementary	<u>Reported</u>	<u>Audited</u>	<u>Variance</u>
Kindergarten Full	11	11	0
Grade 1	8	8	0
Grade 2	10	10	0
Grade 3	6	6	0
Grade 4	5	5	0
Grade 5	4	4	0
Grade 6	<u>6</u>	<u>6</u>	<u>0</u>
Total	<u>50</u>	<u>50</u>	<u>0</u>
Grade 7	5	5	0
Grade 8	<u>3</u>	<u>3</u>	<u>0</u>
Total	<u>8</u>	<u>8</u>	<u>0</u>
Total Elementary	<u>58</u>	<u>58</u>	<u>0</u>

SPRING ENROLLMENT – FEBRUARY 3, 2014

Elementary	<u>Reported</u>	<u>Audited</u>	<u>Variance</u>
Kindergarten Full	12	12	0
Grade 1	8	8	0
Grade 2	10	10	0
Grade 3	6	6	0
Grade 4	5	5	0
Grade 5	4	4	0
Grade 6	<u>6</u>	<u>6</u>	<u>0</u>
Total	<u>51</u>	<u>51</u>	<u>0</u>
Grade 7	4	4	0
Grade 8	<u>3</u>	<u>3</u>	<u>0</u>
Total	<u>7</u>	<u>7</u>	<u>0</u>
Total Elementary	<u>58</u>	<u>58</u>	<u>0</u>

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*

INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Greenfield School District No. 75  
Teton County  
Fairfield, Montana 59436

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 *Governmental 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 Greenfield School District No. 75 as of and for the years ended June 30, 2013 and 2014, and the related notes to the financial statements, which collectively comprise the Greenfield School District No. 75's basic financial statements and have issued our report thereon dated November 10, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Greenfield School District No. 75's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Greenfield School District No. 75'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.

*Strom & Associates, P.C.*

STROM & ASSOCIATES, PC  
Billings, Montana  
November 10, 2014

SCHEDULE OF FINDINGS AND RESPONSES

There were no findings or recommendations in the prior audit report.

There were no findings or recommendations in the current audit report.