

A Reader's Guide

Understanding Idaho's Comprehensive Annual Financial Report (CAFR) For the Fiscal Year Ended June 30, 2018

A basic understanding of the State's financial statements is essential for anyone interested in public finance. This brief guide is designed to help you understand and relate to the information provided in the CAFR, as well as enhance your ability to evaluate the State's financial and economic information. Following the overview of the major components of the CAFR, we have provided specific examples of ways you can use the CAFR to look for answers to questions that you may have. Finally, beginning on page 4 of this guide, you will find illustrative financial statements with additional details about interpreting the CAFR.

What is the purpose of the State of Idaho's financial statements?

State government operations differ from private-sector businesses. While private-sector businesses focus on maximizing profits for investors, governments focus on providing services to all citizens. In most cases, the State does not bill citizens directly for services rendered. Instead, Idaho primarily finances services with taxes, federal grants, and other fees applied generally to the public. Because citizens have little choice in paying taxes, and it is not always clear how the services rendered relate to the taxes paid, state government has an important responsibility to demonstrate fiscal accountability to the public. Financial statements are an important way to provide this accountability.

Government-Wide Financial Statements

The first two financial statements in the CAFR are the government-wide financial statements: the Statement of Net Position (CAFR page 14) and the Statement of Activities (CAFR pages 16-17). The Statement of Net Position contains information about what the State owns, what the State owes, and what is remaining on the last day of the fiscal year (June 30). The Statement of Activities contains information about the costs of providing public services (expenses) and resources obtained to finance services (revenues) during the fiscal year. The government-wide statements provide comprehensive information about the entire government, which includes the following:

- *Governmental Activities* encompass most of the State's basic services, such as general government, public safety and correction, health and human services, education, economic development, and natural resources. Revenues from taxes and federal grants finance most of these activities.
- *Business-Type Activities* account for operations that function in a manner similar to private business, where all or a significant portion of their costs are recovered through user fees and charges to external customers.
- *Discretely presented component units* are legally separate organizations for which the State is financially

accountable. The State's discretely presented component units are reported in the following funds: the Idaho Housing and Finance Association fund includes the Association and its component unit, The Housing Company; the College and University Foundation fund includes the foundations of Boise State University, Eastern Idaho Technical College, Idaho State University, Lewis-Clark State College, and the University of Idaho; the Petroleum Clean Water Trust Fund; the Health Reinsurance fund, which includes the Idaho Individual High Risk Reinsurance Pool and the Idaho Small Employer Health Reinsurance Program; the Idaho Bond Bank Authority; and the Idaho Health Insurance Exchange.

The government-wide statements do not include fiduciary funds, which account for resources the government manages on behalf of others and are not available to support the State's programs.

Fund Financial Statements

Fund financial statements provide a detailed look at the individual major funds of the State and total the remaining nonmajor governmental funds in a single column. Fund financial statements are comprised of the following:

- *Governmental funds* report the finances of the State's most basic services. Governmental funds focus on short-term assets and liabilities and do not include capital assets or long-term liabilities. The governmental fund financial statements include the Balance Sheet (CAFR pages 18-19) and the Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR pages 22-23). The governmental fund statements also include reconciliations that identify the differences between the fund and government-wide statements (CAFR pages 21 and 25).
- *Proprietary funds* report the activities the State operates like a business, where the cost of providing goods or services is primarily financed by fees charged to those who use the goods and services. Proprietary funds include enterprise and internal service funds. Enterprise funds report activities that provide services or supplies to the general public; internal service funds report activities that provide services or supplies for the State's programs and activities. Proprietary fund financial statements include the Statement of Net Position (CAFR pages 26-27); Statement of Revenues, Expenses, and Changes in Fund Net Position (CAFR pages 28-29); and Statement of Cash Flows (CAFR pages 30-31).
- *Fiduciary funds* account for resources the State manages or holds on behalf of parties outside the State. Fiduciary fund financial statements include the Statement of Fiduciary Net Position (CAFR page 32) and the

Statement of Changes in Fiduciary Net Position (CAFR page 33).

Governmental Fund Balances

On the governmental funds Balance Sheet, illustrated on page 8 of this guide, you will notice multiple fund balance categories. Governmental resource providers impose restrictions on how resources can be used. For example, when the federal government provides funding to the State for health and welfare initiatives, certain strings are attached to how the money may be spent. Additionally, the Legislature and Governor approve an annual budget which directs how every dollar must be used. Because of these imposed restrictions, governmental *funds* were established to show proper stewardship of resources and compliance with regulations or limitations.

As illustrated on page 8 of this guide, each fund is used to account for *assets* (government-controlled resources available to provide services), *liabilities* (amounts that must be paid to entities outside the government), and *deferred inflows of resources* (an acquisition of resources by the government that is applicable to future reporting periods). *Fund balance* is the difference between (a) fund assets and deferred outflows of resources, and (b) fund liabilities and deferred inflows of resources. In other words, fund balance is what is left after considering what resources (assets and deferred outflows of resources) the government has available to provide services to its citizens and the obligations (liabilities and deferred inflows of resources) the government must pay to entities outside the government in order to provide those services.

The fund balance components improve consistency, comparability, and usefulness. The categories are presented in descending order from funds with the most restrictions in place to those with the least restrictions.

- *Nonspendable* fund balances consist of resources that cannot be spent because they are in nonspendable form, such as inventories, prepaid items, and long-term receivables; or they are legally or contractually required to be maintained intact. An example of a legal or contractual requirement would be an endowment provided to the government with the stipulation that the money initially provided may only be invested and not spent; only the earnings on the invested amount may be spent.
- *Restricted* fund balances consist of amounts that are constrained by external parties (such as the federal government) or imposed by law through state constitutional provisions or legislative action. Restricted funds can only be used for specific stated purposes.
- *Committed* fund balances consist of amounts that are obligated by statutes enacted by the Legislature and approved by the Governor. The committed amounts cannot be used for any other purposes unless subsequent legislation changes or removes the specified purposes.

- *Assigned* fund balances consist of amounts that are intended by the Legislature or by a governing body or official to be used for specific purposes, and are neither restricted nor committed.
- The *Unassigned* fund balance is used to report any funds not required to be reported in any other category. These funds can be used for any purpose. However, only the General Fund may report a positive unassigned fund balance.

Notes to the Financial Statements

The notes to the financial statements (CAFR pages 39-122) provide detailed information about the government that is not included or readily apparent on the financial statements, such as the State's significant accounting methods and assumptions, investments, capital assets, major financial commitments, pension benefit costs, and long-term debt.

Supporting Financial Statement Information

- *An Independent Auditor's Report* (CAFR pages 2-4) provides reasonable assurance about whether the financial statements are free of material misstatement.
- *Management's Discussion and Analysis* (MD&A on CAFR pages 5-12) gives an easily readable and objective analysis of the State's financial activities based on currently known facts, decisions, or conditions.
- *Required Supplementary Information* (CAFR pages 124-137) provides the following information: budgetary comparison schedules that present original and final appropriated operating activities, actual operating activities, and fund balances on a budgetary basis; roadway infrastructure condition and maintenance information; and information on pension and postemployment benefits to certain employees.
- *The Combining Financial Statements* (CAFR pages 139-167) provide more detail for nonmajor governmental and enterprise, internal service, and fiduciary funds. The total columns of these combining financial statements tie to the applicable combined fund financial statement.
- *The Statistical Section* (CAFR pages 170-200) provides information that will help you understand the health of the State and the underlying economy. This section contains 10-year trend tables of financial, economic, and demographic data. The statistical section is often of interest to investors and creditors because the trends and non-financial factors it identifies can provide crucial insights to assess the State's creditworthiness.

How You Can Use the Financial Statements

Now that you have a better understanding of the major components of the CAFR, we will show you how to use this report to analyze some of the issues that were important to Idahoans this past year.

- **Sales Tax Revenue** – Sales tax revenues of \$1.8 billion for 2018 are presented on pages 16-17 of the CAFR. The MD&A has information about sales tax revenues on CAFR pages 8-9. Additional sales tax data may be found on Schedules 2, 4, 5, and 7 of the Statistical Section (CAFR pages 172-173, 176-179, and 182-183).
- **Individual and Corporate Income Tax Revenues** – Income tax revenues of \$2.1 billion for 2018, along with other state tax revenues, are presented on pages 16-17 of the CAFR. Income tax revenues increased \$243.7 million from the previous fiscal year. Additional data may be found on Schedules 2, 4, 5, 6, and 7 of the Statistical Section (CAFR pages 172-173 and 176-183).
- **Health and Human Services Spending** – Health and human services had \$3.1 billion in expenses in fiscal year 2018, an increase of 15.4 percent over the prior fiscal year, primarily due to medical assistance vendor payments. You can see health and human services revenues and expenses on CAFR pages 16-17 and 22-23. More information on health and human services expenses can be found in the MD&A (CAFR pages 8-10). The Department of Health and Welfare’s budget is discussed in the transmittal letter (CAFR page viii).
- **Education** – Our policy makers debate education spending extensively each year. You can see on CAFR pages 16-17 that education expenses (for kindergarten through 12th grade only) were \$2.2 billion in fiscal year 2018. You can also see that colleges and universities spent \$1.2 billion. Looking a bit further, you can see that colleges and universities generated revenues (over \$823.2 million—primarily from fees and federal grants) that offset their expenses, leaving a net expense of \$332.0 million, which was supported by general revenues. K through 12 education had less capacity to generate revenues, approximately \$281.2 million, leaving a net expense of \$1.9 billion to be supported by general revenues. More detailed college and university financial statements can be found on CAFR pages 26-31. Financial analysis of the college and university activity can be found in the MD&A on CAFR pages 9-10.
- **PERSI** – If you are a public employer or public employee, you may be interested in the pension trust funds which are part of the fiduciary funds (CAFR pages 32-33 and 162-163). Net position for the pension trust funds increased \$1.2 billion in fiscal year 2018. You can see on CAFR pages 162-163 that additions to these funds came from a variety of sources, most significantly: employer contributions (\$432.7 million); member contributions (\$322.8 million); increase in fair value of investments (\$1.2 billion) and an increase in interest, dividends, and other (\$391.6 million). Deductions were primarily for benefits and refunds paid to members (\$1.0 billion). At \$18.8 billion, the net position balance of the pension trust funds is one of the largest balances in the financial statements. As stated earlier, fiduciary funds account for resources the State manages or holds on behalf of others, which are not available to support the State’s programs. Additional details about the pension trust funds can be found in the Notes to the Financial Statements (CAFR pages 79-87).
- **Budgetary Compliance** – Idaho Constitution Article VII stipulates that agencies cannot spend more money than they have been appropriated, unless specifically authorized. Budgetary controls are incorporated into the statewide accounting and reporting system to ensure expenditures do not exceed authorized appropriations. You can compare Idaho’s approved budget with the actual expenditures for the General, Health and Welfare, and Transportation funds on CAFR pages 124-125. In fiscal year 2018, the General Fund had a negative variance stemming from fire suppression deficiency warrants. This deficit is allowed by statute and will be funded with future appropriations. Required Supplementary Information about budgetary reporting can be found on CAFR pages 126-127. Comparisons between budget and actual amounts for the nonmajor governmental and major permanent funds are on CAFR pages 144-150. Complete details about the budget process can be found in the Legal Basis report available online at www.sco.idaho.gov. General Fund budgetary highlights can be found in the MD&A (CAFR page 11).

**Statement of Net Position
June 30, 2018**

(dollars in thousands)

The Statement of Net Position reports what the government owns, owes, and what is remaining at a specific point in time (June 30, the fiscal year-

Governmental Activities cover traditional activities of state government such as public safety, health and human services, and education. They are financed through taxes, federal grants, and fees.

Internal balances consist of short-term receivables and payables for activities occurring within the State.

Most capital assets are shown at their original purchase/construction cost, less annual depreciation charges accumulated over time. However, land and roadways are not depreciated. More information on capital assets and depreciation can be found in the Notes and Required

Deferred outflows of resources consist of costs related to debt defeasance and decreases in the fair value of hedging derivative instruments to be recognized in a future period. Pension contributions made subsequent to the actuarially-determined pension liability measurement date and the State's proportionate share of the total pension-related deferred outflows of resources are also included in this

Liabilities are shown in order of maturity or when cash is expected to be used to pay them.

Unearned revenues are resources received that have not yet met the criteria for being recorded as revenues.

The Notes provide information about the major types of long-term liabilities, purposes of liabilities, beginning and ending balances, and how major categories of liabilities have changed during the year.

Deferred inflows of resources consists of unavailable revenue, which is revenue that has been earned but is not available within 60 days, government mandated nonexchange transactions, the State's proportionate share of the total pension-related deferred inflows of resources, and increases in the fair value of hedging derivative instruments to be recognized in a

Constraints on the use of net position that are imposed by creditors, grantors, contributors, or state law through the Idaho Constitution or legislation are listed separately as "restricted" to show net assets that are not available to support primary

Unrestricted net position may be used at the State's discretion but often have limitations on use based on state statutes.

Total assets + total deferred outflows of resources - total liabilities-total deferred inflows of resources = total net position \$13,317,942+\$158,701 -

Assets are presented in order of how readily they can be converted to cash. Cash is the most liquid; capital assets are least liquid.

ASSETS

- Cash and Cash Equivalents
- Pooled Cash and Investments
- Investments
- Accounts Receivable, Net
- Taxes Receivable, Net
- Internal Balances
- Due from Other Entities
- Inventories and Prepaid Items
- Due from Primary Government
- Due from Component Unit
- Loans, Notes, and Pledges Receivable, Net
- Other Assets
- Restricted Assets:
 - Cash and Cash Equivalents
 - Investments
- Capital Assets:
 - Nondepreciable
 - Depreciable, Net

Total Assets

DEFERRED OUTFLOWS OF RESOURCES

- Deferred Outflows

Total Assets and Deferred Outflows of Resources

LIABILITIES

- Accounts Payable
- Payroll and Related Liabilities
- Medicaid Payable
- Due to Other Entities
- Unearned Revenue
- Amounts Held in Trust for Others
- Due to Primary Government
- Due to Component Unit
- Other Accrued Liabilities
- Long-Term Liabilities:
 - Due Within One Year
 - Due in More Than One Year

Total Liabilities

DEFERRED INFLOWS OF RESOURCES

- Deferred Inflows

NET POSITION

- Net Investment in Capital Assets
- Restricted for:
 - Claims and Judgments
 - Debt Service
 - Transportation
 - Regulatory
 - Natural Resources and Recreation
 - Unemployment Compensation
 - Permanent Trust - Expendable
 - Permanent Trust - Nonexpendable
 - Other Purposes
- Unrestricted

Total Net Position

Total Liabilities, Deferred Inflows of Resources, and Net Position

Governmental Activities	
\$	12,701
	1,784,499
	2,577,347
	138,328
	531,063
	16,212
	393,299
	70,339
	4,541
	98,096
	239,070
	448,708
	5,117,609
	1,886,130
	<u>13,317,942</u>
	158,701
	<u>\$ 13,476,643</u>
\$	173,260
	34,648
	206,324
	98,470
	54,338
	22,903
	18,774
	278,269
	1,286,901
	<u>2,173,887</u>
	63,825
	6,221,050
	32,872
	5,512
	338,385
	96,197
	252,120
	688,884
	1,976,322
	370,749
	1,256,840
	<u>11,238,931</u>
\$	<u>13,476,643</u>

This statement can be found in the CAFR on page 14.

Business-Type Activities provide services that are primarily financed by charging a fee directly to the users of the service such as Universities, State Lottery, and Unemployment Compensation.

Component Units, which are legally separate organizations for which the State is financially accountable, are presented in a column separate from the Primary Government. For more information regarding component units, see CAFR pages

Primary Government		
Business-Type		
Activities	Total	Component Units
\$ 675,652	\$ 688,353	\$ 62,162
201,350	1,985,849	1,083
464,955	3,042,302	472,359
117,759	256,087	28,157
	531,063	
(16,212)		
	393,299	
30,050	100,389	672
		567,133
3,286	3,286	
435,338	439,879	931,429
7,910	106,006	8,831
105,625	344,695	209,562
117,431	566,139	319,661
188,359	5,305,968	6,221
1,069,630	2,955,760	57,431
<u>3,401,133</u>	<u>16,719,075</u>	<u>2,664,701</u>
37,160	195,861	38,483
<u>\$ 3,438,293</u>	<u>\$ 16,914,936</u>	<u>\$ 2,703,184</u>
\$ 34,072	\$ 207,332	\$ 5,323
33,788	68,436	983
	206,324	
7,905	106,375	
45,380	99,718	9,023
4,320	27,223	135,036
		10,172
198	198	
17,345	36,119	224,035
44,879	323,148	118,035
610,069	1,896,970	1,169,045
<u>797,956</u>	<u>2,971,843</u>	<u>1,671,652</u>
65,881	129,706	9,240
804,989	7,026,039	32,441
	32,872	
	5,512	143,221
	338,385	
	96,197	
	252,120	
851,812	851,812	
54,740	743,624	183,845
	1,976,322	380,507
637,337	1,008,086	217,644
225,578	1,482,418	64,634
<u>2,574,456</u>	<u>13,813,387</u>	<u>1,022,292</u>
<u>\$ 3,438,293</u>	<u>\$ 16,914,936</u>	<u>\$ 2,703,184</u>

This statement can be found in the CAFR on page 14.

The Statement of Activities contains information about costs of providing services (expenses) and resources obtained to finance services (revenues) during the current fiscal year.

Program revenues display the extent to which programs are self-funded. Program revenues are categorized as charges for services and grants and contributions. Program revenues reduce the net expense of functions/programs.

State of Idaho

Statement of Activities

For the Fiscal Year Ended June 30, 2018

(dollars in thousands)

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
FUNCTIONS				
Primary Government				
Governmental Activities				
General Government	\$ 512,086	\$ 88,270	\$ 96,102	
Public Safety and Correction	439,116	47,819	9,943	
Health and Human Services	3,079,063	110,847	2,089,449	
Education	2,229,172	14,826	266,416	
Economic Development	996,854	333,084	432,835	\$ 2,587
Natural Resources	303,441	223,435	285,879	1,734
Interest Expense	52,271			
Total Governmental Activities	7,612,003	818,281	3,180,624	4,321
Business-Type Activities				
College and University	1,155,209	494,717	284,909	43,551
Unemployment Compensation	86,600	163,839	2,899	
Loan	6,448	8,480	13,949	
State Lottery	211,916	265,811		
State Liquor	172,786	211,519		
Correctional Industries	9,429	10,312		
Total Business-Type Activities	1,642,388	1,154,678	301,757	43,551
Total Primary Government	\$ 9,254,391	\$ 1,972,959	\$ 3,482,381	\$ 47,872
Component Units				
Idaho Housing and Finance Association	\$ 163,979	\$ 168,287	\$ 48,647	
College and University Foundation	75,092	20,711	94,729	
Petroleum Clean Water Trust	3,455	2,895		
Health Reinsurance	805	600		
Bond Bank Authority	10,669	10,659		
Health Insurance Exchange	23,297	10,446	13	
Total Component Units	\$ 277,297	\$ 213,598	\$ 143,389	\$ 0

Functions show the major programs for which the State spends resources.

This column shows the full cost of the program.

An example of how this statement works: The total cost of the State's Health and Human Services activities was \$3,079.1 million. The State raised \$110.8 million from charges for services, and received \$2,089.4 million from operating grants and contributions, most in the form of federal aid. When program revenues are subtracted from expenses for Health and Human Services, a net expense of \$878.8 million is left. This is the portion of Health and Human Services costs financed with taxes and other general revenues, rather than being financed by the revenues generated by the services themselves.

General revenues include taxes and other revenues the State uses to finance the net expense of the functions above. General revenues are categorized to enhance comparability among financial statements for different years.

Transfers are shown separately from general revenues, allowing you to determine if common annual revenues were sufficient to cover net expenses.

- General Revenues**
 - Sales Tax
 - Individual and Corporate Taxes
 - Fuel Tax
 - Other Taxes
 - Tobacco Settlement
 - Unrestricted Investment Earnings
- Transfers**
- Total General Revenues, Contributions, and Transfers**
- Change in Net Position**
- Net Position - Beginning of Year, as Restated**
- Net Position - End of Year**

This statement can be found in the CAFR on pages 16 and 17.

**Net (Expense) Revenue and Changes in Net Assets
Primary Government**

Are programs self-supporting?

Governmental Activities	Business-Type Activities	Total	Component Units
\$ (327,714)		\$ (327,714)	
(381,354)		(381,354)	
(878,767)		(878,767)	
(1,947,930)		(1,947,930)	
(228,348)		(228,348)	
207,607		207,607	
(52,271)		(52,271)	
<u>(3,608,777)</u>		<u>(3,608,777)</u>	
	\$ (332,032)	(332,032)	
	80,138	80,138	
	15,981	15,981	
	53,895	53,895	
	38,733	38,733	
	883	883	
	<u>(142,402)</u>	<u>(142,402)</u>	
\$ (3,608,777)	\$ (142,402)	\$ (3,751,179)	
		\$ 52,955	
		40,348	
		(560)	
		(205)	
		(10)	
		<u>(12,838)</u>	
		79,690	

The total is obtained by subtracting program revenues from expenses. A (negative) figure indicates the portion of program expenses not covered by program revenues; therefore, the program was partially financed with tax revenues and other general revenues, which are shown on the bottom half of this statement. A positive figure indicates that program revenues exceeded program expenses, making a net contribution to revenues.

1,805,363		1,805,363	
2,091,958		2,091,958	
350,134		350,134	
246,585		246,585	
23,639		23,639	
37,352		37,352	
<u>(255,340)</u>	255,340		
4,299,691	255,340	4,555,031	
690,914	112,938	803,852	79,690
10,548,017	2,461,518	13,009,535	942,602
\$ 11,238,931	\$ 2,574,456	\$ 13,813,387	\$ 1,022,292

Did the State's financial position improve or deteriorate during the fiscal year? The change in net position indicates whether sufficient resources were raised during the year to cover the costs. The net position of governmental activities increased by \$690.9 million, and business-type activities' net position increased by \$112.9 million.

State of Idaho

**Balance Sheet
Governmental Funds
June 30, 2018**

(dollars in thousands)

The Governmental Funds Balance Sheet serves a purpose similar to the Statement of Net Position. This statement reports what is owned or controlled and what is owed by governmental funds. However, the focus is on short-term, rather than long-term, assets and liabilities.

Governmental funds present current financial resources which do not include capital assets or long-term liabilities. Current financial resources are generally turned into cash or consumed within a year.

Fund balance is the difference between assets and deferred outflow of resources, and liabilities and deferred inflow of resources. The definitions of the five fund balances can be found on page 2 of this document. Additional information about the nature and purpose of these fund balances can be found on CAFR pages 113-114.

	General	Health and Welfare
ASSETS		
Cash and Cash Equivalents	\$ 820	
Pooled Cash and Investments	1,115,030	\$ 299
Investments	72,019	621
Accounts Receivable, Net	28,241	47,102
Taxes Receivable, Net	466,205	203
Interfund Receivables	11,392	6
Due from Other Entities		295,344
Inventories and Prepaid Items	19,239	7,268
Loans, Notes, and Pledges Receivable, Net	764	
Other Assets	2,243	109
Restricted Assets:		
Cash and Cash Equivalents	8,686	686
Investments	326,511	4,553
Total Assets	\$ 2,051,150	\$ 356,191
Liabilities		
Accounts Payable	\$ 16,861	\$ 21,093
Payroll and Related Liabilities	13,564	6,629
Medicaid Payable		206,324
Interfund Payables	1,216	2,333
Due to Other Entities	55,439	
Deferred Revenue	7,711	
Amounts Held in Trust for Others	13,474	8,323
Other Accrued Liabilities	2,925	3,727
Total Liabilities	111,190	248,429
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows	194,434	164,277
Fund Balances		
Nonspendable:		
Permanent Trusts		
Inventories and Prepaid Items	19,239	7,268
Noncurrent Receivables	50	
Restricted	399,972	
Committed	369,516	77
Assigned	92,124	
Unassigned	864,625	(63,860)
Total Fund Balances	1,745,526	(56,515)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,051,150	\$ 356,191

This statement can be found in the CAFR on pages 18 and 19.

This statement presents the State's most significant or 'major' funds individually and aggregates nonmajor funds in a single column.

To see the detail of the different funds that make up Nonmajor Governmental, turn to the combining financial statements on CAFR pages 140-141.

	Land	Nonmajor	
Transportation	Endowments	Governmental	Total
\$ 6		\$ 11,875	\$ 12,701
167,850	\$ 123,244	302,409	1,708,832
163,116	2,193,559	99,040	2,528,355
17,806	18,710	25,278	137,137
57,734		6,921	531,063
13		1,196	12,607
35,327		62,628	393,299
22,212		17,349	66,068
197		3,580	4,541
1,058	7,661	1,965	13,036
43,083		153,743	206,198
		117,644	448,708
\$ 508,402	\$ 2,343,174	\$ 803,628	\$ 6,062,545
\$ 61,547	\$ 21,939	\$ 50,612	\$ 172,052
3,778		10,136	34,107
			206,324
554		1,592	5,695
43,020		11	98,470
19,711		7,767	35,189
		1,106	22,903
6,083	3	3,299	16,037
134,693	21,942	74,523	590,777
8,600		27,386	394,697
	1,632,348	7,812	1,640,160
22,212		17,349	66,068
			50
316,173	688,884	556,979	1,962,008
26,724		118,072	514,389
		1,507	93,631
			800,765
365,109	2,321,232	701,719	5,077,071
\$ 508,402	\$ 2,343,174	\$ 803,628	\$ 6,062,545

This statement can be found in the CAFR on pages 18 and 19.

Reconciliation of the Governmental Funds Balance Sheet

To the Statement of Net Position
June 30, 2018

(dollars in thousands)

This reconciliation shows the reasons that total fund balances on the Governmental Funds Balance Sheet differ from total net position for governmental activities on the government-wide Statement of Net Position.

Total Fund Balances - Governmental Funds \$ 5,077,071

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of the following:

Land and Land Use Rights	\$ 1,135,164	The largest difference between the government-wide and governmental fund statements is that fund statements do not report capital assets, such as land, buildings, etc.
Capital Assets in Progress	1,214,835	
Infrastructure	3,888,714	
Historical Art and Collections	72	
Buildings and Improvements	1,133,682	
Improvements Other Than Buildings	174,313	
Machinery, Equipment, and Other	779,706	
Accumulated Depreciation	<u>(1,337,595)</u>	
Total Capital Assets		6,988,891

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds. 93,161

Deferred Outflows of Resources benefit future periods and are not reported in the funds.

The deferred outflows of resources consist of the following:

Debt Defeasance	3,926	
Hedging Derivatives	2,400	
Pension Related Deferrals	65,563	
Rension Contributions Subsequent to Measurement Date	74,390	
OPEB Related Deferrals	<u>10,131</u>	
Total Deferred Outflows of Resources		156,410

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. 135,933

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities consist of the following:

Compensated Absences Payable	(56,455)	The government-wide Statement of Net Position reports long-term liabilities; the Governmental Funds Balance Sheet does not.
Bonds, Notes, and Capital Leases Payable	(894,472)	
Accrued Interest on Bonds	(2,645)	
Claims and Judgments	(195,016)	
Other Long-Term Liabilities	<u>(395,741)</u>	
Total Long-Term Liabilities		(1,544,329)

Deferred Inflows of Resources benefit future periods

The deferred inflows of resources consist of the following:

Unavailable Revenue	392,202	
Pension Related Deferrals	<u>(60,408)</u>	
Total Deferred Inflows of Resources		331,794

Net Position - Governmental Activities \$ 11,238,931

The governmental funds total fund balance of \$5,077.1 million (see CAFR page 19) reconciles to the \$11,238.9 million total of the governmental activities net position reported on the government-wide Statement of Net Position (see CAFR page 14). The difference between these numbers can be seen on this reconciliation which primarily shows that the governmental funds report short-term financial information, whereas the government-wide statements report both short-term and long-term information.

This statement and other similar operating statements (such as the Statement of Activities) contain information for the fiscal year; by contrast, balance sheets and net position statements contain data as of a single point in time—the end of the fiscal year.

State of Idaho

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

For the Fiscal Year Ended June 30, 2018

(dollars in thousands)

This statement shows the flow of short-term resources into and out of the State. In governmental funds, revenues are included only if cash is received during the year or within 60 days of the end of the fiscal year. Revenues are reported by major source.

Expenditures generally are recorded when the State has received the goods or services and payment is due and payable. The expenditures are listed by major functional category.

Capital Outlay shows the purchase, construction, and improvement of capital assets. This amount is different than that of the government-wide statements, which adds the cost to capital assets on the Statement of Net Position and subtracts the cost over the useful life of the asset in the form of depreciation expense.

	General	Health and Welfare
REVENUES		
Sales Tax	\$ 1,783,456	
Individual and Corporate Taxes	2,086,103	
Other Taxes	58,167	\$ 30,238
Licenses, Permits, and Fees	24,743	23,618
Sale of Goods and Services	28,155	110,073
Grants and Contributions	17,637	1,989,937
Investment Income	55,865	(14,313)
Tobacco Settlement	23,639	
Other Income	44,893	10
Total Revenues	4,122,658	2,139,563
EXPENDITURES		
Current:		
General Government	150,410	
Public Safety and Correction	337,503	3,366
Health and Human Services	30,787	2,827,737
Education	1,954,413	
Economic Development	66,094	
Natural Resources	68,588	
Capital Outlay	64,527	15,791
Intergovernmental Revenue Sharing	305,467	68,986
Debt Service:		
Principal Retirement	1,095	
Interest and Other Charges	20,131	
Total Expenditures	2,999,015	2,915,880
Revenues Over (Under) Expenditures	1,123,643	(776,317)
OTHER FINANCING SOURCES (USES)		
Bonds and Notes Issued		
Premium on Bond Issued		
Capital Lease Acquisitions	292	
Sale of Capital Assets	542	101
Transfers In	228,270	729,245
Transfers Out	(1,083,395)	(6,320)
Total Other Financing Sources (Uses)	(854,291)	723,026
Net Change in Fund Balances	269,352	(53,291)
Fund Balances - Beginning of Year, as Restated	1,476,174	(3,224)
Fund Balances - End of Year	\$ 1,745,526	\$ (56,515)

This statement can be found in the CAFR on pages 22 and 23.

Several funds make up the Nonmajor Governmental column. To see greater detail of the individual funds summarized in this column, turn to the combining financial statements on CAFR pages 142 and 143.

	Land	Nonmajor	
Transportation	Endowments	Governmental	Total
\$ 15,713		\$ 6,471	\$ 1,805,640
		27	2,086,130
345,562		162,341	596,308
186,183		184,263	418,807
7,503	\$ 76,137	42,029	263,897
343,626		532,857	2,884,057
1,623	200,981	15,040	259,196
			23,639
2,814	11	18,497	66,225
903,024	277,129	961,525	8,403,899
		74,297	224,707
		66,681	407,550
			2,858,524
		256,373	2,210,786
217,315		208,568	491,977
	38,972	164,232	271,792
450,971		167,762	699,051
200,388		62,690	637,531
31,061		9,524	41,680
24,752		7,972	52,855
924,487	38,972	1,018,099	7,896,453
(21,463)	238,157	(56,574)	507,446
		229,040	229,040
		1,765	1,765
			292
14,508	44,266	1,441	60,858
		50,345	1,007,860
(18,290)	(73,683)	(83,254)	(1,264,942)
(3,782)	(29,417)	199,337	34,873
(25,245)	208,740	142,763	542,319
390,354	2,112,492	558,956	4,534,752
\$ 365,109	\$ 2,321,232	\$ 701,719	\$ 5,077,071

General fund, Land Endowments, and Nonmajor Governmental had positive changes in fund balances (revenues and other financing sources exceeded expenditures and other financing uses). Health & Welfare and Transportation had a negative change in fund balance (expenditures and other financing uses exceeded revenues and other financing sources.)

These fund balances appear on the Governmental Funds Balance Sheet.

This reconciliation shows the reasons the net changes in fund balances on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance differ from the change in net position for governmental activities on the government-wide Statement of Activities.

The net change in fund balances comes from the total column of governmental funds on the Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR page 23).

State of Idaho

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -- Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2018

(dollars in thousands)

Net Change in Fund Balances - Governmental Funds	\$	542,319
<p>Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, these costs are allocated as depreciation expense. Capital outlays exceeded depreciation expense in the current year by the following amount:</p>		
Capital Outlay	\$	415,975
Depreciation Expense		<u>(118,414)</u>
		297,561
Miscellaneous transactions involving capital assets such as sales (gain/loss) and donations are reported in the Statement of Activities but only proceeds from sales are reported in the governmental funds.		(17,982)
Revenues reported in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		116,604
<p>The issuance of long-term debt provides current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the Statement of Net Position. In the current year the following debt was incurred:</p>		
Bonds and Notes		(229,040)
Premium on Bonds Issued		(1,765)
Capital Leases		<u>(292)</u>
		(231,097)
<p>Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consisted of:</p>		
Bond and Note Principal		40,564
Capital Leases		<u>1,117</u>
		41,681
Reduction in note principal not reported as an expenditure in governmental funds		9,880
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Some expenditures reported in the governmental funds either increase or decrease long-term liabilities reported in the Statement of Net Position. In the current year these amounts consisted of:</p>		
Accrued Interest and Amortization		(803)
Compensated Absences		(2,241)
Claims and Judgments		(122,204)
Other Long-Term Liabilities		<u>28,821</u>
		(96,427)
Internal service funds are reported separately from governmental funds in the fund statements. In the government-wide statements, internal service funds are included with governmental activities.		28,375
Change in Net Position - Governmental Activities	\$	<u>690,914</u>

Internal service funds are reported in proprietary fund statements because they operate like a business and charge state agencies a price for goods and services in order to recover their costs. Since they provide goods and services mainly to other funds of the State, internal service funds are included with the governmental activities in the government-wide statements.

This is the amount you will find in the Governmental Activities column on the government-wide Statement of Activities (CAFR page 17).

This statement can be found in the CAFR on page 25.

State of Idaho

**Statement of Net Position
Proprietary Funds
June 30, 2018**

(dollars in thousands)

Proprietary funds account for operations that function in a manner similar to private business, where the cost of providing goods or services is primarily financed through user charges. Two types of proprietary funds are reported: enterprise and internal service. Enterprise funds account for goods or services provided outside of state government; internal service funds provide goods or services to state agencies on a cost-reimbursement basis. Enterprise funds and business-type activities on the government-wide Statement of Net Position are synonymous.

Business-Type Activities--Enterprise Funds

	College and University	Unemployment Compensation	Loan
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 62,932	\$ 610,051	\$ 92
Pooled Cash and Investments	147,875	4,703	20,453
Investments	97,514		
Accounts Receivable, Net	65,274	47,699	2,136
Interfund Receivables	3,850	68	
Inventories and Prepaid Items	11,354		
Due from Component Unit	3,286		
Loans, Notes, and Pledges Receivable, Net	4,768		21,036
Other Current Assets	1,164	6	3,772
Total Current Assets	398,017	662,527	47,489
Noncurrent Assets			
Restricted Cash and Cash Equivalents	16,713		33,164
Investments	177,754	189,687	
Restricted Investments			117,431
Loans, Notes, and Pledges Receivable, Net	28,258		381,276
Other Noncurrent Assets	2,794		
Capital Assets, Net	1,206,125		39,767
Total Noncurrent Assets	1,431,644	189,687	571,638
Total Assets	1,829,661	852,214	619,127
Deferred Outflow of Resources			
Deferred Outflows	34,898		
Total Assets and Deferred Outflows of Resources	\$ 1,864,559	\$ 852,214	\$ 619,127
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 21,258		
Payroll and Related Liabilities	33,180		
Interfund Payables	4,440		
Due to Other Entities			
Unearned Revenue	32,943		\$ 12,173
Amounts Held in Trust for Others	4,320		
Due to Component Unit	198		
Other Accrued Liabilities	13,259	\$ 402	4
Compensated Absences Payable	23,217		
Bonds, Notes, and Capital Leases Payable	20,854		
Policy Claim Liabilities			
Total Current Liabilities	153,669	402	12,177
Noncurrent Liabilities			
Bonds, Notes, and Capital Leases Payable	452,125		
Policy Claim Liabilities			
Other Long-Term Obligations	151,826		
Total Noncurrent Liabilities	603,951		
Total Liabilities	757,620	402	12,177
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows	64,898		
NET POSITION			
Net Investment in Capital Assets	753,228		39,766
Restricted for:			
Claims and Judgments			
Unemployment Compensation		851,812	
Permanent Trust - Expendable	54,740		
Other Purposes			567,184
Unrestricted	234,073		
Total Net Position	1,042,041	851,812	606,950
Total Liabilities and Net Position	\$ 1,864,559	\$ 852,214	\$ 619,127

The State is prohibited from using restricted assets for operating purposes. Sources of restrictions include laws and regulations, donor restrictions, and agreements connected with outstanding debt.

Additional details on capital assets and infrastructure can be found in the Notes to the Financial Statements (CAFR pages 43-44 and 75-76) and the Required Supplementary Information (CAFR pages 127-128).

Additional details on noncurrent (long-term) liabilities can be found in the Notes to the Financial Statements (CAFR pages 44-45 and 106-112).

The amount reported for total net position on this statement differs from the amount reported for Business-Type Activities on the government-wide Statement of Net Position because of a \$8,495 consolidation adjustment for internal service fund activities on the government-wide statement.

This statement can be found in the CAFR on pages 26 and 27.

Several funds make up the Nonmajor Enterprise Funds column. To see greater detail of the individual funds included in this column, turn to the combining financial statements (CAFR page 142).

		Governmental Activities	
Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 2,577	\$ 675,652		
28,319	201,350	\$ 75,667	
	97,514		
2,650	117,759	1,191	
153	4,071	817	
18,696	30,050	4,271	
	3,286		
	25,804		
174	5,116	383	
52,569	1,160,602	82,329	
55,748	105,625	32,872	
	367,441	48,992	
	117,431		
	409,534		
	2,794		
12,097	1,257,989	14,848	
67,845	2,260,814	96,712	
120,414	3,421,416	179,041	
2,262	37,160	2,291	
\$ 122,676	\$ 3,458,576	\$ 181,332	
\$ 12,814	\$ 34,072	\$ 1,197	
608	33,788	541	
7,348	11,788	12	
7,905	7,905		
264	45,380	19,149	
	4,320		
	198		
3,680	17,345	92	
766	23,983	866	
42	20,896	320	
		5,973	
33,427	199,675	28,150	
59	452,184	1,394	
		9,240	
6,059	157,885	5,693	
6,118	610,069	16,327	
39,545	809,744	44,477	
983	65,881	922	
11,995	804,989	13,134	
		32,872	
	851,812		
	54,740		
70,153	637,337	81,220	
	234,073	8,707	
82,148	2,582,951	135,933	
\$ 122,676	\$ 3,458,576	\$ 181,332	

Internal service funds are included with governmental activities in the government-wide statements. To see greater detail of the individual funds included in this column, turn to the combining financial statements (CAFR page 158).

As a general rule, current assets and liabilities on the proprietary fund statements are those assets and liabilities expected to mature within one year of the end of the fiscal period (June 30). Noncurrent assets and liabilities are those assets and liabilities expected to mature in more than one year from the end of the fiscal period.

Restricted assets are generally not included as part of current assets because of constraints placed on their use. Assets are reported as restricted when restrictions on asset use are imposed by law or external parties, and the constraints change the nature or normal understanding of the availability of the assets. Likewise, liabilities to be repaid from restricted assets are not included as part of current liabilities.

This total net position amount is typically the same amount for business-type activities in the government-wide Statement of Net Position (CAFR page 14) and the ending net position shown on the Statement of Activities (CAFR page 17). See the bottom of page 26 for an explanation as to why the amounts are not equal.

The total net position amount is the same as the ending net position shown on the Statement of Revenues Expenditures, and Changes in Fund Net Position (CAFR page 29).

State of Idaho

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the Fiscal Year Ended June 30, 2018

(dollars in thousands)

Proprietary funds report activities the State operates similar to a business. Proprietary activities charge a fee to users that covers most of the cost of providing the service.

Enterprise funds account for goods or services provided to those outside of state government.

Business-Type Activities-Enterprise

	College and University	Unemployment Compensation	Loan
OPERATING REVENUES			
Assessments		\$ 154,581	
Licenses, Permits, and Fees	\$ 441,654		\$ 3,241
Scholarship Allowances	(89,362)		
Sale of Goods and Services	121,303		1,636
Grants and Contributions	158,349	2,899	13,949
Other Income	17,107		4
Total Operating Revenues	649,051	157,480	18,830
OPERATING EXPENSES			
Personnel Costs	740,695		
Services and Supplies	247,763	1	2,390
Benefits, Awards, and Premiums	63,473	86,524	
Depreciation	65,919		187
Other Expenses	20,352	75	959
Total Operating Expenses	1,138,202	86,600	3,536
Operating Income (Loss)	(489,151)	70,880	15,294
NONOPERATING REVENUES (EXPENSES)			
Gifts and Grants	126,560		
Investment Income	2,794	9,258	3,599
Interest Expense	(16,456)		
Intergovernmental Distributions			(2,912)
Gain (Loss) on Sale of Capital Assets	(551)		
Other Nonoperating Revenues (Expenses)	1,221		
Total Nonoperating Revenues (Expenses)	113,568	9,258	687
Income (Loss) Before Contributions and Transfers, and Special Item	(375,583)	80,138	15,981
Capital Contributions	43,551		
Transfers In	347,393	681	3,295
Transfers Out	(1,337)	(7,257)	(1,706)
Change in Net Position	14,024	73,562	17,570
Total Net Position - Beginning of Year, as Restated	1,028,017	778,250	589,380
Total Net Position - End of Year	\$ 1,042,041	\$ 851,812	\$ 606,950

Capital contributions are amounts received for purchasing or building capital assets or the receipt of a capital asset.

While most proprietary funds are self-supported by fees charged for goods and services, some rely on subsidies from other funds, governments, entities, or individuals.

Internal service funds provide services or goods to other state agencies and other governmental units.

Governmental Activities

Funds			
Nonmajor Enterprise Funds	Total	Internal Service Funds	
	\$ 154,581		
\$ 4	444,899	\$ 1	
	(89,362)		
486,425	609,364	374,068	
→	175,197	140	
974	18,085	2,497	
487,403	1,312,764	376,706	
17,487	758,182	15,843	
153,394	403,548	22,208	
176,188	326,185	305,576	
1,172	67,278	1,275	
8,671	30,057	6,675	
356,912	1,585,250	351,577	
130,491	(272,486)	25,129	
	126,560		
239	15,890	1,587	
(7)	(16,463)	(76)	
(37,206)	(40,118)		
(6)	(557)	(1)	
	1,221	(6)	
(36,980)	86,533	1,504	
93,511	(185,953)	26,633	
	43,551		
→	351,369	1,742	
(85,729)	(96,029)		
7,782	112,938	28,375	
74,366	2,470,013	107,558	
\$ 82,148	\$ 2,582,951	\$ 135,933	

Operating revenues include fees and charges received from providing goods or services to customers in the course of the fund's principal ongoing activity.

Operating expenses are the costs paid for goods or services in the course of the fund's principal ongoing activity.

This line shows whether or not the operating revenues generated were sufficient to cover expenses.

Nonoperating revenues (expenses) represent nonexchange transactions and those transactions outside the course of the fund's principal ongoing activity.

You can use this line to judge the financial sustainability of the activities. A loss indicates that an activity is not supporting itself and must use resources accumulated from the past, push costs off to the future, or utilize some other financing method to cover costs.

Several funds make up the Nonmajor Enterprise Funds column. To see greater detail of the individual funds included in this column, turn to the combining financial statements (CAFR page 154).

The State has several internal service funds. To see greater detail of the individual funds aggregated in this column, turn to the combining financial statements (CAFR page 158).

This statement can be found in the CAFR on pages 28 and 29.

State of Idaho

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2018
(dollars in thousands)

This statement shows how the proprietary funds met or did not meet their cash needs.

		Business-
		College and
		University
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating activities relate to providing services and the production and sales of goods.	Receipts from Assessments	
	Receipts from Customers	\$ 472,495
	Receipts from Interfund Services	
	Receipts from Grants and Contributions	163,939
	Payments to Employees	(732,447)
	Payments to Suppliers	(256,216)
	Payments for Interfund Services	
	Payments for Benefits, Awards, and Claims	(57,139)
	Other Receipts	16,299
	Other Payments	(10,481)
Net Cash Provided (Used) by Operating Activities		(403,550)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Noncapital financing activities relate to grants, transfers, and borrowing money for purposes other than buying or building capital assets.	Gifts, Grants, and Endowments Received	122,830
	Intergovernmental Distributions	
	Transfers In	347,393
	Transfers Out	(1,337)
	Proceeds from Bonds, Notes, and Loans	174,316
	Repayments of Bonds, Notes, and Loans	(172,374)
	Interest Payments	
Net Cash Provided (Used) by Noncapital Financing Activities		470,828
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital and related financing activities relate to receipt and use of cash for purchase or construction of capital assets.	Capital Grants and Contributions	20,278
	Proceeds from Bonds and Notes	55,343
	Principal Payments	(57,202)
	Interest Payments	(19,942)
	Proceeds from Disposition of Capital Assets	2
	Acquisition and Construction of Capital Assets	(60,194)
Net Cash Provided (Used) by Capital and Related Financing Activities		(61,715)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing activities relate to the sale, purchase, and earnings from investments.	Receipt of Interest and Dividends	5,646
	Purchase of Investments	(385,496)
	Redemption of Investments	354,528
	Other Investing Activities	(1,278)
	Net Cash Provided (Used) by Investing Activities	
Net Increase (Decrease) in Cash, Cash Equivalents, and Pooled Cash		(21,037)
Beginning Cash, Cash Equivalents, and Pooled Cash		248,557
Ending Cash, Cash Equivalents, and Pooled Cash		\$ 227,520
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
The reconciliation explains the differences between the flows of cash described here and the operating income (loss) reported on an accrual basis on the Statement of Revenues, Expenses, and Changes in Fund Net Position for proprietary funds.	Operating Income (Loss)	\$ (489,151)
	Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
	Depreciation and Amortization	65,919
	Maintenance Costs Paid by Department of Public Works	1,570
	Net Changes in Assets and Liabilities:	
	Accounts Receivable/Interfund Receivables	10,253
	Inventories and Prepaid Items	(1,707)
	Notes Receivable	671
	Other Assets	(418)
	Accounts Payable/Interfund Payables	(481)
	Unearned Revenue	
	Compensated Absences	1,251
	Policy Claim Liabilities	
	Other Accrued Liabilities	6,313
	Net Changes in Deferred Outflows/Inflows of Resources	2,230
Net Cash Provided (Used) by Operating Activities		\$ (403,550)
Noncash transactions are not reported on the Statement of Revenues, Expenses, and Changes in Fund Net Position or in the Statement of Cash Flows.	Noncash Transactions (dollars in thousands):	
	Investments decreased in fair value by \$2,128 for colleges and universities, \$2,974 for Unemployment Compensation, \$2,108 for the Loan Fund, and \$879 for Internal Service funds. Colleges and universities acquired assets of \$33,686 through donations, \$637 through state capital appropriations, a service concession agreement asset of \$34,306, and amortization of deferred amounts on refunding and bond premiums of \$794.	

This statement can be found in the CAFR on pages 30 and 31.

Several funds make up the Nonmajor Enterprise Funds column. To see greater detail of the individual funds aggregated in this column, turn to the combining financial statements (CAFR page 152).

The State has several internal service funds. To find greater detail of the individual funds aggregated in this column, turn to the combining financial statements (CAFR page 156).

Type Activities--Enterprise Funds				Governmental Activities	
Unemployment Compensation	Loan	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$ 164,827		\$ 482,006	\$ 164,827	\$ 28,656	
	\$ 3,461	4,815	957,962	350,046	
2,899	13,949	(18,008)	180,787	140	
(1)	(2,639)	(158,983)	(750,455)	(16,616)	
(86,463)	(43)	(842)	(417,839)	(25,444)	
	4	3	(885)	(1,505)	
(75)	(940)	(450)	(318,472)	(301,501)	
81,187	13,792	133,671	(11,946)	8	
			(174,900)	(1,842)	
				31,942	
			122,830		
681	(2,912)	(36,611)	(39,523)	1,742	
(7,257)	3,295	(85,110)	351,369		
	(1,706)		(95,410)		
			174,316		
			(172,374)		
(6,576)	(1,323)	(121,721)	341,208	1,742	
			20,278		
			55,343		
		(88)	(57,290)	(289)	
		(7)	(19,949)	(92)	
			2	7	
	(933)	(1,077)	(62,204)	(1,964)	
	(933)	(1,172)	(63,820)	(2,338)	
12,244	7,728	296	25,914	2,658	
(3,829)	(44,869)		(434,194)	(1,003)	
4,576	14,299		373,403	196	
	(1)	(37)	(1,316)	(65)	
12,991	(22,843)	259	(36,193)	1,786	
87,602	(11,307)	11,037	66,295	33,132	
527,152	65,016	75,607	916,332	75,407	
\$ 614,754	\$ 53,709	\$ 86,644	\$ 982,627	\$ 108,539	
\$ 70,880	\$ 15,294	\$ 130,491	\$ (272,486)	\$ 25,129	
	187	1,172	67,278	1,275	
			1,570		
	(716)	(878)	8,659	(1,082)	
		944	(763)	(254)	
			671		
10,469		434	10,485	2,394	
	(273)	1,786	1,032	344	
(19)	(700)	264	(455)	845	
		30	1,281	(93)	
				4,075	
(143)		(1,445)	4,725	(691)	
		873	3,103		
\$ 81,187	\$ 13,792	\$ 133,671	\$ (174,900)	\$ 31,942	

This amount includes both unrestricted and restricted cash on the Proprietary Funds Statement of Net Position.

Noncash Transactions (dollars in thousands):

The Loan Fund had loan forgiveness in the amount of \$2,913 and capitalized interest of \$115. Nonmajor Enterprise funds disposed of an asset at a loss of \$6. The Internal Service funds at a loss of \$8. Nonmajor Enterprise funds recorded an interfund payable of \$438 due on July 1, 2018, and an interfund transfer of \$619. Nonmajor Enterprise fund proceeds from note payable for \$74. Restated net position by \$488 for the Nonmajor Enterprise funds and by \$367 for the Internal Service funds due to the implementation of GASB Statement No. 75.

This statement can be found in the CAFR on pages 30 and 31.

State of Idaho

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2018

(dollars in thousands)

The Investment Trust fund reports the portion of the State's investment pools that belongs to other governments, allowing localities to earn income from spare cash until it is needed. To learn more about the different funds combined in this column, turn to the Notes to the Financial Statements (CAFR page 47) and the combining financial statements (CAFR page 164).

Fiduciary funds account for resources the State manages or holds on behalf of others. Fiduciary funds are not available to support the State's programs.

	Pension Trust	Investment Trust	College Savings Private-Purpose Trust	Agency
ASSETS				
Cash and Cash Equivalents	\$ 4,096	\$ 5,784	\$ 552	\$ 14,420
Pooled Cash and Investments	8,586			29,083
Investments:				
Pooled Short Term	287,556	711,020	12,065	
Fixed Income Investments	4,128,352	1,800,919		428,854
Marketable Securities	10,746,618			
Mutual Funds and Private Equities	2,216,186		433,133	
Mortgages and Real Estate	1,345,380	82,953		
Other Investments	2,052		15,468	
Receivables:				
Investments Sold	76,756		58	
Contributions	4,498			
Interest and Dividends	58,917	5,301		60
Interfund Receivables	2,190			
Other Receivables				57
Other Assets	74,116			
Capital Assets, Net	11,493			
Total Assets	18,966,796	2,605,977	461,276	\$ 472,474
LIABILITIES				
Accounts Payable	709	866	361	
Interfund Payables	2,190			
Due to Other Entities				2,170
Amounts Held in Trust for Others				471,579
Investments Purchased	176,756		47	
Policy Claim Liabilities	2,302			
Other Accrued Liabilities	12,008	3,782		(1,275)
Total Liabilities	193,965	4,648	408	\$ 472,474
NET POSITION				
Held in Trust for:				
Net Position Restricted for Pensions	18,213,164			
Net Position Restricted for OPEB	556,608			
External Investment Pool Participants		2,601,329		
Trust Beneficiaries	3,059		460,868	
Total Net Position	\$ 18,772,831	\$ 2,601,329	\$ 460,868	

Agency funds contain resources held on a temporary, purely custodial basis. Every resource held by these funds is due to be passed along to the individuals or organizations to which it belongs; therefore, assets equal liabilities at all times and the fund has no net assets. To learn more about the different funds combined in this column, turn to the combining financial statements (CAFR page 168).

Pension Trust funds report resources held in trust for the members and beneficiaries of employee benefit plans. To learn more about the different funds combined in this column, turn to the Notes to the Financial Statements (CAFR pages 79-87) and the combining financial statements (CAFR pages 160-161).

The College Savings Private-Purpose Trust Fund accounts for the activities of the Idaho College Savings Program, which helps individuals save for higher education costs.

This statement can be found in the CAFR on page 32.

State of Idaho

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Fiscal Year Ended June 30, 2018

(dollars in thousands)

Agency Funds are not included in this statement because they do not have net position.

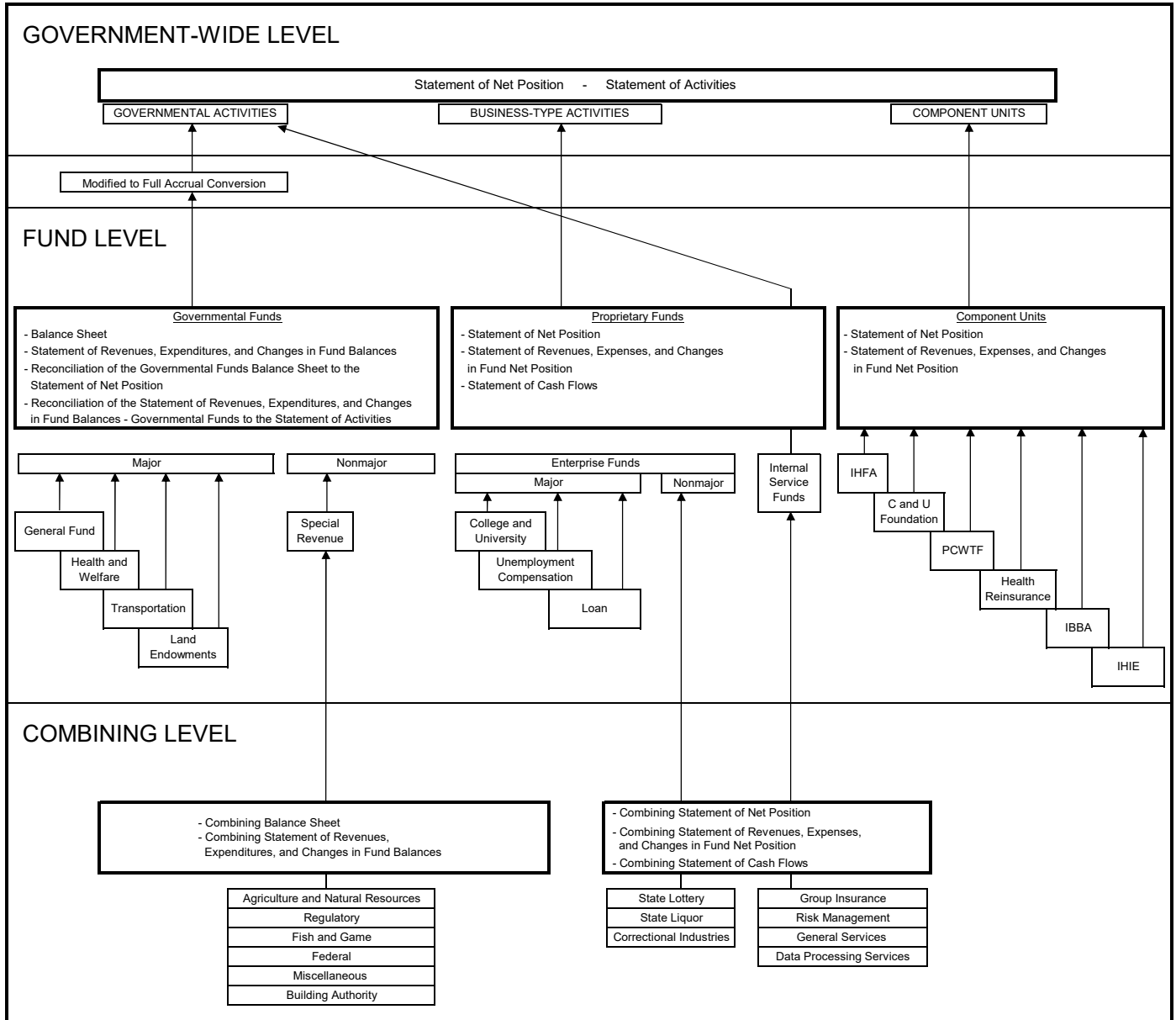
Additions increase the net position of a fiduciary fund and include contributions from employers, contributions from employees, and investment earnings.

Deductions reduce net position and primarily take the form of benefit payments, distributions to participants, and general administrative costs.

	Pension Trust	Investment Trust	College Savings Private-Purpose Trust
ADDITIONS			
Contributions:			
Member	\$ 322,776		
Employer	432,659		
Transfers In from Other Plans	25,570		
Participant Deposits		\$ 5,037,614	\$ 66,210
Total Contributions	781,005	5,037,614	66,210
Investment Income:			
Net Increase (Decrease) in Fair Value of Investments	1,154,133	875	17,051
Interest, Dividends, and Other	391,567	21,284	9,939
Less Investment Expense:			
Investment Activity Expense	(49,737)	(364)	
Securities Lending Interest Expense			
Net Investment Income	1,495,963	21,795	26,990
Miscellaneous Income	49		
Total Additions	2,277,017	5,059,409	93,200
DEDUCTIONS			
Benefits and Refunds Paid to Plan Members	1,016,497		
Transfers Out to Other Plans			
Administrative Expense	13,526		1,991
Earnings Distribution		33,196	
Participant Withdrawals	22,521	4,714,763	39,438
Total Deductions	1,052,544	4,747,959	41,429
Change in Net Position Held in Trust for:			
Employee Pension Benefits	1,169,356		
Employee Postemployment Healthcare Benefits	53,391		
External Investment Pool Participants		311,450	
Trust Beneficiaries	1,726		51,771
Net Position - Beginning of Year	17,548,358	2,289,879	409,097
Net Position - End of Year	\$ 18,772,831	\$ 2,601,329	\$ 460,868

With the data in this statement, as well as the Notes (CAFR pages 79-87) and the Required Supplementary Information (CAFR pages 129-131), you can begin to assess the fiscal health of the pension plan. Are the assets growing or declining? How much are the earnings from investments? Is the State making the necessary contributions as an employer? This column includes several Pension Trust funds. To find greater detail of the individual funds aggregated in this column, turn to the combining financial statements (CAFR pages 162-163).

CAFR Fund Structure



IHFA - Idaho Housing and Finance Association, including its component unit, The Housing Company
 C and U Foundation - College and University Foundation
 PCWTF - Petroleum Clean Water Trust Fund
 Health Reinsurance - Idaho Individual High Risk Reinsurance Pool and Idaho Small Employer Health Reinsurance Program
 IBBA - Idaho Bond Bank Authority
 IHIE - Idaho Health Insurance Exchange