

EMMETT SCHOOL DISTRICT NO. 221

Report on Audited
Basic
Financial Statements
and
Additional Information

For the Year Ended June 30, 2020

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Emmett School District No. 221

Title Page

Board of Trustees

Houston White	Chairperson
Michael Garner	Vice Chairperson
Ross Walker	Treasurer
Jody Harris	Trustee
Ronnie Weekes	Trustee
Michael Kimball	Trustee

Administrators

Craig Woods	Superintendent
Cheryl LaMunyon	Business Manager
Angela Mattingly	Clerk



ZWYGART JOHN

CERTIFIED PUBLIC ACCOUNTANTS

Zwygart John & Associates CPAs, PLLC

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Phone: 208-459-4649 ♦ FAX: 208-229-0404

Independent Auditor's Report

To the Board of Trustees
Emmett School District No. 221
Emmett, 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 Emmett School District No. 221 (the District), as of and for the year ended June 30, 2020 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 from material misstatement.

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

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

Basis for Qualified Opinion on Governmental Activities

Management has not performed the actuarial calculations for other post-employment benefits for the governmental activities and, accordingly, has not considered the District's other post-employment benefit liability. Accounting principles generally accepted in the United States of America require that a liability be recorded for other post-employment benefits, which would decrease net assets, increase liabilities, and increase expenses in the governmental activities. The amount by which this departure would affect net assets, liabilities, and expenses in the governmental activities is not reasonably determinable.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Emmett School District No. 221, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of Emmett School District No. 221, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the budgetary comparison information, schedule of the District's proportionate share of the Net Pension Liability, and schedule of District contributions on pages 30 through 33 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 responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America required to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Emmett School District No. 221's basic financial statements. The combining nonmajor fund

financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the basic financial statements.

The combining nonmajor fund financial statements 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, combining nonmajor fund financial statements 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 September 24, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
September 24, 2020

Emmett School District No. 221
Statement of Net Position
June 30, 2020

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 2,576,188
Receivables, Net:	
Property Taxes	561,212
Intergovernmental	1,571,512
Interest	4,177
Inventory	49,534
Prepaid Expenses	14,418
Capital Assets:	
Land	425,000
Buildings, Net	7,311,805
Buildings Improvements, Net	2,339,992
Equipment, Net	1,353,571
Land Improvements, Net	143,109
Total Assets	<u>16,350,518</u>
Deferred Outflows	
Pension Related Items	1,992,364
Total Deferred Outflows	<u>1,992,364</u>
Liabilities	
Salaries and Benefits Payable	2,324,487
Accrued Interest	1,187
Long-Term Liabilities:	
Due Within One Year:	
Capital Lease	87,935
Due in More Than One Year:	
Capital Lease	91,462
Net Pension Liability	3,778,918
Total Liabilities	<u>6,283,989</u>
Deferred Inflows	
Pension Related Items	2,109,400
Total Deferred Inflows	<u>2,109,400</u>
Net Position	
Invested in Capital Assets, Net of Related Debt	11,394,080
Restricted for:	
Capital Projects	68,555
Special Revenue	483,016
Unrestricted Surplus	(1,996,158)
Total Net Position	<u><u>\$ 9,949,493</u></u>

The accompanying notes are an integral
part of the financial statements.

Emmett School District No. 221
Statement of Activities
For the Year Ended June 30, 2020

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Governmental Activities
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
Instruction	\$ 11,276,108	\$ -	\$ 2,116,704	\$ -	\$ 9,159,404
Support Services	9,018,479	-	842,194	-	8,176,285
Food Service	1,077,345	210,639	210,639	-	656,067
Interest	9,089	-	-	-	9,089
Total Governmental Activities	<u>\$ 21,381,021</u>	<u>\$ 210,639</u>	<u>\$ 3,169,537</u>	<u>\$ -</u>	<u>18,000,845</u>
General Revenues:					
Property Taxes					1,540,374
State Sources					15,841,648
Earnings on Investments					75,913
Other					536,246
Total General Revenues and Special Items					<u>17,994,181</u>
Change in Net Position					(6,664)
Net Position - Beginning					9,956,157
Net Position - Ending					<u>\$ 9,949,493</u>

The accompanying notes are an integral
part of the financial statements.

Emmett School District No. 221Balance Sheet -
Governmental Funds
June 30, 2020

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 2,239,913	\$ 336,275	\$ 2,576,188
Receivables, Net:			
Property Taxes	561,212	-	561,212
Interest	4,177	-	4,177
Intergovernmental	688,242	883,270	1,571,512
Internal Balances	333,959	-	333,959
Inventory	-	49,534	49,534
Prepaid Expenses	5,362	9,056	14,418
Total Assets	<u>\$ 3,832,865</u>	<u>\$ 1,278,135</u>	<u>\$ 5,111,000</u>
 Liabilities and Fund Balances			
Liabilities:			
Interfund Balance	\$ -	\$ 333,959	\$ 333,959
Salaries and Benefits Payable	1,931,882	392,605	2,324,487
Total Liabilities	<u>1,931,882</u>	<u>726,564</u>	<u>2,658,446</u>
 Deferred Inflows			
Unearned Revenue - Property Tax	65,608	-	65,608
Total Deferred Inflows	<u>65,608</u>	<u>-</u>	<u>65,608</u>
 Fund Balances:			
Nonspendable:			
Inventory	-	49,534	49,534
Prepaid Expenses	5,362	9,056	14,418
Restricted	-	492,981	492,981
Unassigned	1,830,013	-	1,830,013
Total Fund Balances	<u>1,835,375</u>	<u>551,571</u>	<u>2,386,946</u>
 Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 3,832,865</u>	<u>\$ 1,278,135</u>	<u>\$ 5,111,000</u>

The accompanying notes are an integral
part of the financial statements.

Emmett School District No. 221
Reconciliation of the Balance Sheet of the Governmental
Funds to the Statement of Net Position
June 30, 2020

Total Fund Balances - Governmental Funds \$ 2,386,946

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

Capital assets used in governmental activities are not financial resources and, therefore,

Land	\$ 425,000	
Buildings, Net of \$14,932,410 Accumulated Depreciation	7,311,805	
Buildings Improvements, Net of \$1,511,802 Accumulated Depreciation	2,339,992	
Equipment, Net of \$3,840,453 Accumulated Depreciation	1,353,571	
Land Improvements, Net of \$59,988 Accumulated Depreciation	143,109	
Total Capital Assets		11,573,477

Property taxes receivable will be collected this year, but are not available soon enough to pay for current period expenditures and, therefore, are deferred in the funds. 65,608

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 consist of:

Accrued Interest on Long-term Debt	\$ (1,187)	
Capital Leases	(179,397)	
Total Long-Term Liabilities		(180,584)

The District participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.

Net Pension Liability	\$ (3,778,918)	
Pension Related Deferred Inflows	(2,109,400)	
Pension Related Deferred Outflows	1,992,364	
		(3,895,954)

Total Net Position-Governmental Activities \$ 9,949,493

Emmett School District No. 221
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds
For the Year Ended June 30, 2020

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$ 1,547,290	\$ -	\$ 1,547,290
State Sources	15,512,124	329,524	15,841,648
Charges for Services	-	210,639	210,639
Grants and Contributions	-	3,169,537	3,169,537
Earnings on Investments	75,913	-	75,913
Other	488,920	47,326	536,246
Total Revenues	<u>17,624,247</u>	<u>3,757,026</u>	<u>21,381,273</u>
Expenditures			
Current:			
Instruction	9,875,969	1,573,436	11,449,405
Support Services	7,278,882	668,069	7,946,951
Food Service	25,555	1,048,179	1,073,734
Debt Service:			
Principal	84,545	-	84,545
Interest	9,648	-	9,648
Capital Outlay	123,316	330,135	453,451
Total Expenditures	<u>17,397,915</u>	<u>3,619,819</u>	<u>21,017,734</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>226,332</u>	<u>137,207</u>	<u>363,539</u>
Other Financing Sources (Uses)			
Transfers In	58,262	104,344	162,606
Transfers Out	(104,344)	(58,262)	(162,606)
Total Other Financing Sources (Uses)	<u>(46,082)</u>	<u>46,082</u>	<u>-</u>
Net Change in Fund Balances	<u>180,250</u>	<u>183,289</u>	<u>363,539</u>
Fund Balances - Beginning, Previous	1,655,175	368,232	2,023,407
Prior Period Adjustment	(50)	50	-
Fund Balances - Beginning, Restated	<u>1,655,125</u>	<u>368,282</u>	<u>2,023,407</u>
Fund Balances - Ending	<u>\$ 1,835,375</u>	<u>\$ 551,571</u>	<u>\$ 2,386,946</u>

The accompanying notes are an integral
part of the financial statements.

Emmett School District No. 221
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Total Net Change in Fund Balance - Governmental Funds	\$	363,539
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Amounts reported for governmental activities in the Statement of Activities are different

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. In the current period these amounts are:

Capital Outlay	\$ 153,103	
Depreciation Expense	(848,197)	
Gain/Loss on Disposal of Asset	<u>0</u>	
Net		(695,094)

Accrued interest on long-term debt.		559
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Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities.

		(6,916)
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Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long term liabilities and does not affect the Statement of Activities. Similarly, repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Bond Payable	\$ <u>84,545</u>	84,545
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The District participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities.

		<u>246,703</u>
Change in Net Position of Governmental Activities	\$	<u><u>(6,664)</u></u>

The accompanying notes are an integral
part of the financial statements.

Emmett School District No. 221
Statement of Fiduciary Net Position
June 30, 2020

	Agency Funds	Private - Purpose Trust Fund	Total
Assets			
Cash and Cash Equivalents	\$ 390,189	\$ 22,491	\$ 412,680
Short Term Investments	-	44,903	44,903
Total Assets	<u>\$ 390,189</u>	<u>\$ 67,394</u>	<u>\$ 457,583</u>
Liabilities			
Due to Student Groups	<u>\$ 412,680</u>	<u>\$ -</u>	<u>\$ 412,680</u>
Net Position			
Restricted for Scholarships	<u>(22,491)</u>	<u>67,394</u>	<u>44,903</u>
Total Liabilities and Net Position	<u>\$ 390,189</u>	<u>\$ 67,394</u>	<u>\$ 457,583</u>

The accompanying notes are an integral
part of the financial statements.

Emmett School District No. 221
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	Private - Purpose Trust Fund
Additions	
Contributions	\$ 4,429
Investment Income	23
Transfer	22,491
Total Additions	<u>26,943</u>
Deductions	
Scholarships Awarded	<u>4,700</u>
Total Deductions	<u>4,700</u>
Changes in Net Position	22,243
Net Position - Beginning of Year	45,151
Net Position - End of Year	<u><u>\$ 67,394</u></u>

The accompanying notes are an integral
part of the financial statements.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Emmett School District No. 221 (the "District") is governed by the School District Board of Trustees (the "Board"), which has responsibility and control over all activities related to public school education within the District. The District receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by generally accepted accounting principles. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters. In addition, the District's reporting entity does not contain any component units as defined in Governmental Accounting Standards.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses—expenses of the District related to the administration and support of the District's programs, such as personnel and accounting—are not allocated to programs.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements: The fund financial statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category—*governmental and fiduciary*—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

- *General fund.* This is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The District reports the following fiduciary fund types:

- *Private-Purpose Trust fund.* This fund reports a trust arrangement under which principal and income benefit a college scholarship program.
- *Agency funds.* These funds account for assets held by the District as an agent for various student groups and clubs.

Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet. The District uses the following fund balance categories in the governmental fund Balance Sheet:

- *Nonspendable.* Balances in inventories that are permanently precluded from conversion to cash.
- *Restricted.* Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Committed.* Amounts to be used for a specific purpose pursuant to a formal action of the District's highest level of decision-making authority.
- *Unassigned.* Balances available for any purpose.

The remaining fund balance classification (assigned) is not applicable. However, if there had been assigned funds, these amounts would have been decided by the Superintendent or his designee. For committed amounts, the Board of Trustees is the District's highest level of decision-making authority. Formal action includes a board motion and approval.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

It is the District's policy that when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All special revenue funds are restricted by either the federal government or the State of Idaho and must be spent according to the stipulations of the corresponding federal or state program. The State of Idaho also requires that capital projects and debt service be accounted for in their own funds, and therefore, are also restricted.

C. Assets and Liabilities

Cash Equivalents

The District requires all cash belonging to the District to be placed in custody of the Clerk/Business Manager. A "Pooled Cash" concept is therefore used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in the pooled cash and investment accounts are considered to be cash and cash equivalents.

Inventories

Inventories on government-wide and fund financial statements are stated at cost and are expensed when used. Inventory in governmental funds consists of expendable supplies held for consumption.

Property Taxes

The District levies its real property taxes through Gem and Boise Counties by the 2nd Monday in September of each year based upon the assessed valuation as of the previous July 1. Property taxes are due in two installments on December 20 and June 20 and are considered delinquent on January 1 and July 1, at which time the property is subject to lien.

The counties are responsible for property valuation and collection of tax levies. The taxes that have not been remitted to the District by the counties as of June 30, 2020, are considered by the District as a receivable.

Taxes not collected within 60 days after June 30, 2020, are not considered available for use by the District and are recorded as deferred revenue in the fund financial statements.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are shown below:

	Capitalization <u>Policy</u>	Depreciation <u>Method</u>	Estimated <u>Useful Life</u>
Buildings and Improvements	\$5,000	Straight-Line	10 – 50 Years
Equipment and Buses	\$5,000	Straight-Line	5 – 50 Years

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

The District has no infrastructure to report.

Compensated Absences

The District provides sick leave and personal leave to all full-time employees, and vacation is added for 12-month full time employees. The estimated amount of vacation for 12-month full time employees, is believed to be immaterial and accordingly no liability has been recorded.

Pensions

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

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

2. CASH AND INVESTMENTS

Deposits

As of June 30, 2020, the carrying amount of the District's deposits was \$871,590 and the respective bank balances totaled \$1,118,450. FDIC of the bank balance was insured or collateralized with pooled securities held by the pledging financial institution in the name of the District.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of June 30, 2020 FDIC of the District's deposits were not covered by the federal depository insurance or by collateral held by the District's agent or pledging financial institution's trust department or agent in the name of the District, and thus were exposed to custodial credit risk. The District does not have a formal policy limiting its exposure to custodial credit risk.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The District does not have a formal policy limiting its custodial credit risk for investments.

Interest Rate Risk

The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Investments

The District voluntarily participates in the State of Idaho Investment Pool and the Diversified Bond Fund, both of which are external investment pools. The pools are not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the pools is with the State Treasurer, and Idaho Code defines allowable investments. The fair value of the District's investment in the pools is the same as the value of the pool shares.

The District follows Idaho Statute that outlines qualifying investment options as follows:

Idaho Code authorizes the District to invest any available funds in obligations issued or guaranteed by the United States Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

2. CASH AND INVESTMENTS (continued)

The District's investments at June 30, 2020, are summarized below:

Investment	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
External Investment Pool	\$ 2,117,278	\$ 2,117,278	\$ -
Short Term Investments - CD	44,903	44,903	-
	<u>\$ 2,162,181</u>	<u>\$ 2,162,181</u>	<u>\$ -</u>

At year-end, cash and investments were reported in the basic financial statements in the following categories:

	Governmental Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 458,928	\$ 412,662	\$ 871,590
Investments categorized as deposits	2,117,260	18	2,117,278
Short Term Investments - CD	-	44,903	44,903
	<u>\$ 2,576,188</u>	<u>\$ 457,583</u>	<u>\$ 3,033,771</u>

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

3. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Balance 6/30/2019	Additions	Disposals	Balance 6/30/2020
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 425,000	\$ -	\$ -	\$ 425,000
Total Historical Cost	<u>425,000</u>	<u>-</u>	<u>-</u>	<u>425,000</u>
Capital Assets Being Depreciated:				
Buildings	22,244,215	-	-	22,244,215
Building Improvements	3,851,794	-	-	3,851,794
Equipment	5,131,861	153,103	(90,940)	5,194,024
Land Improvements	<u>203,097</u>	<u>-</u>	<u>-</u>	<u>203,097</u>
Total Historical Cost	<u>31,430,967</u>	<u>153,103</u>	<u>(90,940)</u>	<u>31,493,130</u>
Less: Accumulated Depreciation				
Buildings	14,437,766	494,644	-	14,932,410
Building Improvements	1,364,073	147,729	-	1,511,802
Equipment	3,733,355	198,038	(90,940)	3,840,453
Land Improvements	<u>52,202</u>	<u>7,786</u>	<u>-</u>	<u>59,988</u>
Total Acc. Depr.	<u>19,587,396</u>	<u>848,197</u>	<u>(90,940)</u>	<u>20,344,653</u>
Net Depreciable Assets	<u>11,843,571</u>	<u>(695,094)</u>	<u>-</u>	<u>11,148,477</u>
Governmental Activities				
Capital Assets - Net	<u>\$ 12,268,571</u>	<u>\$ (695,094)</u>	<u>\$ -</u>	<u>\$ 11,573,477</u>

Depreciation expense was charged to the functions of the District as follows:

Instructional Services	\$ 84,820
Support Services	<u>763,377</u>
	<u>\$ 848,197</u>

4. RECEIVABLE - INTERGOVERNMENTAL

Amounts due from other governments consists of support from the State of Idaho for \$688,242, and federal money passed through the state for \$883,270 for a total of \$1,571,512. These amounts are all considered collectible.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

5. RECEIVABLES – LOCAL SOURCES AND DEFERRED REVENUE

The District receives tax revenue from Gem and Boise Counties. The counties are responsible for property valuation and collection of tax levies. The taxes that have not been remitted to the District by the counties as of June 30, 2020, are considered by the District as receivable.

The District follows the Governmental Accounting Standards Board's rules in the recording of its property tax as a receivable. Taxes not collected within 60 days after June 30, 2020, are not considered available for use by the District and are recorded as deferred inflows in the fund financial statements.

6. INVENTORY

The only inventory item maintained by the District is in the Food Service fund. At June 30, 2020, the inventory balance was \$49,534 calculated using the FIFO method.

7. INTERFUND BALANCES AND ACTIVITY

Internal Balances at June 30, 2020, consist of the following:

Due to the General fund from other nonmajor governmental funds representing
\$333,959 short-term loans to cover cash overdrafts.

8. TRANSFERS TO/FROM OTHER FUNDS

\$ 4,117	From the general fund to a nonmajor fund for expenses
100,227	From the general fund to a nonmajor fund for bus depreciation and expenses
<u>58,212</u>	From various nonmajor governmental funds to the General fund for indirect costs
<u>\$ 162,556</u>	

9. SALARIES AND BENEFITS PAYABLE

The District follows the practice of paying contracted salaries and related benefits over a 12-month period which differs from the 9-month earned school-year period, which runs from approximately September 1 to May 31 of each year. Teacher contracts payable, as reflected at June 30, 2020, represent amounts unpaid at that date on teacher contracts and related benefits. Since the amount of salaries and related benefits due to teachers are pertinent to the school year, such amounts have been accrued as salaries payable and related liabilities with related expenditures recorded in the current fiscal year's operations.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The District has transferred most of its risk by purchasing commercial insurance.

Workman's Compensation insurance is purchased through the Idaho State Insurance Fund. Employee health and accident insurance is purchased through health insurance policies.

11. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

12. PENSION PLAN

Plan Description

Emmett School District No. 221 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 services (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

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

12. PENSION PLAN (continued)

credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

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

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation and earnings from investments. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess 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, 2019, it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. Emmett School District No. 221's contributions were \$1,430,967 the year ended June 30, 2020.

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

At June 30, 2020, Emmett School District No. 221 reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Emmett School District No. 221's proportion of the net pension liability was based on Emmett School District No. 221'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, 2019, Emmett School District No. 221's proportion was 0.3310565 percent.

For the year ended June 30, 2020, Emmett School District No. 221 recognized pension expense/(revenue) of \$1,185,344. At June 30, 2020, Emmett School District No. 221 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

12. PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 351,192	\$ 445,364
Changes in assumptions or other inputs	210,205	-
Net difference between projected and actual earnings on pension plan investments	-	1,287,368
Changes in Employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	376,668
Emmett School District No. 221's contributions subsequent to the measurement date	1,430,967	-
Total	\$1,992,364	\$2,109,400

\$1,430,967 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2018, the beginning of the measurement period ended June 30, 2018, is 4.8 years and 4.8 for the measurement period June 30, 2019.

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

For the Year Ended June 30:	PERSI
2021	\$ 1,155,635
2022	(702,143)
2023	(326,213)
2024	(210,529)
	<u>(33,786)</u>

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

12. PENSION PLAN (continued)

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, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expense
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:

1. Set back 3 years for teachers
2. No offset for male fire and police
3. Forward one year for female fire and police
4. Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2019 is based on the results of an actuarial valuation date of July 1, 2019.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

12. PENSION PLAN (continued)

Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

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

<u>Asset Class</u>		<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return (Arithmetic)</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Core Fixed Income	Barclays Aggregate	30.00%	3.05%	0.80%
Broad US Equities	Wilshire 5000/Russell 3000	55.00%	8.30%	6.05%
Developed Foreign Equities	MSCI EAFE/World ex US	15.00%	8.45%	6.20%
Assumed Inflation - Mean			2.25%	2.25%
Assumed Inflation - Standard Deviation			1.50%	1.50%
Portfolio Arithmetic Mean Return			6.75%	4.50%
Portfolio Standard Deviation			12.54%	12.54%
Portfolio Long-Term (Geometric) Expected Rate of Return			6.13%	3.77%
Assumed Investment Expenses			0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses			5.73%	3.37%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses				4.19%
Portfolio Standard Deviation				14.16%
Valuation Assumptions Chosen by PERSI Board				
Long-Term Expected Real Rate of Return, Net of Investment Expenses				4.05%
Assumed Inflation				3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses				7.05%

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

12. PENSION PLAN (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all 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.

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)	\$11,413,788	\$ 3,778,918	\$(2,534,876)

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.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

13. LONG-TERM LIABILITIES

In prior years, the District has issued General Obligation Bonds to provide funds for the acquisition, construction, and remodel of major capital facilities. General Obligation Bonds are direct obligations and pledge the full faith and credit of the District.

The District leases certain equipment under long-term lease agreements. Certain leases have been recorded as capital leases and others as operating leases. The cost and related depreciation for the assets held under capital leases consist of:

Equipment	\$ 1,211,976
Less: accumulated amortization (included as depreciation on the accompanying financial statements)	<u>(535,290)</u>
	<u><u>\$ 676,686</u></u>

Long-term debt activity for the year ended June 30, 2020 is as follows:

	Maturity Date	Interest Rate	Beginning	Increase	Decrease	Ending	Current
Governmental Activities:							
Lease - Conserv Equip	2022	5.96%	<u>\$263,942</u>	<u>\$ -</u>	<u>\$(84,545)</u>	<u>\$179,397</u>	<u>\$87,935</u>

Debt service requirements on long-term debt at June 30, 2020, are as follows:

Year Ending June 30,	Capital Leases		
	Principal	Interest	Total
2021	\$ 87,935	\$ 6,258	\$ 94,193
2022	<u>91,462</u>	<u>2,731</u>	<u>94,193</u>
	<u><u>\$ 179,397</u></u>	<u><u>\$ 8,989</u></u>	<u><u>\$ 188,386</u></u>

Interest expense for the year ending June 30, 2020 was \$9,089 . No interest was capitalized during the period.

Emmett School District No. 221
Notes to Financial Statements
For the Year Ended June 30, 2020

14. LEASE COMMITMENTS

Operating Leases

The District leases copy machines located at the District Office, High School, Middle School, Black Canyon, Carberry Intermediate, Shadow Butte Elementary, Ola Elementary, Sweet Elementary, the Patriot Center, and the Trans Shop. The lease periods are for five years and it is anticipated that the copiers will be returned at the end of the lease periods.

Future minimum lease payments are as follows:

Year Ending June 30,	Amount
2021	\$ 111,846
2022	53,901
2023	41,400
2024	41,400
2025	31,050
	<u>\$ 279,597</u>

Operating lease expenditures for the year ended June 30, 2020, were \$85,733.

15. TAX ABATEMENTS

Gem County entered in to a property tax abatement agreement with a local business under Idaho Code 63-602NN. Under the Idaho Code the County granted property tax abatement per resolution 2016-07. The local business was granted an abatement of 100% of its additional investment of \$8,000,000 starting in 2016 and for a total of five periods (2017, at 100%, 2018 at 75%, 2019 at 50%, and 2020 at 50%).

For the fiscal year ending September 30, 2019, the County abated property taxes totaling \$26,057 for the Emmett School District.

16. RESTATEMENT

In prior periods certain expenses were paid out of nonmajor funds that should have been paid out of the general fund. This was corrected in the current period. It caused the general fund to be reduced by \$50 and nonmajor funds to be increased by \$50. This did not cause any change to the overall fund balance for entity.

REQUIRED SUPPLEMENTARY INFORMATION

Emmett School District No. 221
 Budgetary (GAAP Basis) Comparison Schedule
 General Fund
 For the Year Ended June 30, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	\$ 1,530,216	\$ 1,530,216	\$ 1,547,290	\$ 17,074
State Sources	15,587,365	15,352,634	15,512,124	159,490
Earnings on Investments	50,000	65,200	75,913	10,713
Other	425,250	469,050	488,920	19,870
Total Revenues	<u>17,592,831</u>	<u>17,417,100</u>	<u>17,624,247</u>	<u>207,147</u>
Expenditures				
Current:				
Instruction	10,203,951	10,320,700	9,875,969	444,731
Support Services	7,946,771	7,885,548	7,278,882	606,666
Food Service	33,052	27,710	25,555	2,155
Debt Service:				
Principal	94,200	94,200	84,545	9,655
Interest	-	-	9,648	(9,648)
Capital Outlay	188,000	195,495	123,316	72,179
Total Expenditures	<u>18,465,974</u>	<u>18,523,653</u>	<u>17,397,915</u>	<u>1,125,738</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(873,143)</u>	<u>(1,106,553)</u>	<u>226,332</u>	<u>1,332,885</u>
Other Financing Sources (Uses)				
Transfers In	60,216	60,216	58,262	(1,954)
Transfers Out	(87,073)	(255,951)	(104,344)	151,607
Contingency	(500,000)	(352,887)	-	352,887
Total Other Financing Sources (Uses)	<u>(526,857)</u>	<u>(548,622)</u>	<u>(46,082)</u>	<u>502,540</u>
Net Change in Fund Balances	<u>(1,400,000)</u>	<u>(1,655,175)</u>	<u>180,250</u>	<u>1,835,425</u>
Fund Balances - Beginning, Previous Prior Period Adjustment	<u>1,400,000</u> <u>-</u>	<u>1,655,175</u> <u>-</u>	<u>1,655,175</u> <u>(50)</u>	<u>-</u> <u>50</u>
Fund Balances - Beginning, Restated	<u>1,400,000</u>	<u>1,655,175</u>	<u>1,655,125</u>	<u>50</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,835,375</u>	<u>\$ 1,835,475</u>

Emmett School District No. 221
Notes to Required Supplementary Information
For the Year Ended June 30, 2020

1. BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. Prior to June 1, the District Superintendent and Board of Trustees prepare a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to July 1, the budget is legally enacted through passage at a board meeting.
- D. Formal budgetary integration is employed as a management control device during the year for all the funds. Formal budgetary integration was employed for Debt Service funds even though effective budgetary control is alternatively achieved through general obligation bond indenture provisions.
- E. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- F. Budgeted amounts are as originally adopted, or amended by the Board of Trustees.

Emmett School District No. 221
Schedule of the District's Proportionate Share of the
Net Pension Liability

Public Employees Retirement System of Idaho

Last 10 - Fiscal Years*

	2020	2019	2018	2017	2016
District proportion of the net pension liability (asset)	0.3310565%	0.3446399%	0.3435130%	0.3578157%	0.3645990%
District's proportionate share of the net pension liability (asset)	\$ 3,788,918	\$ 5,083,499	\$ 5,399,434	\$ 7,253,474	\$ 4,801,176
District's covered-employee payroll	\$ 11,984,646	\$ 11,234,479	\$ 11,088,310	\$ 10,665,754	\$ 10,466,330
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	31.61%	45.25%	48.69%	68.01%	45.87%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	87.26%	87.26%	87.26%	91.38%
	2015				
District proportion of the net pension liability (asset)	0.3730694%				
District's proportionate share of the net pension liability (asset)	\$ 2,746,375				
District's covered-employee payroll	\$ 10,212,316				
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	26.89%				
Plan fiduciary net position as a percentage of the total pension liability	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, Emmett School District No. 221 will present information for those years for which information is available.
Data reported is measured as of June 30, 2019

Emmett School District No. 221
Schedule of District Contributions

Public Employees Retirement System of Idaho

Last 10 - Fiscal Years*

	2020	2019	2018	2017	2016
Contractually required contributions	\$ 1,430,967	\$ 1,271,743	\$ 1,255,197	\$ 1,207,363	\$ 1,184,789
Contributions in relation to the contractually required contribution	<u>1,430,967</u>	<u>1,271,743</u>	<u>1,255,197</u>	<u>1,207,363</u>	<u>1,184,789</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 11,984,646	\$ 11,234,479	\$ 11,088,310	\$ 10,665,754	\$ 10,466,330
Contributions as a percentage of covered-employee payroll	11.94%	11.32%	11.32%	11.32%	11.32%

	2015
Contractually required contributions	\$ 1,156,034
Contributions in relation to the contractually required contribution	<u>1,156,034</u>
Contribution deficiency (excess)	<u>\$ -</u>
District's covered-employee payroll	\$ 10,212,316
Contributions as a percentage of covered-employee payroll	11.32%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, Emmett School District No. 221 will present information for those years for which information is available.

Data reported is measured as of June 30, 2020

SUPPLEMENTAL INFORMATION

Emmett School District No. 221
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2020

	Federal Forest	District Wide Grants	School Health Grant	Idaho Comm Foundation	Self Funded Insurance
Assets					
Cash and Cash Equivalents	\$ 139,741	\$ 13,683	\$ 2,103	\$ 865	\$ -
Receivables, Net:					
Intergovernmental	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 139,741</u>	<u>\$ 13,683</u>	<u>\$ 2,103</u>	<u>\$ 865</u>	<u>\$ -</u>
Liabilities					
Interfund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable and Related Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted	<u>139,741</u>	<u>13,683</u>	<u>2,103</u>	<u>865</u>	<u>-</u>
Total Fund Balances	<u>139,741</u>	<u>13,683</u>	<u>2,103</u>	<u>865</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 139,741</u>	<u>\$ 13,683</u>	<u>\$ 2,103</u>	<u>\$ 865</u>	<u>\$ -</u>

Emmett School District N. 221
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2020
(continued)

	<u>Lifetime Sports</u>	<u>Emmett Public Sch Foundation</u>	<u>Driver's Education</u>	<u>English Language Acquisition</u>	<u>Technology</u>
Assets					
Cash and Cash Equivalents	\$ 8,226	\$ 6,522	\$ 8,901	\$ 19,206	\$ 2,871
Receivables, Net:					
Intergovernmental	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	9,056
Total Assets	<u>\$ 8,226</u>	<u>\$ 6,522</u>	<u>\$ 8,901</u>	<u>\$ 19,206</u>	<u>\$ 11,927</u>
Liabilities					
Interfund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable and Related Liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	9,056
Restricted	<u>8,226</u>	<u>6,522</u>	<u>8,901</u>	<u>19,206</u>	<u>2,871</u>
Total Fund Balances	<u>8,226</u>	<u>6,522</u>	<u>8,901</u>	<u>19,206</u>	<u>11,927</u>
Total Liabilities and Fund Balances	<u>\$ 8,226</u>	<u>\$ 6,522</u>	<u>\$ 8,901</u>	<u>\$ 19,206</u>	<u>\$ 11,927</u>

Emmett School District No. 221
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2020
(continued)

	Substance Abuse	Title IA Improve Basics	Title IC Migrant Children	Title I Neglected & Delinquent	Title VI-B School Age
Assets					
Cash and Cash Equivalents	\$ 632	\$ -	\$ -	\$ -	\$ -
Receivables, Net:					
Intergovernmental	-	332,991	25,141	21,438	220,811
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 632</u>	<u>\$ 332,991</u>	<u>\$ 25,141</u>	<u>\$ 21,438</u>	<u>\$ 220,811</u>
Liabilities					
Interfund Balance	\$ -	\$ 147,900	\$ 5,916	\$ 7,685	\$ 106,302
Salaries Payable and Related Liabilities	-	99,771	3,808	5,986	76,220
Total Liabilities	<u>-</u>	<u>247,671</u>	<u>9,724</u>	<u>13,671</u>	<u>182,522</u>
Fund Balance					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted	632	85,320	15,417	7,767	38,289
Total Fund Balances	<u>632</u>	<u>85,320</u>	<u>15,417</u>	<u>7,767</u>	<u>38,289</u>
Total Liabilities and Fund Balances	<u>\$ 632</u>	<u>\$ 332,991</u>	<u>\$ 25,141</u>	<u>\$ 21,438</u>	<u>\$ 220,811</u>

Emmett School District No. 221
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2020
(continued)

	Title VI-B Preschool	School Based Medicaid	Title V-B Rural Education	Title IV-A ESSA Stud. Support	Title III English Learning	Title II-A Supporting Effectiveness
Assets						
Cash and Cash Equivalents	\$ 727	\$ 59,905	\$ -	\$ -	\$ -	\$ -
Receivables, Net:						
Intergovernmental	3,321	-	21,365	33,950	6,318	37,029
Inventory	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Total Assets	<u>\$ 4,048</u>	<u>\$ 59,905</u>	<u>\$ 21,365</u>	<u>\$ 33,950</u>	<u>\$ 6,318</u>	<u>\$ 37,029</u>
Liabilities						
Interfund Balance	\$ -	\$ -	\$ 6,653	\$ 7,801	\$ 1,706	\$ 20,289
Salaries Payable and Related Liabilities	<u>4,047</u>	<u>59,905</u>	<u>6,653</u>	<u>7,072</u>	<u>1,706</u>	<u>7,910</u>
Total Liabilities	<u>4,047</u>	<u>59,905</u>	<u>13,306</u>	<u>14,873</u>	<u>3,412</u>	<u>28,199</u>
Fund Balance						
Nonspendable:						
Inventory	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Restricted	<u>1</u>	<u>-</u>	<u>8,059</u>	<u>19,077</u>	<u>2,906</u>	<u>8,830</u>
Total Fund Balances	<u>1</u>	<u>-</u>	<u>8,059</u>	<u>19,077</u>	<u>2,906</u>	<u>8,830</u>
Total Liabilities and Fund Balances	<u>\$ 4,048</u>	<u>\$ 59,905</u>	<u>\$ 21,365</u>	<u>\$ 33,950</u>	<u>\$ 6,318</u>	<u>\$ 37,029</u>

Emmett School District No. 221
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2020
(continued)

	<u>Gear Up</u>	<u>21st Century (ASP)</u>	<u>21st Century (Ready)</u>	<u>Child Nutrition</u>	<u>Total</u>
Assets					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 4,338	\$ 267,720
Receivables, Net:					
Intergovernmental	36,445	19,104	37,934	87,423	883,270
Inventory	-	-	-	49,534	49,534
Prepaid Expenses	-	-	-	-	9,056
Total Assets	<u>\$ 36,445</u>	<u>\$ 19,104</u>	<u>\$ 37,934</u>	<u>\$ 141,295</u>	<u>\$ 1,209,580</u>
Liabilities					
Interfund Balance	\$ 5,483	\$ 10,413	\$ 13,811	\$ -	\$ 333,959
Salaries Payable and Related Liabilities	<u>8,549</u>	<u>8,692</u>	<u>24,123</u>	<u>78,163</u>	<u>392,605</u>
Total Liabilities	<u>14,032</u>	<u>19,105</u>	<u>37,934</u>	<u>78,163</u>	<u>726,564</u>
Fund Balance					
Nonspendable:					
Inventory	-	-	-	49,534	49,534
Prepaid Expenses	-	-	-	-	9,056
Restricted	<u>22,413</u>	<u>(1)</u>	<u>-</u>	<u>13,598</u>	<u>424,426</u>
Total Fund Balances	<u>22,413</u>	<u>(1)</u>	<u>-</u>	<u>63,132</u>	<u>483,016</u>
Total Liabilities and Fund Balances	<u>\$ 36,445</u>	<u>\$ 19,104</u>	<u>\$ 37,934</u>	<u>\$ 141,295</u>	<u>\$ 1,209,580</u>

Emmett School District No. 221
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020

	Federal Forest	District Wide Grants	School Health Grant	Idaho Comm Foundation	ESD Self Funded Insurance
Revenues					
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-
Grants and Contributions	26,790	15,448	-	-	-
Total Revenues	26,790	15,448	-	-	-
Expenditures					
Current:					
Instruction	-	2,735	-	-	-
Support Services:	-	-	-	-	435
Food Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	-	2,735	-	-	435
Excess (Deficiency) of Revenues Over Expenditures	26,790	12,713	-	-	(435)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	26,790	12,713	-	-	(435)
Fund Balances - Beginning, Previous Prior Period Adjustment	112,951 -	970 -	2,103 -	865 -	435 -
Fund Balances - Beginning, Restated	112,951	970	2,103	865	435
Fund Balances - Ending	<u>\$ 139,741</u>	<u>\$ 13,683</u>	<u>\$ 2,103</u>	<u>\$ 865</u>	<u>\$ -</u>

Emmett School District No. 221

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020
(continued)

	Lifetime Sports	Emmett Public Sch Foundation	Driver's Education	English Language Acquisition	Technology
Revenues					
State Sources	\$ -	\$ -	\$ 15,438	\$ 15,000	\$ 267,879
Charges for Services	-	-	-	-	-
Grants and Contributions	3,500	51,370	-	-	-
Total Revenues	<u>3,500</u>	<u>51,370</u>	<u>15,438</u>	<u>15,000</u>	<u>267,879</u>
Expenditures					
Current:					
Instruction	1,558	47,178	17,466	3,492	-
Support Services:	-	-	-	-	61,864
Food Service	-	-	-	-	-
Capital Outlay	-	-	-	-	226,082
Total Expenditures	<u>1,558</u>	<u>47,178</u>	<u>17,466</u>	<u>3,492</u>	<u>287,946</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,942</u>	<u>4,192</u>	<u>(2,028)</u>	<u>11,508</u>	<u>(20,067)</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>1,942</u>	<u>4,192</u>	<u>(2,028)</u>	<u>11,508</u>	<u>(20,067)</u>
Fund Balances - Beginning, Previous	6,284	2,330	10,929	7,698	31,994
Prior Period Adjustment	-	-	-	-	-
Fund Balances - Beginning, Restated	<u>6,284</u>	<u>2,330</u>	<u>10,929</u>	<u>7,698</u>	<u>31,994</u>
Fund Balances - Ending	<u>\$ 8,226</u>	<u>\$ 6,522</u>	<u>\$ 8,901</u>	<u>\$ 19,206</u>	<u>\$ 11,927</u>

Emmett School District No. 221

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -

Nonmajor Special Revenue Funds

For the Year Ended June 30, 2020

(continued)

	Substance Abuse	Title IA Improve Basics	Title IC Migrant Children	Title I Neglected & Delinquent	Title VI-B School Age
Revenues					
State Sources	\$ 31,207	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-
Grants and Contributions	-	631,843	39,217	42,215	505,159
Total Revenues	<u>31,207</u>	<u>631,843</u>	<u>39,217</u>	<u>42,215</u>	<u>505,159</u>
Expenditures					
Current:					
Instruction	-	593,341	24,623	31,964	490,867
Support Services:	26,651	6,398	-	-	-
Food Service	-	-	-	-	-
Capital Outlay	4,000	-	-	3,095	-
Total Expenditures	<u>30,651</u>	<u>599,739</u>	<u>24,623</u>	<u>35,059</u>	<u>490,867</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>556</u>	<u>32,104</u>	<u>14,594</u>	<u>7,156</u>	<u>14,292</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	(31,217)	(2,107)	-	(20,540)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(31,217)</u>	<u>(2,107)</u>	<u>-</u>	<u>(20,540)</u>
Net Change in Fund Balances	<u>556</u>	<u>887</u>	<u>12,487</u>	<u>7,156</u>	<u>(6,248)</u>
Fund Balances - Beginning, Previous	76	84,433	2,930	611	44,487
Prior Period Adjustment	-	-	-	-	50
Fund Balances - Beginning, Restated	<u>76</u>	<u>84,433</u>	<u>2,930</u>	<u>611</u>	<u>44,537</u>
Fund Balances - Ending	<u>\$ 632</u>	<u>\$ 85,320</u>	<u>\$ 15,417</u>	<u>\$ 7,767</u>	<u>\$ 38,289</u>

Emmett School District No. 221
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020
(continued)

	Title VI-B Preschool	School Based Medicaid	Title V-B Rural Education	Title IV-A ESSA Stud. Support	Title III English Learning	Title II-A Supporting Effectiveness
Revenues						
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Grants and Contributions	19,671	419,096	45,147	58,338	12,357	100,314
Total Revenues	19,671	419,096	45,147	58,338	12,357	100,314
Expenditures						
Current:						
Instruction	19,670	-	39,917	44,753	11,932	-
Support Services:	-	430,323	-	-	-	96,760
Food Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	19,670	430,323	39,917	44,753	11,932	96,760
Excess (Deficiency) of Revenues Over Expenditures	1	(11,227)	5,230	13,585	425	3,554
Other Financing Sources (Uses)						
Transfers In	-	4,117	-	-	-	-
Transfers Out	-	-	-	-	-	(4,398)
Total Other Financing Sources (Uses)	-	4,117	-	-	-	(4,398)
Net Change in Fund Balances	1	(7,110)	5,230	13,585	425	(844)
Fund Balances - Beginning, Previous Prior Period Adjustment	-	7,110	2,829	5,492	2,481	9,674
Fund Balances - Beginning, Restated	-	7,110	2,829	5,492	2,481	9,674
Fund Balances - Ending	\$ 1	\$ -	\$ 8,059	\$ 19,077	\$ 2,906	\$ 8,830

Emmett School District No. 221

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020
(continued)

	<u>Gear Up</u>	<u>21st Century (ASP)</u>	<u>21st Century (Ready)</u>	<u>Child Nutrition</u>	<u>Total</u>
Revenues					
State Sources	\$ -	\$ -	\$ -	\$ -	\$ 329,524
Charges for Services	-	-	-	210,639	210,639
Grants and Contributions	67,320	87,410	152,138	892,204	3,169,537
Total Revenues	<u>67,320</u>	<u>87,410</u>	<u>152,138</u>	<u>1,102,843</u>	<u>3,709,700</u>
Expenditures					
Current:					
Instruction	-	90,854	153,086	-	1,573,436
Support Services:	45,638	-	-	-	668,069
Food Service	-	-	-	1,048,179	1,048,179
Capital Outlay	-	-	-	3,611	236,788
Total Expenditures	<u>45,638</u>	<u>90,854</u>	<u>153,086</u>	<u>1,051,790</u>	<u>3,526,472</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>21,682</u>	<u>(3,444)</u>	<u>(948)</u>	<u>51,053</u>	<u>183,228</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	4,117
Transfers Out	-	-	-	-	(58,262)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,145)</u>
Net Change in Fund Balances	<u>21,682</u>	<u>(3,444)</u>	<u>(948)</u>	<u>51,053</u>	<u>129,083</u>
Fund Balances - Beginning, Previous	731	3,443	948	12,079	353,883
Prior Period Adjustment	-	-	-	-	50
Fund Balances - Beginning, Restated	<u>731</u>	<u>3,443</u>	<u>948</u>	<u>12,079</u>	<u>353,933</u>
Fund Balances - Ending	<u>\$ 22,413</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ 63,132</u>	<u>\$ 483,016</u>

Emmet School District No. 221
Combining Balance Sheet -
Nonmajor Capital Project Funds
June 30, 2020

	Plant Facilities Bus Deprec.	Plant Facilities Capital	Total
Assets			
Cash and Cash Equivalents	\$ 51,008	\$ 17,547	\$ 68,555
Total Assets	<u>\$ 51,008</u>	<u>\$ 17,547</u>	<u>\$ 68,555</u>
Liabilities			
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances			
Restricted	<u>51,008</u>	<u>17,547</u>	<u>68,555</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 51,008</u>	<u>\$ 17,547</u>	<u>\$ 68,555</u>

Emmett School District No. 221
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Nonmajor Capital Project Funds
For the Year Ended June 30, 2020

	Plant Facilities Bus Deprec.	Plant Facilities Capital	Total
Revenues			
Other	\$ 39,106	\$ 8,220	\$ 47,326
Total Revenue	<u>39,106</u>	<u>8,220</u>	<u>47,326</u>
Expenditures			
Current:			
Capital Outlays	93,347	-	93,347
Total Expenditures	<u>93,347</u>	<u>-</u>	<u>93,347</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(54,241)</u>	<u>8,220</u>	<u>(46,021)</u>
Other Financing Sources (Uses)			
Transfers In	100,227	-	100,227
Total Other Financing Sources	<u>100,227</u>	<u>-</u>	<u>100,227</u>
Net Change in Fund Balances	45,986	8,220	54,206
Fund Balances - Beginning	5,022	9,327	14,349
Fund Balances - Ending	<u>\$ 51,008</u>	<u>\$ 17,547</u>	<u>\$ 68,555</u>

Emmett School District No. 221
Combining Statement of Net Position - Fiduciary Funds
June 30, 2020

	Agency Funds			
	High School	Black Canyon School	Middle School	Carberry Interm.
Assets				
Cash and Cash Equivalents	\$ 231,955	\$ 7,765	\$ 60,503	\$ 62,205
Total Assets	231,955	7,765	60,503	62,205
Liabilities				
Due to Student Groups	254,446	7,765	60,503	62,205
Total Liabilities	254,446	7,765	60,503	62,205
Net Position				
Restricted For Scholarships	(22,491)	\$ -	\$ -	\$ -

Emmett School District No. 221
Combining Statement of Net Position - Fiduciary Funds
June 30, 2020
(continued)

	Agency Funds			Private - Purpose Trust Fund	
	Sweet Montour Elem.	Ola Elementary	Shadow Butte Elem.	Scholarship Fund	Total
Assets					
Cash and Cash Equivalents	\$ 10,723	\$ 1,199	\$ 15,839	\$ 22,491	\$ 412,680
Short Term Investments	-	-	-	44,903	44,903
Total Assets	10,723	1,199	15,839	67,394	457,583
Liabilities					
Due to Student Groups	10,723	1,199	15,839	-	412,680
Total Liabilities	10,723	1,199	15,839	-	412,680
Net Position					
Restricted For Scholarships	\$ -	\$ -	\$ -	\$ 67,394	\$ 44,903

Emmett School District No. 221
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	Private - Purpose Trust Fund <u>Scholarship Fund</u>
Additions	
Earnings on Investments	\$ 23
Contributions	4,429
Transfers	<u>22,491</u>
Total Additions	<u>26,943</u>
Deductions	
Current:	
Scholarships Awarded	<u>4,700</u>
Total Deductions	<u>4,700</u>
Changes in Net Position	22,243
Net Position - Beginning	45,151
Net Position - Ending	<u><u>\$ 67,394</u></u>

FEDERAL REPORTS

Emmett School District No. 221
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant No.</u>	<u>Expenditures</u>	<u>Provided to Subrecipients</u>
<u>U.S. Department of Education</u>				
Passed through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	S010A170012	\$ 666,015	
Migrant Education State Program	84.011	S011A170012	26,730	
Student Support & Academic Enrichment	84.424		44,753	
Career & Technology Education	84.048		42,928	\$ 42,928
Special Education - Grants to States	84.027	H027A170062	\$ 511,407	
Special Education - Preschool Grants	84.173	H173A170030	19,670	
Total Special Education Cluster			531,077	
Twenty First Century Community Learning	84.287	S287C160012	243,940	
Gaining Early Awareness and Readiness	84.334	P334S110016	45,638	
Rural Education	84.358		39,917	
English Language Acquisition State Grant	84.365	S365A160012	11,932	
Improving Teacher Quality	84.367	S367A170011	101,158	
School Improvement Grant	84.377	S377A140013	-	
Total U.S. Department of Education			1,754,088	42,928
<u>U.S. Department of Agriculture</u>				
Passed Through State Department of Education:				
School Breakfast Program	10.553	201818N1099947	\$ 121,328	
National School Lunch Program	10.555	201818N1099947	380,597	
Summer Food Program for Children	10.559	201717N109947	314,840	
Total Child Nutrition Cluster			816,765	
Child Nutrition Discretionary Grant	10.579		5,600	
Fresh Fruit & Vegetable Program	10.582		2,657	
Total U.S. Department of Agriculture			825,022	-
Total Federal Financial Assistance Expended			\$ 2,579,110	\$ 42,928

Note: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting

Emmett School District No. 221
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Emmett School District No. 221 under programs of the Federal Government for the year ended June 30, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Emmett School District No. 221, it is not intended to and does not present the financial position or changes in Net Position of Emmett School District No. 221.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported using the accrual basis of accounting. As such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. INDIRECT COST RATE

Emmett School District No. 221 has elected not to use the 10-percent de minimis indirect cost rate.



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**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

To the Board of Trustees
Emmett School District No. 221
Emmett, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Emmett School District No. 221 (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 24, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control 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 Emmett School District No. 221's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of 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.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
September 24, 2020



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Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees
Emmett School District No. 221
Emmett, Idaho

Report on Compliance for Each Major Federal Program

We have audit Emmett School District No. 221'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 the District's major federal programs for the year ended June 30, 2020. The District'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 its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Emmett School District No. 221'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 the District'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 of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, Emmett School District No. 221, 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, 2020.

Report on Internal Control Over Compliance

Management of Emmett School District No. 221, 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 the District's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 the District'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 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.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
September 24, 2020

Emmett School District No. 221
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Qualified - Governmental Activities; Unmodified - Major Funds and Aggregate Remaining Fund Information

Internal control over financial reporting:

Significant deficiency(ies) disclosed? ☐ yes ☒ none reported

Material weakness(es) disclosed? ☐ yes ☒ no

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

Significant deficiencies identified? ☐ yes ☒ none reported

Material weakness(es) identified? ☐ yes ☒ none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with 2CFR SECTION 200.516(A)? ☐ yes ☒ no

Identification of major programs:

CFDA Numbers	Name of Federal Program
84.027, 84.173 84.10	Special Education Cluster Title I Basic

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000.00
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Auditee qualified as low-risk auditee? ☐ yes ☒ no

Emmett School District No. 221
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020
(continued)

Section II - Financial Statement Findings

None reported.

Section III - Findings and Questioned Costs for Federal Awards

None reported.