NEW ISSUE **Rating:** Moody's "Aaa" (State of Idaho Guaranty; "Aa3" underlying)
See "STATE OF IDAHO GUARANTY" and "MISCELLANEOUS—Bond Ratings" herein.

In the opinion of Hawley Troxell Ennis & Hawley LLP, Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2018 Bonds (hereinafter defined) is not included in gross income under present federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the 2018 Bonds is not included in alternative minimum taxable income, as defined in Section 55(b)(2) of the Code, under present federal income tax laws, except that for taxable years of corporations beginning before January 1, 2018, such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. Interest on the 2018 Bonds is not included in Idaho taxable income under present Idaho income tax laws. See "LEGAL MATTERS—Tax Exemption."

$31,665,000

Joint School District No. 251

Jefferson and Madison Counties, State of Idaho

General Obligation Bonds, Series 2018
(Sales Tax Guaranty and Credit Enhancement Programs)

The $31,665,000 General Obligation Bonds, Series 2018 (Sales Tax Guaranty and Credit Enhancement Programs) (the "2018 Bonds"), dated the date of original issuance, are issuable by Joint School District No. 251, Jefferson and Madison Counties, State of Idaho (the "District"), as fully–registered bonds and, when initially issued, will be in book–entry only form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (the "DTC"). DTC will act as securities depository for the 2018 Bonds.

Principal of and interest on the 2018 Bonds (interest payable March 15 and September 15 of each year, commencing March 15, 2019) are payable by Zions Bancorporation, National Association, Boise, Idaho, as Paying Agent (the "Paying Agent"), to the registered owners thereof, initially DTC. See "THE 2018 BONDS—Book–Entry System" herein.

Certain maturities of the 2018 Bonds are subject to optional redemption prior to maturity. See "THE 2018 BONDS—Redemption Provisions" herein.

The 2018 Bonds will be general obligations of the District payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all the taxable property in the District, fully sufficient to pay the 2018 Bonds as to both principal and interest.

Payment of the principal of and interest on the 2018 Bonds when due is further secured by the

State of Idaho

pursuant to the guaranty under the Idaho School Bond Guaranty Act and the Idaho Endowment Fund Investment Board pursuant to the Credit Enhancement Program. See "STATE OF IDAHO GUARANTY" herein.

Dated: Date of Delivery[1] Due: September 15, as shown on inside cover

See the inside front cover for the maturity schedule of the 2018 Bonds.

The 2018 Bonds were awarded pursuant to competitive bidding received by means of the *PARITY*® electronic bid submission system on November 13, 2018 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated November 2, 2018) to Citigroup Global Markets Inc., Los Angeles, California at a "true interest rate" of 3.515%.

Zions Public Finance, Inc., Boise, Idaho, acted as Municipal Advisor.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire OFFICIAL STATEMENT to obtain information essential to the making of an informed investment decision.

This OFFICIAL STATEMENT is dated November 13, 2018, and the information contained herein speaks only as of that date.

1 The anticipated date of delivery is Wednesday, November 28, 2018.

$31,665,000

General Obligation Bonds, Series 2018
(Sales Tax Guaranty and Credit Enhancement Programs)

Dated: Date of Delivery[1] **Due: September 15, as shown below**

Due September 15	CUSIP® 474178	Principal Amount	Interest Rate	Yield
2019…….	EQ9	$ 210,000	5.00%	1.95%
2020…….	ER7	610,000	5.00	2.09
2021…….	ES5	640,000	5.00	2.18
2022…….	ET3	940,000	5.00	2.26
2023…….	EU0	1,410,000	5.00	2.33
2024…….	EV8	1,470,000	5.00	2.43
2025…….	EW6	1,540,000	5.00	2.52
2026…….	EX4	1,640,000	5.00	2.62
2027…….	EY2	1,720,000	5.00	2.72
2028…….	EZ9	1,180,000	5.00	2.81
2029…….	FA3	1,240,000	5.00	2.92 [c]
2030…….	FB1	1,730,000	5.00	2.99 [c]
2031…….	FC9	1,815,000	5.00	3.05 [c]
2032…….	FD7	1,905,000	5.00	3.09 [c]
2033…….	FE5	2,000,000	5.00	3.14 [c]
2034…….	FF2	2,100,000	5.00	3.19 [c]
2035…….	FG0	2,205,000	5.00	3.24 [c]
2036…….	FH8	2,320,000	5.00	3.29 [c]
2037…….	FJ4	2,435,000	5.00	3.33 [c]
2038…….	FK1	2,555,000	5.00	3.37 [c]

[1] The anticipated date of delivery is Wednesday, November 28, 2018.
[c] Priced to par call on September 15, 2028.

Table Of Contents

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This OFFICIAL STATEMENT does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the principal amount of the 2018 Bonds (as defined herein) by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other informational representations must not be relied upon as having been authorized by any of: Joint School District No. 251, Jefferson and Madison Counties, State of Idaho; Zions Public Finance, Inc., Boise, Idaho, as Municipal Advisor; Zions Bancorporation, National Association, Boise, Idaho, as Paying Agent; the successful bidder; or any other entity. All other information contained herein has been obtained from the District, The Depository Trust Company, New York, New York, and from other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this OFFICIAL STATEMENT nor the issuance, sale, delivery or exchange of the 2018 Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the District, since the date hereof.

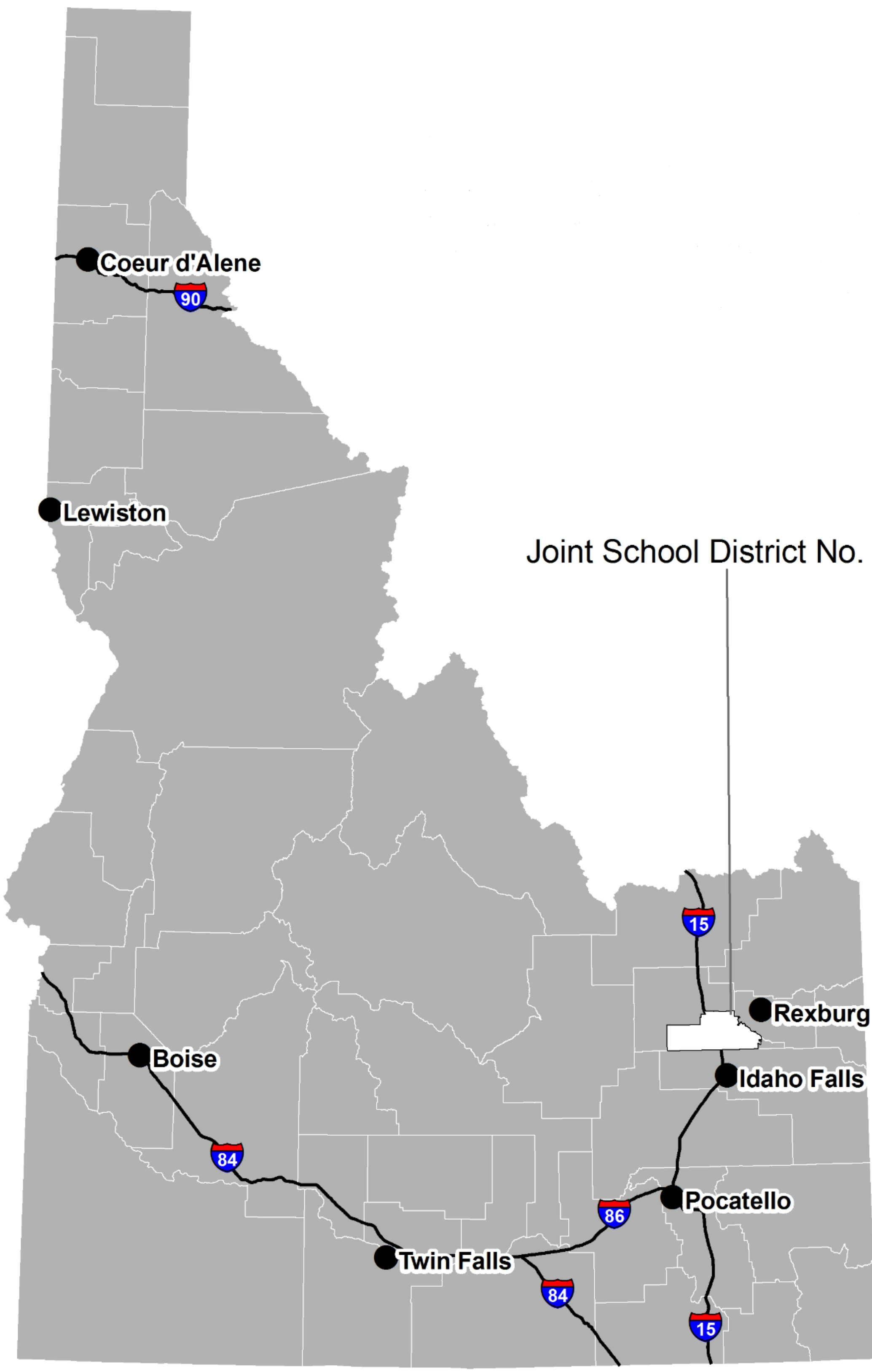
The 2018 Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such act and laws. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is unlawful.

The yields/prices at which the 2018 Bonds are offered to the public may vary from the initial reoffering yields on the inside front cover page of this OFFICIAL STATEMENT. In addition, the successful bidder may allow concessions or discounts from the initial offering prices of the 2018 Bonds to dealers and others. In connection with the offering of the 2018 Bonds, the successful bidder may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2018 Bonds. Such transactions may include overallotments in connection with the purchase of 2018 Bonds, the purchase of 2018 Bonds to stabilize their market price and the purchase of 2018 Bonds to cover the successful bidder's short positions. Such transactions, if commenced, may be discontinued at any time.

Forward–Looking Statements. Certain statements included or incorporated by reference in this OFFICIAL STATEMENT may constitute "forward–looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used, such as "plan," "project," "forecast," "expect," "estimate," "budget" or other similar words. ***The achievement of certain results or other expectations contained in such forward–looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward–looking statements. The District does not plan to issue any updates or revisions to those forward–looking statements if or when its expectations, change, or events, conditions or circumstances on which such statements are based occur.***

The CUSIP® (Committee on Uniform Securities Identification Procedures) identification numbers are provided on the inside cover page of this OFFICIAL STATEMENT and are being provided solely for the convenience of bondholders only, and the District does not make any representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP® numbers are subject to change after the issuance of the 2018 Bonds because of subsequent actions including, but not limited to, a refunding in whole or in part of the 2018 Bonds.

The information available from websites referenced in this OFFICIAL STATEMENT has not been reviewed for accuracy and completeness. Such information has not been provided in connection with the offering of the 2018 Bonds and is not a part of this OFFICIAL STATEMENT.



Joint School District No. 251
Jefferson and Madison Counties, State of Idaho

OFFICIAL STATEMENT RELATED TO

$31,665,000

Joint School District No. 251

Jefferson and Madison Counties, State of Idaho

General Obligation Bonds, Series 2018
(Sales Tax Guaranty and Credit Enhancement Programs)

INTRODUCTION

This introduction is only a brief description of the 2018 Bonds, as hereinafter defined, the security and source of payment for the 2018 Bonds and certain information regarding Joint School District No. 251, Jefferson and Madison Counties, State of Idaho (the "District"). The information contained herein is expressly qualified by reference to the entire OFFICIAL STATEMENT. Investors are urged to make a full review of the entire OFFICIAL STATEMENT.

See the following appendices that are attached hereto and incorporated herein by reference: "APPENDIX A—ANNUAL FINANCIAL REPORT FOR JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018;" "APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL;" "APPENDIX C—PROPOSED FORM OF INFORMATION REPORTING AGREEMENT;" and "APPENDIX D—BOOK–ENTRY SYSTEM."

When used herein the terms "Fiscal Year[s] 20YY" or "Fiscal Year[s] End[ed][ing] June 30, 20YY" shall refer to the year ended or ending on June 30 of the year indicated and beginning on July 1 of the preceding calendar year. Capitalized terms used but not otherwise defined herein have the same meaning as given to them in the Resolution, as hereinafter defined.

Public Sale/Electronic Bid

The 2018 Bonds were awarded pursuant to competitive bidding received by means of the PARITY® electronic bid submission system on November 13, 2018 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated November 2, 2018) to Citigroup Global Markets Inc., Los Angeles, California at a "true interest rate" of 3.515%.

The 2018 Bonds may be offered and sold to certain dealers (including dealers depositing the 2018 Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the inside cover page of the OFFICIAL STATEMENT and such public offering prices may be changed from time to time.

The District

The District, established in 1948, covers 242 square miles in the southeastern section of Jefferson County and the southwest portion of Madison County in southeastern Idaho. Approximately 99% of the District is located in Jefferson County (the "County"), and 1% is located in Madison County (together, the "Counties"). The County had 28,446 residents according to the 2017 US Census Bureau. The District's headquarters are located in the City of Rigby, Idaho, which serves as the county seat. The City of Rigby was incorporated in

1890 and had 4,062 residents according to the 2016 estimate by the US Census Bureau. The District's 2016 population was 23,551, according to the US Census Bureau.

As a school district, the District is funded from a combination of local tax sources and state funds. See "TAXES AND STATE FUNDING" below.

The 2018 Bonds

This OFFICIAL STATEMENT, including the cover page, introduction and appendices, provides information in connection with the issuance and sale by the District of its $31,665,000 General Obligation Bonds, Series 2018 (Sales Tax Guaranty and Credit Enhancement Programs) (the "2018 Bonds" or "2018 Bond"), initially issued in book–entry form.

Security

The 2018 Bonds will be general obligations of the District, payable from the proceeds of ad valorem taxes to be levied, without limitation as to rate or amount, on all of the taxable property in the District, fully sufficient to pay the 2018 Bonds as to both principal and interest. See "THE 2018 BONDS—Security And Sources Of Payment" and "TAXES AND STATE FUNDING—Tax Levy And Collection" below.

Payment of the principal of and interest on the 2018 Bonds when due is guaranteed by the State of Idaho (the "State") pursuant to the sales tax pledge under the provisions of the Idaho School Bond Guaranty Act, Title 33, Chapter 53, Idaho Code (the "Sales Tax Guaranty Program") and the Credit Enhancement Program supported by the public schools' endowment fund, pursuant to Section 57–728, Idaho Code (the "Credit Enhancement Program"). See "STATE OF IDAHO GUARANTY" below.

Authority And Purpose

The 2018 Bonds are being issued pursuant to (i) the School Bonds Law, Title 33, Chapter 11, as amended, the Registered Public Obligations Act, Title 57, Chapter 9, and the Municipal Bond Law, Title 57, Chapter 2, Idaho Code (collectively, the "Act"), (ii) Resolution of the District adopted on October 10, 2018 (the "Resolution"), which provides for the issuance of the 2018 Bonds, and (iii) other applicable provisions of law.

The 2018 Bonds were authorized at a special bond election held for that purpose on August 28, 2018. The proposition submitted to the voters was as follows:

> Shall the Board of Trustees (the "Board") of Joint School District No. 251, Jefferson and Madison Counties, State of Idaho (the "District"), be authorized to issue general obligation school bonds of said District in the principal amount not to exceed $36,000,000 for the purpose of financing the costs of (i) acquiring and constructing a new elementary school, including all related site work and supporting infrastructure; (ii) renovating Harwood and Midway Elementary Schools, including adding safety improvements, new classrooms, and multipurpose/gyms; (iii) constructing a new paved parking lot at Rigby High School; and (iv) acquiring playground equipment for Roberts Elementary School; and including improvements, furnishings and equipment necessary to operate said facilities; the final installment of such bonds to fall due not later than twenty (20) years from the date of issuance of such bonds, all as provided in the Bond Election Resolution adopted by the Board on June 13, 2018?

At the election, there were 1,997 votes cast in favor of the issuance of bonds and 559 votes cast against the issuance of bonds, for a total vote count of 2556, with approximately 78.1% in favor of the issuance of the 2018 Bonds, exceeding the two-thirds voter–approval requirement to authorize issuance of the 2018 Bonds.

Under Idaho law, a challenge to an election outcome must be filed within 40 days of the date of canvass. Both Counties canvassed the final election results on September 4, 2018. Therefore, the 40-day challenge period expired on Monday, October 15, 2018.

After the sale and delivery of the 2018 Bonds, the District will have no remaining authorized but unissued bonds from the August 28, 2018 voted authorization.

The 2018 Bonds are being issued for the purposes set forth in the proposition and to pay certain costs of issuance. See “THE 2018 BONDS—Sources And Uses Of Funds” below.

Redemption Provisions

Certain of the 2018 Bonds are subject to optional redemption prior to maturity. See “THE 2018 BONDS—Redemption Provisions” below.

Registration, Denominations, Manner Of Payment

The 2018 Bonds are issuable only as fully–registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the 2018 Bonds. Purchases of 2018 Bonds will be made in book–entry form only, in the principal amount of $5,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC’s Direct Participants (as defined herein). Beneficial Owners (as defined herein) of the 2018 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the 2018 Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined under “APPENDIX D—BOOK–ENTRY SYSTEM” below.

Principal of and interest on the 2018 Bonds (interest payable March 15 and September 15 of each year, commencing March 15, 2019) are payable by Zions Bancorporation, National Association, Boise, Idaho (“Zions Bancorporation”), as paying agent (the “Paying Agent”) for the 2018 Bonds, to the registered owners of the 2018 Bonds. So long as Cede & Co. is the registered owner of the 2018 Bonds, DTC will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2018 Bonds, as described under “APPENDIX D—BOOK–ENTRY SYSTEM” below.

So long as DTC or its nominee is the registered owner of the 2018 Bonds, neither the District nor the Paying Agent will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants or the Beneficial Owners of the 2018 Bonds. Under these same circumstances, references herein and in the Resolution to the “Bondowners” or “Registered Owners” of the 2018 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2018 Bonds.

Tax–Exempt Status Of The 2018 Bonds

In the opinion of Hawley Troxell Ennis & Hawley LLP, Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2018 Bonds is not included in gross income under present federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and interest on the 2018 Bonds is not included in alternative minimum taxable income, as defined in Section 55(b)(2) of the Code, under present federal income tax laws, except that for taxable years of corporations beginning before January 1, 2018, such interest is required to be included in calculating the “adjusted current earnings” adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. Interest on the 2018 Bonds is not included in Idaho taxable income under present Idaho income tax laws. See “LEGAL MATTERS—Tax Exemption” below.

Professional Services

In connection with the issuance of the 2018 Bonds, the following have served the District in the capacity indicated.

Bond Counsel	*Attorney for the District*
Hawley Troxell Ennis & Hawley LLP 877 Main St Ste 1000 PO Box 1617 Boise ID 83701–1617 208.344.6000 | f 208.954.5421 nmiller@hawleytroxell.com	Nelson Hall Parry Tucker, PLLC 490 Memorial Dr Idaho Falls ID 83402 208.522.3001 | f 208.523.7254 drnelson@nhptlaw.com
Paying Agent and Bond Registrar	*Municipal Advisor*
Zions Bancorporation, National Association 800 W Main St Ste 700 Boise ID 83702 208.501.7493 | f 855.855.9705 mark.henson@zionsbancorp.com	Zions Public Finance, Inc. 800 W Main St, Ste 700 Boise ID 83702 208.501.7533 | f 855.855.9702 christian.anderson@zionsbancorp.com

Conditions Of Delivery, Anticipated Date, Manner, And Place Of Delivery

The 2018 Bonds are offered, subject to prior sale, when, as and if issued and received by the successful bidder, subject to the approval of legality of the 2018 Bonds by Bond Counsel, and certain other conditions. Certain legal matters will be passed on for the District by Nelson Hall Parry Tucker, PLLC, Idaho Falls, Idaho. It is expected that the 2018 Bonds, in book–entry form only, will be available for delivery in Boise, Idaho for deposit with the Paying Agent, as fast agent of DTC, on or about Wednesday, November 28, 2018.

Information Reporting Agreement (Disclosure Undertaking)

The District will enter into an Information Reporting Agreement (the "Disclosure Undertaking") for the benefit of the owners of the 2018 Bonds. For a detailed discussion of the Disclosure Undertaking, previous undertakings and timing of submissions see "INFORMATION REPORTING AGREEMENT" below and "APPENDIX C—PROPOSED FORM OF INFORMATION REPORTING AGREEMENT."

Basic Documentation

This OFFICIAL STATEMENT speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the District's Board of Trustees (the "Board"), the District, the 2018 Bonds, and the Resolution are included in this OFFICIAL STATEMENT. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Resolution are qualified in their entirety by reference to such document, and references herein to the 2018 Bonds are qualified in their entirety by reference to the form thereof included in the Resolution. The "basic documentation" which includes the Resolution, the closing documents and other documentation authorizing the issuance of the 2018 Bonds and establishing the rights and responsibilities of the District and other parties to the transaction may be obtained from the "contact persons" as indicated below.

Contact Persons

As of the date of this OFFICIAL STATEMENT, additional requests for information may be directed to Zions Public Finance, Inc., Boise, Idaho, as municipal advisor to the District (the "Municipal Advisor"):

Christian Anderson, Vice President, christian.anderson@zionsbancorp.com

Zions Public Finance, Inc.
Zions Bank Building
800 W Main St Ste 700
Boise ID 83702
208.501.7533 | f 855.855.9702

As of the date of this OFFICIAL STATEMENT, the chief contact persons for the District concerning the 2018 Bonds are:

Lisa Sherick, Superintendent, lsherick@sd251.org
Bryce Bronson, Business Manager, bbronson@sd251.org

Joint School District No. 251
3850 E 300 N
Rigby ID 83442
208.745.6693 | f 208.745.0848

As of the date of this OFFICIAL STATEMENT, the chief contact person for the State concerning the guaranty for the 2018 Bonds under the Sales Tax Guaranty Program is:

Paul Stewart, Investment Officer, paul.stewart@sto.idaho.gov

Office of the Idaho State Treasurer
700 West Jefferson Ste. 126
Boise ID 83720
208.332.2938 | f 208.332.2961
sto.idaho.gov

As of the date of this OFFICIAL STATEMENT, the chief contact person for the Idaho Endowment Fund Investment Board concerning the guaranty for the 2018 Bonds under the Credit Enhancement Program is:

Chris Anton, Investment Officer, chris.anton@efib.idaho.gov

Idaho Endowment Fund Investment Board
816 West Bannock Street, Suite 301
Boise ID 83720
208.334.3728

INFORMATION REPORTING AGREEMENT

The District will enter into the Disclosure Undertaking for the benefit of the Beneficial Owners of the 2018 Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access system ("EMMA") pursuant to the requirements of paragraph (b)(5) of Rule 15c2–12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and other terms of the Disclosure Undertaking, including termination, amendment and remedies, are set forth in the proposed form of Disclosure Undertaking in "APPENDIX C—PROPOSED FORM OF INFORMATION REPORTING AGREEMENT."

The Disclosure Undertaking requires the District to submit its annual financial report (Fiscal Year Ending June 30) and other operating and financial information on or before December 27 (180 days from the end of the Fiscal Year). The District will submit the Fiscal Year 2019 financial report and other operating and financial information for the 2018 Bonds on or before December 27, 2019, and annually thereafter on or before each December 27.

A failure by the District to comply with the Disclosure Undertaking will not constitute a default under the Resolution, and Bondowners of the 2018 Bonds are limited to the remedies provided in the Disclosure Undertaking. A failure by the District to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2018 Bonds in the secondary market. Any such failure may adversely affect the marketability of the 2018 Bonds.

Bond Counsel expresses no opinion as to whether the Disclosure Undertaking complies with the requirements of the Rule.

STATE OF IDAHO GUARANTY

The Guaranty; Pledge of State Sales Tax

School districts are eligible to apply for a guarantee by the Idaho State School Bond Guaranty Program pursuant to the provisions of the Idaho School Bond Guaranty Act, Title 33, Chapter 53, Idaho Code (the "Sales Tax Guaranty Program") and may apply for further credit enhancement by the Credit Enhancement Program supported by the public school's endowment fund, pursuant to section 57-728, Idaho Code (the "Credit Enhancement Program") (the Sales Tax Guaranty Program and the Credit Enhancement Program, collectively referred to herein as the "Programs"). School districts may have outstanding up to $40 million of school bonds guaranteed by both the Programs and may obtain a guaranty solely by the Sales Tax Guaranty Program if bonds to be guaranteed or already guaranteed are more than $40 million.

As of the date of this OFFICIAL STATEMENT, Moody's has assigned its "Aa1" rating to bonds that are guaranteed by the Sales Tax Guaranty Program. Moody's has assigned its "Aaa" rating to bonds that are guaranteed by the Credit Enhancement Program and the Sales Tax Guaranty Program. ***The 2018 Bonds are guaranteed by both Programs.***

The Sales Tax Guaranty Program

General. Any school district may apply to the Idaho State Treasurer (the "State Treasurer") for the State's guaranty of its eligible bonds. Pursuant to the Sales Tax Guaranty Program, the sales tax of the State is pledged to guarantee full and timely payment of the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, refunding bonds issued on and after March 1, 1999, which meet certain requirements detailed below, for voter–approved bonds which were voted on by the electorate prior to March 1, 1999, and voter–approved bonds for new projects which were voted on by the electorate on and after March 1, 1999, as such payments shall become due (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration) (the "Guaranty"). The Guaranty is good for the life of the bond, even if the State Treasurer later determines a district is ineligible for future guaranties. See in this section "State Treasurer to Monitor District's Fiscal Solvency" below.

On October 2, 2018, the State Treasurer issued to the District a Certificate of Eligibility for the Sales Tax Guaranty Program for the 2018 Bonds (the "Certificate of Eligibility").

The Certificate of Eligibility evidences the District's eligibility for the Sales Tax Guaranty Program for 90 days from the date of issuance. Once the 2018 Bonds are issued pursuant to the Certificate of Eligibility, the Guaranty is in effect for so long as the 2018 Bonds are outstanding.

In addition, the Sales Tax Guaranty Program provides that the State pledges to and agrees with the holders of bonds guaranteed under the program that the State will not alter, impair, or limit the rights vested by the program with respect to bonds until the bonds, together with applicable interest, are fully paid and discharged. However, this pledge does not preclude an alteration, impairment, or limitation if adequate provision is made by law for the protection of the holders of the bonds.

Program Limitations. Bonds issued by the Idaho Bond Bank Authority ("IBBA") and the Sales Tax Guaranty Program are both secured by State sales tax. The State implemented a debt capacity policy that caps the Sales Tax Guaranty Program at the combined "maximum annual debt service" of bonds issued thereunder and the IBBA's revenue bonds/municipal loan program can be no greater than 20% of prior Fiscal Year audited State sales tax revenue. The State's sales tax revenue for Fiscal Year 2017 was $1.636 billion. The combined maximum annual debt service under the Sales Tax Guaranty Program and IBBA's revenue bonds/municipal program as of June 2018 was $188.81 million, resulting in a percentage of 11.54%.

As of the date of this OFFICIAL STATEMENT, the following District bonds outstanding are guaranteed by the Sales Tax Guaranty Program.

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2018 (1)	School building	$31,665,000	September 15, 2038	$31,665,000
2015	Refunding	4,925,000	September 1, 2022	3,615,000
2010C	Building/QSCB	15,000,000	September 1, 2029	15,000,000
2010A	Building/BABS	21,805,000	September 1, 2029	18,230,000
2009	Building/QSCB	5,000,000	September 1, 2025	5,000,000
Total principal amount of outstanding guaranteed				$73,510,000

(1) As of the date of this OFFICIAL STATEMENT, these bonds are considered issued and outstanding.

Credit Enhancement Program

If approved to participate in the Sales Tax Guaranty Program, a school district may also apply to the Credit Enhancement Program. Pursuant to the Credit Enhancement Program, the endowment fund investment board (the "Endowment Board") is mandated to purchase notes issued by the State for the purpose of making debt service payments under the Sales Tax Guaranty Program.

Under the Credit Enhancement Program, the following shall take effect in the event moneys from the sales tax are insufficient to pay a school district's debt service payment under the Sales Tax Guaranty Program: (i) the Endowment Board may purchase on behalf of the public school endowment fund, or from other funds administered by the Endowment Board, notes from the State issued by the State Treasurer under such terms as are negotiated between the Endowment Board and the State Treasurer; or (ii) upon the request of the State Treasurer, the Endowment Board shall purchase on behalf of the public school endowment fund notes issued by the State Treasurer, the proceeds of which shall be sufficient to pay debt service payments as they become due (the "Notes").

The Notes shall bear interest at a rate equal to the annual rate of one year treasury bills, as published by the federal reserve, plus 400 basis points, plus, for the first six months of the term of the Notes, an amount, as determined by the Endowment Board, up to a maximum of 50 basis points, to cover all additional administrative and transaction costs related to the purchase of the Notes. The Notes will have a maximum term of one year and may be renewed at the request of the State Treasurer; the Notes shall be repaid from a school district's reimbursement payments pursuant to the Sales Tax Guaranty Program and the State may make additional payments on the Notes. The Endowment Board may require the State Treasurer to compel a school district to modify its fiscal practices and its general operations if the Endowment Board determines that there is a substantial likelihood that a school district will not be able to make future payments.

Pursuant to the provisions of the Credit Enhancement Program, the Endowment Board shall make available $300 million from the public-school endowment fund for the purposes of purchasing Notes under this program, and the principal amount of bonds guaranteed by the Credit Enhancement Program shall not be greater than $1.2 billion. The aggregate principal amount of school district bonds outstanding that may be guaranteed by the Credit Enhancement Program shall not exceed $40 million per district.

On October 3, 2018, the Endowment Board issued to the District its Certificate of Approval of Credit Enhancement for the 2018 Bonds. The Certificate of Approval evidences the District's eligibility for the Credit Enhancement Program for 90 days following the issuance of the certificate.

As of the date of this OFFICIAL STATEMENT, the following District bonds outstanding are guaranteed by the Credit Enhancement Program.

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2018 (1)	School building	$31,665,000	September 15, 2038	$31,665,000
2015	Refunding	4,925,000	September 1, 2022	3,615,000
Total principal amount of outstanding guaranteed				$35,280,000

(1) As of the date of this OFFICIAL STATEMENT, these bonds are considered issued and outstanding.

Guaranty Procedures

The Programs are for the protection of the bondholders. Ultimate liability for the payment of the 2018 Bonds remains with the District. Accordingly, the Sales Tax Guaranty Program contains provisions, including interception of State aid to the District, possible action to compel levy of a tax sufficient to reimburse the State for any payments made to bondholders pursuant to its Guaranty, and various oversight provisions to assure that the District, and not the State, will ultimately be responsible for debt service on the 2018 Bonds.

Under the Sales Tax Guaranty Program, the District's Superintendent is required to transfer moneys sufficient for scheduled debt service payments on the 2018 Bonds to the Paying Agent at least 15 days before any principal or interest payment date for the 2018 Bonds. If the Superintendent is unable to transfer the scheduled debt service payment to the Paying Agent at least 15 days before the payment date, the Superintendent must immediately notify the Paying Agent and the State Treasurer. In addition, if the Paying Agent has not received the scheduled debt service payment at least 15 days prior to the scheduled debt service payment date for the 2018 Bonds the Paying Agent must notify the State Treasurer in writing at least 10 days prior to the payment date. The Sales Tax Guaranty Program further provides that if sufficient moneys have not been transferred to the Paying Agent, then the State Treasurer shall, on or before the scheduled payment date, transfer sufficient moneys to the Paying Agent to make the scheduled debt service payment. Payment by the State of a debt service payment on the 2018 Bonds discharges the obligation of the District to the bondholders for that payment to the extent of the State's payment and transfers the District's obligation for that payment to the State.

If one or more payments are made by the State Treasurer pursuant to the Sales Tax Guaranty Program, the State Treasurer shall immediately intercept any payments from any sources of operating moneys provided by the State to the District that would otherwise be paid to the District and apply these intercepted payments to reimburse the State until all obligations of the District to the State arising from these payments are paid in full, including interest and penalties payable pursuant to the Sales Tax Guaranty Program. The State has no obligation to replace any moneys intercepted. The Sales Tax Guaranty Program obligates the District to reimburse all moneys drawn by the State Treasurer on its behalf, pay interest to the State on all moneys paid at not less than the average prime rate for national money center banks plus 1%, and to pay any additional penalties, which may be imposed by the State Treasurer pursuant to the Sales Tax Guaranty Program at a rate of not more than 5% of the amount paid by the State pursuant to its Guaranty, for each instance payment is made. If the State Treasurer determines amounts obtained pursuant to the Sales Tax Guaranty Program will not be sufficient to reimburse the State within one year from a payment the State makes, the State Treasurer must pursue any legal action against the District necessary to compel it to levy and provide tax revenues sufficient to pay debt service and to meet its repayment obligations to the State.

The District may use property taxes or other moneys to replace intercepted funds if the moneys are derived from taxes originally levied to make the payment but which were not timely received by the District; taxes from a supplemental levy made to make the missed payment or to replace the intercepted moneys; moneys transferred from the undistributed reserve, if any, of the District, or any other source of money on hand and legally available. The District may not replace operating funds intercepted by the State with moneys collected and held to make payments on the 2018 Bonds if that replacement would divert moneys from the payment of future debt service on the 2018 Bonds and increase the risk that the Guaranty would be called upon an additional time.

Since the inception of the Programs, the State has not been called upon to pay the principal of or interest on any bonds guaranteed under the Programs.

State Treasurer to Monitor District's Fiscal Solvency

The Sales Tax Guaranty Program also charges the State Treasurer with the responsibility to monitor, evaluate and, at least annually, report his or her findings as to the fiscal solvency of each school district. Pursuant to the Sales Tax Guaranty Program, the State Treasurer will receive annual statements of the financial condition of the District and a copy of the complete audit of the financial statements of the District, which is prepared pursuant to Section 33–701, Idaho Code. The State Treasurer is also required to report his conclusions regarding the fiscal solvency of the District at least annually to the Governor, the Idaho State Legislature (the "State Legislature"), the Endowment Board and the State Superintendent of Public Instruction. In addition, the State Treasurer must immediately report any circumstances suggesting that the District will be unable to meet its debt service obligations and immediately recommend a course of remedial action.

Status Of The Programs

As of the date of this OFFICIAL STATEMENT, the State has the following bonds guaranteed under the Programs:

	Sales Tax Guaranty Program (1) (2)	Sales Tax Guaranty and Credit Enhancement Programs (2)
Number of school districts with bonds outstanding	63	61
Number of outstanding bond issues	122	88
Outstanding principal guaranteed	$1,301,525,014	$627,951,824

(1) Districts included in the Sales Tax Guaranty Program column may also have bonds that are secured by both Programs.

(2) These totals do not include $45 million applied for and not yet issued by three school districts, including the District.

(Source: Office of the Idaho State Treasurer.)

State Of Idaho–Financial And Operating Information

The State produces a Comprehensive Annual Financial Report ("CAFR") in accordance with generally accepted accounting principles as defined by the Government Accounting Standards Board. The State's Fiscal Year 2017 CAFR may be found at http://www.sco.idaho.gov. The State's most recent official statement for its tax anticipation notes (base CUSIP®451434) is currently on file with EMMA. Such information contained on websites shall not be considered to be a part of this OFFICIAL STATEMENT and is not provided in connection with the offering of the 2018 Bonds.

BOND LEVY EQUALIZATION SUPPORT PROGRAM

Bond Levy Subsidy Program

In 2002, the State created a Bond Levy Equalization Support Program (the "Bond Levy Subsidy Program"). The Bond Levy Subsidy Program provides for a subsidy payment (the "Levy Subsidy") from the State's Bond Levy Equalization Fund to school districts to offset a portion of the costs of annual bond interest and redemption payments made on bonds approved at elections occurring on or after September 15, 2002.

Availability Of The Levy Subsidy

To determine the amount of the average payment, the Idaho State Department of Education (the "DOE") calculates a value index (the "Value Index") annually for each school district based upon the following three components: (i) the district's market value per support unit for equalization divided by two; (ii) the average annual seasonally adjusted unemployment rate in the county in which a plurality of the school district's market value for assessment purposes of taxable property (the "Taxable Assessed Value") is located; and (iii) the per capita income in the county in which a plurality of the school district's Taxable Assessed Value is located.

The Levy Subsidy payment to a district is determined by multiplying one, minus the district's Value Index, times the district's average annual principal and interest on bonded indebtedness, subject to the provisions that every school district with a Value Index of less than 1.50 will receive a minimum payment of no less than 10% of its interest payments. School districts with a Value Index of 1.50 or greater receive no Levy Subsidy. The DOE disburses Levy Subsidy payments no later than September 1 of each year for school districts in which voters have approved the issuance of qualifying bonds by no later than January 1 of that calendar year.

To be entitled to a Levy Subsidy payment from the DOE, a district is required to annually report the status of all qualifying bonds to the DOE by January 1 of each year, including bonds approved by the voters that have not been issued. Information submitted includes the following: (1) the actual or estimated bond interest and redemption payment schedule; (2) any qualifying bond that has been paid in full; and (3) other information as may be required by the DOE.

The 2018 State Legislature appropriated $23.1 million for Levy Subsidy for the Fiscal Year 2019 disbursement which were disbursed to qualifying school districts on or about September 1, 2018. Amounts available for Levy Subsidy payments in future years are subject to appropriation by the State Legislature each year. Fiscal Year 2019 disbursements were funded from a mix of sources: Approximately $10.3 million from the General Fund (transferred from cigarette tax revenue), approximately $421,700 of fund balance carry over, and $12.375 million of Idaho Lottery proceeds which are directed by statute to the Bond Levy Equalization Program.

The Value Index is recalculated annually. There can be no assurance that the District will qualify to receive levy equalization payments from the State or that there will be sufficient funds in the Bond Levy Equalization Fund of the State to make payments to all eligible districts. Further, there can be no assurance that the Bond Levy Subsidy Program will not be altered, amended or discontinued in the future.

Benefit Of Levy Subsidy To The District

Based on information provided by the DOE, the District's Value Index for Fiscal Year 2019 is approximately 0.7123 which would entitle the District to receive an annual Levy Subsidy payment equal to approximately 28.8% of the average annual debt service on qualifying bonds. The Value Index for future fiscal years (beginning with Fiscal Year 2020) will be recalculated annually by the DOE and provided in July, shortly after the beginning of the applicable fiscal year. Based on information provided by the District, the District's value index for Fiscal Year 2020 is not expected to exceed the 1.50 index cap. If the District's Value Index is above 1.50 for any fiscal year during the repayment of the 2018 Bonds, the District will not receive a subsidy payment for that fiscal year.

For newly–authorized bonds, such as the 2018 Bonds, school districts receive the first Levy Subsidy payment on September 1 of the year following the calendar year in which the bonds were authorized.

THE 2018 BONDS

General

The 2018 Bonds will be dated the date of their original issuance and delivery[1] (the "Dated Date") and will mature on September 15 of the years and in the amounts as set forth on the inside cover page of this OFFICIAL STATEMENT.

The 2018 Bonds will bear interest from their Dated Date at the rates set forth on the inside cover page of this OFFICIAL STATEMENT. Interest on the 2018 Bonds is payable semiannually on each March 15 and September 15, commencing March 15, 2019. Interest on the 2018 Bonds will be computed on the basis of a 360–day year comprised of 12, 30–day months. Zions Bancorporation is the bond registrar and Paying Agent for the 2018 Bonds under the Resolution (in such respective capacities, the initial "Bond Registrar").

The 2018 Bonds will be issued as fully–registered bonds, initially in book–entry form, in the denomination of $5,000 or any whole multiple thereof, not exceeding the amount of each maturity.

Sources And Uses Of Funds

The sources and uses of funds in connection with the issuance of the 2018 Bonds are estimated to be as follows:

Sources:	
Par amount of 2018 Bonds	$31,665,000.00
Original issue premium	4,666,125.15
Total	$36,331,125.15
Uses:	
Deposit to Project Fund	$36,000,000.00
Costs of Issuance (1)	209,214.90
Underwriter's discount	121,910.25
Total	$36,331,125.15

(1) Includes legal fees, Municipal Advisor fees, rating agency fees, credit enhancement fees, Bond Registrar and Paying Agent fees, rounding amounts, and other miscellaneous costs of issuance.

Security And Sources Of Payment

The 2018 Bonds will be general obligations of the District, payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all the taxable property in the District, fully sufficient to pay the 2018 Bonds as to both principal and interest. See "TAXES AND STATE FUNDING—Ad Valorem Tax System" and "STATE OF IDAHO SCHOOL FINANCE" below.

Payment of the principal of and interest on the 2018 Bonds will be guaranteed by the Programs. See "STATE OF IDAHO GUARANTY" above.

[1] The anticipated date of delivery is Wednesday, November 28, 2018.

Redemption Provisions

Optional Redemption. The 2018 Bonds maturing on or after September 15, 2029, are subject to redemption at the option of the District on September 15, 2028 (the "First Redemption Date"), and on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the District, and at random within each maturity if less than the full amount of any maturity is to be redeemed, upon not less than 30 days' prior written notice, at a redemption price equal to 100% of the principal amount of the 2018 Bonds to be redeemed, plus accrued interest thereon to the redemption date. The 2018 Bonds maturing on or prior to the First Redemption Date are not subject to optional redemption.

Selection for Redemption. If less than all 2018 Bonds of any maturity are to be redeemed, the particular 2018 Bonds or portion of 2018 Bonds of such maturity to be redeemed will be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate. The portion of any registered 2018 Bond of a denomination of more than $5,000 to be redeemed will be in the principal amount of $5,000 or a whole multiple thereof, and in selecting portions of such 2018 Bonds for redemption, the Bond Registrar will treat each such 2018 Bond as representing that number of 2018 Bonds of $5,000 denomination that is obtained by dividing the principal amount of such 2018 Bond by $5,000.

Notice of Redemption. Notice of redemption will be given by the Bond Registrar by registered or certified mail, not less than 30 nor more than 60 days prior to the redemption date, to the owner, as of the Record Date, as defined under "THE 2018 BONDS—Registration And Transfer" below, of each 2018 Bond that is subject to redemption, at the address of such owner as it appears on the registration books of the District kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such owner on or prior to the Record Date. Each notice of redemption will state the Record Date, the principal amount, the redemption date, the place of redemption, the redemption price and, if less than all of the 2018 Bonds are to be redeemed, the distinctive numbers of the 2018 Bonds or portions of 2018 Bonds to be redeemed, and will also state that the interest on the 2018 Bonds in such notice designated for redemption will cease to accrue from and after such redemption date and that on the redemption date there will become due and payable on each of the 2018 Bonds to be redeemed the principal thereof and interest accrued thereon to the redemption date.

Each notice of optional redemption may further state that such redemption will be conditioned upon the receipt by the Paying Agent, on or prior to the date fixed for redemption, of moneys sufficient to pay the principal of and premium, if any, and interest on such 2018 Bonds to be redeemed and that if such moneys have not been so received the notice will be of no force or effect and the District will not be required to redeem such 2018 Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption will not be made, and the Bond Registrar will within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received. Any such notice mailed will be conclusively presumed to have been duly given, whether or not the Bondowner receives such notice. Failure to give such notice or any defect therein with respect to any 2018 Bond will not affect the validity of the proceedings for redemption with respect to any other 2018 Bond.

In addition to the foregoing notice, further notice of such redemption will be given by the Bond Registrar to DTC and certain registered securities depositories and national information services as provided in the Resolution, but no defect in such further notice nor any failure to give all or any portion of such notice will in any manner affect the validity of a call for redemption if notice thereof is given as prescribed above and in the Resolution.

For so long as a book–entry system is in effect with respect to the 2018 Bonds, the Bond Registrar will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any Direct Participants or any failure of the Direct Participants or Indirect Participants to convey such notice to any Beneficial Owner will not affect the sufficiency of the notice or the validity of the redemption of 2018 Bonds. *See "THE 2018 BONDS—Book–Entry System" below.*

Registration And Transfer; Record Date

In the event the book–entry system is discontinued, any 2018 Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by such owner's duly authorized attorney, upon surrender of such 2018 Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer will be effective until entered on the registration books kept by the Bond Registrar. Whenever any 2018 Bond is surrendered for transfer, the Bond Registrar will authenticate and deliver a new fully–registered 2018 Bond or 2018 Bonds of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the District, for a like aggregate principal amount.

The 2018 Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully–registered 2018 Bonds of the same series, designation, maturity and interest rate of other authorized denominations.

For every such exchange or transfer of the 2018 Bonds, the Bond Registrar must make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer of the 2018 Bonds.

The Bond Registrar will not be required to transfer or exchange any 2018 Bond (a) after the Record Date with respect to any interest payment date to and including such interest payment date, or (b) after the Record Date with respect to any redemption of such 2018 Bond. The term "Record Date" means (i) with respect to each interest payment date, the first day of the month of each interest payment date, or if such day is not a business day for the Bond Registrar, the next preceding day that is a business day for the Bond Registrar, and (ii) with respect to any redemption of any 2018 Bond such Record Date as is specified by the Bond Registrar in the notice of redemption, provided that such Record Date will be not less than 15 calendar days before the mailing of such notice of redemption.

The District, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2018 Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof (on the 2018 Bonds) and interest due thereon and for all other purposes whatsoever.

Book–Entry System

DTC will act as securities depository for the 2018 Bonds. The 2018 Bonds will be issued as fully–registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully–registered bond certificate will be issued for each maturity of the 2018 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX D—BOOK–ENTRY SYSTEM" for a more detailed discussion of the book–entry system and DTC.

The District, the Bond Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the 2018 Bonds registered in its name for the purpose of payment of the principal of and interest on the 2018 Bonds, giving any notice permitted or required to be given to registered owners under the Resolution, registering the transfer of 2018 Bonds, obtaining any consent or other action to be taken by registered owners and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The District, the Bond Registrar and the Paying Agent shall not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the 2018 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books of the District.

So long as Cede & Co. is the registered owner of the 2018 Bonds, as nominee of DTC, references herein and in the Resolution to the Bondowners or registered owners of the 2018 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2018 Bonds.

Neither the District, the Bond Registrar nor the Paying Agent will have any responsibility or obligation to any Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice to the Participants, or Beneficial Owners of the 2018 Bonds.

In the event the book–entry system is discontinued, interest on the 2018 Bonds will be payable by check or draft of the Paying Agent, mailed to the registered owners thereof at the addresses shown on the registration books of the District kept for that purpose by the Bond Registrar. The principal of all 2018 Bonds will be payable at the principal office of the Paying Agent.

Debt Service On The 2018 Bonds

	The 2018 Bonds			
Payment Date	Principal	Interest	Period Total	Fiscal Total
March 15, 2019	$ 0.00	$ 470,577.08	$ 470,577.08	$ 470,577.08
September 15, 2019	210,000.00	791,625.00	1,001,625.00	
March 15, 2020	0.00	786,375.00	786,375.00	1,788,000.00
September 15, 2020	610,000.00	786,375.00	1,396,375.00	
March 15, 2021	0.00	771,125.00	771,125.00	2,167,500.00
September 15, 2021	640,000.00	771,125.00	1,411,125.00	
March 15, 2022	0.00	755,125.00	755,125.00	2,166,250.00
September 15, 2022	940,000.00	755,125.00	1,695,125.00	
March 15, 2023	0.00	731,625.00	731,625.00	2,426,750.00
September 15, 2023	1,410,000.00	731,625.00	2,141,625.00	
March 15, 2024	0.00	696,375.00	696,375.00	2,838,000.00
September 15, 2024	1,470,000.00	696,375.00	2,166,375.00	
March 15, 2025	0.00	659,625.00	659,625.00	2,826,000.00
September 15, 2025	1,540,000.00	659,625.00	2,199,625.00	
March 15, 2026	0.00	621,125.00	621,125.00	2,820,750.00
September 15, 2026	1,640,000.00	621,125.00	2,261,125.00	
March 15, 2027	0.00	580,125.00	580,125.00	2,841,250.00
September 15, 2027	1,720,000.00	580,125.00	2,300,125.00	
March 15, 2028	0.00	537,125.00	537,125.00	2,837,250.00
September 15, 2028	1,180,000.00	537,125.00	1,717,125.00	
March 15, 2029	0.00	507,625.00	507,625.00	2,224,750.00
September 15, 2029	1,240,000.00	507,625.00	1,747,625.00	
March 15, 2030	0.00	476,625.00	476,625.00	2,224,250.00
September 15, 2030	1,730,000.00	476,625.00	2,206,625.00	
March 15, 2031	0.00	433,375.00	433,375.00	2,640,000.00
September 15, 2031	1,815,000.00	433,375.00	2,248,375.00	
March 15, 2032	0.00	388,000.00	388,000.00	2,636,375.00
September 15, 2032	1,905,000.00	388,000.00	2,293,000.00	
March 15, 2033	0.00	340,375.00	340,375.00	2,633,375.00
September 15, 2033	2,000,000.00	340,375.00	2,340,375.00	
March 15, 2034	0.00	290,375.00	290,375.00	2,630,750.00
September 15, 2034	2,100,000.00	290,375.00	2,390,375.00	
March 15, 2035	0.00	237,875.00	237,875.00	2,628,250.00
September 15, 2035	2,205,000.00	237,875.00	2,442,875.00	
March 15, 2036	0.00	182,750.00	182,750.00	2,625,625.00
September 15, 2036	2,320,000.00	182,750.00	2,502,750.00	
March 15, 2037	0.00	124,750.00	124,750.00	2,627,500.00
September 15, 2037	2,435,000.00	124,750.00	2,559,750.00	
March 15, 2038	0.00	63,875.00	63,875.00	2,623,625.00
September 15, 2038	2,555,000.00	63,875.00	2,618,875.00	2,618,875.00
Totals	$31,665,000.00	$19,630,702.08	$51,295,702.08	

SECURITY AND SOURCES OF PAYMENT

The 2018 Bonds are general obligations of the District and the full faith, credit and resources of the District are pledged for the punctual payment of the principal of and interest on the 2018 Bonds. The 2018 Bonds are secured by ad valorem taxes to be levied against all taxable property within the District. More specifically, for the purpose of paying the principal of and interest on the 2018 Bonds as the same will become due, the District will levy on all taxable property located within the District, in addition to all other taxes, direct annual taxes sufficient in amount to provide for the payment of principal of and interest on the 2018 Bonds. The taxes, when collected, are required to be applied solely for the purpose of payment of principal and interest on the 2018 Bonds and for no other purpose. See "TAXES AND STATE FUNDING—Ad Valorem Tax System" below.

The District may, subject to applicable laws, apply other funds available to make payments with respect to the Bonds and thereby reduce the amount of future tax levies for such purpose.

The 2018 Bonds also have the benefit of the Programs as described above under the caption: "STATE OF IDAHO GUARANTY," and are eligible for the Levy Subsidy as described above under the caption "BOND LEVY EQUALIZATION SUPPORT PROGRAM."

The funds made available under the Levy Subsidy are appropriated on an annual basis by the State Legislature and therefore do not constitute security for the 2018 Bonds because Bondowners cannot compel appropriation of the Levy Subsidy. However, in the Resolution the District covenants to deposit all payments received under the Levy Subsidy into the bond fund for the 2018 Bonds and to use them for no other purpose. See "Bond Fund For The 2018 Bonds" below. Accordingly, the Levy Subsidy provides an additional source of payment for the Bonds and once received by the District such funds are pledged as security for the 2018 Bonds.

The 2018 Bonds do not constitute a debt or indebtedness of the Counties, the State (except as described under "STATE OF IDAHO GUARANTY"), or any political subdivision thereof other than the District.

Bond Fund For The 2018 Bonds

The Resolution creates a bond fund for the deposit of revenues and disbursement of payments of debt service on the 2018 Bonds (the "Bond Fund"). In the Resolution, the District covenants to levy and collect property taxes sufficient, together with other funds, to pay debt service on the 2018 Bonds, to deposit such revenues into the Bond Fund and to use the funds on deposit in the Bond Fund for no other purpose than for payment of principal and interest on the 2018 Bonds as they become due.

The Idaho system of ad valorem tax collection and disbursement does not require counties to segregate tax collections dedicated to pay principal and interest on bonded indebtedness of political subdivisions from the other revenues the county collects on behalf of the political subdivision. In addition to the revenues collected from the dedicated ad valorem tax levy for the District's bonds, such revenues may include revenues from the District's other available levies. See "TAXES AND STATE FUNDING–Ad Valorem Tax System" and "TAXES AND STATE FUNDING–School District Levies" herein. The District maintains certain policies and internal controls to ensure that monies received from the Counties are properly allocated to their intended purposes, and that monies received from the bond levy are promptly deposited into the Bond Fund. The District also has policies and internal controls in place to prevent withdrawals from the Bond Fund for any purpose other than payment of principal and interest on the 2018 Bonds.

Similarly, Levy Subsidy payments received from the State are direct deposited to the District in the same manner as other state funds. In the Resolution, the District covenants to deposit the Levy Subsidy payments into the Bond Fund, and the District's internal controls verify that Levy Subsidy payments are properly allocated to the payment of debt service and promptly recorded into the Bond Fund.

The Resolution pledges the revenues from the bond levy, Levy Subsidy payments once received, and all funds on deposit in the Bond Fund for the payment of principal and interest on the 2018 Bonds.

The 2018 Bonds will be general obligations of the District, payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all the taxable property in the District, fully sufficient to pay the 2018 Bonds as to both principal and interest. See “TAXES AND STATE FUNDING—Ad Valorem Tax System” and “STATE OF IDAHO SCHOOL FINANCE” below.

THE DISTRICT

General

The District, established in 1948, covers 242 square miles in the southeastern section of the County and the southwest portion of Madison County in southeastern Idaho. Approximately 99% of the District is located in the County, and 1% is located in Madison County. The County had 28,446 residents according to the 2017 US Census Bureau. The District’s headquarters are located in the City of Rigby, Idaho, which serves as the county seat. The City of Rigby was incorporated in 1890 and had 4,062 residents according to the 2016 estimate by the US Census Bureau. The District’s 2016 population was 23,551, according to the US Census Bureau.

Other portions of the County are served by two other school districts: Joint School District No. 252 (Ririe) and School District No. 253 (West Jefferson).

The District presently operates one pre-school center, six elementary schools, one middle, and one senior high school, one alternative senior high school, and an online school.

District Enrollment And Average Daily Attendance

The amount of State funding provided to each school district is determined, in part, by support units calculated for each district, which units are calculated largely based on average daily attendance (“ADA”) at each district. ADA is calculated in accordance with Idaho Code § 33–1003A, based on the entire school year except that the 28 weeks having the highest ADA, not necessarily consecutive, may be used. Accordingly, an increase or decrease in a district’s enrollment and ADA will affect the level of state funding received by the district. In the event a school district’s annual ADA drops for a period of one year, Idaho Code § 33–1003 provides for only a minimal percentage decrease in funding to allow a school district one year to adjust to the lower ADA. Although the District’s ADA has remained relatively stable to date, students of the District could be recruited to a number of area charter schools or could petition to enroll in a neighboring school district, which would result in a reduction of state funding based on the District’s decreased ADA.

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Following is a table showing the historical ADA for the District, calculated in accordance with Idaho statutes.

Historical Average Daily Attendance and Enrollment

Fiscal Year (1)	Elementary (P–4)	Middle (5–8)	Secondary (9–12)	Total	% Change	ADA
2019 (2).......	2,453	1,992	1,668	6,113	3.6	5,974
2018……….	2,439	1,853	1,609	5,901	5.8	5,508
2017……….	2,343	1,721	1,512	5,576	2.7	5,213
2016……….	2,345	1,618	1,464	5,427	3.6	5,052
2015……….	2,305	1,525	1,406	5,236	2.5	4,905
2014……….	2,275	1,539	1,292	5,106	0.9	4,779
2013……….	2,220	1,545	1,294	5,059	3.0	4,695
2012……….	2,162	1,470	1,280	4,912	3.0	4,623
2011……….	2,061	1,488	1,218	4,767	0.5	4,483
2010……….	2,060	1,392	1,289	4,741	1.6	4,449

(1) Historical enrollment as of fall each year, except otherwise indicated.
(2) Current enrollment; source: the District.

(Source: The Idaho State Department of Education.)

Form Of Government

Board of Trustees. The determination of policies for the management of the District is the responsibility of its Board the members of which are elected by the qualified electors within the District. The District is divided into seven representative zones, and a member of the Board is elected from each of the seven zones. Members serve four–year terms, which are staggered to provide continuity.

The Board is empowered, among other things, to: (i) implement core curriculum; (ii) administer tests which measure the progress of each student, and are used to create plans to improve the student's progress; (iii) implement training programs for school administrators; (iv) purchase, sell and improve school sites, buildings and equipment; (v) construct and furnish school buildings; (vi) establish, locate and maintain elementary, secondary and applied technology schools; (vii) maintain school libraries; (viii) make and enforce all necessary rules and regulations for the control and management of the public schools in the District; (ix) adopt bylaws and rules for its own procedure; and (x) appoint a superintendent of schools, business administrator, and such officers or employees as are deemed necessary for the promotion of the interests of the schools.

Superintendent. The Superintendent of Schools (the "Superintendent") is appointed by the Board and is responsible for the actual administration of the schools in the District. The powers and duties of the Superintendent are prescribed by the Board. Pursuant to State law, the Superintendent is required to prepare and submit to the Board an annual budget itemizing anticipated revenues and expenditures for the next school year. The current Superintendent is employed by the Board for a three–year term.

Business Manager. The Business Manager (the "Business Manager") is appointed by the Board and reports to the Superintendent. The duties of the Business Manager, among others, are to (i) keep an account and prepare and publish an annual statement of moneys received by the District and amounts paid out of the treasury and (ii) have custody of the records and papers of the Board. The Business Manager is the custodian of all moneys belonging to the District and is required to prepare and submit to the Board a monthly report of the receipts and disbursements of the Business Manager's office.

Current members of the Board, the Superintendent, the Business Manager and the Clerk and their respective terms in office are as follows:

Office	Person	Years in Service	Expiration of Current Term/Contract (3)
Chairperson	Angie Robison	18	December 2021
Vice Chairperson	Leon Clark	13	December 2019
Trustee	Roy Ellis	5	December 2021
Trustee	Michael Peterson (1)	13	December 2019
Trustee	David Grant	5	December 2021
Trustee	Bruce Byram	1	December 2021
Trustee	Keith Nelson	1	December 2021
Superintendent	Lisa Sherick (2)	5	Appointed
Business Manager	Bryce Bronson	2	Appointed

(1) Mr. Peterson served a prior three–year term on the Board.
(2) Superintendent Sherick announced her retirement as of January 2019. The District has appointed Chad Martin as interim Superintendent. Mr. Martin currently serves as the Director of Secondary Education and has been with the District in this role for four years.
(3) The 2018 Legislature adopted Senate Bill 1280, which changed the election date for school district trustees from the 3rd Tuesday in May in odd-numbered years, to the general election in November in odd-numbered years. The legislation extended the terms of incumbent trustees through the end of the year in which their current term would have expired on June 30. Beginning with elections in November 2019, the terms of school district trustees will run from January 1 of the year following the election for a term of four years thereafter.

District Staff

The District employs approximately 675 persons in the following capacities: 312 certified staff (including teachers); 17 administrators; 164 classified staff; 57 adjunct coaches; and 125 substitutes.

Other Post–Employment Benefits; Pension System

Other Post–Employment Benefits. The District funds post-retirement benefits on a current basis through PERSI. The District provides a continuation of medical insurance coverage to employees who retire at the end of their service to the District before the age of 65. As of June 30, 2018, the District reports an Actuarial Accrued Liability of $924,099. As of the date of this OFFICIAL STATEMENT, the District does not anticipate that the impact of this liability will be significant to the District's overall financial position. See "APPENDIX A—FINANCIAL REPORT OF JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018–Notes to Financial Statements–Note 10. OPEB–Jefferson School District Employee Group Benefits Plan" (page A–29).

Pension System. The District is a member of the Idaho State Public Employees' Retirement System ("PERSI"). PERSI is the administrator of a multiple employer cost–sharing defined benefit public employee retirement system. A retirement board (the "PERSI Board"), appointed by the governor and confirmed by the legislature, manages the system which includes selecting investment managers to direct the investment, exchange and liquidation of assets in the managed accounts and to establish policy for asset allocation and other investment guidelines. The PERSI Board is charged with the fiduciary responsibility of administering the plan.

PERSI is the administrator of seven fiduciary funds, including three defined benefit retirement plans, the Public Employee Retirement Fund Base Plan ("PERSI Base Plan"), the Firefighters' Retirement Fund, and the Judge's Retirement Fund; two defined contribution plans, the Public Employee Retirement Fund Choice Plans 401(k) and 414(k); and two Sick Leave Insurance Reserve Trust Funds, one for State employers and one for school district employers.

PERSI membership is mandatory for eligible employees of participating employers. Employees must be: (i) working 20 hours per week or more; (ii) teachers working a half-time contract or greater; or (iii) persons who are elected or appointed officials. Membership is mandatory for State agency and local school district employees, and membership by contract is permitted for participating political subdivisions such as cities and counties. As of June 30, 2017, PERSI had 70,073 active members, 34,151 inactive members (of whom 12,669 are entitled to vested benefits), and 45,468 annuitants. In addition, there were 783 participating employers in the PERSI Base Plan and total membership in PERSI was 149,692.

Annual actuarial valuations for PERSI are provided by the private actuarial firm of Milliman, which has provided the actuarial valuations for PERSI since PERSI's inception. The net position for all pension and other funds administered by PERSI increased $1.6 billion during Fiscal Year 2017 compared to a decrease of $40.6 million during Fiscal Year 2016. The increase in the defined benefit plans reflects the total of contributions received and an investment return of more than benefits paid and administrative expenses. All of the plans experienced investment gains in Fiscal Year 2017 as a result of positive market performance. Net investment income for all of the funds administered by PERSI for the Fiscal Years ended June 30, 2017 and 2016 was $1.9 billion and $228 million, respectively.

As of June 30, 2017, the funding ratio (actuarial value of assets divided by actuarial accrued liability) for the PERSI Base Plan was 89.6%, which is an increase from the funding ratio of 86.3 percent as of June 30, 2016. The higher the funding ratio, the better the plan is funded. The amortization period (estimated time to payoff unfunded liability) for PERSI's Base Plan as of June 30, 2017 decreased from the previous Fiscal Year's 36.6 years to 16.2 years, which is lower than the 25–year amortization period required by statute.

Because of the statutory requirement that the amortization period for the unfunded actuarial liability be 25 years or less, the PERSI Board, at its October 18, 2016 meeting, approved a total contribution rate increase of 1% scheduled to take effect July 1, 2018. However, PERSI ended Fiscal Year 2017 with a 12.25% net investment return, providing the PERSI Board with the ability to reconsider the increase. During its October 2017 meeting, the PERSI Board voted to delay implementation of the 1% contribution rate increase for one year, making the new effective date July 1, 2019. Until July 1, 2019, PERSI contribution rates will remain unchanged. The contribution rates for the year ended June 30, 2017 follow:

	Member		Employer	
	General/ Teacher	Fire/ Police	General/ Teacher	Fire/ Police
Contribution Rates (1)……….	6.79%	8.36 %	11.32%	11.66%

(1) Rate as of June 30, 2017.

(Source: Financial Statements June 30, 2017 Public Employee Retirement System of Idaho.)

The next major PERSI experience study to be completed in 2018, will cover the period of July 1, 2013 through June 30, 2017.

The District's required and paid contributions to PERSI for Fiscal Years 2018, 2017, and 2016 were $1,853,916, $1,624,812, and $1,744,992, respectively. Contribution requirements of PERSI and its members are established by the PERSI Board within limitations, as defined by State law.

The District is required to record a liability and expense equal to its proportionate share of the collective net pension liability and expense of PERSI due to the implementation of GASB 68. The District reported a liability for its proportionate share of the net pension liability. The District's proportion of the net pension liability is based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. On July 1, 2017, the District's proportion was 0.5497774 percent or $8,641,556.

PERSI issues a publicly available financial report that includes financial statements and required supplementary information and may be found at http://www.persi.idaho.gov. See "APPENDIX A—FINANCIAL REPORT OF JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018–Notes to Financial Statements–Note 5. Pension Plans" (page A–24).

Risk Management

The District manages its risks through the purchase of individual insurance policies through a commercial insurance company. The District has earthquake protection included in its insurance policies. As of the date of this OFFICIAL STATEMENT, all policies are current and in force. The District believes its risk management policies and coverages are normal and within acceptable coverage limits for the type of services the District provides.

Investment Of Funds

Chapter 12 of Title 67, Idaho Code, provides authorization for the investment of funds as well as specific direction as to what constitutes an allowable investment. District procedures are consistent with the Idaho Code. The Idaho Code limits investments to the following general types: (i) certain revenue bonds, general obligation bonds, local improvement district bonds and registered warrants of State and local governmental entities; (ii) time deposits accounts and tax anticipation and interest–bearing notes; (iii) bonds, treasury bills, debentures or other similar obligations issued or guaranteed by agencies or instrumentalities of the government of the State of Idaho or the United States; and (iv) repurchase agreements.

The District has adopted a formal investment policy and is governed by Idaho Code 67–1210 and 67–1210A. Local governments, including the District, are also authorized to invest in the Local Government Investment Pool ("LGIP"), established as cooperative endeavors to enable public entities of the State to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The LGIP is managed by the State Treasurer's Office. Information about the LGIP investments is available from the Idaho State Treasurer at http://sto.idaho.gov. The District does invest in the LGIP.

Investments are stated at cost, except for investments in the deferred compensation agency fund, which are reported at market value. Interest income on such investments is recorded as earned in the General Fund of the District unless otherwise specified by law.

See APPENDIX A—ANNUAL FINANCIAL REPORT FOR JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018–Notes To The Financial Statements–Note 2. Cash and Investments" (page A–20).

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DEMOGRAPHIC INFORMATION ABOUT THE DISTRICT

Population

The following historical population information is provided for Rigby City and the County.

	Rigby City	% Over Prior Period	The County	% Over Prior Period
2017 Estimate	n/a	–	28,446	2.2
2016 Estimate (1)	4,062	3.0	27,839	6.5
2010 Census	3,945	31.6	26,142	36.5
2000 Census	2,998	11.8	19,155	15.8
1990 Census	2,681	2.2	16,543	8.1
1980 Census	2,624	14.4	15,304	30.4
1970 Census (2)	2,293	0.5	11,740	0.6

(1) 2016 estimate percent change as compared to the 2010 Census.
(2) 1970 percent change as compared to 1960 Census.

(Source: U.S. Department of Commerce, Bureau of the Census.)

Economic Indicators of the County

Per Capita, Total Personal Income and Median Income

	2017	2016	2015	2014	2013
Per Capita Income (1)					
Jefferson County	n/a	$31,276	$30,656	$29,742	$29,570
% change from prior year	–	2.0	3.1	0.6	0.7
State of Idaho	40,507	39,543	38,931	37,258	35,761
% change from prior year	2.4	1.6	4.5	4.2	3.0
Total Personal Income (1)					
Jefferson County ($ in thousands)	n/a	$870,703	$832,390	$802,674	$793,714
% change from prior year	–	4.6	3.7	1.1	1.4
State of Idaho ($ in millions)	69,548	63,433	64,209	60,744	57,581
% change from prior year	9.6	(1.2)	5.7	5.5	4.0
Median Income (2)					
Jefferson County	n/a	$61,156	$53,555	$52,428	$52,950
% change from prior year	–	14.2	2.1	(1.0)	5.7
State of Idaho	n/a	51,647	48,311	47,572	46,621
% change from prior year	–	6.9	1.6	2.0	2.9

(1) Source: Bureau of Economic Analysis, U.S. Department of Commerce.
(2) Source: U.S. Census Bureau.

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Largest Employers

The following is a list of the largest employers in the County:

Firm (1)	Business	Employees
Jefferson School District #251	Educational Services	650–699
Idahoan Foods, LLC	Manufacturing	400–499
IDA Gold Corp.	Manufacturing	200–299
Broulim's Foodtown	Retail trade	180–209
Jefferson County	Public Administration	150–199
Blain Larsen Farms, Inc.	Agriculture, forestry, fishing, & hunting	150–199
Nelson Electric LLC	Construction	50–100
West Jefferson School District #253	Educational Services	50–100
Heise Hot Springs Inc.	Leisure & hospitality	80–99
Blaine Larsen Farms, Inc.	Transportation & warehousing	40–49
Blaine Larsen Farms, Inc.	Professional & technical services	40–49
Ball Brothers Produce	Wholesale Trade	40–49
Tadd Jenkins	Retail Trade	40–49
Ron's Tire	Retail Trade	40–49
Merrill Woodworking and Design	Manufacturing	30–39
Louis Skaar and Sons	Agriculture, forestry, fishing, & hunting	20–29

(1) Some employers may not be included on this list because they have not signed a consent form.

(Source: Idaho Department of Labor, Communications and Research, Quarterly Report of Employment and Wages information gathered September; 2018.)

Labor Market Data Of The County And Employment By Industry

	2017	2016	2015	2014	2013
Total civilian work force	13,057	12,803	12,458	12,275	12,139
Unemployed	327	394	431	493	621
Percent of labor force unemployed	2.5	3.1	3.5	4.0	5.1
Total employment	12,730	12,409	12,028	11,782	11,519
Average covered wage	$31,688	$30,628	$29,534	$28,032	$27,490
Average covered employment	6,536	6,305	6,083	5,948	5,776
Agriculture	739	725	747	717	722
Construction	797	687	584	547	490
Manufacturing	1,044	996	971	1,041	1,018
Trade, Utilities, and Transportation	1,252	1,241	1200	1,210	1,172
Information	19	21	20	13	11
Financial activities	183	158	149	128	124
Professional and Business Services	272	257	238	201	213
Educational and Health Services	556	580	474	258	274
Leisure and Hospitality	288	291	371	427	414
Other Services	116	105	100	87	58
Government	1,271	1,245	1229	1,319	1,280

(Source: Report of Employment & Wages, Idaho Department of Labor; information gathered September 2018; annual average.)

Annual New Privately–Owned Residential Building Permits Within The County

Year	Buildings	Units	Construction Cost
2017	195	195	$35,570,512
2016	169	169	30,228,192
2015	136	136	26,795,500
2014	79	79	15,452,629
2013	82	82	14,775,114

(Source: U.S. Census Bureau.)

Rate Of Unemployment—Annual Average

Year	The County	State of Idaho	United States
2018 (1)	2.2%	2.9%	3.9%
2017	2.5	3.2	4.4
2016	3.1	3.8	4.9
2015	3.5	4.2	5.3
2014	4.1	4.9	6.2
2013	5.1	6.1	7.4

(1) Preliminary; subject to change. July 2018 only, seasonally adjusted.

(Source: U.S Bureau of Labor Statistics.)

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DEBT STRUCTURE OF THE DISTRICT

Outstanding General Obligation Bonded Indebtedness

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2018 (a)	School building	$31,665,000	September 15, 2038	$31,665,000
2015 (1)	Refunding	4,925,000	September 1, 2022	3,615,000
2010C (2)	Building/QSCB	15,000,000	September 1, 2029	15,000,000
2010A (3)	Building/BABS	21,805,000	September 1, 2029	18,230,000
2009 (4)	Building/QSCB	5,000,000	September 1, 2025	5,000,000
Total principal amount of outstanding direct general obligation debt				$73,510,000

(a) For purposes of this OFFICIAL STATEMENT, the 2018 Bonds will be considered issued and outstanding. Rated "Aaa" (Sales Tax and Credit Enhancement Guaranty; underlying "Aa3") by Moody's, as of the date of this OFFICIAL STATEMENT.

(1) Rated "Aaa" (Sales Tax and Credit Enhancement Guaranty; underlying "Aa3") by Moody's, as of the date of this OFFICIAL STATEMENT.

(2) These bonds were privately placed and are rated "Aa1" (Sales Tax Guaranty; no underlying) by Moody's. These bonds are federally taxable, Qualified School Construction Bonds ("QSCB"). The QSCB was issued with a federal interest subsidy rate of 5.43%. These bonds will mature on September 1, 2029. However, the District is required to make an annual sinking fund deposit of $882,353 (or less, depending on interest earnings) beginning September 1, 2015 through September 1, 2029 into a sinking fund held by Zion Bank, as escrow agent for the 2010C General Obligation Bonds (as of the date of this OFFICIAL STATEMENT, the current deposit in this sinking fund is $5,305,826). See "Debt Schedule Of Outstanding General Obligation Bonds By Fiscal Year" below.

(3) Rated "Aa1" (Sales Tax Guaranty; underlying "Aa3") by Moody's, as of the date of this OFFICIAL STATEMENT. This bond is issued as federally taxable (originally 35% issuer subsidy, direct pay) "Build America Bonds".

(4) These bonds were privately placed and are rated "Aa1" (Sales Tax Guaranty; no underlying) by Moody's. These bonds are federally taxable, QSCB bonds and the QSCB tax credit rate is 5.94% with a supplemental coupon of 1.55%. These bonds will mature on September 1, 2025. However, the District is required to make an annual sinking fund deposit of $384,615 (or less, depending on interest earnings), beginning September 1, 2015 through September 1, 2025 to a sinking fund held by Zion Bank, as escrow agent for the 2009 General Obligation Bonds (as of the date of this OFFICIAL STATEMENT, the current deposit in this sinking fund is $2,313,049. See "Debt Schedule Of Outstanding General Obligation Bonds By Fiscal Year" below.

No Debt Obligations

The District has no other debt obligations outstanding, as of the date of this OFFICIAL STATEMENT.

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Debt Service Schedule of Outstanding General Obligation Bonds by Fiscal Year

Fiscal Year Ending June 30	Series 2018 $31,665,000 Principal	Series 2018 Interest	Series 2015 $4,925,000 Principal	Series 2015 Interest	Series 2010C QSCB $15,000,000 Principal	Interest (1)	Federal Interest Rate Subsidy (2)	Estimated Annual Contribution To Sinking Account	Series 2010A $21,805,000 Principal	Series 2010A Interest (4)
2018.....................	$ 0	$ 0	$ 205,000	$ 138,675	$ 0	$ 814,500	$ (814,500)	$ 882,353	$ 1,140,000	$ 996,553
2019.....................	0	470,577	905,000	122,025	0	814,500	(814,500)	882,353	1,170,000	946,003
2020.....................	210,000	1,578,000	930,000	94,500	0	814,500	(814,500)	882,353	1,210,000	891,848
2021.....................	610,000	1,557,500	955,000	66,225	0	814,500	(814,500)	882,353	1,240,000 (3)	835,188
2022.....................	640,000	1,526,250	985,000	37,125	0	814,500	(814,500)	882,353	1,275,000 (3)	776,714
2023.....................	940,000	1,486,750	745,000	11,175	0	814,500	(814,500)	882,353	1,315,000 (3)	716,496
2024.....................	1,410,000	1,428,000	–	–	0	814,500	(814,500)	882,353	1,355,000 (3)	654,419
2025.....................	1,470,000	1,356,000	–	–	0	814,500	(814,500)	882,353	1,400,000 (3)	590,365
2026.....................	1,540,000	1,280,750	–	–	0	814,500	(814,500)	882,353	1,450,000 (3)	524,103
2027.....................	1,640,000	1,201,250	–	–	0	814,500	(814,500)	882,353	1,830,000	442,353
2028.....................	1,720,000	1,117,250	–	–	0	814,500	(814,500)	882,353	1,890,000	343,285
2029.....................	1,180,000	1,044,750	–	–	0	814,500	(814,500)	882,353	2,585,000	221,168
2030.....................	1,240,000	984,250	–	–	15,000,000	407,250	(407,250)	882,353	2,680,000	75,040
2031.....................	1,730,000	910,000			–	–	–	–	–	–
2032.....................	1,815,000	821,375			–	–	–	–	–	–
2033.....................	1,905,000	728,375			–	–	–	–	–	–
2034.....................	2,000,000	630,750			–	–	–	–	–	–
2035.....................	2,100,000	528,250			–	–	–	–	–	–
2036.....................	2,205,000	420,625			–	–	–	–	–	–
2037.....................	2,320,000	307,500			–	–	–	–	–	–
2038.....................	2,435,000	188,625			–	–	–	–	–	–
2039.....................	2,555,000	63,875			–	–	–	–	–	–
Totals..................	$ 31,665,000	$ 19,630,702	$ 4,725,000	$ 469,725	$ 15,000,000	$ 10,181,250	$ (10,181,250)	$ 11,470,588	$ 20,540,000	$ 8,013,531

Fiscal Year Ending June 30	Series 2009 QSCB $5,000,000 Principal	Interest (6)	Estimated Annual Contributions to Sinking Account	Total Payment Required For Debt Service	Series 2007 (6) $18,150,000 Principal	Series 2007 Interest		Totals Total Principal (8)	Total Interest (5)	Total Debt Service
2018.....................	$ 0	$ 77,500	$ 384,615	$ 462,115	$ 665,000	$ 13,300	....	$ 3,276,968	$ 1,226,028	$ 4,502,996
2019.....................	0	77,500	384,615	462,115	0	0 (7)	....	3,341,968	1,616,105	4,958,073
2020.....................	0	77,500	384,615	462,115	0	0 (7)	....	3,616,968	2,641,848	6,258,816
2021.....................	0	77,500	384,615	462,115	0	0 (7)	....	4,071,968	2,536,413	6,608,381
2022.....................	0	77,500	384,615	462,115	0	0 (7)	....	4,166,968	2,417,589	6,584,557
2023.....................	0	77,500	384,615	462,115	0	0 (7)	....	4,266,968	2,291,921	6,558,890
2024.....................	0	77,500	384,615	462,115	0	0 (7)	....	4,031,968	2,159,919	6,191,887
2025.....................	0	77,500	384,615	462,115	0	0 (7)	....	4,136,968	2,023,865	6,160,833
2026.....................	5,000,000	38,750	384,615	423,365	0	0 (7)	....	4,256,968	1,843,603	6,100,571
2027.....................	–	–	–	–	0	0 (7)	....	4,352,353	1,643,603	5,995,955
2028.....................	–	–	–	–	0	0 (7)	....	4,492,353	1,460,535	5,952,888
2029.....................	–	–	–	–	–	–	....	4,647,353	1,265,918	5,913,270
2030.....................	–	–	–	–	–	–	....	4,802,353	1,059,290	5,861,643
2031.....................	–	–	–	–	–	–	....	1,730,000	910,000	2,640,000
2032.....................	–	–	–	–	–	–	....	1,815,000	821,375	2,636,375
2033.....................	–	–	–	–	–	–	....	1,905,000	728,375	2,633,375
2034.....................	–	–	–	–	–	–	....	2,000,000	630,750	2,630,750
2035.....................	–	–	–	–	–	–	....	2,100,000	528,250	2,628,250
2036.....................	–	–	–	–	–	–	....	2,205,000	420,625	2,625,625
2037.....................	–	–	–	–	–	–	....	2,320,000	307,500	2,627,500
2038.....................	–	–	–	–	–	–	....	2,435,000	188,625	2,623,625
2039.....................	–	–	–	–	–	–	....	2,555,000	63,875	2,618,875
Totals..................	$ 5,000,000	$ 658,750	$ 3,461,538	$ 4,120,288	$ 665,000	$ 13,300	....	$ 72,527,127	$ 28,786,008	$ 101,313,135

(1) These bonds are federally taxable, issuer subsidy, QSCB and were issued with a coupon rate of 5.43% per annum.
(2) Assumes interest due will be paid from the federal interest rate subsidy of 5.43%.
(3) Mandatory sinking fund principal payments on a $8,035,000, 4.65% term bond due September 1, 2025.
(4) Does not reflect the original 35% federal interest rate subsidy on the 2010A GO Bonds which were issued as Build America Bonds.
(5) Issued at a 1.55% interest rate (and the tax credit interest rate was 5.94%).
(6) These bonds are included in this table because the final maturity occurred in Fiscal Year 2018.
(7) Principal and interest was refunded by the 2015 Bonds.
(8) Includes payments made on mandatory sinking fund payments.

Other Financial Considerations; Future Issuance Of Debt

Short–term borrowing. Under Idaho Code, the District is permitted to issue notes for a period of up to one year in anticipation of taxes, State funds and other revenues receivable in the current fiscal year. The District does not currently have any notes outstanding.

The cycle for receiving State funds and local tax revenues places the greatest potential stress on the District's general fund cash flow in June and July of each year until State funds are received in mid-August. The District monitors its budget and cash flow monthly and maintains a contingency plan for short-term bank financing in the June-August time frame if needed.

Leases and Other Obligations. Idaho Code provides broad authority for the District to purchase personal property and equipment for school purposes. The District may finance such purchases over more than one year if such purchases constitute "ordinary and necessary" expenses as interpreted under the Idaho Constitution. The District may also finance such purchases under lease-purchase agreements that give the District the right to non-renew the lease on an annual basis as part of its budget and appropriation process and the right to cancel the lease without penalty. The District does not currently have any lease obligations.

Future issuance of debt. Other than the issuance of the 2018 Bonds the District does not anticipate the issuance of any other debt within the next three years.

Overlapping General Obligation Debt

As of the date of this OFFICIAL STATEMENT, there is no overlapping general obligation debt within the District's boundaries. (Source: Office of the County Treasurer.)

Debt Ratios

The following table sets forth the ratios of general obligation debt that is expected to be paid from taxes levied specifically for such debt and not from other revenues over the market value of property within the District and the population of the District. The State's general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of general obligation debt.

	To 2018 Taxable Assessed Value (1)	To 2018 Full Market Value (2)	To 2016 Population Estimate Per Capita (3)
Direct general obligation debt...	5.97%	4.23%	$3,121
Direct and overlapping general obligation debt..............	5.97	4.23	3,121

(1) Based on a 2018 Taxable Assessed Value of $1,232,126,585, which value excludes homeowners' exemptions. Taxable Assessed Value is the Full Market Value less statutory exemptions and is the value against which tax levies are applied.
(2) Based on a 2018 Market Value of $1,737,190,636, which value includes homeowners' exemptions and urban renewal value.
(3) Based on a 2016 population estimate of 23,551 by the U.S. Census Bureau.

General Obligation Legal Debt Limit And Additional Debt Incurring Capacity

Section 33–1103, Idaho Code, establishes limits on bonded indebtedness for school districts in Idaho. An elementary school district that employs not less than 6 teachers, or a school district operating an elementary school or schools, and a secondary school or schools, or issuing bonds for the acquisition of a secondary school or schools, may issue bonds in an amount not to exceed 5% of the Taxable Assessed Value plus all taxable property excluded from taxation pursuant to Idaho Code, 63–602G (the "Full Market Value") plus the value of any urban renewal within the District, less the Current Outstanding Indebtedness (hereinafter defined). "Current

Outstanding Indebtedness" means the sum of unredeemed outstanding bonds, minus all moneys in the bond interest and redemption funds, and minus the sum of all taxes levied for the redemption of such principal of the bonds. The Current Outstanding Indebtedness and the unexhausted debt–incurring power of a district shall each be determined as of the date of approval by the electors in the school bond election. The 2018 Bonds are general obligation bonds subject to this debt limitation.

The legal debt limit and additional debt incurring capacity of the District are based on the Full Market Value for 2018, and are calculated as follows:

2018 Full Market Value	$1,737,190,636
"Full Market Value" times 5% equals the ("Debt Limit")	86,859,532
Less: current outstanding general obligation debt	(73,510,000)
Estimated additional debt incurring capacity	$13,349,532

No Defaulted Obligations

The District has never failed to pay principal of and interest on its bond obligations when due.

FINANCIAL INFORMATION REGARDING THE DISTRICT

Fund Structure; Accounting Basis

The accounting policies of the District conform to all generally accepted accounting principles for governmental units in general and the State's school districts' accounting policies in particular. The accounts of the District are organized on the basis of funds or groups of accounts, each of which is considered to be a separate set of self–balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements. See "APPENDIX A—ANNUAL FINANCIAL REPORT FOR JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018–Notes To The Financial Statements–Note 1—Summary of Significant Accounting Policies" below.

Budgets And Budgetary Accounting

The District operates within the budget requirements for school districts as specified by State law and as interpreted by the State Superintendent of Public Instruction.

No later than 28 days prior to its annual meeting (the annual meeting is the date of its regular July meeting in each year) the board of trustees of each school district shall have prepared a budget, in form prescribed by the state superintendent of public instruction, and shall have called and caused to be held a public hearing thereon, and at such public hearing, or at a special meeting held no later than 14 days after the public hearing, shall adopt a budget for the ensuing year.

Financial Management

Fund Accounting System (GASB Statement 54). The Board adopted a formal fund balance policy designed to encourage consideration of unanticipated events that could adversely affect the financial condition of the District and jeopardize the continuation of necessary public services. The District will maintain adequate fund balances and reserves in order to: (i) provide sufficient cash flow for daily financial needs; (ii) secure and maintain investment grade bond ratings; (iii) offset significant economic downturns or revenue shortfalls; and (iv) provide funds for unforeseen expenditures related to emergencies.

Undistributed Reserve In School District Budget. A board of trustees of any school district may create and establish a general fund contingency reserve within the annual school district budget. The general fund contingency reserve may not exceed 5% of the total general fund budget, or the equivalent value of one "support unit" as defined and described under the Idaho Code. Disbursements from said fund may be made by resolution from time to time as the board of trustees determines necessary for contingencies that may arise. The balance of said fund shall not be accumulated beyond the budgeted fiscal year. If any money remains in the contingency reserve, it shall be treated as an item of income in the following year's budget.

Financial Reporting

The financial statements of the District (the "Financial Statements") are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), as prescribed by the Governmental Accounting Standard Board ("GASB"). In addition to presenting the financial position, results of operations and changes in financial position of the District's funds, the Financial Statements reconcile differences in reporting activities between the budgetary basis, as presented in the annual approved budget, and the generally accepted accounting principles as is used in the preparation of the financial report.

Financial Summaries

The summaries contained herein were extracted from the District's basic financial statements and required supplementary information for Fiscal Years 2014 through 2018. The summaries have not been audited. See "APPENDIX A—ANNUAL FINANCIAL REPORT FOR JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018" below.

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Joint School District No. 251 (Jefferson and Madison Counties)

Statement of Net Position

Governmental Activities

(This summary has not been audited)

	As of June 30				
	2018	2017	2016	2015	2014
Assets					
Cash and cash equivalents	$13,481,216	$10,736,625	$ 9,163,935	$ 12,288,533	$ 11,920,756
Accounts receivable	150,909	98,487	111,984	53,067	146,887
Taxes receivable	1,869,786	3,237,927	1,630,707	1,644,093	1,574,879
Due from other governmental agencies	1,380,735	1,254,903	1,045,494	1,270,028	1,535,482
Inventory	75,392	78,753	103,713	104,667	103,151
Postemployment benefit asset	1,029,050	–	–	–	–
Capital assets:					
Land and improvements not being depreciated	2,633,214	2,633,214	2,633,214	2,633,214	2,266,934
Construction in progress	–	–	–	–	95,575
Buildings	82,500,362	82,420,185	82,317,328	82,081,312	82,528,800
Equipment and vehicles	9,063,876	8,902,659	8,470,747	7,916,044	7,311,104
Less: accumulated depreciation	(26,219,436)	(24,541,165)	(22,504,839)	(20,416,510)	(18,855,213)
Total receivables	85,965,104	84,821,588	82,972,283	87,574,448	88,628,355
Deferred outflows of resources:					
Expenses unavailable for use	3,759,989	7,794,827	3,201,566	2,279,650	279,202
Liabilities:					
Accounts payable	886,275	682,352	342,022	275,059	282,281
Other accrued expenses	3,391,417	3,084,618	3,040,357	2,906,146	2,755,700
Long–term liabilities:					
Due within one year:					
Bonds, capital leases and contracts	3,341,968	3,276,968	2,576,968	2,966,968	2,926,968
Accrued interest	92,525	296,845	300,461	397,357	413,495
Compensated absences	125,319	116,180	114,050	92,216	93,836
Postemployment benefit payable	924,099	816,578	822,564	789,240	1,016,398
Portion due or payable after one year:					
Bonds, capital leases and contracts	34,243,192	37,585,160	40,197,127	47,504,095	50,471,063
Net pension liability	8,641,556	11,080,255	7,024,936	2,297,162	–
Total liabilities	51,646,351	56,938,956	54,418,485	57,228,243	57,959,741
Deferred inflows of resources:					
Revenues available for use	1,552,088	3,938,071	4,903,678	5,474,204	58,312
Net Position:					
Invested in capital assets, net of related debt	30,300,331	28,274,602	27,841,894	21,345,640	19,535,674
Restricted for:					
Capital improvements	2,201,381	2,066,138	1,693,467	2,170,584	1,024,936
Debt service	4,858,825	5,333,082	3,269,101	6,352,098	6,188,888
Child nutrition	598,775	474,401	462,565	499,671	522,380
Other projects	350,196	155,025	160,152	177,008	169,748
Unrestricted	(1,782,854)	(4,545,178)	(6,575,493)	(3,393,350)	3,447,878
Total net position	$36,526,654	$31,758,070	$ 26,851,686	$ 27,151,651	$ 30,889,504

(Source: Information extracted from the District's annual financial report for the indicated years. This summary itself has not been audited.)

Joint School District No. 251 (Jefferson and Madison Counties)

Statement of Activities

Total Governmental Activities

(This summary has not been audited)

	Net (Expense) Revenue and Changes in Net Assets Fiscal Year Ended June 30				
	2018	2017	2016	2015	2014
Governmental activities:					
Instruction…………	$ (19,957,790)	$ (17,971,805)	$ (17,581,516)	$ (16,025,547)	$ (15,505,051)
Support services…………	(2,264,517)	(2,241,572)	(1,987,869)	(1,632,315)	(1,806,679)
Plant maintenance and operations…………	(3,533,331)	(3,728,061)	(3,251,088)	(3,040,635)	(3,879,919)
General administration…………	(3,262,520)	(3,048,411)	(2,746,245)	(2,624,206)	(2,446,956)
Transportation…………	(447,322)	(411,523)	(393,804)	(554,904)	(473,227)
Food services…………	97,929	(3,932)	(37,019)	(24,947)	(46,302)
Interest on long–term debt…………	(693,000)	(2,269,328)	(496,994)	(1,315,995)	(1,376,543)
Total governmental activities…………	(30,060,551)	(29,674,632)	(26,494,535)	(25,218,549)	(25,534,677)
General revenues:					
Taxes:					
Property taxes, levied for general purposes…………	619,212	701,758	368,211	613,085	61,748
Property taxes, levied for debt service…………	2,614,826	5,157,094	3,640,414	3,225,019	3,577,261
Property taxes, levied for capital improvements…………	–	–	–	117	676
Grants, contributions, and other revenue not restricted……	2,465,380	2,412,140	2,135,910	2,037,745	1,789,049
State aid–formula grants…………	26,486,157	23,976,946	22,332,185	20,719,865	19,492,296
Unrestricted investments earnings…………	129,288	64,959	35,359	37,030	38,374
Miscellaneous…………	723,542	804,034	576,260	535,184	493,656
Special item: gain on sale of capital assets…………	11,300	–	4,016	10,862	50,000
Gain or loss on pension expense…………	906,008	1,464,085	(2,897,785)	2,893,879	–
Total general revenues…………	33,955,713	34,581,016	26,194,570	30,072,786	25,501,708
Change in net assets…………	3,895,162	4,906,384	(299,965)	4,854,237	(32,969)
Net position–beginning, restated…………	32,631,492	26,851,686	27,151,651	22,297,414	30,922,473
Net position–ending…………	$ 36,526,654	$ 31,758,070	$ 26,851,686	$ 27,151,651	$ 30,889,504

(Source: Information extracted from the District's annual financial report for the indicated years. This summary itself has not been audited.)

Joint School District No. 251 (Jefferson and Madison Counties)

Balance Sheet—Maintenance and Operation—General Fund

(This summary has not been audited)

	June 30				
	2018	2017	2016	2015	2014
Assets and other debits					
Cash and investments	$6,441,917	$ 5,225,051	$ 4,745,420	$4,083,748	$2,162,226
Receivables:					
Taxes receivable, net	218,739	402,314	203,836	242,128	58,491
Due from other funds	197,341	286,998	206,760	331,770	1,498,420
Receivable from other governments	773,835	649,994	529,158	676,904	641,390
Other	150,909	83,168	94,480	34,185	117,417
Inventory	4,021	9,209	21,675	19,319	14,157
Total assets	$7,786,762	$ 6,656,734	$ 5,801,329	$5,388,054	$4,492,101
Liabilities, fund balances and other credits					
Liabilities:					
Accounts payable	$ 599,468	$ 419,037	$ 215,309	$ 143,210	$ 109,514
Accrued Liabilities:					
Other accrued expenses	2,906,433	2,820,448	2,694,654	2,588,588	2,461,933
Total liabilities	3,505,901	3,239,485	2,909,963	2,731,798	2,571,447
Deferred inflows of resources:					
Revenues available for use	52,595	25,456	25,763	28,085	25,290
Fund balance and other credits					
Nonspendable:					
Supplies inventory	4,021	9,209	21,675	19,319	14,157
Committed:					
Board policy 7100	1,900,947	1,900,947	1,776,822	1,668,036	1,521,025
Assigned:					
Encumbered purchase orders	–	–	–	–	40,849
Budget for fiscal year	–	–	227,088	71,585	144,721
Other purposes	591,921	591,921	612,617	819,391	174,612
Unassigned	1,731,377	889,716	227,401	49,840	–
Total fund balances	4,228,266	3,391,793	2,865,603	2,628,171	1,895,364
Tort liabilities and fund balances	$7,786,762	$ 6,656,734	$ 5,801,329	$5,388,054	$4,492,101

(Source: Information extracted from the District's annual financial report for the indicated years. This summary itself has not been audited.)

Joint School District No. 251 (Jefferson and Madison Counties)

Statement of Revenues, Expenditures and Changes in Fund Balance

Maintenance and Operation (General) Fund

(This summary has not been audited)

	Fiscal Year Ended June 30				
	2018	2017	2016	2015	2014
Revenues:					
Property taxes	$ 395,595	$ 705,038	$ 497,296	$ 562,523	$ 98,233
Earnings on investments	128,722	57,540	26,592	22,872	20,498
Other local	197,502	265,218	144,072	186,305	131,986
State apportionment:					
Base	23,449,323	21,230,712	19,775,924	18,319,972	17,124,723
Transportation	1,548,720	1,416,543	1,388,459	1,297,610	1,278,500
State paid benefits	3,036,834	2,746,234	2,556,261	2,399,893	2,342,573
Other state revenue	1,406,496	1,199,694	897,765	977,624	669,527
Federal grants and assistance	–	–	–	–	1,000
Total revenues	30,163,192	27,620,979	25,286,369	23,766,799	21,667,040
Expenditures:					
Current:					
Instruction	18,892,387	16,986,911	16,268,619	14,930,682	14,124,332
Support Services	1,609,785	1,558,471	1,410,438	1,166,611	1,288,249
Plant maintenance and operations	3,540,229	3,705,171	2,935,310	2,552,789	2,314,761
Administration	3,115,386	2,882,672	2,582,875	2,561,668	2,351,597
Transportation	1,839,682	1,681,490	1,608,583	1,573,344	1,455,202
Total expenditures	28,997,469	26,814,715	24,805,825	22,785,094	21,534,141
Revenues over (under) expenditures	1,165,723	806,264	480,544	981,705	132,899
Other financing sources (uses):					
Operating transfers in	32,624	61,599	60,837	62,282	61,887
Operating transfers out	(361,874)	(341,673)	(303,949)	(311,180)	(317,820)
Total other financing sources (uses)	(329,250)	(280,074)	(243,112)	(248,898)	(255,933)
Excess of revenues and other resources over expenditures	836,473	526,190	237,432	732,807	(123,034)
Fund balance, beginning of year	3,391,793	2,865,603	2,628,171	1,895,364	2,018,398
Fund balance, end of year	$ 4,228,266	$ 3,391,793	$ 2,865,603	$ 2,628,171	$ 1,895,364

(Source: Information extracted from the District's annual financial report for the indicated years. This summary itself has not been audited.)

TAXES AND STATE FUNDING

Overview

This section describes the process for levying and collecting taxes as well as receipt of State resources. Significant recent changes to State funding sources are described below and under the heading entitled "STATE OF IDAHO SCHOOL FINANCE."

Operating Resources. The District receives revenues from three primary sources for operations: local sources, State sources, and federal sources. In Fiscal Year 2018, State sources represented 98% of the District's total General Fund revenue, and local sources (from property taxes) represented 2% The District's tax levy is certified to the Boards of County Commissioners in September. The County Treasurer from each of the Counties disburses tax receipts to the District approximately one month after the statutory payment dates.

Resources for Capital Projects. The District may pay for capital improvements from unappropriated resources, voter–approved general obligation bonds, voter–approved special plant facilities levies, and donations. General obligation bond levies and special plant facilities levies are property tax levies that are certified above and beyond all other amounts certified to be levied and collected.

Tax Levy And Collection

The District's taxes are collected by the Counties. Prior to the second Monday in September, the District certifies its levy for all funds, including the debt service fund, to the Boards of County Commissioners of the Counties. These levies are based on the equalized or adjusted valuations assessed within the District. These levies are then incorporated within the total levy for all local government units for each property owner. Taxes become due on December 20 but may be paid in installments on December 20 and June 20. Payment is made to the treasurer of each county and transmitted to the District monthly. A penalty of 2% is applied to taxes paid after the December 20 and June 20 payment dates plus interest at the rate of 1% per month, calculated from January 1 of the year following the date of the levy, on the amount of the unpaid installment plus the penalty. Delinquent taxes on property outstanding for three years subject the property to a county tax deed and said property can be auctioned off for tax purposes.

Ad Valorem Tax System

Property taxes are established and collected by individual counties and taxing districts to provide local services and do not generate revenue for State use. The State has the responsibility of overseeing property tax procedures to make sure they comply with State laws. In addition, the Idaho State Tax Commission is responsible for valuing public utilities, railroad car companies and railroads which, collectively, are called operating property.

Property taxes apply to homes (including manufactured housing), farms, businesses, industry, warehouses, offices, most privately owned real estate, and operating property, as well as personal property such as machinery and equipment, farm implements and office furniture and equipment. Exemptions from property tax include inventories, livestock, stored property in transit, pollution control facilities, household belongings, clothing, property licensed motor or recreational vehicles, and most property belonging to religious, fraternal and educational organizations and institutions. Partial exemptions are available for residential improvement and the speculative value of agricultural land. Partial tax credits are available to elderly, widowed and disabled homeowners.

Timberland is taxed per the acreage involved and rural electrical associations pay a 3 ½% tax on adjusted gross revenue instead of property tax. Counties collect the tax, which is computed by the State Tax Commission and apportioned on a wire mile basis.

Complaints or disagreement concerning assessed values of real or personal property are being taken to the assessors of the respective county. If differences are not resolved at this level, a property owner may proceed through the County Board of Equalization, State Board of Tax Appeals or District Court, and the Idaho State Supreme Court. Operating property assessments must be appealed to the State Tax Commission, then through the courts.

Certain property acts in the Idaho Code provide that all real and personal property within the District are to be subject to assessment as of January 1 of each year, unless otherwise provided by law. All taxes levied upon real property shall be a lien upon the real property assessed. All taxes levied upon personal property shall be a lien upon the real property of the owner.

Property Tax Exemptions

Homeowner's Property Tax Exemption. The homeowner's property tax exemption provides a permanent exemption from ad valorem taxation for 50% of the market value for assessment purposes of a homeowner's primary residence including up to one acre of the land value, up to a maximum of $100,000 (the "Homeowner's Exemption").

Business Investment Property Tax Exemption: Under Idaho Code 63-602NN local county commissioners can declare that all or a portion of the market value of the improvements of a defined project with investments that meet certain tax incentive criteria can be exempt from property tax for a specified period. The exemption can be up to 100% per year for up to five years for each project. The investment must be in new manufacturing facilities valued at a minimum of $500,000 and land is not eligible for the exemption. Any existing buildings are not eligible for the exemption and approval of the exemption is at the discretion of the local county commissioners.

Use of the business investment property tax exemption ("Business Exemption") only exempts the collection of property taxes on new business investment and does not impact the District's ability to repay the 2018 Bonds. Following the expiration of the Business Exemption the value of the new investment of property will be included in the District's Taxable Assessed Value for future tax levy certifications. As of the date of this OFFICIAL STATEMENT, there are no projects within the County that currently receive the Business Exemption (source: The Office of the County Assessor).

Personal Property Tax Exemption: The 2018 Bonds are secured by an unlimited tax on taxable property in the District. Taxable property includes real property and personal property. Idaho currently has a $3,000 exemption on a de minimus item of personal taxable property, a $100,000 exemption on business personal property, and an exemption on agricultural machinery and equipment. The State appropriates funds from the State sales tax receipts to taxing districts to replace revenues lost through these exemptions. Because of the replacement provision, the District does not expect these exemptions to influence the District's finances. However, there is no assurance the State Legislature will appropriate sufficient moneys in future years to replace the lost revenues.

School District Levies

Tax Levy Procedure. Prior to the commencement of each Fiscal Year, the Board adopts a resolution to adopt its annual budget and approve submission of its property tax levies to the Boards of County Commissioners of the Counties. The budget and tax levy process is described under "FINANCIAL INFORMATION REGARDING THE DISTRICT—Budgets and Budgetary Accounting" above. The District's tax levy is certified to the Boards of County Commissioners in September. The County Treasurers disburse tax receipts to the District approximately one month after the statutory payable dates. The District may levy the following ad valorem taxes for the following purposes:

> *Supplemental M&O Levy.* Subject to voter approval school districts can levy and collect a supplemental maintenance and operation levy (the "Supplemental M&O Levy"). The Supplemental M&O Levy may be authorized for up to two years for a non–charter district through an election approved by a simple majority of the district electors voting in such an election. *The District does not levy a Supplemental Levy.*

Emergency Levy; Tort Levy; Judgment Levy. Taxes may be levied and collected for the purpose of paying for a specific, unanticipated expenditure, judgment, or legal claim for which funds were not budgeted in the prior year (a "Emergency, Tort, or Judgment Levy"). *The District currently levies an Emergency levy, but not a Tort or Judgment Levy.*

Tuition Levy. When a pupil leaves the school district of his residence to attend a nonresident school, the receiving district is authorized to charge for the tuition of its nonresident pupils where tuition has not been waived. The District is authorized to levy (above the regular maintenance and operation levy, if levied) for the purpose of paying tuition costs of students who, under the authorization of the board of trustees of the district, attend school in another district either in or out of the State (the "Tuition Levy"). *The District does not levy a Tuition Levy.*

Bond Levy. Subject to voter approval and debt limitations the District may levy a tax for the purposes of repaying voter approved debt for specific capital projects (the "Bond Levy"). *The District has levied a Bond Levy for the last five years.*

Plant Facilities Levy. A plant facilities levy must be authorized by voter approval. The annual dollar amount of the levy requested is limited to an amount that does not exceed 0.4% of the taxable market value of a school district as of December 31 of the year immediately prior to the year of election (the "Plant Facilities Levy"). The collection term of a Plant Facilities Levy is limited to 10 years. *The District does not levy a Plant Facilities Levy.*

Historical Tax Rates

	Tax Rate				
	2018–19	2017–18	2016–17	2015–16	2014–15
Maintenance and Operation (General Fund):					
Supplemental Maintenance and Operation	.000000000	.000000000	.000000000	.000000000	.000000000
Emergency	.000551739	.000544705	.000485950	.000529691	.000576067
Tort Liability	.000000000	.000000000	.000000000	.000000000	.000031975
Judgment/Tuition	.000000000	.000000000	.000000000	.000000000	.000038264
Total Maintenance and Operation Fund	.000551739	.000544705	.000485950	.000529691	.000646306
Bond Levy	.003714490	.003720932	.003779685	.003736398	.003627592
Plant	.000000000	.000000000	.000000000	.000000000	.000000000
Total All Funds	.004266229	.004265637	.004265635	.004266089	.004273898

(Source: *Tax Levies for School Purposes*, State Superintendent of Public Instruction.)

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Total Property Tax Rates For The District (Rigby City Taxing Area Only)

	Total Tax Rate Within Taxing Area				
Taxing Entity	2017–18	2016–17	2015–16	2014–15	2013–14
Rigby City	.009539371	.009534935	.010074871	.009996718	.010071446
Jefferson County	.004449563	.004613645	.004488979	.004343927	.004460305
Cemetery (Pioneer)	.000203202	.000204556	.000207532	.000209704	.000213004
Flood Control (#01)	.000007704	.000007803	.000007793	.000007592	.000007453
Roads (County System)	.000382461	.000279026	.000685143	.000840000	.000712852
The District (S.D. No. 251)	.004265637	.004265635	.004266090	.004273898	.004273898
Totals	.018847938	.018905600	.019730408	.019671839	.019738950

(Source: Associated Taxpayers Of Idaho, 2018–19 tax rate information is not available.)

Market Value Of Property Of The District

The Assessors of the Counties annually assign "valuation of market value for assessment purposes" to all taxable real and personal property within the Counties. The following table shows the history of the values for the District during the last five years:

Tax Year	Full Market Value (1) (2)	% Change	Homeowner's Exemption	Taxable Assessed Value (2) (3)	% Change	Urban Renewal Value (3)
2018…..	$1,737,190,636	11.7	$505,064,051	$1,232,126,585	13.2	$19,446,106
2017…..	1,554,755,775	6.7	466,005,247	1,088,750,528	6.3	17,208,365
2016…..	1,456,991,835	9.8	432,954,821	1,024,037,014	10.1	14,617,375
2015…..	1,326,917,254	4.8	396,808,616	930,108,638	4.3	13,512,593
2014…..	1,266,736,564	4.8	374,571,067	892,165,497	4.7	13,247,990

(1) Each year all taxable property must be assessed at 100% of the current market value.
(2) Includes Urban Renewal value.
(3) Taxable Assessed Value is the Full Market Value less statutory exemption.
(4) Incremental value assessed to that portion of the URA that lie within the District.

(Source: Idaho State Tax Commission.)

Tax Collection Record Of The District

Tax Year	Net Taxes Levied (1)	Amount Collected	% Collected
2017	$4,670,394	$4,546,631	97.4
2016	4,391,159	4,291,696	97.7
2015	3,986,093	3,941,270	98.9
2014	3,823,034	3,795,156	99.3
2013	3,616,958	3,616,500	100.0

(1) Includes delinquent taxes, penalties, and taxes cancelled.

(Source: Offices of the county treasurers of Jefferson and Madison counties.)

The Largest Taxpayers Of The District

The following list represents the largest ten taxpayers in the District (Jefferson County only).

Taxpayer	Type of Business	2018 Taxable Value	% of District's 2018 Tax–able Value
Idahoan Foods	Food products	$31,768,571	2.6
PacifiCorp (1)	Utilities	20,248,731	1.6
Union Pacific Railroad Co. (1)	Railroads	11,586,808	0.9
Mickelsen Properties, LLC	Farmland	6,728,157	0.5
Intermountain Gas Company (1)	Utilities	4,762,908	0.4
FedEx Ground Package System Inc.	Shipping Co.	4,324,000	0.4
Polaris Sales Inc.	Wholesale	3,951,600	0.3
Valley Wide Cooperative	Farm supplies wholesaler	3,879,010	0.3
Challenger Pallet & Supply Inc.	Manufacturing	3,689,952	0.3
Qwest Corporation (1)	Communications utility	3,287,780	0.3
Totals		$94,227,517	7.6

(1) Valuation from 2017; 2018 information not yet available.

(Source: The Office of the county treasurer of Jefferson County.)

STATE OF IDAHO SCHOOL FINANCE

General

The State Legislature appropriates State and federal moneys for support of public school districts (the "Schools Appropriations"). The Schools Appropriations are deposited into the "Public School Income Fund" for further distribution by the DOE to school districts pursuant to a formula set forth in Idaho Code Section 33–1002 and accompanying rules and regulations of the DOE. See "State Support to the District" below. The amount of State funding provided to each school district is determined, in part, by support units calculated for each district, which units are calculated largely based on ADA at each district. ADA is calculated in accordance with Idaho Code Section 33–1003A, based on the entire school year except that the 28 weeks having the highest ADA, not necessarily consecutive, may be used. Accordingly, an increase or decrease in a district's ADA will affect the level of state funding received by the district. See "THE DISTRICT—District Enrollment And Average Daily Attendance" herein for a discussion of the District's ADA.

The State sets an annual budget based on the State's Fiscal Year which begins on July 1 and ends on the following June 30. Both the executive and legislative branches play a role in the budget setting process. All State agencies, including the DOE, submit a budget request to the Division of Financial Management (the "DFM") in the Governor's office and to the Legislative Services Office not later than September 1 of each year. The Governor, through DFM, then prepares a proposed budget for the subsequent fiscal year, and the Governor submits this budget recommendation to the State Legislature within five days after the commencement of the annual legislative session in early January. The Governor's budget recommendation is based on revenue projections developed by DFM.

The Joint Finance–Appropriations Committee ("JFAC"), a joint committee composed of the Senate Finance Committee and the House Appropriations Committee then initiates legislative action on the state budget. Considering the Governor's recommendation, JFAC hears presentations of, or reviews without hearings, budget requests of all State agencies and drafts a series of appropriation bills that are sent to the entire legislative body. The JFAC budget is based on the revenue projections of a joint legislative economic outlook committee. Upon passage by each legislative body, the appropriation bills for each agency are sent to the Governor for signature. The Governor has "line–item" veto power for distinct appropriations. The Idaho Constitution requires a balanced budget, stating that appropriations must match the projected revenues currently provided for by law.

The State Legislature usually adjourns before April 15, once it has adopted a budget, set appropriations for the upcoming fiscal year, and, if necessary, revised the current fiscal year's budget. The appropriations, as enacted by the State Legislature, constitute the limit for each agency's authorized expenditures, subject to limited flexibility for emergency situations and/or unanticipated revenue.

If during the course of a fiscal year the Governor determines anticipated revenues expected to be available fail to meet the State Legislature's authorized expenditures, the Governor may issue an executive order to reduce (or holdback) the spending authority on file in the office of the State Controller for any department, agency, or institution of the State.

Beginning 2003, the State established a series of budget reserve funds, including principally a Public Education Stabilization Fund (the "Education Stabilization Fund") and a general budget reserve fund (the "General Reserve Fund"). Both funds act as reserve accounts from which the State can draw funds to make up revenue shortfalls and into which funds are deposited in times of surplus. The Education Stabilization Fund is dedicated only for public education. In Fiscal Years 2009–2011 almost the entire balances in both the Education Stabilization Fund and the General Reserve Fund were drawn down to support budgets for those years. Beginning in Fiscal Year 2012 the State Legislature has appropriated surplus funds for deposit in these funds each year, restoring the Education Stabilization Fund to approximately $65 million and the General Reserve Fund to approximately $349.6 million at June 30, 2018.

Appropriations To Public Schools

The State Legislature adjourned its 2018 session in March 2018, having set the appropriations and budgets for Fiscal Year 2019. The State Legislature approved an increase of approximately 6% for public school support appropriations from the General Fund and a 4.9% increase from all funds for Fiscal Year 2019 compared to Fiscal Year 2018.

Schools Appropriations for Fiscal Years 2015–2018 and the budgeted appropriation for Fiscal Year 2019 are presented in the table below.

Historical and Budgeted State Appropriations

	Fiscal Year ($ In Thousands)				
	2019	2018	2017	2016	2015
General Fund	$1,785,265	$1,685,262	$1,584,669	$1,475,784	$1,374,598
Transfers from Public Education Stabilization Fund	0	0	0	0	0
Dedicated Funds (1)	91,011	91,637	77,496	74,189	86,812
Federal Funds	264,339	264,339	264,339	264,339	215,224
Total State appropriation	$2,140,615	$2,041,238	$1,926,504	$1,814,312	$1,676,634
% change over previous year	4.9%	6.0%	6.2%	8.2%	4.9%

(1) Includes Lottery Receipts, Endowment Fund Receipts, Miscellaneous Receipt Balances, and Cigarette Taxes & Lottery Income.

(Source: Idaho State Legislature, Sine Die Report for each Fiscal Year.)

The State funding schedule for distributions is as follows:

Payment Date	Payment Amount (1)
August 15	50%
November 15	20%
February 15	20%
May 15	10%
July 15	Final payment adjustment

Percentages approximate the distribution to be received, final amounts may vary.

(1) For the Fiscal Year ending the previous June 30.

Legislation Affecting Public School Appropriations

The State Legislature annually reviews the overall framework for funding of public schools. Generally, these actions relate to operations funding and do not affect the District's ability to pay debt service on the 2018 Bonds, which is funded from local property tax revenues allowed to be levied without limitation as needed to pay debt service on the 2018 Bonds.

The current template for Legislative action is a set of twenty recommendations developed by a broad-based task force appointed by the Governor in 2013 (the "Task Force Recommendations"). The 2014 Legislature took action with regard to seven of the Task Force Recommendations, including an increase in operations funding to help reverse the recession era cuts to education funding with the intent to restore operations funding to pre-recession levels within five years. The 2015 Legislature further increased operations funding and adopted additional recommendations, including adoption of a "career ladder" compensation system and a commitment over the next five years to increase funding for teacher salaries by a total of approximately $214 million. The 2018 Legislative appropriated an additional $41,667,200, thus funding the fourth year of this five-year plan, and also appropriated an additional $3,108,300, representing a 3.4% percent increase, for base salaries for administrators and classified staff, which are categories of employees not on the career ladder.

The District cannot predict the outcome of other recommendations of the task force or of other possible proposals regarding education funding, programs, or requirements, all of which are subject to the plenary authority of the State Legislature to consider and approve or reject.

State Support To The District

In Fiscal Year 2018, the dedicated and appropriated funding sources from the State account for approximately 93% of the District's budgeted General Fund revenue. A summary of funds the District has received from the State over the past five years follows:

	Fiscal Year Ended June 30				
	2018	2017	2016	2015	2014
August	$12,819,543	$12,056,835	$11,141,023	$10,252,623	$5,730,003
October (1)	–	–	–	–	5,932,056
November	5,125,818	4,816,000	4,465,748	4,154,277	3,960,003
February	6,346,067	5,031,794	5,054,488	4,607,031	2,306,353
May	2,981,919	2,841,451	2,538,091	2,221,646	2,112,230
July	773,835	649,994	529,158	676,904	641,390
Total	$28,396,074	$25,396,074	$23,728,508	$21,912,481	$20,682,035
% change over prior year	11.8	7.0	8.3	5.9	5.5

(1) The October payment has been eliminated.

(Source: The District.)

See “FINANCIAL INFORMATION REGARDING THE DISTRICT—Five–Year Financial Summaries” above.

Legislative Referrals

Referrals are proposed laws that originate from the State Legislature to be voted on by the people. In Idaho, both houses of the State Legislature must vote and must pass by two–thirds of its members to refer a statute or constitutional amendment for a popular vote. Such referrals cannot be vetoed by the governor. According to the Elections Division of the Idaho Secretary of State, there are no current proposed Legislative referrals.

The Initiative Process

Article I, Section 3 of the Idaho Constitution provides that the people of the State have reserved to themselves the power of initiative and referendum, pursuant to which measures to enact or repeal laws can be placed on the statewide general election ballot for consideration by the voters. The initiative and referendum powers relate only to laws; the Idaho Supreme Court has ruled that the Idaho Constitution cannot be amended by initiative or referendum.

In 1997, the State Legislature enacted significant procedural prerequisites including signature distribution requirements, to qualify an initiative or referendum measure for submittal to the electors. Any person may file a proposed measure with the signatures of 20 qualified electors of the State with the Idaho Secretary of State’s office. The Idaho Attorney General is required by law to review and make recommendations (if any) on the petition to the petitioner before issuing a certificate of review to the Secretary of State. The petitioner then, within 15 working days, files the measure with the Secretary of State for assignment of a ballot title and submittal to the Attorney General. The Attorney General, within 10 working days thereafter, shall provide a ballot title for the measure. Any elector that submitted written comments who is dissatisfied with the ballot title certified by the Attorney General may petition the Idaho Supreme Court seeking a revision of the certified ballot title.

Once the ballot title has been certified and the form of the petition has been approved by the Secretary of State, the proponents of the measure shall print the petition and, during an 18-month circulation period or until April 30 in an election year, whichever occurs first, may start gathering the petition signatures necessary to place the proposed measure on the ballot.

To be placed on a general election ballot, not less than four months prior to the election, the proponents must submit to the Secretary of State petitions signed by a number of qualified voters equal to at least 6% of the qualified electors in at least a majority of the State’s 35 legislative districts, and the total number of signatures must be 6% of the total registered voters of the State.

Proponents of measures are permitted to compensate persons obtaining signatures for the petition, but in such instances the petition must contain a notice of such payment to the elector whose signature is being sought.

Historical Initiative Petitions; 2018 Initiative Petitions

According to the Elections Division of the Idaho Secretary of State, two initiative petitions qualified for the ballot in 2006, but none since that time through 2016.

2018 Initiative Petitions. Proponents for two initiatives qualified for the November 6, 2018 state–wide election; one relating to Medicaid expansion, which initiative passed, and one relating to horse racing, which failed. The District does not believe that the successful initiative will affect the finances of the District or the ability of the District to levy and collect property taxes for the payment of the 2018 Bonds.

LEGAL MATTERS

Absence Of Litigation Concerning The 2018 Bonds

To the best of the District's knowledge there is no litigation pending questioning the validity of the 2018 Bonds or the power and authority of the District to issue the 2018 Bonds. To the best of the District's knowledge there is no litigation pending which would materially affect the finances of the District or affect the District's ability to meet debt service requirements on the 2018 Bonds. The attorneys for the District, Nelson Hall Parry Tucker, PLLC, Idaho Falls, Idaho, have advised that, to the best of their knowledge after due inquiry, there is no pending or threatened litigation that would legally stop, enjoin, or prohibit the issuance, sale or delivery of the 2018 Bonds.

Litigation

Pending Class Action Lawsuit. On May 9, 2018, parents of children in two other Idaho school districts filed a class action lawsuit (the "Lawsuit") in the United States District Court for the District of Idaho against every school district and charter school in the State, including the District. The Lawsuit alleges violations of the Fifth and Fourteenth Amendments to the Constitution of the United States of America, Article I, Section 14 of the Idaho Constitution and requests a declaratory judgment that certain fees and other costs school districts require students to pay violate Article IX, Section 1 of the Constitution of the State of Idaho and constitute a taking of private property without just compensation. The Lawsuit also alleges damages of at least $20 million per year since October 1, 2012.

The District filed an answer to the complaint denying all claims and entitlement to relief. On October 30, 2018, the Court entered a Case Management Order in which it said it would address certain legal issues before allowing discovery. Responsive to this order, the District will file a motion to dismiss based upon various grounds, including standing of the plaintiffs, certification for a class action, whether the fees constitute an unconstitutional taking under the due process clause, and other issues. The Court scheduled a hearing for January 14, 2019. The District believes it has meritorious arguments concerning the issues the Court asked to be addressed, which if successful, could lead the Court to dismiss the Lawsuit against the District following this hearing.

Under Idaho Law, the District may certify a special ad valorem tax levy without voter approval to discharge a judgment, and the amount permitted to be certified is not legally limited. If a judgment were to be entered against the District in a significant sum, the District would be able to pay the judgment from the special tax levy. Accordingly, regardless of the outcome of the Lawsuit, the District does not expect the Lawsuit to have a material adverse effect on the on-going operations of the District, nor its ability to pay principal and interest on the 2018 Bonds which are paid from a separate dedicated tax levy.

Tax Exemption

In the opinion of Hawley Troxell Ennis & Hawley LLP, Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the 2018 Bonds is not included in gross income under present federal income tax laws pursuant to Section 103 of the Code, and is exempt from all State of Idaho income taxes under present State income tax laws, and interest on the 2018 Bonds is not included in alternative minimum taxable income as defined in Section 55(b)(2) of the Code under present federal income tax laws except that for taxable years of corporations beginning before January 1, 2018, such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations as described below. The Code imposes several requirements that must be met with respect to the 2018 Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations).

Certain of these requirements must be met on a continuous basis throughout the term of the 2018 Bonds. These requirements include: (i) limitations as to the use of proceeds of the 2018 Bonds, and (ii) limitations on the extent to which the proceeds of the 2018 Bonds may be invested in higher yielding investments. The Board will covenant that they will take all steps to comply with the requirements of the Code to the extent necessary to maintain the exclusion of interest on the 2018 Bonds from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustments applicable to corporations) under present federal income tax laws. Bond Counsel's opinion as to the exclusion of interest on the 2018 Bonds from gross income and alternative minimum taxable income (to the extent described above) is rendered in reliance on these covenants and assumes continuous compliance therewith. The failure or inability of the District to comply with these requirements could cause the interest on the 2018 Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance.

Section 55 of the Code contains a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Code, for taxable years beginning after 1989, 75% of the excess of a corporation's "adjusted current earnings" over the corporation's alternative minimum taxable income (determined without regard to this adjustment and the alternative tax net operating loss deduction) is included in the corporation's alternative minimum taxable income for purposes of the alternative minimum tax applicable to the corporation. "Adjusted current earnings" includes interest on the 2018 Bonds. The alternative minimum tax on corporations described in this paragraph has been repealed effective for taxable years beginning after December 31, 2017 but continues to apply for taxable years of corporations that begin before January 1, 2018. Corporations with taxable years that do not coincide with the calendar year should consult their tax advisors about inclusion of interest on the 2018 Bonds in alternative minimum taxable income of the corporation as described in this paragraph during the corporation's taxable year that begins during calendar year 2017.

The Code contains numerous provisions that may affect an investor's decision to purchase the 2018 Bonds. Beneficial Owners should be aware that the ownership of tax exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax–exempt obligations, foreign corporations doing business in the United States and certain "Subchapter S" corporations, may result in adverse federal tax consequences. Bond Counsel's opinion relates only to the exclusion of interest on the 2018 Bonds from gross income and alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal tax consequences arising from the receipt or accrual of interest on ownership of the 2018 Bonds. Beneficial Owners should consult their own tax advisors as to the applicability of these consequences.

Amendments to the federal tax laws could be proposed or enacted in the future, and there can be no assurance that any such future amendments which may be made to the federal tax laws will not adversely affect the value of the 2018 Bonds, the exclusion of interest on the 2018 Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the 2018 Bonds or any other date, or result in other adverse federal tax consequences.

The Internal Revenue Service (the "IRS") has an ongoing program of auditing tax–exempt obligations to determine whether, in the view of the IRS, interest on such tax–exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the IRS will commence an audit of the 2018 Bonds. If an audit is commenced, under current procedures the IRS may treat the District as the taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2018 Bonds until the audit is concluded, regardless of the ultimate outcome. Moreover, because achieving judicial review in connection with an audit examination of tax–exempt Bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the 2018 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 2018 Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

The opinions expressed by Bond Counsel are based on existing law as of the date of delivery of the 2018 Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed litigation. Amendments to the federal or state laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the 2018 Bonds, the exclusion of interest on the 2018 Bonds or any other from gross income or alternative minimum taxable income or both from the date of issuance of the 2018 Bonds or any other date, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the market value of the 2018 Bonds. For example, although the U.S. Supreme Court recently decided that the U.S. Constitution does not preclude the current practice that states grant more favorable tax treatment to bonds issued by issuers inside the state than bonds issued outside that state, the pendency of such case caused uncertainty until it was decided. There can be no assurance that other cases may from time to time create uncertainty or could result in a change in the treatment for state tax purposes of obligations such as the 2018 Bonds, or a change in the market value of the 2018 Bonds. Owners of the 2018 Bonds are advised to consult with their own tax advisors with respect to such matters.

Premium Bonds

The initial public offering price of the 2018 Bonds (the "Premium Bonds"), as shown on the inside front cover, are issued at original offering prices more than their original principal amount. The difference between the amount of the Premium Bonds at the original offering price and the principal amount payable at maturity represents "bond premium" under the Code. As a result of requirements of the Code relating to the amortization of bond premium, under certain circumstances an initial owner of a Bond may realize a taxable gain upon disposition of such a bond, even though such bond is sold or redeemed for an amount equal to the original owner's cost of acquiring such bond. All owners of 2018 Bonds are advised that they should consult with their own tax advisors with respect to the tax consequences of owning and disposing of 2018 Bonds, whether the disposition is pursuant to a sale of the 2018 Bonds or other transfer, or redemption.

Tax Legislative Changes

Current law may change so as to directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the 2018 Bonds from the gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the 2018 Bonds. Prospective purchasers of the 2018 Bonds should consult with their own tax advisors with respect to the effects of any proposed or future legislation.

Municipal Reorganization

Idaho Code Section 67–3903 permits school districts, as taxing districts of the State, to file a petition for federal bankruptcy relief, in accordance with Chapter 9 of the United States Bankruptcy Code, which permits municipalities to file a voluntary petition for the adjustment of debts. Prior to filing such petition, the taxing district is required to adopt a resolution authorizing the filing. The statute authorizes the taxing district to take actions to consummate a plan of readjustment pursuant to its bankruptcy proceedings, including cancellation and remission of moneys payable under bonds, warrants or other obligations; issuance of refunding bonds on certain conditions, adoption of necessary ordinances, assessment, levy and collection of taxes to enforce collections necessary pursuant to the plan of readjustment, cancellation or reduction in taxes or special assessments for bonds refunded under the plan as a result of reduction in debt service accomplished by such refunding and to take any other actions necessary for accomplishment of the plan. Prior to refunding bonds or levying any taxes or special assessments, the taxing district is required to provide notice and hold a hearing prior to the adoption of the plan for readjustment requiring such actions.

Bankruptcy proceedings by the District could have an adverse effect on the owners of the 2018 Bonds, including but not limited to delay in the enforcement of their remedies, subordination of their claims to those supplying goods or services to the District and to the administrative expenses of the bankruptcy proceedings and the imposition of a plan of reorganization reducing or delaying payment of the 2018 Bonds.

The District does not expect to file a petition for federal bankruptcy relief.

General

The authorization and issuance of the 2018 Bonds are subject to the approval of Hawley Troxell Ennis & Hawley LLP, Boise, Idaho, Bond Counsel. Certain legal matters will be passed upon for the District by Nelson Hall Parry Tucker, PLLC, Idaho Falls, Idaho. The approving opinion of Bond Counsel will be delivered with the 2018 Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in "APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL" of this OFFICIAL STATEMENT will be made available upon request from the contact person as indicated under "INTRODUCTION—Contact Persons" above.

Bond Counsel has reviewed this document only to confirm that the portions of it describing the 2018 Bonds and the authority to issue the 2018 Bonds, the security for the 2018 Bonds and tax matters relative to the 2018 Bonds present a fair summary of such matters.

MISCELLANEOUS

Bond Ratings

As of the date of this OFFICIAL STATEMENT, the 2018 Bonds have been rated "Aaa" by Moody's based upon the guaranty of the 2018 Bonds under the Programs. Moody's rates all bond issues guaranteed under the Programs "Aaa". An explanation of the above ratings may be obtained from Moody's. The District has not directly applied to S&P or Fitch Ratings for a rating on the 2018 Bonds.

The 2018 Bonds have an "Aa3" underlying rating from Moody's.

Such ratings do not constitute a recommendation by the rating agencies to buy, sell or hold the 2018 Bonds. Such ratings reflect only the views of Moody's and any desired explanation of the significance of such ratings should be obtained from Moody's. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own.

There is no assurance that the ratings given 2018 Bonds will continue for any given period of time or that the ratings will not be revised downward or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2018 Bonds.

Municipal Advisor

The District has entered into an agreement with the Municipal Advisor whereunder the Municipal Advisor provides financial recommendations and guidance to the District with respect to preparation for sale of the 2018 Bonds, timing of sale, tax–exempt bond market conditions, costs of issuance and other factors related to the sale of the 2018 Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this OFFICIAL STATEMENT and has supervised the completion and editing thereof. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the OFFICIAL STATEMENT, or any other related information available to the District, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the OFFICIAL STATEMENT or any other matter related to the OFFICIAL STATEMENT.

Independent Auditors

All State school districts, pursuant to Idaho Code 33-701, must obtain an audit annually. The required audit may be performed by independent public accountants certified by the State as capable of auditing municipal corporations. The District's audit reports for Fiscal Years 2014 through 2018 fairly represent the District's financial condition and results of its operations and the cash flows of its proprietary fund types are in conformance with GAAP.

The financial statements of the District as of June 30, 2018 and for the year then ended, included in this OFFICIAL STATEMENT, have been audited by Searle Hart & Associates, Rexburg, Idaho ("Searle Hart") as stated in its report in "APPENDIX A—ANNUAL FINANCIAL REPORT FOR JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018." The District's audits for Fiscal Years 2014 through 2018 were performed by Quest.

Searle Hart has not participated in the preparation or review of this OFFICIAL STATEMENT. Based upon their non–participation, they have not consented to the use of their name in this OFFICIAL STATEMENT.

Additional Information

All quotations contained herein from and summaries and explanations of the State Constitution, statutes, programs and laws of the State, court decisions and the Resolution, do not purport to be complete, and reference is made to said State Constitution, statutes, programs, laws, court decisions and the Resolution for full and complete statements of their respective provisions.

Any statements in this OFFICIAL STATEMENT involving matters of opinion, whether or not expressly so stated, are intended as such and not as representation of fact.

The appendices attached hereto are an integral part of this OFFICIAL STATEMENT and should be read in conjunction with the foregoing material.

This OFFICIAL STATEMENT and its distribution and use have been duly authorized by the District.

Board of Trustees of Joint School District No. 251,
Jefferson and Madison Counties, State of Idaho

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APPENDIX A

ANNUAL FINANCIAL REPORT FOR JOINT SCHOOL DISTRICT NO. 251 FOR FISCAL YEAR 2018

The annual financial statements for Fiscal Year 2018 are contained herein. Copies of current and prior financial statements are available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

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JEFFERSON JOINT SCHOOL DISTRICT #251
RIGBY, IDAHO
ANNUAL FINANCIAL REPORT
and
COMPLIANCE REPORTS
with
INDEPENDENT AUDITORS' REPORT
For the Year Ended June 30, 2018

JEFFERSON JOINT SCHOOL DISTRICT #251
ANNUAL FINANCIAL AND COMPLIANCE REPORT
For the Year Ended June 30, 2018

TABLE OF CONTENTS

JEFFERSON JOINT SCHOOL DISTRICT #251
ANNUAL FINANCIAL AND COMPLIANCE REPORT
For the Year Ended June 30, 2018

TABLE OF CONTENTS

Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Jefferson Joint School District #251
Rigby, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson Joint School District #251, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

90 S. 1st West • PO Box 519 • Rexburg, ID 83440 • 208-356-3716 FAX 208-356-4421
Rexburg • Idaho Falls

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 Jefferson Joint School District #251 as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of employer's share of net pension liability PERSI, schedule of employer contributions PERSI, and budgetary comparison information on pages 33 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted 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 the 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jefferson Joint School District #251's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the Statement of Changes in Assets and Liabilities-Agency Funds, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Statement of Changes in Assets and Liabilities-Agency Funds, and the Schedule of Expenditures of Federal Awards 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 combining and individual nonmajor fund financial statements, the Statement of Changes in Assets and Liabilities-Agency Funds, and the Schedule of Expenditures of Federal Awards 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 October 10, 2018, on our consideration of Jefferson Joint School District #251's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jefferson Joint School District #251's internal control over financial reporting and compliance.

Searle Hart & Associates PLLC

Rexburg, Idaho

October 10, 2018

FINANCIAL SECTION

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF NET POSITION
June 30, 2018

		GOVERNMENTAL ACTIVITIES
ASSETS		
Cash and equivalents	$	13,481,216
Accounts receivable		150,909
Taxes receivable		1,869,786
Due from other governmental agencies		1,380,735
Inventory		75,392
Postemployment benefit asset		1,029,050
Capital assets		
Land and improvements not being depreciated		2,633,214
Buildings		82,500,362
Equipment and vehicles		9,063,876
Less: Accumulated depreciation		(26,219,436)
Total Capital Assets		67,978,016
TOTAL ASSETS		85,965,104
DEFERRED OUTFLOWS OF RESOURCES		
Expenses unavailable for use		3,759,989
LIABILITIES		
Accounts payable		886,275
Other accrued expenses		3,391,417
Long-term liabilities		
Due within one year		
Bonds, capital leases and contracts		3,341,968
Accrued interest		92,525
Compensated absences		125,319
Postemployment benefit payable		924,099
Due in more than one year		
Bonds, capital leases and contracts		34,243,192
Net pension liability		8,641,556
TOTAL LIABILITIES		51,646,351
DEFERRED INFLOWS OF RESOURCES		
Revenue unavailable for use		1,552,088
NET POSITION		
Invested in capital assets, net of related debt		30,300,331
Restricted for:		
Capital Projects		2,201,381
Debt Service		4,858,825
Child Nutrition		598,775
Other Projects		350,196
Unrestricted		(1,782,854)
TOTAL NET POSITION	$	36,526,654

The notes to the financial statements are an integral part of this statement.

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

		Program Revenue		Net (Expense) Revenue and Changes in Net Position
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Governmental Activities**
Primary government				
Governmental Activities:				
Instruction	$ 22,584,260	$ 38,632	$ 2,587,838	$ (19,957,790)
Support services	2,892,655	474,615	153,523	(2,264,517)
Plant maintenance & operations	3,533,331	-	-	(3,533,331)
General administration	3,262,520	-	-	(3,262,520)
Transportation	2,062,960	66,918	1,548,720	(447,322)
Food services	1,635,942	520,473	1,213,398	97,929
Interest on long-term debt	693,000	-	-	(693,000)
TOTAL GOVERNMENTAL ACTIVITIES	$ 36,664,668	$ 1,100,638	$ 5,503,479	(30,060,551)

General revenues:	
Taxes:	
Property taxes, levied for general purposes	619,212
Property taxes, levied for debt service	2,614,826
Property taxes, levied for capital improvements	-
Grants and contributions not restricted to specific programs	2,465,380
State aid - formula grants	26,486,157
Unrestricted investment earnings	129,288
Miscellaneous	723,542
Special item - gain on sale of assets	11,300
Gain or loss on pension expense	906,008
Transfers	-
TOTAL GENERAL REVENUES	33,955,713
Change in net position	3,895,162
Net position - Beginning-Restated (See note 12)	32,631,492
NET POSITION - Ending	$ 36,526,654

The notes to the financial statements are an integral part of this statement.

JEFFERSON JOINT SCHOOL DISTRICT #251
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	GENERAL FUND	CHILD NUTRITION	SCHOOL PLANT FACILITIES
ASSETS			
Cash and cash equivalents	$ 6,441,917	$ 672,849	$ 2,264,961
Taxes receivable, net	218,739	-	-
Due from other funds	197,341	-	-
Receivable from other governments	773,835	24,331	-
Other receivables	150,909	-	-
Inventory	4,021	71,371	-
TOTAL ASSETS	7,786,762	768,551	2,264,961
DEFERRED OUTFLOWS OF RESOURCES			
Expenditures unavailable for use	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 7,786,762	$ 768,551	$ 2,264,961
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 599,468	$ 7,232	$ 65,069
Interfund payable	-	-	-
Other accrued expenses	2,906,433	162,544	-
TOTAL LIABILITIES	3,505,901	169,776	65,069
DEFERRED INFLOWS OF RESOURCES			
Revenue unavailable for use	52,595	-	-
FUND BALANCES			
Nonspendable:			
Inventories	4,021	71,371	-
Committed to:			
Board Policy 7100	1,900,947	-	-
Assigned:			
Debt service	-	-	-
Other purposes	591,921	527,404	2,199,892
Unassigned	1,731,377	-	-
TOTAL FUND BALANCES	4,228,266	598,775	2,199,892
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 7,786,762	$ 768,551	$ 2,264,961

The notes to the financial statements are an integral part of this statement.

DEBT SERVICE	CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ 3,598,086	$ 1,489	$ 501,914	$ 13,481,216
1,651,047	-	-	1,869,786
-	-	-	197,341
-	-	582,569	1,380,735
-	-	-	150,909
-	-	-	75,392
5,249,133	1,489	1,084,483	17,155,379
-	-	-	-
$ 5,249,133	$ 1,489	$ 1,084,483	$ 17,155,379
$ -	$ -	$ 214,506	$ 886,275
-	-	197,341	197,341
-	-	322,440	3,391,417
-	-	734,287	4,475,033
390,308	-	-	442,903
-	-	-	75,392
-	-	-	1,900,947
4,858,825	-	-	4,858,825
-	1,489	350,196	3,670,902
-	-	-	1,731,377
4,858,825	1,489	350,196	12,237,443
$ 5,249,133	$ 1,489	$ 1,084,483	$ 17,155,379

JEFFERSON JOINT SCHOOL DISTRICT #251
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2018

Total fund balance, governmental funds	$ 12,237,443
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	
Historical Cost	94,197,452
Accumulated Depreciation	(26,219,436)
Certain other expenses unavailable for use are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	3,759,989
Certain other revenues unavailable for use are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	(1,552,088)
Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable for use in the funds.	442,903
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consisted of:	
General obligation bonds	(37,585,160)
Postemployment benefit asset	1,029,050
Accrued compensated absences	(125,319)
Accrued interest payable	(92,525)
Postemployment benefit payable	(924,099)
Net pension liability	(8,641,556)
Net position of governmental activities in the Statement of Net Position	$ 36,526,654

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JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	GENERAL FUND	CHILD NUTRITION	SCHOOL PLANT FACILITIES
REVENUES			
Property taxes	$ 395,595	$ -	$ -
Food service	-	520,473	-
Other local	197,502	-	47,007
State apportionment base	23,449,323	-	-
State apportionment transportation	1,548,720	-	-
State apportionment benefits	3,036,834	-	-
Investment earnings	128,722	-	566
Other State revenue	1,406,496	-	447,203
Federal grants and assistance	-	1,213,398	-
TOTAL REVENUES	30,163,192	1,733,871	494,776
EXPENDITURES			
Instruction	18,892,387	-	-
Support services	1,609,785	-	-
Plant maintenance & operations	3,540,229	-	-
General administration	3,115,386	-	-
Transportation	1,839,682	-	-
Food service	-	1,635,942	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	-	545,150
TOTAL EXPENDITURES	28,997,469	1,635,942	545,150
Excess (deficiency) of revenues over expenditures	1,165,723	97,929	(50,374)
OTHER FINANCING SOURCES (USES)			
Proceeds from capital leases	-	-	-
Proceeds from sale of bonds	-	-	-
Transfers in	32,624	37,556	174,317
Transfers out	(361,874)	(11,111)	-
TOTAL OTHER FINANCING SOURCES (USES)	(329,250)	26,445	174,317
SPECIAL ITEM			
Proceeds from sale of assets	-	-	11,300
Net change in fund balances	836,473	124,374	135,243
Fund balances - Beginning	3,391,793	474,401	2,064,649
FUND BALANCES - Ending	$ 4,228,266	$ 598,775	$ 2,199,892

The notes to the financial statements are an integral part of this statement.

DEBT SERVICE	CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ 2,614,826	$ -	$ -	$ 3,010,421
-	-	-	520,473
-	-	250,244	494,753
-	-	-	23,449,323
-	-	-	1,548,720
-	-	-	3,036,834
-	-	-	129,288
1,139,179	-	764,022	3,756,900
-	-	2,258,795	3,472,193
3,754,005	-	3,273,061	39,418,905
-	-	1,838,491	20,730,878
-	-	1,282,870	2,892,655
-	-	-	3,540,229
-	-	85,017	3,200,403
-	-	-	1,839,682
-	-	-	1,635,942
3,276,968	-	-	3,276,968
951,294	-	-	951,294
-	-	-	545,150
4,228,262	-	3,206,378	38,613,201
(474,257)	-	66,683	805,704
-	-	-	-
-	-	-	-
-	-	150,000	394,497
-	-	(21,512)	(394,497)
-	-	128,488	-
-	-	-	11,300
(474,257)	-	195,171	817,004
5,333,082	1,489	155,025	11,420,439
$ 4,858,825	$ 1,489	$ 350,196	$ 12,237,443

JEFFERSON JOINT SCHOOL DISTRICT #251
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds:	$	817,004
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlays $553,451 exceeded depreciation $2,036,326 in the current period.		(1,455,560)
Property tax revenues (including penalties and interest) in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund.		223,617
Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure, In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds.		3,276,968
Governmental funds do not report the pension contribution expense and revenue because it does not provide current financial resources. In contrast, the Statement of Activities reports the expense and revenue. Thus, the change in net position differs from the change in fund balance by this pension contribution expense and revenue.		750,381
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Accrued interest not reflected on Governmental funds		204,320
Postemployment benefit not reflected on Governmental funds		48,107
Amortization of bond costs		39,464
Compensated absences not reflected on Governmental funds		(9,139)
Change in net position of governmental activities	$	3,895,162

The notes to the financial statements are an integral part of this statement.

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2018

	PREMIUM STABILIZATION EXPENDABLE TRUST FUND	AGENCY FUNDS
ASSETS		
Cash and cash equivalents	$ 327,651	$ 536,371
Receivables	-	-
TOTAL ASSETS	327,651	536,371
LIABILITIES		
Accounts payable	2,992	-
Interfund payable	-	-
Due to student groups	-	536,371
TOTAL LIABILITIES	2,992	536,371
NET POSITION		
Held in trust for employee benefits	$ 324,659	$ -

The notes to the financial statements are an integral part of this statement.

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2018

	PREMIUM STABILIZATION EXPENDABLE TRUST FUND
ADDITIONS	
Contributions:	
District contributions	$ -
Plan members	139,555
Total contributions	139,555
Investment earnings:	
Interest	409
Total additions	139,964
DEDUCTIONS	
Benefits	224,516
Administrative	17,545
Total deductions	242,061
Change in net position	(102,097)
Net position - beginning	426,756
Net position - ending	$ 324,659

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

JEFFERSON JOINT SCHOOL DISTRICT #251
INDEX TO NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2018

NOTES INDEX

1. Summary of Significant Accounting Policies
   A. Reporting Entity
   B. Government-wide and Fund Financial Statements
   C. Measurement Focus, Basis of Accounting and Financial Statement Presentation
   D. Compensated Absences
   E. Long-term Obligations
   F. Use of Estimates
   G. Fund Accounting
   H. Budgets
   I. Property Tax
   J. Nonspendable and Spendable Fund Balances
   K. Net Position
   L. Pensions

2. Cash and Cash Equivalents

3. Capital Assets

4. Changes in Long-term Debt and Debt Service Requirements

5. Pension Plans

6. Payroll Expenditures and Related Liabilities

7. Risk Management

8. Nonmonetary Transactions

9. Interfund Transfers and Balances

10. OPEB-Jefferson School District Employee Group Benefits Plan

11. Deferred Outflows/Inflows of Resources

12. Prior Period Adjustment

13. OPEB-PERSI Sick Leave Insurance Reserve Fund-Schools Members

14. Subsequent Events

JEFFERSON JOINT SCHOOL DISTRICT #251
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jefferson Joint School District #251 (District) is the basic level of government exercising oversight responsibility for all activities related to public school education in Jefferson Joint School District, Jefferson County, Idaho. The Board of Trustees, a seven member group, is elected by the public and as such has governance responsibility over all activities related to public elementary and secondary school education within the jurisdiction of the school district. The Board of Trustees have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The District is not included in any other governmental "reporting entity."

The District prepares its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No.* 69 of the American Institute of Certified Public Accountants.

In 2003, the District implemented GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments,* GASB Statement No. 37, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments: Omnibus* which provides additional guidance for the implementation of GASB Statement No. 34, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures* which changes note disclosure requirements for governmental entities.

GASB Statement No. 34 established a new financial reporting model for state and local governments that included the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities and the use of account groups to the already required fund financial statements and notes. The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve fiscal accountability and should, therefore, be retained. The GASB also determined that government-wide financial statements are needed to allow users of financial reports to assess a government's operational accountability. The new GASB model integrates fund based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

A. Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. Based on these considerations, the District's basic financial statements do not include any other entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are; that is has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments.

Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. The governmental activities are supported by tax revenues and intergovernmental revenues. The District has no business-type activities that rely, to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. The District does not allocate general (indirect) expenses to other functions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. 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 as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by block grants, and then by general revenues.

Buildings, furniture, fixtures, equipment and vehicles of the District are depreciated using the straight line method over the following estimated useful lives:

Category of Asset	Estimated Useful Lives
Buildings and improvements	20-50
Equipment	5-20
Vehicles	8

D. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated vacation leave balances. The liability has been calculated using vesting method, in which leave amounts for employees who currently are eligible to receive termination payments are included. The entire compensated absences owed are reported in the government-wide financial statements.

E. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as deferred outflows/inflows of resources in the applicable governmental activities statement of net position. For other long-term obligations, only that portion expected to be financed from expendable, available financial resources is reported as a deferred outflows/inflows of resources in a governmental fund. For bonds issued after June 30, 2004, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

F. Use of Estimates

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

G. Fund Accounting

According to generally accepted accounting principles for governmental units, the District's financial operations are accounted for in the following funds:

GOVERNMENTAL FUND TYPES

General Fund

This fund accounts for the general operating (sometimes called the Maintenance & Operations, or M&O) fund of the District. It is used to account for all financial resources except those required to be accounted for in any other fund.

Special Revenue Funds

These funds account for federal and state funded grants as well as locally funded educational programs whose expenditures are limited to specific purposes. Such grants have been awarded to the district with the purpose of accomplishing specified educational tasks defined in the grant agreements.

Debt Service Fund

This fund accounts for the use of taxes levied and other revenues collected for the retirement of debt principal, interest and related costs.

Capital Projects Fund

This fund is used to account for the school plant facility tax levied and other resources to be used for the construction, purchase and maintenance of school buildings, buses, and equipment.

Fiduciary Fund Types

Trust and Agency Funds

Trust and agency funds are used to account for assets held by the district in a trustee capacity or as an agent for student groups and employees.

H. Budgets

Annual budgets are prepared and adopted by the board of Trustees before the beginning of the fiscal year which is July 1st. Budgets are prepared on the GAAP basis of accounting. Annual appropriated budgets are adopted for the general, special revenue, debt service, and capital projects funds. All annual appropriations lapse at fiscal yearend. The District amended it budgets during the year to adjust for updated information. The amended budgets were approved by the Board of Trustees.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds. Encumbrances outstanding at year end are reported as assigned fund balance to indicate an obligation of the District.

The District budgets transfers from the general fund to other funds to cover the costs incurred by these funds in excess of the revenues generated. Certain indirect costs are charged to several special revenue funds through budgeted transfers from the special revenue funds to the general fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

I. Property Tax

Property taxes are collected by the County Treasurer and remitted to the District monthly. Taxes are payable in semi-annual installments due December 20 and June 20 of each year after which time they become delinquent. Taxes levied but not received by the district by June 30 have been accrued and taxes still unpaid after sixty days beyond the fiscal year are shown as deferred inflows of resources.

J. Nonspendable and Spendable Fund Balances

Fund balance is separated into nonspendable and spendable fund balance. Nonspendable fund balance includes amounts that cannot be spent because they are either: (1) not in spendable form; or (2) legally or contractually required to be maintained intact. Spendable amounts are classified into restricted, committed, assigned and unassigned. The following is a list of nonspendable and spendable fund balance designations for Jefferson School District #251.

Nonspendable for inventories. This fund balance cannot be spent. It is designated to be used for inventories.

Committed to Board Policy 7100. This fund balance is committed for 7% of gross revenue as mandated by Board Policy 7100.

Assigned for debt service. This designation was created to segregate a portion of the fund balance account for debt service, including both principal payments and interest payments. The designation was established to satisfy restrictions imposed by various bond agreements.

Assigned for other purposes. This reserve indicates fund balances that can only be spent for purposes authorized by the funding source.

Unassigned. This fund balance is not assigned to any specific purpose. The District will use the unassigned fund balance for expenditures in the subsequent fiscal year.

K. Net Position

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position invested in capital assets, net of related debt excluded unspent debt proceeds. Net position are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted resources are used first to fund appropriation.

The District first applied restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

L. Pensions

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

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as those financial instruments which have a maturity date of three months or less from the date of acquisition.

Deposits
The carrying amount of the Districts deposits with financial institutions was $3,743,241 and the bank balance was $4,131,122. The amount not covered by FDIC insurance was $3,361,812.

Investments
Statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies and repurchase agreements. The District's investments at year end consisted of $10,600,266 invested in the Idaho State Investment Pool and Zion's Bank with some collateralized by Federal Home Loan Seattle Bank's Standby Letters of Credit. The Idaho State Investment Pool is not covered by Federal Deposit Insurance, but is primarily invested in government-backed securities. The Idaho State Treasurer provides oversight for investments by or through any department or institution of the State of Idaho. Amounts held by the State Investment Pool were held in the following investments: government agency notes, commercial paper, corporate bonds, U.S. treasury notes, money market accounts, repurchase agreements, and purchased accrued interest. All investments for the State Investment Pool are not collateralized. The investments held by the State Investment Pool are carried at cost plus accrued interest which is the fair market value also. Information necessary to determine the level of collateralization for the State Investment Pool was unavailable. Of Zion's Bank investments, $2,606,170 was collateralized through Federal Home Loan Seattle Bank Standby LOC.

The District had the following accounts. All deposits are carried at cost plus accrued interest.

Depository Account:	Bank Balance
Insured	$769,310
Uninsured and uncollateralized	3,361,812
Total deposits	$4,131,122
Investments:	
Collateral held by Zions Bank through Federal Home Loan Seattle Bank's Standby Letters of Credit for safe-keeping in the Districts name AAA rated	$2,606,170
Uncollateralized and held by Idaho State Investment Pool in the pool's safekeeping agent in the pool's name unrated fund	$7,994,097
Uninsured and uncollateralized	-

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

	BALANCE 7/1/2017	ADDITIONS	DELETIONS	BALANCE 6/30/2018
Capital assets not being depreciated				
Construction in progress	$ 18,682	$ -	$ (18,682)	$ -
Land				
Elementary	830,675	-	-	830,675
Secondary	912,871	-	-	912,871
Other	889,668	-	-	889,668
Total capital assets not being depreciated	2,651,896	-	(18,682)	2,633,214
Capital assets being depreciated				
Buildings				
Elementary	19,571,803	24,800	-	19,596,603
Secondary	60,577,480	55,377	-	60,632,857
Admin.	2,270,903	-	-	2,270,903
	82,420,186	80,177	-	82,500,363
Accumulated depreciation	(17,989,246)	(1,689,896)	-	(19,679,142)
Net buildings	64,430,940	(1,609,719)	-	62,821,221
Equipment				
Elementary	697,814	36,896	-	734,710
Secondary	1,570,490	-	-	1,570,490
Admin.	497,329	12,067	-	509,396
	2,765,633	48,963	-	2,814,596
Accumulated depreciation	(1,386,052)	(185,009)	-	(1,571,061)
Net equipment	1,379,581	(136,046)	-	1,243,535
Vehicles	6,137,027	473,039	(360,785)	6,249,281
Accumulated depreciation	(5,165,868)	(164,151)	360,785	(4,969,234)
Net vehicles	971,159	308,888	-	1,280,047
Total capital assets being depreciated	66,781,680	(1,436,877)	-	65,344,803
Capital assets, net	$ 69,433,576	$ (1,436,877)	$ (18,682)	$ 67,978,017

In the government-wide Statement of Activities the column labeled "Expenses" includes charges for depreciation expense to the following functions or programs:

EXPENSE	
Instruction	$ 1,736,771
Transportation	223,278
General administration	46,210
Plant maintenance and operations	32,797
Total	$ 2,039,056

3. CAPITAL ASSETS (cont.)

The School District's capitalization policy is to capitalize equipment and buildings over $10,000. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

4. CHANGES IN LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

The general obligation bond issue 2007 series was refunded by refunding bond 2015 series issued $4,950,000. The cash flows required to service the old debt are $12,287,750. The cash flows required to service the new debt are $9,393,250. This results in an economic gain of $2,894,500 over time from this advanced refunding transaction.

The debt balance at June 30, 2016 defeased through the 2015 advanced refunding was $9,655,000 and was called March 1, 2018.

In December 2007, the District issued $18,150,000 of general obligation bonds for the construction of a new elementary school, an addition to the middle school and safety and security upgrades district-wide.

In December 2009 and early 2010, the District issued $5,000,000 of Qualified School Construction Bonds, $21,805,000 general obligation Build America Bonds, and $3,195,000 general obligation bonds.

In December 2010, the District issued $15,000,000 general obligation QSCB bonds.

A summary of general long-term debt transactions of the District, for the year ended June 30, 2017, follows:

	BALANCE 7/1/2017	ADDITIONS	RETIREMENT	BALANCE 6/30/2018	DUE WITHIN ONE YEAR
General obligation bond	$ 40,862,128	$ -	$ 3,276,968	$ 37,585,160	$ 3,341,968
Pension Liability	11,080,255	-	2,438,699	8,641,556	-
Postemployment benefit	816,578	107,521	-	924,099	924,099
Compensated absences	116,180	9,139	-	125,319	125,319
Total	$ 52,875,141	$ 116,660	$ 5,715,667	$ 47,276,134	$ 4,391,386

4. CHANGES IN LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS (cont.)

Debt service requirements to amortize bond and lease debt to maturity as of June 30, 2018, are as follows:

	PRINCIPAL	INTEREST	TOTAL
2019	$ 3,341,968	$ 814,427	$ 4,156,395
2020	3,406,968	751,701	$ 4,158,669
2021	3,461,968	686,597	$ 4,148,565
2022	3,526,968	619,489	$ 4,146,457
2023	3,326,968	554,397	$ 3,881,365
2024-2028	13,490,611	1,854,190	$ 15,344,801
2029-2033	7,029,709	192,535	$ 7,222,244
2034-2038	-	-	-
Total	$ 37,585,160	$ 5,473,336	$ 43,058,496

Changes to bond principal and lease payable and future interest payable are summarized as follows:

PRINCIPAL	Balance 7/1/2017	New Debt	Debt Retired	Balance 6/30/2018
2015 GO	$ 4,725,000	$ -	$ (205,000)	$ 4,520,000
2007 Series	665,000	-	(665,000)	-
2009 QSCB	3,461,538	-	(384,615)	3,076,923
2010 Series A, B & C	32,010,590	-	(2,022,353)	29,988,237
Lease Payable	-	-	-	-
Totals	$ 40,862,128	$ -	$ (3,276,968)	$ 37,585,160
INTEREST TO BE PROVIDED				
2015 GO	$ 469,725	$ -	$ (138,675)	331,050
2007 Series	13,300	-	(13,300)	-
2009 QSCB	658,750	-	(77,500)	581,250
2010 Series A, B & C	5,208,796	-	(647,760)	4,561,036
Lease Payable	-	-	-	-
Totals	$ 6,350,571	$ -	$ (877,235)	$ 5,473,336

5. PENSION PLANS

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2017, it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percentage of covered payroll is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The District's contributions were $2,085,435 for the year ended June 30, 2018.

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

At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension

5. PENSION PLANS (cont.)

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

liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2017, the District's proportion was 0.5497774 percent.

For the year ended June 30, 2018, the District recognized pension expense (revenue) of $2,085,435. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 778,531
Changes in assumptions or other inputs	159,806	-
Net difference between projected and actual earnings on pension plan investments	-	517,571
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	1,311,066	-
District contributions subsequent to the measurement date	2,085,435	-
Total	$ 3,556,307	$ 1,296,102

$2,085,435 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at June 30, 2017 the beginning of the measurement period ended June 30, 2017 is 4.9 and 5.5 for the measurement period June 30, 2016.

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

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

5. PENSION PLANS (cont.)

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

Year ended June 30:	
2018	(469,785)
2019	811,877
2020	230,365
2021	(511,807)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25 - 10.00%
Salary inflation	3.75%
Investment rate of return	7.10%, net of investment expenses
Cost-of-living adjustments	1%

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

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

An experience study was performed for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The Total Pension Liability as of June 30, 2017 is based on the results of an actuarial valuation date July 1, 2017.

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

5. PENSION PLANS (cont.)

Actuarial Assumptions (cont.)

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2017.

Capital Market Assumptions

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

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

*Expected arithmetic return of net fees and expenses

Actuarial Assumptions:	
Assumed Inflation - Mean	3.25%
Assumed Inflation - Standard Deviation	2.00%
Portfolio Arithmetic Mean Return	8.08%
Portfolio Long-Term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.40%
Long-Term Expected Geometric Rate of Return, Net of Investments Expenses	**7.10%**

Discount Rate

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

5. PENSION PLANS (cont.)

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

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Employer's proportionate share of the net pension liability (asset)	20,084,755	8,641,556	(868,045)

Pension plan fiduciary net position

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

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

Payables to the pension plan

At June 30, 2018, the District had no payables for the defined benefit pension plan.

6. PAYROLL EXPENDITURES AND RELATED LIABILITIES

Many employee contracts were signed for the nine-month period September 1, 2017 through May 31, 2018, to be paid over the twelve months of September 1, 2017 through August 31, 2018. The financial statements reflect the salary expense for this period. The accrued payroll reflects the final two months of these contracts.

7. RISK MANAGEMENT

The District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty and liability coverage through commercial insurance carriers. Settled claims have not exceeded insurance coverage in any of the previous three years.

8. NONMONETARY TRANSACTIONS

The District received $152,471 in USDA Commodities during the 2017-2018 fiscal year. The commodities received are valued at the average wholesale price as determined by the distributing agency. All commodities received by the District were treated as revenue and expense of the fund receiving the commodities.

9. INTERFUND TRANSFERS AND BALANCES

During the course of its operations, the District had numerous transactions between funds to finance operations and provide services. To the extent that certain transactions between funds had not been paid or received as of June 30, 2018, balances of interfund amounts receivable or payable have been recorded. The interfund balances as of June 30, 2018, were as follows:

	Receivable	Payable
General Fund	$ 197,341	$ -
Capital Projects	-	-
Various Other Special Revenue Funds	-	197,341
TOTAL	$ 197,341	$ 197,341

Interfund transfers for the year ended June 30, 2018, consisted of the following:

	TRANSFER IN	TRANSFER OUT
General Fund	$ 32,624	$ 361,874
Child Nutrition	37,556	11,111
School Plant Facilities	174,317	-
E-Rate	150,000	-
Other Special Revenue Funds	-	21,512
TOTAL	$ 394,497	$ 394,497

A transfer was made from the General Fund to various funds to provide for budgeted expenditures of $394,497. The funds went to School Plant Facilities and various Other Governmental Funds.

10. OPEB – JEFFERSON SCHOOL DISTRICT EMPLOYEE GROUP BENEFITS PLAN

From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the District recognizes the cost of postemployment healthcare in the year when employee services are received. This reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the District's future cash flows. The District is adopting the requirements of GASB Statement No. 45 in 2009, recognition of the liability is included in the financial statement as a liability in 2018.

10. OPEB (Cont.)

Plan Descriptions. The School District provides continuation of medical insurance coverage to employees who retire at end of their service to the District before the age of 65.

The School District Plan is administered by District personnel. No separate financial statements are issued. The following is a summary of the Plan:

	Accrued Liability	Annual Required Contribution	Participant Counts
Active Participants	$ 830,808	$ 152,049	356
Retirees, Spouses, and Surviving Spouses	93,291	4,263	16
	$ 924,099	$ 156,312	372

Annual Required Contributions (ARC)	
Normal Cost as of July 1, 2018	$ 104,719
Actuarial accrued Liability (AAL)	$ 924,099
Actuarial Value of Assets	$ -
Unfunded Actuarial Accrued Liability (UAAL)	$ 924,099
Amortization Factor	20.0
Amortization of the Unfunded Actuarial Accrued Liability	$ 362,295
Annual Required Contribution for Fiscal Year Ending 6/30/18	$ 156,312
Annual OPEB Cost	
Annual Required Contribution as of 6/30/18	$ 156,312
Net OPEB Obligation at 7/1/18	$ 362,295
Interest on Net OPEB Obligation	$ -
Amortization Factor	20
ARC Adjustment	$ -
Annual OPEB Cost	$ 156,312
Schedule of Funding Progress	
Actuarial Valuation Date	7/1/2018
Actuarial Value of Assets	$ -
Actuarial accrued Liability (AAL)	$ 924,099
Unfunded Actuarial Accrued Liability (UAAL)	$ 924,099
Funded Ratio	0.00%

Three-year trend information is presented as follows: 2016 liability and unfunded amount was $822,564 and 2017 liability and unfunded amount was $816,578. The 2018 information is presented above.

10. OPEB (Cont.)

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. Most included coverages are “community-rated” and annual premiums for community-rated coverages were used as a proxy for claims costs without age adjustment. The unfunded actuarial accrued liability is being amortized over 20 years on a level dollar open basis.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2018, actuarial valuation, the liabilities were computed using the projected unit credit method and level dollar amortization. The actuarial assumptions utilized a 3.57% discount rate. Because the plan is unfunded, reference to the general assets, which are short-term in nature (such as money market funds), was considered in the selection of the 3.57% rate. The valuation assumes an 7.0% healthcare cost trend increase for fiscal year 2017-18.

11. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District’s deferred outflows of resources consist of bond issue expenses from previous bond issues.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District’s deferred inflows of resources for the Statement of Net Position consists of bond premiums from outstanding bonds that will reduce the interest expense in future periods. The District has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that amounts become available.

11. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

A summary of deferred inflows and outflows follows:

	DEFERRED INFLOWS OF RESOURCES	DEFERRED OUTFLOWS OF RESOURCES
Bond Issue Expenses	$ 203,682	$ -
Bond Premiums	-	255,806
Pension Contributions	3,556,307	-
Pension Earnings	-	1,296,282
	$ 3,759,989	$ 1,552,088

Deferred inflows of resources at June 30, 2018, represent revenues that are not available for use by the District to liquidate current year liabilities. A summary of deferred inflows by fund follows:

	GENERAL	DEBT SERVICE	SCHOOL PLANT FACILITIES	OTHER GOVERNMENTAL	TOTAL
Property tax	$ 52,595	$ 390,308	$ -	$ -	$ 442,903
Other revenue	-	-	-	-	-
TOTAL	$ 52,595	$ 390,308	$ -	$ -	$ 442,903

See Note 5 Pension Plans for the pension plan deferred outflows of resources and deferred inflows of resources.

12. PRIOR PERIOD ADJUSTMENT

The District adopted GASB 74 and 75 for Other Postemployment Benefits (OPEB) in fiscal year 2017-2018. The result was a prior period adjustment that increased beginning net position in the amount of $873,422.

13. OPEB – PERSI SICK LEAVE INSURANCE RESERVE FUND – SCHOOL MEMBERS

The District's plan is a defined contribution plan administered by the PERSI Board with authority granted by the State of Idaho. The contribution rate for general employees is set by statute at 60% of the employer rate for employees which is 6.79%. The employer contribution rate for covered payroll is 11.32%. The District's contribution for the year ended June 30, 2018 was $155,628.

The amount of asset outstanding at June 30, 2018 was $1,029,050.

14. SUBSEQUENT EVENTS

Subsequent events have been considered through the report date of October 10, 2018. There was one item that will have a material impact on the operation of the District.

In August 2018 voters approved a bond levy in the amount of $36,000,000 for the construction of a new elementary school and additional classrooms in two other schools to accommodate student population growth.

REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY PERSI – BASE PLAN
LAST 10 – FISCAL YEARS*

	2018	**2017**	**2016**	**2015**
Employer's portion of net the pension liability	0.5497774%	0.5465918%	0.5334703%	0.5348668%
Employer's proportionate share of the net pension liability	$ 8,641,556	$11,080,255	$7,024,936	$3,937,457
Employer's covered-employee payroll	$ 16,985,677	$15,826,184	$14,889,740	$14,457,157
Employer's proportional share of the net pension liability as a percentage of it's covered -employee payroll	50.88%	70.01%	47.18%	27.24%
Plan fiduciary net position as a percentage of the total pension liability	90.68%	87.26%	91.38%	94.95%

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

Data reported is measured as of June 30, 2017, 2016, 2015, and 2014.

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EMPLOYER CONTRIBUTIONS PERSI – BASE PLAN
LAST 10 – FISCAL YEARS*

	2018	2017	2016	2015
Statutorily required contribution	$ 1,853,916	$ 1,624,812	$ 1,744,992	$ 1,738,540
Contributions in relation to the statutorily required contribution	$ 1,959,227	$ 1,834,417	$ 1,713,723	$ 1,663,362
Contribution (deficiency) excess	$ (105,311)	$ (209,605)	$ 31,269	$ 75,178
Employer's covered-employee payroll	$ 16,985,677	$ 15,826,184	$ 14,889,740	$ 14,457,157
Contributions as a percentage of covered-employee payroll	11.53%	11.59%	11.51%	11.51%

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

Data is reported is measured as of June 30, 2017, 2016, 2015, and 2014.

JEFFERSON JOINT SCHOOL DISTRICT #251
NOTES TO PERSI PLAN SCHEDULES
For the Year Ended June 30, 2018

1. There were changes in benefit terms recognized immediately totaling $67,073 during the Plan year ended June 30, 2018.

2. There were no changes in composition of the population during the Plan year ended June 30, 2018

3. There were changes of amortization of changes of assumptions totaling $87,936 during the Plan year ended June 30, 2018.

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - GENERAL FUND
For the year ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE FAVORABLE
	ORIGINAL	FINAL	AMOUNTS	(UNFAVORABLE)
REVENUES				
Property taxes	$ 635,000	$ 635,000	$ 395,595	$ (239,405)
Food service	-	-	-	-
Other local	72,000	127,942	197,502	69,560
State apportionment base	22,651,268	23,458,007	23,449,323	(8,684)
State apportionment transportation	1,426,376	1,532,188	1,548,720	16,532
State apportionment benefits	2,952,310	3,036,402	3,036,834	432
Investment earnings	20,000	20,000	128,722	108,722
Other State revenue	1,303,774	1,330,542	1,406,496	75,954
Federal grants and assistance	-	-	-	-
TOTAL REVENUES	29,060,728	30,140,081	30,163,192	23,111
EXPENDITURES				
Instruction	18,699,950	20,137,565	18,892,387	1,245,178
Support services	1,649,356	1,746,776	1,609,785	136,991
Plant maintenance and operation	3,630,013	3,776,233	3,540,229	236,004
General administration	2,969,196	3,099,227	3,115,386	(16,159)
Central services	-	-	-	-
Transportation	1,812,118	1,952,226	1,839,682	112,544
Food service	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	28,760,633	30,712,027	28,997,469	1,714,558
Excess (deficiency) of revenues over expenditures	300,095	(571,946)	1,165,723	1,737,669
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	-	-	-	-
Proceeds from sale of bonds	-	-	-	-
Transfers in	72,506	72,506	32,624	39,882
Transfers out	(302,000)	(302,000)	(361,874)	(59,874)
TOTAL OTHER FINANCING SOURCES (USES)	(229,494)	(229,494)	(329,250)	(19,992)
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	-	-
Net change in fund balances	$ 70,601	$ (801,440)	836,473	$ 1,637,913
Fund balances - Beginning			3,391,793	
FUND BALANCES - Ending			$ 4,228,266	

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - CHILD NUTRITION
For the year ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE FAVORABLE
	ORIGINAL	FINAL	AMOUNTS	(UNFAVORABLE)
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Food service	417,428	417,428	520,473	103,045
Transportation fees	-	-	-	-
Other local	-	-	-	-
State apportionment base	-	-	-	-
State apportionment transportation	-	-	-	-
State apportionment benefits	-	-	-	-
Investment earnings	1,000	1,000	-	(1,000)
Other State revenue	-	-	-	-
Federal grants and assistance	1,093,520	1,093,520	1,213,398	119,878
TOTAL REVENUES	1,511,948	1,511,948	1,733,871	221,923
EXPENDITURES				
Instruction	-	-	-	-
Support services	-	-	-	-
Plant maintenance and operation	-	-	-	-
General administration	-	-	-	-
Central services	-	-	-	-
Transportation	-	-	-	-
Food service	1,815,084	1,815,084	1,635,942	179,142
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	1,815,084	1,815,084	1,635,942	179,142
Excess (deficiency) of revenues over expenditures	(303,136)	(303,136)	97,929	401,065
OTHER FINANCING SOURCES (USES)				
Transfers in	32,000	32,000	37,556	(5,556)
Transfers out	(137,067)	(137,067)	(11,111)	125,956
TOTAL OTHER FINANCING SOURCES (USES)	(105,067)	(105,067)	26,445	120,400
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	-	-
Net change in fund balances	$ (408,203)	$ (408,203)	124,374	$ 532,577
Fund balances - Beginning			474,401	
FUND BALANCES - Ending			$ 598,775	

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - SCHOOL PLANT FACILITIES
For the year ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE FAVORABLE
	ORIGINAL	FINAL	AMOUNTS	(UNFAVORABLE)
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Food service	-	-	-	-
Transportation fees	-	-	-	-
Other local	10,000	10,000	47,007	37,007
State apportionment base	-	-	-	-
State apportionment transportation	-	-	-	-
State apportionment benefits	-	-	-	-
Investment earnings	5,000	5,000	566	(4,434)
Other State revenue	435,274	435,274	447,203	11,929
Federal grants and assistance	-	-	-	-
TOTAL REVENUES	450,274	450,274	494,776	44,502
EXPENDITURES				
Instruction	-	-	-	-
Support services	-	-	-	-
Plant maintenance and operation	1,584,448	1,345,836	-	1,345,836
General administration	-	-	-	-
Central services	-	-	-	-
Transportation	-	-	-	-
Food service	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital Outlay	609,000	609,000	545,150	63,850
TOTAL EXPENDITURES	2,193,448	1,954,836	545,150	1,409,686
Excess (deficiency) of revenues over expenditures	(1,743,174)	(1,504,562)	(50,374)	1,454,188
OTHER FINANCING SOURCES (USES)				
Transfers in	120,000	120,000	174,317	(54,317)
Transfers out	-	(238,612)	-	238,612
TOTAL OTHER FINANCING SOURCES (USES)	120,000	(118,612)	174,317	184,295
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	11,300	(11,300)
Net change in fund balances	$ (1,623,174)	$ (1,623,174)	135,243	$ 1,758,417
Fund balances - Beginning			2,064,649	
FUND BALANCES - Ending			$ 2,199,892	

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - DEBT SERVICE
For the year ended June 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE FAVORABLE
	ORIGINAL	FINAL	AMOUNTS	(UNFAVORABLE)
REVENUES				
Property taxes	$ 4,233,306	$ 4,233,306	$ 2,614,826	$ (1,618,480)
Food service	-	-	-	-
Transportation fees	-	-	-	-
Other local	-	-	-	-
State apportionment base	-	-	-	-
State apportionment transportation	-	-	-	-
State apportionment benefits	-	-	-	-
Investment earnings	300	300	-	(300)
Other State revenue	1,200,000	1,200,000	1,139,179	(60,821)
Federal grants and assistance	-	-	-	-
TOTAL REVENUES	5,433,606	5,433,606	3,754,005	(1,679,601)
EXPENDITURES				
Instruction	-	-	-	-
Support services	-	-	-	-
Plant maintenance and operation	-	-	-	-
General administration	-	-	-	-
Central services	-	-	-	-
Transportation	-	-	-	-
Food service	-	-	-	-
Debt Service:				
Principal	3,276,968	3,276,968	3,276,968	-
Interest and other charges	1,023,387	1,023,387	951,294	72,093
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	4,300,355	4,300,355	4,228,262	72,093
Excess (deficiency) of revenues over expenditures	1,133,251	1,133,251	(474,257)	(1,607,508)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(4,402,352)	(4,402,352)	-	4,402,352
TOTAL OTHER FINANCING SOURCES (USES)	(4,402,352)	(4,402,352)	-	4,402,352
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	-	-
Net change in fund balances	$ (3,269,101)	$ (3,269,101)	(474,257)	$ 2,794,844
Fund balances - Beginning			5,333,082	
FUND BALANCES - Ending			$ 4,858,825	

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - CAPITAL PROJECTS
For the year ended June 30, 2018

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Food service	-	-	-	-
Transportation fees	-	-	-	-
Other local	-	-	-	-
State apportionment base	-	-	-	-
State apportionment transportation	-	-	-	-
State apportionment benefits	-	-	-	-
Investment earnings	-	-	-	-
Other State revenue	-	-	-	-
Federal grants and assistance	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES				
Instruction	-	-	-	-
Support services	-	-	-	-
Plant maintenance and operation	-	-	-	-
General administration	-	-	-	-
Central services	-	-	-	-
Transportation	-	-	-	-
Food service	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	-	-
Net change in fund balances	$ -	$ -	-	$ -
Fund balances - Beginning			1,489	
FUND BALANCES - Ending			$ 1,489	

JEFFERSON JOINT SCHOOL DISTRICT #251
NOTES TO THE BUDGET AND ACTUAL COMPARISON SCHEDULES
For the Year Ended June 30, 2018

1. The legally adopted budget for Jefferson Joint School District #251is based on the modified accrual basis of accounting.

2. Actual expenditures did not exceed the budget in any of the major funds.

SUPPLEMENTARY INFORMATION

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2018

	ED FOUNDATION FUND	DRIVER'S ED	PRO TECHNICAL
ASSETS			
Cash and cash equivalents	$ 124,633	$ -	$ -
Receivable from other governments	-	51,380	29,525
Taxes receivable, net	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
TOTAL ASSETS	124,633	51,380	29,525
DEFERRED OUTFLOWS OF RESOURCES			
Expenditures unavailable for use	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 124,633	$ 51,380	$ 29,525
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ -	$ 565	$ 20,991
Other accrued expenses	-	13,311	7,819
Interfund payable	-	8,355	715
TOTAL LIABILITIES	-	22,231	29,525
DEFERRED INFLOWS OF RESOURCES			
Revenue unavailable for use	-	-	-
FUND BALANCES			
Assigned - other purposes	124,633	29,149	-
Unassigned	-	-	-
TOTAL FUND BALANCES	124,633	29,149	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 124,633	$ 51,380	$ 29,525

STATE TECHNOLOGY	IDAHO SUBSTANCE ABUSE	TITLE I BASIC	MIGRANT ED	TITLE VI-B SCHOOL-AGE
$ 196,414	$ 70,794	$ -	$ -	$ -
-	-	161,705	2,897	262,152
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
196,414	70,794	161,705	2,897	262,152
-	-	-	-	-
$ 196,414	$ 70,794	$ 161,705	$ 2,897	$ 262,152
$ -	$ 70,794	$ 41,536	$ 8	$ 394
-	-	120,169	2,452	114,793
-	-	-	437	146,965
-	70,794	161,705	2,897	262,152
-	-	-	-	-
196,414	-	-	-	-
-	-	-	-	-
196,414	-	-	-	-
$ 196,414	$ 70,794	$ 161,705	$ 2,897	$ 262,152

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2018

	TITLE VI-B PRESCHOOL	TITLE-V INNOVATION	PERKINS PRO TECHNICAL
ASSETS			
Cash and cash equivalents	$ -	$ -	$ -
Receivable from other governments	-	-	53,654
Taxes receivable, net	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
	-	-	53,654
DEFERRED OUTFLOWS OF RESOURCES			
Expenditures unavailable for use	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ -	$ -	$ 53,654
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ -	$ -	$ 11,725
Other accrued expenses	-	-	1,060
Interfund payable	-	-	40,869
TOTAL LIABILITIES	-	-	53,654
DEFERRED INFLOWS OF RESOURCES			
Revenue unavailable for use	-	-	-
FUND BALANCES			
Assigned - other purposes	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ -	$ -	$ 53,654

LANGUAGE INSTRUCTION	IMPROVING TEACHER QUALITY	MEDICAID	E-RATE	TOTAL NONMAJOR SPECIAL REVENUE
$ -	$ -	$ 44,052	$ 66,021	$ 501,914
8,109	13,147	-	-	582,569
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,109	13,147	44,052	66,021	1,084,483
-	-	-	-	-
$ 8,109	$ 13,147	$ 44,052	$ 66,021	$ 1,084,483
$ -	$ 2,472	$ -	$ 66,021	214,506
8,109	10,675	44,052	-	322,440
-	-	-	-	197,341
8,109	13,147	44,052	66,021	734,287
-	-	-	-	-
-	-	-	-	350,196
-	-	-	-	-
-	-	-	-	350,196
$ 8,109	$ 13,147	$ 44,052	$ 66,021	$ 1,084,483

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING STATEMENT OF
REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2018

	ED FOUNDATION FUND	DRIVER'S ED	PRO TECHNICAL
REVENUES			
Property taxes	$ -	$ -	$ -
Intergovernmental-State	-	23,875	185,682
Intergovernmental-Federal	-	-	-
Transportation fees	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Other local	115,594	35,595	-
TOTAL REVENUES	115,594	59,470	185,682
EXPENDITURES			
Instruction	103,932	52,920	185,682
Support services	-	-	-
General administration	159	-	-
Transportation	-	-	-
Food service	-	-	-
Capital outlay	-	-	-
Debt service-principal	-	-	-
Debt service-interest	-	-	-
TOTAL EXPENDITURES	104,091	52,920	185,682
Excess (deficiency) of revenues over expenditures	11,503	6,550	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
SPECIAL ITEM			
Proceeds from sale of equipment	-	-	-
Net change in fund balances	11,503	6,550	-
Fund balance - Beginning	113,130	22,599	-
FUND BALANCES - Ending	$ 124,633	$ 29,149	$ -

STATE TECHNOLOGY	IDAHO SUBSTANCE ABUSE	TITLE I BASIC	MIGRANT ED	TITLE VI-B SCHOOL-AGE
$ -	$ -	$ -	$ -	$ -
483,671	70,794	-	-	-
-	-	688,331	15,788	810,303
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
483,671	70,794	688,331	15,788	810,303
-	-	521,826	15,586	659,189
306,553	70,794	75,235	-	140,768
-	-	82,505	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
306,553	70,794	679,566	15,586	799,957
177,118	-	8,765	202	10,346
-	-	-	-	-
-	-	(8,765)	(202)	(10,346)
-	-	(8,765)	(202)	(10,346)
-	-	-	-	-
177,118	-	-	-	-
19,296	-	-	-	-
$ 196,414	$ -	$ -	$ -	$ -

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING STATEMENT OF
REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2018

	TITLE VI-B PRESCHOOL	TITLE-V INNOVATION	PERKINS PRO TECHNICAL
REVENUES			
Property taxes	$ -	$ -	$ -
Intergovernmental-State	-	-	-
Intergovernmental-Federal	30,656	12,751	53,654
Transportation fees	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Other local	-	-	-
	30,656	12,751	53,654
EXPENDITURES			
Instruction	30,656	12,751	53,654
Support services	-	-	-
General administration	-	-	-
Transportation	-	-	
Food service	-	-	-
Capital outlay	-	-	-
Debt service-principal	-	-	-
Debt service-interest	-	-	-
	30,656	12,751	53,654
Excess (deficiency) of revenues over expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
	-	-	-
SPECIAL ITEM			
Proceeds from sale of equipment	-	-	-
Net change in fund balances	-	-	-
Fund balance - Beginning	-	-	-
FUND BALANCES - Ending	$ -	$ -	$ -

LANGUAGE INSTRUCTION	IMPROVING TEACHER QUALITY	MEDICAID	E-RATE	TOTAL NONMAJOR SPECIAL REVENUE
$ -	$ -	$ -	$ -	$ -
-	-	-	-	764,022
30,712	141,985	474,615	-	2,258,795
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	99,055	250,244
30,712	141,985	474,615	99,055	3,273,061
30,321	4,605	167,369	-	1,838,491
-	133,219	307,246	249,055	1,282,870
-	2,353	-	-	85,017
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
30,321	140,177	474,615	249,055	3,206,378
391	1,808	-	(150,000)	66,683
-	-	-	150,000	150,000
(391)	(1,808)	-	-	(21,512)
(391)	(1,808)	-	150,000	128,488
-	-	-	-	-
-	-	-	-	195,171
-	-	-	-	155,025
$ -	$ -	$ -	$ -	$ 350,196

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2018

	BALANCE 07/01/17	RECEIPTS	DISBURSEMENTS	BALANCE 06/30/18
ASSETS				
Cash and cash equivalents	$ 508,343	$ 1,461,531	$ 1,433,503	$ 536,371
Receivable from general fund	-	-	-	-
Receivables	-	-	-	-
Inventory of house for sale	-	-	-	-
TOTAL ASSETS	$ 508,343	$ 1,461,531	$ 1,433,503	$ 536,371
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Interfund payable	-	-	-	-
Due to student organizations				
Elementary Schools:				
Harwood	5,465	6,582	2,114	9,933
Jefferson	11,845	10,992	8,636	14,201
Midway	13,571	23,519	17,987	19,103
Roberts	2,410	10,943	8,300	5,053
South Fork	15,297	12,700	10,687	17,310
Farnsworth	-	-	-	-
Middle Schools:				
Rigby	202,159	257,287	243,516	215,930
High Schools				
Rigby High School	255,881	1,132,352	1,137,457	250,776
Rigby High School-Student Activities	-			-
Jefferson High School	1,715	7,156	4,806	4,065
TOTAL LIABILITIES	$ 508,343	$ 1,461,531	$ 1,433,503	$ 536,371

OTHER SUPPLEMENTARY INFORMATION

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Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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

The Board of Trustees
Jefferson Joint School District #251
Rigby, Idaho

We have audited, 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Jefferson Joint School District #251, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 10, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jefferson Joint School District #251'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 Jefferson Joint School District #251's internal control. Accordingly, we do not express an opinion on the effectiveness of Jefferson Joint School District #251's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jefferson Joint School District #251's financial statements

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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.

Searle Hart & Associates PLLC

Rexburg, Idaho
October 10, 2018

Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Jefferson Joint School District #251
Rigby, Idaho

Report on Compliance for Each Major Federal Program

We have audited Jefferson Joint School District #251's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Jefferson Joint School District #251's major federal programs for the year ended June 30, 2018. Jefferson Joint School District #251's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to each of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Jefferson Joint School District #251's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Jefferson Joint School District #251's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Jefferson Joint School District #251's compliance.

Opinion on Each Major Federal Program

In our opinion, Jefferson Joint School District #251 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

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Report on Internal Control over Compliance

Management of Jefferson Joint School District #251 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Jefferson Joint School District #251's internal control over compliance with types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Jefferson Joint School District #251's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Searle Hart + Associates PLLC

Rexburg, Idaho

October 10, 2018

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

U.S. DEPARTMENT OF AGRICULTURE	FEDERAL CFDA NUMBER	PASS THROUGH ENTITY ID#	PASS THROUGH TO SUBRECIPIENTS	FEDERAL EXPENDITURES
Passed Through State Department of Education:				
School Breakfast Program	10.553	201717N109947	$ -	$ 154,795
National School Lunch Program	10.555	201717N109947	-	1,010,190
Summer Food Service Program for Children	10.559	201717N109947	-	55,606
Total School Lunch Cluster			-	1,220,591
USDA Distribution Rebate	10.560	201717N253347	-	914
Fresh Fruit and Vegetable Program	10.582	201818L160347	-	20,606
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	1,242,111
U.S. DEPARTMENT OF INTERIOR				
Passed Through Jefferson County:				
Federal Forest Funds Distribution	10.665		-	-
U.S. DEPARTMENT OF EDUCATION				
Passed Through State Department of Education:				
Title VI-B School Age	84.027	H027A170088	-	812,387
Title VI-B Preschool	84.173	H173A170030	-	30,656
Total Special Education Cluster (IDEA)			-	843,043
Title I-A Basic	84.010	S010A170012	-	688,331
Title I-C Migrant	84.011	S011A170012	-	11,618
English Language Acquisition	84.365	S365A170012	-	30,712
Title II-A Teacher Quality	84.367	S367A170011	-	141,985
Migrant State Data Quality	84.144	S144G150062	-	4,169
Perkins Vocational Education	84.048	V048A160012	-	53,654
Title IV-Student Support	84.424	S424A170013	-	12,751
TOTAL U.S. DEPARTMENT OF EDUCATION			-	1,786,263
TOTAL			$ -	$ 3,028,374

JEFFERSON JOINT SCHOOL DISTRICT #251
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1- BASIS OF PRESENTATION

The accompanying schedule of expenditurres of federal awards (the schedule) includes the federal award activity of Jefferson Joint School District #251 under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Jefferson Joint School District #251, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Jefferson Joint School District #251.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3- NONMONETARY TRANSACTIONS

Nonmonetary assistance is reported for the Food Distribution Program at fair market value of commodities received which established by the State Department of Education. The District held an undetermined amount of those commodities in inventory at June 30, 2018.

NOTE 4- DE MINIMIS INDIRECT COST RATE

Jefferson Joint School District #251 has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements
Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weaknesses Identified	____ YES	X NO
Significant Deficiencies Identified that are not considered to be material weaknesses	____ YES	X None Reported
Noncompliance Material to financial statements noted	____ YES	X NO

Federal Awards

Internal Control Over Major Programs:

Material Weaknesses Identified	____ YES	X NO
Significant Deficiencies Identified that are not considered to be material weaknesses	____ YES	X None Reported

Type of Auditor's Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ YES	X NO

Identification of Major Programs:

84.010	Title I-A Basic

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee Qualified as Low-Risk Auditee	X YES	____ NO

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported

JEFFERSON JOINT SCHOOL DISTRICT #251
STATUS OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018

None reported last year.

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the delivery of the 2018 Bonds, Hawley Troxell Ennis & Hawley LLP, Bond Counsel, proposes to issue their final approving opinion in substantially the following form:

(The remainder of this page has been intentionally left blank.)

HAWLEY TROXELL

ATTORNEYS AND COUNSELORS

Hawley Troxell Ennis & Hawley LLP
877 Main Street, Suite 1000
P.O. Box 1617
Boise, Idaho 83701-1617
208.344.6000
www.hawleytroxell.com

[Date of Delivery]

Board of Trustees
Joint School District No. 251, Jefferson and Madison Counties, State of Idaho
3850 E. 300 N.
Rigby, ID 83442

Re: *Joint School District No. 251, Jefferson and Madison Counties, State of Idaho -- General Obligation Bonds, Series 2018*

This is to certify that we have acted as Bond Counsel in connection with the issuance by Joint School District No. 251, Jefferson and Madison Counties, State of Idaho (the "District"), of its General Obligation Bonds, Series 2018, in the principal amount of $31,665,000 (the "Bonds"), dated the date hereof, and issued pursuant to a Resolution of the District adopted on October 10, 2018 (the "Resolution") and the Certificate as to Bond Pricing and Related Matters dated November 13, 2018, authorized pursuant to the Resolution (the "Pricing Certificate," and together with the Resolution, the "Resolution"). The Bonds represent general obligation bonds authorized pursuant to an election held in the District on August 28, 2018, and are being issued under the authority of chapter 11 of Title 33 and chapters 2 and 9 of Title 57, Idaho Code, as amended. We have examined the Constitution and laws of the State of Idaho and such certified proceedings and other papers as we deem necessary to render this opinion.

Our services as Bond Counsel have been limited to the preparation of the legal proceedings and supporting certificates authorizing the issuance of the Bonds under the applicable laws of the State of Idaho and to a review of the transcript of such proceedings and certifications. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our examination has been limited to the foregoing as they exist or are in effect as of the date hereof. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

The Bonds bear interest from their date at the rates per annum payable pursuant to the provisions of the Resolution, and mature on the dates in each of the designated years and in the principal amounts set forth below:

September 15 Year	Amount Maturing	Interest Rate (Per Annum)
2019	$ 210,000	5.000%
2020	610,000	5.000
2021	640,000	5.000
2022	940,000	5.000
2023	1,410,000	5.000
2024	1,470,000	5.000
2025	1,540,000	5.000
2026	1,640,000	5.000
2027	1,720,000	5.000
2028	1,180,000	5.000
2029	1,240,000	5.000
2030	1,730,000	5.000
2031	1,815,000	5.000
2032	1,905,000	5.000
2033	2,000,000	5.000
2034	2,100,000	5.000
2035	2,205,000	5.000
2036	2,320,000	5.000
2037	2,435,000	5.000
2038	2,555,000	5.000

The Bonds are issuable as fully registered bonds in the denomination of $5,000 or any integral multiple thereof. Certain maturities of the Bonds are subject to optional redemption prior to maturity pursuant to the Resolution.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Resolution has been duly adopted and authorized by the District's Board of Trustees and constitutes a legal, valid, and binding agreement of the District, enforceable against the District in accordance with its terms, except as such enforceability may be limited by laws relating to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and public policy limitations on the exercise of any rights to indemnification and contribution.

2. The Bonds have been duly authorized, executed, and delivered under the Constitution and the laws of the State of Idaho.

3. The Bonds are valid and legally binding general obligations of the District, enforceable in accordance with their terms except to the extent such enforcement is limited by the bankruptcy laws of the United States of America and by the reasonable exercise of the sovereign police power of the State of Idaho.

4. Provision has been made for the levy and collection each year of ad valorem taxes on all the taxable property within the District sufficient to pay the principal of and interest on the Bonds as the same become due, and all of the taxable property in the District is subject to the levy of ad valorem taxes to pay the same without limitation as to rate or amount.

5. The interest on the Bonds is not includable in gross income of the owners of the Bonds for federal income tax purposes and is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), except that for taxable years of corporations beginning before January 1, 2018, such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The foregoing opinion set forth in this paragraph 5 assumes that the District will comply with certain covenants in the Resolution relating to requirements of the Code.

6. To the extent that interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes, interest on the Bonds is exempt from taxes imposed by the Idaho Income Tax Act, as amended.

7. Based upon the certificate of eligibility issued to the District by the Treasurer of the State of Idaho, payment of the interest and the principal of the Bonds when due is guaranteed by the sales tax collected by the State of Idaho under the provisions of the Idaho School Bond Guaranty Act, Title 33, chapter 53, Idaho Code. Based upon the certificate of approval of credit enhancement issued to the District by the State of Idaho Endowment Fund Investment Board, payment of the principal of and interest on the Bonds when due is further guaranteed by the school district bond credit enhancement program under Title 57, chapter 7, Idaho Code.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Ownership of tax-exempt obligations, including the Bonds, may result in collateral federal income tax consequences to certain taxpayers. Prospective purchasers of the Bonds should consult their own tax advisors as to the applicability of any such collateral consequences.

Very truly yours,

HAWLEY TROXELL ENNIS & HAWLEY LLP

APPENDIX C

PROPOSED FORM OF INFORMATION REPORTING AGREEMENT

JOINT SCHOOL DISTRICT NO. 251,
JEFFERSON AND MADISON COUNTIES, STATE OF IDAHO

INFORMATION REPORTING AGREEMENT

Re: $31,665,000 initial principal amount of General Obligation Bonds, Series 2018 dated November 28, 2018 (the "Bonds"), of Joint School District No. 251, Jefferson and Madison Counties, State of Idaho (the "Issuer") and issued pursuant to a Resolution authorizing the issuance and the sale of the Bonds (the "Resolution")

THIS INFORMATION REPORTING AGREEMENT (the "Agreement") is executed and delivered by the Issuer and Zions Public Finance, Inc. (also known for purposes of this Agreement as the "Disclosure Agent") as of the date set forth below in order for the Issuer to authorize and direct the Disclosure Agent, as the agent of the Issuer, to make certain information available to the public in compliance with Section (b)(5)(i) of Rule 15c2-12, as hereinafter defined.

WITNESSETH:

1. **Background**. The Issuer issued the Bonds pursuant to the Resolution. The CUSIP number assigned to the final maturity of the Bonds is 474178FK1.

2. **Appointment of Disclosure Agent**. The Issuer hereby appoints the Disclosure Agent, and any successor Disclosure Agent acting as such under the Resolution, as its agent under this Agreement to disseminate the financial information and notices furnished by the Issuer hereunder in the manner and at the times as herein provided and to discharge the other duties assigned.

3. **Information to be Furnished by the Issuer**. The Issuer hereby covenants for the benefit of the registered and beneficial owners of the Bonds that, as long as the Bonds are outstanding under the Resolution, the Issuer will deliver the following information to the Disclosure Agent:

a. Within 180 days after the end of the Issuer's fiscal year (June 30 of each year), the audited financial statements of the Issuer prepared in accordance with generally-accepted accounting principles, together with the report thereon of the Issuer's independent auditors, beginning with fiscal year ending June 30, 2019. If audited financial statements are not available by the time specified herein, unaudited financial statements will be provided and audited financial statements will be provided when, and if, available. The Issuer shall include with each submission a written representation addressed to the Disclosure Agent to the effect that the financial statements are the financial statements required by this Agreement and that they comply with the applicable requirements of this Agreement. For the purposes of determining whether information received from the Issuer is the required financial statements, the Disclosure Agent shall be entitled conclusively to rely on the Issuer's written representation made pursuant to this Section.

b. Within 180 days after the end of the Issuer's fiscal year, beginning with fiscal year ending June 30, 2019, the other financial, statistical and operating data for said fiscal year of the Issuer in the form and scope similar to the financial, statistical and operating data contained in the Issuer's Official Statement, specifically the tables and/or information contained under the following headings and subheadings of the Official Statement reflected on the referenced pages of the Official Statement:

THE DISTRICT

- District Enrollment and Average Daily Attendance - Historical Average Daily Attendance and Enrollment - page 17

DEBT STRUCTURE OF THE DISTRICT

- Outstanding General Obligation Bonded Indebtedness - page 24

FINANCIAL INFORMATION REGARDING THE DISTRICT

- Financial Summaries- pages 29-32

TAXES AND STATE FUNDING

- Historical Tax Rates- page 35
- Market Value of Property of the District- page 36
- Tax Collection Record of the District- page 36
- The Largest Taxpayers of the District- page 37

STATE OF IDAHO SCHOOL FINANCE

- State Support to the District- page 39

c. The Disclosure Agent shall provide notice to the Issuer of its requirement to provide the information listed in Sections 3.a. and 3.b. at least thirty (30) days prior to the date such information is to be provided to the Disclosure Agent by the Issuer. Any or all of the items listed above in Sections 3.a. or 3.b. may be incorporated by reference from other documents, including official statements of debt issues of the Issuer which have been previously submitted to the Repository or the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such document incorporated by reference.

d. Within ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

(1) Principal and interest payment delinquencies;

(2) Nonpayment-related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(7) Modifications to rights of security holders, if material;

(8) Bond calls, if material, and tender offers:

(9) Defeasances;

(10) Release, substitution or sale of property securing repayment of the securities, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the obligated person;[1]

(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of

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[1] For the purposes of the event identified in paragraph (12) above, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and

(15) In a timely manner, notice of a failure of the Issuer or the obligated person to provide the required annual financial information specified in Sections 3.a and 3.b above, on or before the date specified therein.

e. Although the Disclosure Agent disclaims any affirmative obligation to monitor occurrences affecting the Issuer, the Disclosure Agent shall promptly advise the Issuer whenever, in the course of performing its duties under the Resolution, the Disclosure Agent identifies an occurrence which would require the Issuer to provide a notice of the occurrence of any of the events listed in Section 3.d. above; provided that the failure of the Disclosure Agent so to advise the Issuer of such occurrence shall not constitute a breach by the Disclosure Agent of any of its duties and responsibilities hereunder.

4. Manner and Time by Which Information is to be Made Public by the Disclosure Agent.

a. The information required to be delivered to the Disclosure Agent pursuant to Sections 3.a and 3.b hereof shall be referred to as the Continuous Disclosure Information (the "Continuous Disclosure Information"), and the notices required to be delivered to the Disclosure Agent pursuant to Section 3.d hereof shall be referred to as the Event Information (the "Event Information").

b. After the receipt of any Continuous Disclosure Information or any Event Information, the Disclosure Agent will deliver the information as provided in the following Section 4.c.

c. It shall be the Disclosure Agent's duty

(1) to deliver the Continuous Disclosure Information to the Repository once it is received from the Issuer not later than five (5) days after receipt thereof;

(2) to deliver the Event Information to the Repository immediately upon receipt from the Issuer and within ten (10) business days of the occurrence of the subject event;

(3) to determine the identity and address of the then existing Repository to which Continuous Disclosure Information and Event Information must be sent under rules and regulations promulgated by the MSRB or by the SEC.

d. The Disclosure Agent shall have no duty or obligation to disclose to the Repository any information other than (i) Continuous Disclosure Information that the Disclosure Agent actually has received from the Issuer and (ii) Event Information about which the Disclosure Agent has received notice from the Issuer. Any such disclosures shall be required to be made only as and when specified in this Agreement. The Disclosure Agent's duties and obligations are only those specifically set forth in this Agreement, and the Disclosure Agent shall have no implied duties or obligations.

e. All Continuous Disclosure Information and Event Information, or other financial information and notices pursuant to this undertaking are to be provided to the Repository in electronic PDF format (word-searchable) as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

5. Indemnification.

a. The Disclosure Agent shall have no obligation to examine or review the Continuous Disclosure Information and shall have no liability or responsibility for the accurateness or completeness of the Continuous Disclosure Information disseminated by the Disclosure Agent hereunder.

b. The Issuer hereby agrees to hold harmless and to indemnify the Disclosure Agent, its employees, officers, directors, agents and attorneys from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorneys' fees and expenses, whether incurred before trial, at trial, or on appeal, or in any bankruptcy or arbitration proceedings), which may be incurred by the Disclosure Agent by reason of or in connection with the disclosure of information in accordance with this Agreement, except to the extent such claims, damages, losses, liabilities, costs or expenses result directly from the willful or negligent conduct of the Disclosure Agent in the performance of its duties under this Agreement.

6. Compensation. The Issuer hereby agrees to compensate the Disclosure Agent for the services provided and the expenses incurred pursuant to this Agreement in an amount to be agreed upon from time to time hereunder. Such compensation shall be in addition to any fees previously agreed upon with respect to the fiduciary services of the Disclosure Agent in its capacity as the Disclosure Agent.

7. Enforcement. The obligations of the Issuer under this Agreement shall be for the benefit of the registered and beneficial holders of the Bonds. Any holder of the Bonds then outstanding, including any beneficial owner of the Bonds (as defined in the Resolution), may enforce specific performance of such obligations by any judicial proceeding available. However, any failure by the Issuer to perform in accordance with this Agreement shall not constitute a default under the Resolution. Neither the Issuer nor the Disclosure Agent shall have any power or duty to enforce this Agreement.

This Agreement shall inure solely to the benefit of the Issuer, the Disclosure Agent and the holders and beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity.

8. **Definitions**. As used herein, the following terms shall have the following meanings:

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"obligated person" as defined in Rule 15c2-12 shall mean any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the municipal securities to be sold in the offering (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities.

"Official Statement" shall mean the final official statement relating to the Bonds dated November 13, 2018.

"Repository" shall mean MSRB through its Electronic Municipal Market Access system ("EMMA") at http://emma.msrb.org, or such other nationally recognized municipal securities information repository recognized by the SEC from time to time pursuant to the Rule.

"Rule 15c2-12" shall mean Rule 15c2-12, as amended, promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

"SEC" shall mean the Securities and Exchange Commission.

9. **Amendments and Termination**. This Agreement may be amended with the mutual agreement of the Issuer and the Disclosure Agent and without the consent of any registered or beneficial holders of the Bonds under the following conditions:

a. the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person or type of business conducted;

b. this Agreement, as amended, would have complied with the requirements of Rule 15c2-12 at the time of the primary offering, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any change in circumstances; and

c. the amendment does not materially impair the interests of holders of the Bonds, as determined by parties unaffiliated with the Issuer (such as the Disclosure Agent or nationally recognized bond counsel).

Any party to this Agreement may terminate this Agreement by giving written notice of an intent to terminate to the other parties at least thirty (30) days prior to such termination, provided that no such termination shall relieve the obligation of the Issuer to comply with Rule 15c2-12(b)(5) either through a successor agent or otherwise.

The undertaking contained in this Agreement shall be in effect from and after the issuance and delivery of the Bonds and shall extend to the earlier of (i) the date all principal and interest on the Bonds shall have been paid pursuant to the terms of the Resolution; (ii) the date that the Issuer shall no longer constitute an "obligated person" within the meaning of Rule 15c2-12; or (iii) the date on which those portions of Rule 15c2-12 that require this written undertaking (a) are held to be invalid by a court of competent jurisdiction in a nonappealable action, (b) have been repealed retroactively, or (c) in the opinion of counsel who is an expert in federal securities laws, acceptable to the Issuer or the Disclosure Agent, otherwise, do not apply to the Bonds. The Issuer shall notify the Repository if this Agreement is terminated pursuant to (iii), above.

10. **Successor Disclosure Agent**. Upon the transfer of the duties created under the Resolution from the current Disclosure Agent to a successor Disclosure Agent, such successor Disclosure Agent shall succeed to the duties under this Agreement without any further action on the part of any party, and the then current Disclosure Agent shall have no further duties or obligations upon the transfer to a successor Disclosure Agent. Such Successor Disclosure Agent may terminate this Agreement or cause it to be amended as provided in paragraph 9.

11. **Additional Information**. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating (or cause the Disclosure Agent to disseminate) any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Continuous Disclosure Information or notice of the occurrence of any Event Information, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Continuous Disclosure Information or Event Information in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Continuous Disclosure Information or notice of occurrence of any Event Information.

If the Issuer provides to the Disclosure Agent information relating to the Issuer or the Bonds, which information is not designated as Event Information, and directs the Disclosure Agent to provide such information to the Repository, the Disclosure Agent shall provide such information in a timely manner to the Repository.

12. **Notices**. Notices and the required information under this Agreement shall be given to the parties at their addresses set forth below under their signatures or at such places as the parties to this Agreement may designate from time to time.

13. **Counterparts**. This Agreement may be executed in one or more counterparts, and each such instrument shall constitute an original counterpart of this Agreement.

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14. **Governing Law**. This Agreement shall be governed by the laws of the State of Idaho.

IN WITNESS WHEREOF, the Issuer and the Disclosure Agent have caused this Agreement to be executed and delivered by a duly authorized officer of each of them, all as of this 28th day of November, 2018.

ISSUER: JOINT SCHOOL DISTRICT NO. 251,
JEFFERSON AND MADISON COUNTIES,
STATE OF IDAHO

By: ______________________________
Chair, Board of Trustees

DISCLOSURE AGENT: ZIONS PUBLIC FINANCE, INC.

By: ______________________________
Vice President

APPENDIX D

BOOK–ENTRY SYSTEM

DTC, the world's largest securities depository, is a limited–purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non–U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post–trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book–entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non–U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly–owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non–U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at dtcc.com.

Purchases of 2018 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2018 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2018 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2018 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2018 Bonds, except in the event that use of the book–entry system for the 2018 Bonds is discontinued.

To facilitate subsequent transfers, all 2018 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2018 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2018 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2018 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2018 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2018 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of 2018 Bonds may wish to ascertain that the nominee holding the 2018 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2018 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2018 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2018 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the 2018 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2018 Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2018 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book–entry–only transfers through DTC (or a successor securities depository). In that event, 2018 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book–entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

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