



LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho



Audited Financial Statements
For the Year Ended
June 30, 2023

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Lakeland Joint School District No. 272
Rathdrum, Idaho 83858

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lakeland Joint School District No. 272, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Lakeland Joint School District No. 272's basic financial statements listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Lakeland Joint School District No. 272, as of June 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lakeland Joint School District No. 272 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lakeland Joint School District No. 272's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Lakeland Joint School District No. 272's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lakeland Joint School District No. 272's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10, the budgetary comparison schedules on pages 42 through 44, the net pension (asset) liability related schedules on page 45, the other post-employment benefits liability schedule on page 46, and the net OPEB asset – sick leave plan related schedules on page 47 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lakeland Joint School District No. 272's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2023 on our consideration of Lakeland Joint School District No. 272'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

solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lakeland Joint School District No. 272's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standard* in considering Lakeland Joint School District No. 272's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
October 6, 2023

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

As management of Lakeland Joint School District No. 272 (District), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ending June 30, 2023.

Financial Highlights

State Revenue

First reporting period enrollment funding units were 241.25 for FY 2022-23. This is a decrease of 0.32 units when compared to FY 2021-22 funding units of 241.57. Increased enrollment, coupled with increases in entitlement revenue and salary-based apportionment revenue resulted in a \$2,329,657 increase in state apportionment revenues for the general fund.

Supplemental Property Tax Levy Revenue

In the 2022-23 fiscal year, the School District's supplemental property tax levy generated \$9,777,232 (23.21%) of the total General Fund revenues for the fiscal year. This revenue comes from a 2-year supplemental property tax levy expiring in June 30, 2023.

General Fund Balance Decreases over the 2022-23 Fiscal Year

The School District's ending fund balance decreased by \$4,478,904 compared to the prior year. This decrease was due to a fund transfer to complete window and siding projects at three district schools, increased enrollment related expenses, and an increase in facilities expenditures typically covered by a plant facility levy. At the close of the 2022-23 fiscal year the District's fund balance was \$4,508,869.

Revenue and Resources

Enrollment and Attendance - A key component in preparing the annual budget is a projection of funding from the State. The majority of this funding is based on a formula which measures average daily attendance (ADA). For FY 2022-23, State apportionment was based on Enrollment as opposed to ADA. Enrollment is projected by utilizing a cohort model taking into account 2-year, 3-year, and 5-year averages. These numbers are also compared to a roll forward of spring enrollment to the upcoming school year.

The School District's actual Best 28 weeks Enrollment generated 241.25 support units for the year, compared to 241.57 from the 2021-22 fiscal year. School Districts received \$35,924 per support unit in 2022-23. For FY 2022-23, the State will continue to use Enrollment for funding

units. The State will revert to ADA for FY 2023-2024. The projection of support units for the 2023-24 fiscal year is 225.00.

Bond Interest Stabilization Payment – In 2022-23, the School District received a bond interest stabilization payment of \$35,706. This revenue helps reduce the burden on the local property taxpayer for bond interest.

Long Range Planning

The Board authorized Long Range Planning Committee continued to meet throughout the 2022-2023 school year. The committee provided recommendations regarding local property tax levies, future facility needs, and re-zoning of elementary school boundaries. Committee members include community members, District staff, board members and administration. Over the course of the 2023-2024 school year, the committee will review enrollment projections, demographic trends, facility condition, and building capacity. The committee's goal is to gather input on the community's priorities for addressing educational needs and submit its recommendations regarding educational and facility needs to the Board of Trustees.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components:

- 1) Government-wide Financial Statements,
- 2) Fund Financial Statements, and
- 3) Notes to the Financial Statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statements present an aggregate view of the District's finances. They contain useful long-term information for the just completed fiscal year.

The statement of net position presents information on all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. In the statements, the District's activities are all classified as government activities. Governmental activities include all regular and special education, all educational support

activities, administration, transportation, and food services. Most of these activities are supported by property taxes and formula aid from the State of Idaho.

Fund financial statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund statements generally report operations in more detail than the government-wide statements.

Some funds are required by state law and bond covenants. The District establishes other funds to control and manage money for particular purposes (i.e., repaying long-term debt).

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information. The budgetary comparison schedules, the net pension (asset) liability related schedules, the other post-employment benefit schedules provide additional information required by GASB.

Supplementary information. The supplementary information referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Government - Wide Financial Analysis
Statement of Net Position

	June 30, 2023	2022	Change
Assets			
Current assets	28,246,006	32,007,055	(3,761,049)
Capital assets	26,209,369	25,206,233	1,003,136
Noncurrent assets	1,198,997	2,813,606	(1,614,609)
Total Assets	55,654,372	60,026,894	(4,372,522)
 Deferred Outflows of Resources	 19,430,941	 11,201,175	 8,229,766
 Liabilities			
Current liabilities	8,352,760	6,751,831	1,600,929
Long-term liabilities	30,477,297	3,808,430	26,668,867
Total Liabilities	38,830,057	10,560,261	28,269,796
 Deferred Inflows of Resources	 11,769,122	 29,777,075	 (18,007,953)
 Net Position			
Net investment in capital assets	23,764,369	21,391,233	2,373,136
Restricted	6,826,498	7,032,200	(205,702)
Unrestricted	(6,104,733)	2,467,300	(8,572,033)
Total Net Position	\$24,486,134	\$30,890,733	\$(6,404,599)

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, net position as of June 30, 2023 was \$24,486,134.

The District uses capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Government - Wide Financial Analysis
Changes in Net Position

	<u>2022 - 2023</u>	<u>2021 - 2022</u>	<u>Change</u>
Revenues			
Program Revenues:			
Charges for services	505,866	29,526	476,340
Operating grants and contributions	7,401,129	8,286,026	(884,897)
Property taxes	10,695,109	11,636,313	(941,204)
Federal and state revenues	33,489,644	30,793,088	2,696,556
Gain on sale of capital asset	44,117	-	44,117
Interest and investment earnings	429,742	36,402	393,340
Other	1,990,805	1,961,403	29,402
Total Revenues	<u>54,556,412</u>	<u>52,742,758</u>	<u>1,813,654</u>
Expenses			
Program Expenses:			
Preschool - 12 Instruction	35,197,861	25,644,149	9,553,712
Support services:			
Pupil support	3,540,067	2,577,145	962,922
Staff support	2,098,138	1,652,974	445,164
General administration	1,313,945	1,004,139	309,806
School/business administration	4,734,007	3,787,131	946,876
Maintenance/custodial	6,186,124	4,847,042	1,339,082
Transportation	2,595,514	2,164,688	430,826
Other services	218,273	330,607	(112,334)
Child nutrition	1,713,506	1,697,812	15,694
Student activity	1,177,302	1,025,196	152,106
Capital outlay	463,475	-	463,475
Debt services	77,912	128,073	(50,161)
Depreciation, unallocated	1,644,887	1,523,869	121,018
Total Expenses	<u>60,961,011</u>	<u>46,382,825</u>	<u>14,457,168</u>
Change in Net Position	(6,404,599)	6,359,933	(12,764,532)
Net Position – Beginning	<u>30,890,733</u>	<u>24,530,800</u>	<u>6,359,933</u>
Net Position – Ending	<u>\$24,486,134</u>	<u>\$30,890,733</u>	<u>\$(6,404,599)</u>

District Funds

General Fund. The General Fund is the chief operating fund of the District. At the end of the current fiscal year the ending fund balance was \$4,508,869. The fund balance decreased by \$4,478,904 during the current fiscal year.

Capital Asset and Debt Administration

Capital Assets. The Capital Projects Fund is used to account for the costs incurred in acquiring and improving sites, constructing, and remodeling facilities, bus depreciation and procuring equipment necessary for providing educational programs for all students within the District.

Governmental Activities			
Capital Assets Net of Accumulated Depreciation			
	June 30,		
	2023	2022	Change
Sites	1,333,484	1,333,484	-
Construction in progress	519,194	-	519,194
Buildings	22,047,551	22,336,123	(288,572)
Equipment	952,441	713,820	238,621
Transportation	1,356,699	822,806	533,893
Total Capital Assets, Net	<u>\$ 26,209,369</u>	<u>\$ 25,206,233</u>	<u>\$ 1,003,136</u>

At year end, the capital projects fund has a total fund balance of \$2,814,618.

Long-term Debt. The Debt Service Fund has a total fund balance of \$1,603,909, all of which is reserved for the payment of debt service on general obligation bonds. The fund balance decreased by \$465,024.

At year end the District had \$2,445,000 in general obligation bonds outstanding. The debt of the District is secured by an annual tax levy authorized in past years by the patrons.

Requests for Information. This financial report is designed to provide a general overview of Lakeland Joint School District No. 272's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jessica Grantham, Chief of Finance and Operations, Lakeland Joint School District, PO Box 39, Rathdrum, ID 83858.

FINANCIAL STATEMENTS

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

STATEMENT OF NET POSITION

June 30, 2023

ASSETS

Current assets:

Cash	1,799,507
Investments	10,481,081
Taxes receivable	220,066
Unbilled taxes receivable	9,948,772
Other receivables:	
Due from other governments	5,246,838
Other	1,674
Prepaid items	493,418
Inventory	54,650
Total current assets	<u>28,246,006</u>

Noncurrent assets:

Non-depreciated capital assets	1,852,678
Depreciated capital assets	56,847,576
Less: accumulated depreciation	(32,490,885)
Net OPEB asset - sick leave	<u>1,198,997</u>
Total noncurrent assets	<u>27,408,366</u>

Total assets	<u>55,654,372</u>
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DEFERRED OUTFLOWS OF RESOURCES

Pension related items	18,311,001
Net OPEB - sick leave related items	1,059,548
OPEB related items	<u>60,392</u>

Total deferred outflows of resources	<u>19,430,941</u>
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LIABILITIES

Current liabilities:

Accounts payable and other current liabilities	6,899,582
Accrued interest payable	38,178
Current portion of long-term debt	<u>1,415,000</u>
Total current liabilities	<u>8,352,760</u>

Noncurrent liabilities:

Noncurrent portion of long-term debt	1,030,000
Net pension liability	27,917,725
Net OPEB liability	<u>1,529,572</u>
Total noncurrent liabilities	<u>30,477,297</u>

Total liabilities	<u>38,830,057</u>
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DEFERRED INFLOWS OF RESOURCES

Unavailable property tax revenue	9,948,772
Other deferred revenue	8,102
OPEB related items	830,661
Net OPEB - sick leave related items	582,279
Pension related items	<u>399,308</u>

Total deferred inflows of resources	<u>11,769,122</u>
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NET POSITION

Net investment in capital assets	23,764,369
Restricted for:	
Debt service	1,609,185
Capital projects	2,814,674
Specific programs	2,402,639
Unrestricted	<u>(6,104,733)</u>

Total net position	<u><u>\$ 24,486,134</u></u>
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LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

			Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Governmental activities:					
Instruction	35,197,861	-	4,784,547	-	(30,413,314)
Support Services:					
Pupil support	3,540,067	-	343,710	-	(3,196,357)
Staff support	2,098,138	-	431,609	-	(1,666,529)
General administration	1,313,945	-	28,166	-	(1,285,779)
School/business administration	4,734,007	-	122,952	-	(4,611,055)
Maintenance/custodial	6,186,124	-	270,365	-	(5,915,759)
Transportation	2,595,514	-	325,535	-	(2,269,979)
Other services	218,273	-	5,334	-	(212,939)
Child nutrition	1,713,506	505,866	950,307	-	(257,333)
Student activity	1,177,302	-	-	-	(1,177,302)
Capital outlay	463,475	-	138,604	-	(324,871)
Debt Services	77,912	-	-	-	(77,912)
Depreciation, unallocated	1,644,887	-	-	-	(1,644,887)
Total School District	<u>\$ 60,961,011</u>	<u>\$ 505,866</u>	<u>\$ 7,401,129</u>	<u>\$ -</u>	<u>(53,054,016)</u>
General revenues					
Taxes					
Property taxes levied for general purposes					9,626,938
Property taxes levied for liability insurance					105,569
Property taxes levied for debt service					950,845
Property taxes levied for capital projects					11,757
Federal and State aid not restricted to specific purposes					33,489,644
Gain on sale of capital asset					44,117
Other					1,990,805
Interest and investment earnings					<u>429,742</u>
Total general revenues					<u>46,649,417</u>
Change in net position					(6,404,599)
Net position - beginning					<u>30,890,733</u>
Net position - ending					<u>\$ 24,486,134</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2023**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Cash	1,534,418	-	-	265,089	1,799,507
Investments	9,567,084	344,761	-	569,236	10,481,081
Due from other funds	-	926,882	3,236,484	2,381,978	6,545,344
Taxes receivable	200,501	19,502	63	-	220,066
Unbilled taxes receivable	8,802,252	-	1,146,520	-	9,948,772
Other receivables:					
Due from other governments	4,061,675	318,040	3,679	863,444	5,246,838
Other	-	-	-	1,674	1,674
Prepaid items	493,418	-	-	-	493,418
Inventory	-	-	-	54,650	54,650
Total assets	<u>24,659,348</u>	<u>1,609,185</u>	<u>4,386,746</u>	<u>4,136,071</u>	<u>34,791,350</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 24,659,348</u>	<u>\$ 1,609,185</u>	<u>\$ 4,386,746</u>	<u>\$ 4,136,071</u>	<u>\$ 34,791,350</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Due to other funds	6,038,954	-	10,199	496,191	6,545,344
Accounts payable	156,279	-	415,353	711,789	1,283,421
Accrued payroll and benefits	5,098,811	-	-	517,350	5,616,161
Total liabilities	<u>11,294,044</u>	<u>-</u>	<u>425,552</u>	<u>1,725,330</u>	<u>13,444,926</u>
Deferred inflows of resources:					
Deferred revenue	54,183	5,276	56	-	59,515
Other deferred revenue	-	-	-	8,102	8,102
Unavailable property tax revenue	8,802,252	-	1,146,520	-	9,948,772
Total deferred inflows of resources	<u>8,856,435</u>	<u>5,276</u>	<u>1,146,576</u>	<u>8,102</u>	<u>10,016,389</u>
Fund balances:					
Nonspendable	493,418	-	-	54,650	548,068
Assigned	869,426	-	-	-	869,426
Restricted	-	1,603,909	2,814,618	2,347,989	6,766,516
Unassigned	3,146,025	-	-	-	3,146,025
Total fund balances	<u>4,508,869</u>	<u>1,603,909</u>	<u>2,814,618</u>	<u>2,402,639</u>	<u>11,330,035</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 24,659,348</u>	<u>\$ 1,609,185</u>	<u>\$ 4,386,746</u>	<u>\$ 4,136,071</u>	<u>\$ 34,791,350</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272**Rathdrum, Idaho****RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF
GOVERNMENTAL ACTIVITIES****June 30, 2023**

Total fund balances - governmental funds	11,330,035
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in government funds:

Cost of capital assets	58,700,254
Accumulated depreciation	(32,490,885)

Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	59,515
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Certain pension related items are recorded as deferred outflow or inflow of resources and recognized in futures periods for governmental activities:

Deferred outflow of resources	18,311,001
Deferred inflow of resources	(399,308)

Certain OPEB related items are recorded as deferred outflow or inflow of resources and recognized in futures periods for governmental activities:

Deferred outflow of resources	60,392
Deferred inflow of resources	(830,661)

Certain OPEB-sick leave related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:

Deferred outflow of resources	1,059,548
Deferred inflow of resources	(582,279)

Total Net OPEB asset for PERSI-sick leave is a long-term asset and is not available to pay current year expenditures, therefore is not reported as an asset in governmental funds.	1,198,997
--	-----------

Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the government fund financial statements, an interest expenditure is reported when paid.	(38,178)
--	----------

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. These liabilities consisted of the following:

General obligation bonds	(2,445,000)
Net OPEB liability	(1,529,572)
Net pension liability	(27,917,725)

Total net position - governmental activities	<u>\$ 24,486,134</u>
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LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023**

	General	Debt Service	Capital Projects	Nonmajor Funds	Total Governmental Funds
REVENUES					
Local	10,460,773	967,730	23,510	2,230,394	13,682,407
State	31,448,889	35,706	-	1,712,808	33,197,403
Federal	218,782	-	-	7,474,588	7,693,370
Total revenues	42,128,444	1,003,436	23,510	11,417,790	54,573,180
EXPENDITURES					
Instruction	26,121,426	-	-	6,377,158	32,498,584
Support	17,108,962	-	136,438	2,517,130	19,762,530
Non-instruction	-	-	-	3,219,093	3,219,093
Capital asset program	130,847	-	1,961,839	244,390	2,337,076
Debt service	-	1,468,460	-	-	1,468,460
Total expenditures	43,361,235	1,468,460	2,098,277	12,357,771	59,285,743
Excess (deficiency) of revenue over (under) expenditures	(1,232,791)	(465,024)	(2,074,767)	(939,981)	(4,712,563)
Other financing sources (uses)					
Proceeds from sale of capital asset	-	-	44,117	-	44,117
Transfer in	-	-	3,423,807	161,190	3,584,997
Transfer out	(3,246,113)	-	(206,566)	(132,318)	(3,584,997)
Total other financing sources (uses)	(3,246,113)	-	3,261,358	28,872	44,117
Net change in fund balance	(4,478,904)	(465,024)	1,186,591	(911,109)	(4,668,446)
Fund balance -beginning of year	8,987,773	2,068,933	1,628,027	3,313,748	15,998,481
Fund balance-end of year	\$ 4,508,869	\$ 1,603,909	\$ 2,814,618	\$ 2,402,639	\$ 11,330,035

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023**

Net change in fund balances - total governmental funds (4,668,446)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized and allocated over their estimated useful lives as annual depreciation expense in the statement of activities:

Capital outlays	2,648,023	
Depreciation expense	<u>(1,644,887)</u>	1,003,136

Some property taxes will not be collected for several months after the District's fiscal year end and they are not considered as "available" revenues in the governmental funds. Instead they are counted as deferred tax revenues. They are however, recorded as revenues in the statement of activities.

(60,885)

Net pension (asset) liability adjustments:

Fiscal year 2022 employer PERSI contributions recognized as pension expense in the current year.	(3,338,949)	
Fiscal year 2023 employer PERSI contributions deferred to subsequent year	3,661,379	
Pension related amortization revenue (expense)	<u>(4,120,321)</u>	(3,797,891)

Net OPEB liability and related item adjustments (120,192)

Net OPEB asset - sick leave adjustment:

Fiscal year 2022 employer PERSI Sick Leave contributions recognized as OPEB expense in the current year	-	
Fiscal year 2023 employer PERSI Sick Leave contributions deferred to subsequent year	-	
OPEB related amortization revenue (expense)	<u>(150,869)</u>	(150,869)

Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, an interest expenditure is reported when due.

20,548

Repayment of the principal on general bonded indebtedness is an expenditure in the governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities:

General obligation bonds	<u>1,370,000</u>
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Net change in net position - governmental activities \$ (6,404,599)

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 Summary of Significant Account Policies

The financial statements of Lakeland Joint School District No. 272 have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below:

Reporting Entity

Lakeland Joint School District No. 272 is the basic level of government, which has financial accountability, and control over all activities related to the public-school education within the District. The Board receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and have primary financial accountability for fiscal matters.

Basis of Presentation, Fund Accounting - Government-wide Statements: The statement of net position and the statement of activities display information about the financial activities of the overall District. Only governmental-type activities are shown, since there are no "business-type activities" within the District. The District eliminates internal activity on the statement of net position.

The statement of activities presents a comparison between direct expenses and program revenues for each different 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 foundation aid, are presented as general revenues.

NOTE 1 Summary of Significant Account Policies (Continued)

Fund Financial Statements: The fund financial statements provide information about the District's funds. 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, except those required to be accounted for in another fund.
- **Debt Service Fund.** This fund is used to account for the financial resources that are legally restricted for the retirement of District general obligation bonds.
- **Capital Projects Fund.** This fund is used to account for financial resources that are legally restricted for the acquisition, construction, or major repair of school property, the purchase of buses, specific board designated projects, and land acquisitions.

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. Non-exchange 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. State support for grant revenues are susceptible to accrual.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if 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, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities, acquisitions under right-to-use lease/SBITA assets are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by cost-reimbursement grants and general revenues. When program expenses are incurred, the related revenue of cost-reimbursement grants is recognized.

Restricted Resources - The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTE 1 Summary of Significant Account Policies (Continued)

Budgets - Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for general, special revenue, debt service, and capital projects funds.

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the financial statements:

1. At least 14 days prior to the public hearing the District publishes a proposed budget for public review.
2. A public hearing is set to obtain taxpayers comments.
3. The final budget is adopted by resolution of the Board at the regular June meeting of the Board of Trustees.
4. Prior to July 15, the final budget is filed with the State Department of Education.

The budget is a plan of spending under which expenditures may not exceed the budget at the fund level.

Cash and Investments - The District's cash includes amounts in demand deposits and savings accounts in local depositories. Investments are deposited in the Idaho State Treasurer's Local Government Investment Pool, which allow school districts within the state of Idaho to pool their funds for investments purposes.

Interest income is defined as non-operating revenue.

Deposits in State Treasurer's local government investment pool are stated at cost, which approximates market. All funds are invested in accordance with Section 67-1210 and 67-1210A of the Idaho Code. The primary objectives of the investment pool, in order of priority, are safety, liquidity, and yield.

Short-Term Interfund Loans Receivables/Payables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables." Interfund balances have been eliminated, when applicable, on the statement of net position.

Inventory - The District does not follow the practice of capitalizing expendable supplies at year-end in the general fund. All supplies are recorded as expenditures in the period in which they were purchased. However, in the child nutrition fund, the District records inventory of food commodities at cost at year-end.

NOTE 1 Summary of Significant Account Policies (Continued)

General 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.

The Board has set a capitalization threshold of \$5,000. All purchases and improvements to facilities, which are not considered repairs, are capitalized and depreciated using the straight-line method in the government-wide statements and proprietary funds. Lives for buildings and improvements range from 15 to 40 years. Lives for equipment range from 3 to 10 years. Vehicles and school buses have estimated lives of 10 to 20 years.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Accumulated Unpaid Vacation and Sick Pay - Under the terms of the "Lakeland Joint School District Personnel Manual" District employees are granted vacation and sick leave in varying amounts. In the event an employee leaves the District's services, unused vacation credits are compensated at the employee's current rate of pay, ranging from 0 - 15 days. Vacation does not roll over from year to year. Employees are not paid for unused sick leave upon termination of employment with the District.

Long Term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Compensation - The Sick Leave Bank represents a type of long-term payroll protection insurance for absences beyond the employee's accumulated sick leave. Participation is optional for all employees eligible for the Idaho Public Employees Retirement System, with all new participants contributing one sick leave day. The Bank is administered by an in-District five-member committee as provided in the Teacher Negotiated Agreement.

Encumbrances - The District does not utilize an encumbrance system.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Balance - The *nonspendable* fund balance category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be

NOTE 1 Summary of Significant Account Policies (Continued)

spent only for the specific purposes stipulated by constitution, external resource providers (grants), or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, *assigned* fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amount not contained in the other classifications. The Districts fund balance policy is to maintain an unassigned fund balance of not less than 8.3% and not more than 16.6% of the general fund expenses budget for the fiscal year.

Restricted balances are as follows:

- **Capital Projects** – The capital projects accounts for the acquisition, construction, or major repair of school property, the purchase of buses, specific board designated projects, and land acquisitions.
- **Specific Programs** – Special revenue funds restricted for amounts that can only be spent for specific purposes.
- **Debt Service** – These restricted funds are used to make the principal and interest payments for outstanding general obligation bonds.

Assigned balances, as approved by the Board of Trustees, are as follows:

- **FY2024** – The Board of Trustees has assigned \$869,426 of the FY2023 fund balance to fiscal year 2024 expenditures.

Nonspendable balances are as follows:

- **Inventory** – transportation parts, food, and custodial supplies
- **Prepaid items** – liability insurance

Deferred Revenue - Deferred revenue in the general, debt service and capital projects fund represent property taxes recorded but not estimated to be collected within sixty days of the end of the accounting period.

Other Deferred Revenue - Deferred revenue in the before and after school enrichment fund represents revenue received but not yet earned.

Unavailable Property Tax Revenue - Unavailable property tax revenue in the general fund and capital projects fund represent the property taxes levied for 2023 that is measurable but unavailable to the District, and therefore recorded as a deferred inflow of resources in both the governmental funds and the Government-wide financial statements.

NOTE 1 Summary of Significant Account Policies (Continued)

Pensions - For purposes of measuring the Net Pension (Asset) Liability, deferred outflows of resources and deferred inflow of resources related to pensions, 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.

Subsequent Events - Management has evaluated subsequent events through the date of the audit report. This is the date the financial statements were available to be issued. Management has concluded that no material subsequent events have occurred.

NOTE 2 Recently Adopted Accounting Guidance

For the year ended June 30, 2023, there were four new GASB statements that became effective. The adoption of the statement has the following effect for the District:

GASB Statement No. 91, *Conduit Debt Obligations* - The District is not involved in debt issuance activity that meets the definition of conduit debt. This Statement did not have an effect on the financial reporting of the District.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements (PPP)* - The District is not involved in any arrangements that meet the definition of a PPP. This Statement did not have an effect on the financial reporting of the District.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* - The District reviewed potential SBITAs and determined there were no subscriptions that required recognition under the standard. This statement did not have an effect on the financial reporting of the District.

GASB Statement No. 99, *Omnibus 2022* - The Statement provides updates to various previously issued GASB Statements. The adoption did not have an effect on the financial reporting of the District.

NOTE 3 Property Tax

The District's property tax is recognized as an asset at the time the District has an enforceable legal claim to the resources (January 1st of each year) and the revenue is recognized in the period for which the taxes are levied. For FY2023, the District has recognized the 2022 levy as revenue and the tax year 2023 levy as an asset.

NOTE 3 Property Tax (Continued)

Tax Year 2022 Levy (FY2023 Revenue)

The market value upon which the 2022 levy was based was \$8,815,100,149. The property tax was levied in October 2022 and was due in two equal installments on December 20th and June 20th.

The total tax levy (per \$100 of value) for the year was as follows:

	Percentage	Amount
Supplemental	10.62029	\$9,361,892
Tort	0.11903	\$104,926
Bond	1.05926	\$933,748
Total	11.79858	\$10,400,566

Tax Year 2023 Levy (FY2023 Asset)

The property tax levy for 2023 has been recorded as an asset in the general fund in the amount of \$8,802,252 and in the capital projects fund in the amount of \$1,146,520. This levy is for the FY2024 operations and has been presented as unbilled taxes receivable.

Deferred Revenue

To the extent property taxes are not collected within 60 days of the end of the accounting period, a deferred revenue amount has been recorded.

	General Fund	Debt Service Fund	Capital Projects Fund	Total
Total taxes receivable at June 30, 2023	200,501	19,502	63	220,066
Less: Taxes to be collected by the County Treasurer by August 31, 2023	(146,318)	(14,226)	(7)	(160,551)
Deferred revenue	<u>\$ 54,183</u>	<u>\$ 5,276</u>	<u>\$ 56</u>	<u>\$ 59,515</u>

NOTE 4 Cash and Investments

Deposits

	Carrying Amount	Bank Balance
Cash		
Checking and Savings Accounts	<u>\$ 1,799,507</u>	<u>\$ 3,283,202</u>

NOTE 4 Cash and Investments (Continued)

Deposits were with Wells Fargo of which \$250,000 of interest-bearing accounts and non-interest-bearing accounts were covered by Federal Deposit Insurance. The remaining balance of \$3,016,015 is in excess of the FDIC insured limit and is uncollateralized and unsecured.

Investments

Detail of investments at June 30, 2023 are as follows:

	<u>Rate</u>	<u>General Fund</u>	<u>Debt Service</u>	<u>Student Activity</u>	<u>Total</u>
State Treasurer's Pool	Variable	9,567,084	344,761	569,236	10,481,081
Total		<u>\$9,567,084</u>	<u>\$ 344,761</u>	<u>\$569,236</u>	<u>\$10,481,081</u>

The District's investments, except for amounts held in the State Treasurer's Pool, are classified as uncollateralized.

Investment Maturities:

<u>External Investment Pool</u>	<u>Book Value</u>	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>1-8 Years</u>
State InvestmentPool	<u>\$10,481,081</u>	<u>\$10,481,081</u>	<u>\$ 10,481,081</u>	<u>\$ -</u>

The State Treasurer's Local Government Investment Pool is managed by the State of Idaho Treasurer's office. All funds are invested in accordance with Section 67-1210 and 67-1210A of Idaho Code. Authorized investments include bonds, treasury bills, interest-bearing notes, and other obligations of the U.S. Government, general obligation or revenue bonds of the State of Idaho or other local governments within the state of Idaho, bonds, debentures, or other similar obligations issued by the farm credit system or by public corporations of the state of Idaho, repurchase agreements covered by any legal investment for the state of Idaho, tax anticipation bonds or notes and income and revenue anticipation bonds or notes of taxing districts of the state of Idaho, revenue bonds of institutions of higher education of the state of Idaho, and time deposits and savings accounts in amounts not to exceed applicable insurance limits. The primary objectives of the investment pool, in order of priority, are safety, liquidity, and yield.

Participants have overnight availability to their funds, up to \$10 million. Withdrawals of \$10 million or more require three business days' notification.

The State Treasurer's investment policies and the Local Government Investment Pool financial statements can be obtained by writing P.O. Box 83720, Boise, ID 83720-0091.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. Custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District does not have a policy restricting the amount of deposits and investments subject to custodial credit risk.

NOTE 4 Cash and Investments (Continued)

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization such as Moody's or Standard & Poor's. The investments of the District at year-end are not required to be rated. The District does not have a policy regarding credit risk.

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Investments that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rate. At year-end, the District is not subject to interest rate risk as all investments are held in the State Treasurer's Local Government Investment Pool, which has a maturity of 101 days. The District does not have a policy regarding interest rate risk.

Concentration of credit risk is the risk that concentration of investments with one issuer represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principal that governments should provide note disclosure when five percent of the total investments of the entity are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The District does not have a policy limiting the amount it may invest in any one issuer.

NOTE 5 Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets not being depreciated					
Land	1,333,484	-	-	-	1,333,484
Construction in progress	-	519,194	-	-	519,194
Total capital assets not being depreciated	1,333,484	519,194	-	-	1,852,678
Capital assets being depreciated					
Buildings	49,262,067	940,109	-	-	50,202,176
Equipment	2,687,149	435,472	-	-	3,122,621
Transportation	3,434,572	753,248	(665,041)	-	3,522,779
Total depreciated assets	55,383,788	2,128,829	(665,041)	-	56,847,576
Less: Accumulated Depreciation					
Buildings	(26,925,944)	(1,228,681)	-	-	(28,154,625)
Equipment	(1,973,329)	(196,851)	-	-	(2,170,180)
Transportation	(2,611,766)	(219,355)	665,041	-	(2,166,080)
Total accumulated depreciation	(31,511,039)	(1,644,887)	665,041	-	(32,490,885)
Total capital assets, net	\$ 25,206,233	\$1,003,136	\$ -	\$ -	\$26,209,369

NOTE 6 Long Term Debt

The following is a summary of bond transactions of the District for the year ended June 30, 2023:

Bonds payable @ July 1, 2022	3,815,000
Debt retired	<u>(1,370,000)</u>
Bonds payable @ June 30, 2023	<u><u>\$ 2,445,000</u></u>

Bonds payable at June 30, 2023, are comprised of the following individual issues:

General Obligation Bonds:

2012 Refunding Series

Original issue of \$3,955,000 due August 15, 2023. Interest is stated at 3.0%

490,000

2013 Refunding Series

Original issue of \$8,490,000 due August 15, 2025. Interest varies between 2.0% and 4.0%

1,955,000

Total

\$ 2,445,000

The annual requirements to amortize all debt outstanding as of June 30, 2023 including interest payments are as follows:

<u>2012 Refunding Series</u>				
<u>Date of Redemption</u>	<u>Interest Rate</u>	<u>Bond Principal</u>	<u>Interest Requirement</u>	<u>Total Requirement</u>
8/15/2023	3.00	490,000	7,350	497,350
Total		<u>\$ 490,000</u>	<u>\$ 7,350</u>	<u>\$ 497,350</u>

<u>2013 Refunding Series</u>				
<u>Date of Redemption</u>	<u>Interest Rate</u>	<u>Bond Principal</u>	<u>Interest Requirement</u>	<u>Total Requirement</u>
8/15/2023	3.00	925,000	29,325	954,325
2/15/2024	3.00	-	15,450	15,450
8/15/2024	3.00	975,000	15,450	990,450
2/15/2025	3.00	-	825	825
8/15/2025	3.00	55,000	825	55,825
Total		<u>\$ 1,955,000</u>	<u>\$ 61,875</u>	<u>\$ 2,016,875</u>

NOTE 6 Long Term Debt (Continued)

<u>Date of</u> <u>Redemption</u>	<u>Combined Totals</u>		
	<u>Bond</u> <u>Principal</u>	<u>Interest</u> <u>Requirement</u>	<u>Total</u> <u>Requirement</u>
2024	1,415,000	52,125	1,467,125
2025	975,000	16,275	991,275
2026	55,000	825	55,825
Totals	<u>\$ 2,445,000</u>	<u>\$ 69,225</u>	<u>\$ 2,514,225</u>

Changes in long-term bond obligations: During the year ended June 30, 2023, the following changes occurred in liabilities:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due</u> <u>Within</u> <u>One Year</u>	<u>Noncurrent</u> <u>Portion</u>
2012 Refunding series	970,000	-	(480,000)	490,000	490,000	-
2013 Refunding series	2,845,000	-	(890,000)	1,955,000	925,000	1,030,000
Totals	<u>\$ 3,815,000</u>	<u>\$ -</u>	<u>\$(1,370,000)</u>	<u>\$ 2,445,000</u>	<u>\$1,415,000</u>	<u>\$1,030,000</u>

The District's Legal Debt Margin is calculated at 5% of the fair market value of property located within the District. At June 30, 2023 the Legal Debt Margin was:

Market Value at January 1, 2022	8,815,100,149
Percentage allowed	5%
Debt Limitation	440,755,007
Less Bonded debt at June 30, 2023	(2,445,000)
Legal Debt Margin	<u>\$ 438,310,007</u>

As of June 30, 2023, \$1,603,909 was available in the debt service fund to service the general obligation bonds.

NOTE 7 Pension Plan

In accordance with GASB 68, *Accounting and Financial Reporting for Pensions*, which became effective for the year ended June 30, 2015, the financial reporting and note disclosures are based off the most recent audited financial statements of PERSI, which was completed for the period ended June 30, 2022. All amounts are as of June 30, 2022 unless otherwise noted.

NOTE 7 Pension Plan (Continued)

Plan Description

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

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

Pension Benefits

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

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% (72%) of the employer rate. As of June 30, 2023 it was 7.16% (9.13%). The employer contribution rate is set by the Retirement Board and was 11.94% (12.28%) of covered compensation. The District's employer contributions required and paid were \$3,661,379 for the year ended June 30, 2023.

NOTE 7 Pension Plan (Continued)

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

At June 30, 2023, the District reported an asset for its proportionate share of the Net Pension (Asset) Liability as of June 30, 2022. The Net Pension (Asset) Liability was measured as of June 30, 2022, and the total pension (asset) liability used to calculate the Net Pension (Asset) Liability was determined by an actuarial valuation as of that date. The District's proportion of the Net Pension (Asset) Liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the District's proportion was 0.70879511%.

The District's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. PERSI's audit for the year ended June 30, 2023 has not been completed at the time of issuance. The pension expense (revenue) for the year ending June 30, 2022 was calculated at \$7,237,016.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	3,069,931	124,606
Changes in assumptions or other inputs	4,551,426	-
Net difference between projected and actual earning on pension plan investments	6,423,538	-
Change in proportionate share	604,727	274,702
Employer contributions subsequent to the measurement date	<u>3,661,379</u>	<u>-</u>
Total	<u>\$18,311,001</u>	<u>\$ 399,308</u>

\$3,661,379 is reported as deferred outflow of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension (Asset) Liability in the year ended June 30, 2024.

NOTE 7 Pension Plan (Continued)

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:

<u>For the Year Ending June 30:</u>	<u>Amount to be Recognized</u>
2024	3,328,850
2025	3,613,784
2026	1,671,371
2027	5,306,283
2028	330,026

Actuarial Assumptions

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return-net of investment fees	6.35%
Cost of living (COLA) adjustments	1.00%

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021.

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries - Males	Pub-2010 General Tables, increased 11%.
General Employees and All Beneficiaries - Females	Pub-2010 General Tables, increased 21%.
Teachers - Males	Pub-2010 Teacher Tables, increased 12%.
Teachers - Females	Pub-2010 Teacher Tables, increased 21%.
Fire & Police - Males	Pub-2010 Safety Tables, increased 21%.
Fire & Police - Females	Pub-2010 Safety Tables, increased 26%.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%.
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%.

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. The

NOTE 7 Pension Plan (Continued)

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 PERSI'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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.00%
Large Cap	18%	4.50%
Small/Mid Cap	11%	4.70%
International Equity	15%	4.50%
Emerging Markets Equity	10%	4.90%
Domestic Fixed	20%	-0.25%
TIPS	10%	-0.30%
Real Estate	8%	3.75%
Private Equity	8%	6.00%

Discount Rate

The discount rate used to measure the total pension (asset) liability was 6.35%. 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 (asset) 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 (Asset) Liability to changes in the discount rate.

The following presents the net pension (asset) liability of PERSI employer's calculated using the discount rate of 6.35% as well as what the employer's liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>(5.35%)</u>	Current Discount <u>Rate (6.35%)</u>	1% Increase <u>(7.35%)</u>
Employer's proportionate share of the Net Pension (Asset) Liability (asset)	49,272,049	27,917,725	10,439,762

Pension plan fiduciary net position

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

NOTE 7 Pension Plan (Continued)

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

Payables to the pension plan

At June 30, 2023, the District reported payables to the defined benefit pension plan of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 8 Other Post-Employment Benefit Plan – Sick Leave Plan

In accordance with GASB 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, which became effective for the year ended June 30, 2018, the financial reporting and note disclosures are based off the most recent audited financial statements of PERSI, which was completed for the period ended June 30, 2022. All amounts are as of June 30, 2022 unless otherwise noted.

Plan Description

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

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. 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.

OPEB Benefits

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

Employer Contributions

The contribution rate for employees is set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school

NOTE 8 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave, then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. Beginning January 1, 2020 PERSI approved an 18-month rate holiday. During the rate holiday, all sick leave contribution rates are 0%. The holiday was extended to June 30, 2026, therefore the District's contributions required and paid were \$0 for the year ended June 30, 2023.

OPEB Liabilities, OPEB Expense (Expenses Offset), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the District reported an asset for its proportionate share of the net OPEB asset as of June 30, 2022. The net OPEB asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2022, the District's proportion was 1.5749938%.

The District's OPEB expense (expense offset) is calculated and made available as part of PERSI's annual audit. PERSI's audit for the year ended June 30, 2023 has not been completed at the time of issuance. The OPEB expense (expense offset) for the year ending June 30, 2022 was calculated at \$153,975.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	289,618	-
Changes in assumptions or other inputs	234,044	538,586
Net difference between projected and actual earning on pension plan investments	499,398	-
Change in proportionate share	<u>36,488</u>	<u>43,693</u>
Total	<u>\$1,059,548</u>	<u>\$ 582,279</u>

NOTE 8 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

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

<u>For the Year Ending June 30:</u>	<u>Amount to be Recognized</u>
2024	102,540
2025	109,787
2026	64,873
2027	222,431
2028	(14,420)
Thereafter	(7,942)

Actuarial Assumptions

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return-net of investment fees	5.45%
Health care trend rate	N/A*

*Health care trend rate is not applicable as the benefit is based on the unused sick leave hours at retirement and is calculated as a fixed dollar amount that can be applied to premiums

The long-term expected rate of return on OPEB Fund 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 OPEB 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 approach used builds upon the latest capital market assumptions. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is more conservative than the current allocation of the 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.

Capital Market Assumptions

Asset Class	Target Allocation	Expected Rate of Return (Arithmetic)
Broad U.S. Equity	39.3%	8.53%
Global EX U.S. Equity	10.7%	9.09%
Fixed Income	50.0%	2.80%
Cash Equivalents	0.0%	2.25%

NOTE 8 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

Discount Rate

The discount rate used to measure the total OEPB liability (asset) was 5.45%. 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 Fund’s 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 Fund investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset). The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Sensitivity of the net OPEB liability (asset) to changes in the discount rate

The following presents the District’s proportionate share of net OPEB liability (asset) calculated using the discount rate of 5.45 percent, as well as what the District’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.45 percent) or 1-percentage-point higher (6.45 percent) than the current rate:

	1% Decrease (<u>4.45%</u>)	Current Discount Rate (<u>5.45%</u>)	1% Increase (<u>6.45%</u>)
Employer’s proportionate share of the net OPEB liability (asset)	\$ (845,952)	\$ (1,198,997)	\$ (1,521,800)

OPEB plan fiduciary net position

Detailed information about the OPEB plan’s fiduciary net position is available in a 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.

Payable to the OPEB plan

At June 30, 2023, the District reported payables to the defined benefit OPEB plan of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 9 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

NOTE 10 Excess of Actual Expenditures over Budget in Individual Funds

The following funds had an excess of actual expenditures over budget for the year ended June 30, 2023:

Fund	Excess
General	2,326,698
Debt Service	110
Capital Projects	762,885
Federal Forest	18,860
Facilities	39,642
Literacy Intervention	370,381
State Professional Technical	20,834
Technology Grant	14,693
State Substance Abuse	3,178
Miscellaneous Grant	112,462
ESSER III (ARPA) American Rescue Plan Act	340,903
Title I-A - ESSA Improving Basic Programs	49,870
IDEA Part B (619 Pre-School Age 3-5)	15
School Based Medicaid	162,636
Title IV-A, ESSA - Student Support and Academic Enrichment	33,410
Title II-A ESEA - Supporting Effective Instruction	27,124

To meet the student's education needs, the Board of Trustees approved the additional expenditures when additional funding became available. Idaho Code Section 33-701 allows the District to make budget adjustments to reflect the availability of funds and the requirements of the school district.

NOTE 11 Interfund Receivables, Payables and Transfers

Generally accepted accounting principles require disclosure of certain information concerning individual funds including:

NOTE 11 Interfund Receivables, Payables and Transfers (Continued)

Interfund Transfers - Transfers to support the operations of other funds are recorded as “Transfers” and are classified as “Other financing sources or uses.” Idaho Code and State Department of Education Regulations mandate transfers into the Capital Projects Fund to cover the depreciation reimbursement. Total transfers are as follows:

	<u>Out</u>	<u>In</u>
General	3,246,113	-
Child Nutrition	-	721
Facilities	132,318	-
School Based Medicaid	-	160,469
Capital Projects	206,566	132,318
Board Projects	-	2,880,200
Land Reserve	-	206,566
Plant Facilities	-	204,723
Total	<u>\$ 3,584,997</u>	<u>\$ 3,584,997</u>

The composition of Interfund receivables and payables as of June 30, 2023 was as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	-	6,038,954
Special Revenue Funds:		
Federal Forest Reserve	46,797	-
Facilities	241,450	-
Before and After School Enrichment	178,055	-
Literacy Intervention	175,896	-
State Professional Technical	15,651	-
Gifted and Talented	6,396	-
Technology Grant	806,029	-
Substance Abuse	8,466	-
Miscellaneous Grant	31,418	-
ESSER III (ARPA) American Rescue Plan Act	-	212,748
Title I-A ESSA – Improving Basic Programs	-	25,630
IDEA Part B (611 School Age 3-21)	-	67,096
IDEA Part B (619 Pre-School Age 3-5)	5,635	-
ARPA IDEA	-	9,027
School Based Medicaid	-	110,142
Title IV-A, ESSA - Student Support and Academic Enrichment	-	10,045
Perkins IV Professional Technical Act	-	49,907
IDEA Mini-Grants	-	11,596
Title II-A, ESEA – Supporting Effective Instruction	23,358	-
Child Nutrition	842,827	-
Debt Service Fund	926,882	-
Capital Projects Fund	<u>3,236,484</u>	<u>10,199</u>
Total	<u>\$ 6,545,344</u>	<u>\$ 6,545,344</u>

NOTE 12 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 13 Other Post-Employment Benefits

Summary of Significant Accounting Policies

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the Lakeland Joint School District Employee Group Benefit Plan have been determined based the requirements of GASB 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. The Plan has been calculated using the entry age normal funding method.

General Information about the OPEB Plan

The Lakeland Joint School District Employee Group Benefit Plan is a single employer defined benefit OPEB plan that provides benefits to current and future retirees.

Retirement and Dependent Medical Benefit Eligibility

Upon separation from public school employment by retirement in accordance with Chapter 13, Title 59, Idaho Code, a retiree may continue to pay premiums for the retiree and the retiree's dependents at the rate for the active employee's group health, long-term care, vision, prescription drug and dental insurance programs as maintained by the employer for the active employees until the retiree and/or the retiree's spouse becomes eligible for Medicare at which time the district shall make available a supplemental program to Medicare for the eligible individual (Medicare Retirees).

Eligibility for Retirement

Normal retirement eligibility is age 65 with five years of service, including six months of membership service. Early retirement eligibility is age 55 with five years of service, including six months of membership coverage.

Medicare Retirees

Medicare retirees are defined as retirees who are 65 years of age or older, are not included in the District's plan, and Medicare will be considered their primary plan. Medicare Retirees and eligible dependents who enroll in Medicare (both Part A and Part B) are eligible to participate in the Statewide School Retiree Program that supplements Medicare.

NOTE 13 Other Post-Employment Benefits (Continued)

Funding

The District's OPEB plan is funded under a pay-as-you-go funding method. Under this method, the District has not set aside any assets (nor accumulated any assets in a trust) that meet the definition of plan assets under GASB 74 or 75 to offset the OPEB liability. Therefore, the Net OPEB liability is equal to the Total OPEB liability.

OPEB Benefits

The health care benefits are contracted by the District through group medical and dental plans. The medical and dental plans include an annual deductible, coinsurance payment requirements, and an annual out-of-pocket maximum for the member/family. The prescription drug benefit is provided through a tiered system comprising of the type of prescription (generic, preferred brand, and non-preferred brand) and the method of purchase.

Census Data

As of June 30, 2023, the valuation date, the District had 473 active (future retirees) participants and 20 inactive (current retirees) participants.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the Employer reported a liability of \$1,529,572 of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022.

For the year ended June 30, 2023, the Employer recognized OPEB expense of \$169,539. At June 30, 2023, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	-	613,371
Changes in assumptions or other inputs	<u>60,392</u>	<u>217,290</u>
Total	<u>\$60,392</u>	<u>\$830,661</u>

NOTE 13 Other Post-Employment Benefits (Continued)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year ended June 30:	
2023	(58,941)
2024	(58,941)
2025	(58,941)
2026	(58,941)
2027	(58,941)
Thereafter	(475,564)

Actuarial assumptions

Valuation Date June 30, 2022

Measurement Date June 30, 2023

Interest/Discount Rate 4.11%

Projected Payroll Increases 3.75%

Health Care Cost Trend Rate Medical: between 3.8% and 10.8%
Prescription Drugs: between 3.8% and 10.8%
Dental: between 1.9% and 3.0%
Vision: between 0.0% and 2.0%

Retiree Contributions Retiree contributions are assumed to increase to match the health care cost trends.

Participation

For future retirees, participation rates were assumed to be 40.0% for medical and vision coverage and 40.5% for dental coverage. Actual spouse information is used for current retirees. Future retired members who elect to participate in the plan are assumed to be married at a rate of 60.0%. 70.0% of the future retirees who elect medical coverage and married are assumed to elect spousal coverage as well. Males are assumed to be three years older than females.

Mortality

For active members, inactive members and healthy retirees, mortality rates were based on the RP2000 Healthy Combined Mortality Table adjusted with generational mortality adjustments using Scale AA, set back three years for both males and females. For disabled retirees, mortality rates were based on the RP2000 Disabled Mortality Table adjusted with generational mortality adjustments using Scale AA, set back one year for males, and set forward two years for females.

NOTE 13 Other Post-Employment Benefits (Continued)

Interest/Discount rate

The interest/discount rate is based on the average of multiple June 30, 2023 municipal bond rate sources.

Sensitivity Disclosures

The following presents the net OPEB liability of the Plan as of June 30, 2023, calculated using the discount rate of 4.11%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.11%) or 1-percentage-point higher (5.11%) than the current rate:

	<u>1% Decrease (3.11%)</u>	<u>Current Discount Rate (4.11%)</u>	<u>1% Increase (5.11%)</u>
Net OPEB liability	\$1,639,080	\$1,529,572	\$1,425,337

The following presents the net OPEB liability of the Plan as of June 30, 2023, calculated using the assumed health care cost trend rate, as well as what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$1,360,300	\$1,529,572	\$1,727,369

Summary of the Change in OPEB Liability

<i>Total OPEB Liability – Beginning of Year</i>	\$ 1,363,430
Service Cost	167,897
Interest	60,577
Plan Design Changes	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	(12,986)
Benefit Payments (Estimated)	<u>(49,346)</u>
<i>Total OPEB Liability – End of Year</i>	<u><u>\$1,529,572</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances	
				Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Local:					
Taxes	9,742,500	9,742,500	9,777,232	34,732	34,732
Earnings on investments	50,000	50,000	416,930	366,930	366,930
Other	185,000	185,000	266,611	81,611	81,611
Total local	9,977,500	9,977,500	10,460,773	483,273	483,273
State:					
Base program	25,394,759	25,394,759	25,335,135	(59,624)	(59,624)
Transportation	1,443,278	1,443,278	1,536,072	92,794	92,794
Tuition equivalency	-	-	31,912	31,912	31,912
Benefit apportionment	3,313,984	3,313,984	3,262,808	(51,176)	(51,176)
Other state support	613,226	613,226	679,197	65,971	65,971
Lottery/additional state maintenance	418,950	418,950	477,849	58,899	58,899
Revenue in lieu of taxes	63,977	63,977	75,816	11,839	11,839
Other state revenue	30,000	30,000	50,100	20,100	20,100
Total state	31,278,174	31,278,174	31,448,889	170,715	170,715
Federal:					
Unrestricted	120,000	120,000	218,782	98,782	98,782
Total revenues	41,375,674	41,375,674	42,128,444	752,770	752,770
EXPENDITURES					
Instruction:					
Salaries	16,781,286	16,781,286	18,080,391	(1,299,105)	(1,299,105)
Benefits	6,393,441	6,393,441	6,392,309	1,132	1,132
Purchased services	806,220	806,220	976,282	(170,062)	(170,062)
Supplies-materials	675,308	675,308	654,204	21,104	21,104
Capital objects	-	-	18,240	(18,240)	(18,240)
Total instruction	24,656,255	24,656,255	26,121,426	(1,465,171)	(1,465,171)
Support:					
Salaries	9,233,121	9,233,121	9,325,635	(92,514)	(92,514)
Benefits	3,760,439	3,760,439	3,473,363	287,076	287,076
Purchased services	2,266,222	2,266,222	2,961,653	(695,431)	(695,431)
Supplies-materials	926,500	926,500	1,056,657	(130,157)	(130,157)
Capital objects	-	-	100,273	(100,273)	(100,273)
Insurance - judgment	192,000	192,000	191,381	619	619
Total support	16,378,282	16,378,282	17,108,962	(730,680)	(730,680)
Capital asset program:					
Capital objects	-	-	130,847	(130,847)	(130,847)
Total expenditures	41,034,537	41,034,537	43,361,235	(2,326,698)	(2,326,698)
Excess (deficiency) of revenues over (under) expenditures	341,137	341,137	(1,232,791)	(1,573,928)	(1,573,928)
Other financing sources (uses)					
Transfer out	(2,970,200)	(2,970,200)	(3,246,113)	(275,913)	(275,913)
Net change in fund balance	\$ (2,629,063)	\$ (2,629,063)	(4,478,904)	\$ (1,849,841)	\$ (1,849,841)
Fund balance -beginning of year			8,987,773		
Fund balance-end of year			\$ 4,508,869		

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances	
				Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Local:					
Taxes	936,094	936,094	955,252	19,158	19,158
Earnings on investments	-	-	12,478	12,478	12,478
Total local	936,094	936,094	967,730	31,636	31,636
State:					
Other state support	35,706	35,706	35,706	-	-
Total revenues	971,800	971,800	1,003,436	31,636	31,636
EXPENDITURES					
Debt service:					
Purchased services	-	-	1,250	(1,250)	(1,250)
Principal	1,370,000	1,370,000	1,370,000	-	-
Interest	98,350	98,350	97,210	1,140	1,140
Total expenditures	1,468,350	1,468,350	1,468,460	(110)	(110)
Net change in fund balance	\$ (496,550)	\$ (496,550)	(465,024)	\$ 31,526	\$ 31,526
Fund balance-beginning of year			2,068,933		
Fund balance-end of year			\$ 1,603,909		

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Local:					
Taxes	-	-	23,510	23,510	23,510
Total local	-	-	23,510	23,510	23,510
State:					
Other state support	120,000	120,000	-	(120,000)	(120,000)
Total revenues	120,000	120,000	23,510	(96,490)	(96,490)
EXPENDITURES					
Support:					
Purchased services	-	-	59,243	(59,243)	(59,243)
Supplies-materials	7,842	7,842	33,849	(26,007)	(26,007)
Capital objects	-	-	43,346	(43,346)	(43,346)
Total support	7,842	7,842	136,438	(128,596)	(128,596)
Capital asset program:					
Capital objects	1,327,550	1,327,550	1,961,839	(634,289)	(634,289)
Total expenditures	1,335,392	1,335,392	2,098,277	(762,885)	(762,885)
Excess (deficiency) of revenues over (under) expenditures	(1,215,392)	(1,215,392)	(2,074,767)	(859,375)	(859,375)
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	44,117	44,117	44,117
Transfer in	-	-	3,423,807	3,423,807	3,423,807
Transfer out	(189,608)	(189,608)	(206,566)	(16,958)	(16,958)
Total other financing sources (uses)	(189,608)	(189,608)	3,261,358	3,450,966	3,450,966
Net change in fund balance	\$ (1,405,000)	\$ (1,405,000)	1,186,591	\$ 2,591,591	\$ 2,591,591
Fund balance-beginning of year			1,628,027		
Fund balance-end of year			\$ 2,814,618		

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

NET PENSION (ASSET) LIABILITY RELATED SCHEDULES

Schedule of the District's Share of Net Pension (Asset) Liability

PERSI - Base Plan

As of June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's portion of the net pension (asset) liability	Unavailable	0.70879511%	0.66650547%	0.6919366%	0.6788635%	0.6537283%	0.6273618%	0.6318364%	0.6539498%	0.6570844%
Employer's proportionate share of the net pension (asset)	Unavailable	2,791,725	(526,393)	16,067,683	7,749,038	9,642,607	9,861,050	12,808,294	8,611,455	4,837,170
Employer's covered payroll	30,664,816	27,964,397	24,873,082	24,639,045	23,056,952	21,032,800	18,479,302	18,479,302	18,316,951	17,801,272
Employer's proportional share of the net pension (asset) liability as a percentage of its covered payroll	Unavailable	9.98%	-2.12%	65.21%	33.61%	45.85%	53.36%	69.31%	47.01%	27.17%
Plan fiduciary net position as a percentage of the total	Unavailable	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

Schedule of the District's Contributions

PERSI - Base Plan

As of June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	3,661,379	3,338,949	2,969,846	2,941,902	2,610,047	2,380,913	2,205,750	2,091,857	2,073,479	2,015,104
Contributions in relation to the statutorily required contribution	(3,661,379)	(3,338,949)	(2,969,846)	(2,941,902)	(2,610,047)	(2,380,913)	(2,205,750)	(2,091,857)	(2,073,479)	(2,015,104)
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll	30,664,816	27,964,397	24,873,082	24,639,045	23,056,952	21,032,800	19,485,424	18,479,302	18,316,951	17,801,272
Contributions as a percentage of covered payroll	11.94%	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%	11.32%	11.32%	11.32%

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

As of June 30, 2022 (most recently issued PERSI Information)

Change of Assumptions. There were no change of assumptions for the year ended June 30, 2022.

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

OTHER POST EMPLOYMENT BENEFIT LIABILITY SCHEDULE
As of June 30,

	2023	2022	2021	2020	2019	2018	2017
Service Cost	167,897	172,419	172,840	149,537	Unavailable	131,354	121,220
Interest	60,577	43,761	45,855	61,495	Unavailable	76,134	76,652
Changes of benefit terms	-	-	-	-	Unavailable	-	-
Differences between expected and actual experience	-	(430,787)	-	(207,635)	Unavailable	-	(44,156)
Changes of assumptions or other inputs	(12,986)	(131,935)	28,423	(59,668)	Unavailable	10,928	(42,815)
Benefit payments	(49,346)	(90,286)	(86,486)	88,426	Unavailable	(149,556)	(129,326)
Net change in total OPEB Liability	166,142	(436,828)	160,632	32,155	-	68,860	(18,425)
Total OPEB liability - beginning	1,363,430	1,800,258	1,639,626	1,607,471	1,971,083	1,902,223	1,920,648
Total OPEB liability-ending	<u>\$ 1,529,572</u>	<u>\$ 1,363,430</u>	<u>\$ 1,800,258</u>	<u>\$ 1,639,626</u>	<u>\$ 1,607,471</u>	<u>\$ 1,971,083</u>	<u>\$ 1,902,223</u>
Covered payroll	19,319,141	18,620,858	23,808,899	22,948,337	17,723,445	17,372,039	16,744,134
Total OPEB liability as a percentage of covered- employee payroll	7.92%	7.32%	7.56%	7.14%	9.07%	11.35%	11.36%

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those use for which information is available.

NOTES TO THE OTHER POST EMPLOYMENT BENEFITS LIABILITY SCHEDULE
As of June 30, 2023

Change of Assumptions. Change of assumptions include state, trend, discount and other inputs.

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

NET OPEB ASSET - SICK LEAVE PLAN RELATED SCHEDULES

Schedule of the District's Share of Net OPEB Asset - Sick Leave Plan*

PERSI - OPEB Plan

As of June 30,

	2023	2022	2021	2020	2019	2018	2017
Employer's portion of the net OPEB asset	Unavailable	1.5749938%	1.5749938%	1.5749938%	1.6296316%	1.5641424%	1.5297294%
Employer's proportionate share of the net OPEB asset	Unavailable	1,198,997	2,287,213	1,939,299	1,560,868	1,297,377	1,174,265
Employer's covered payroll	30,664,816	27,964,397	24,873,082	24,639,045	23,056,952	21,032,800	19,485,424
Employer's proportional share of the net OPEB asset as a percentage of its covered payroll	Unavailable	4.29%	9.20%	7.87%	6.77%	6.17%	6.03%
Plan fiduciary net position as a percentage of the total OPEB asset	Unavailable	127.21%	152.61%	152.87%	138.51%	135.69%	136.78%

Schedule of the District's Contributions*

PERSI - OPEB Plan

As of June 30,

	2023	2022	2021	2020	2019	2018	2017
Statutorily required contribution	-	-	-	141,219	267,310	243,950	226,031
Contributions in relation to the statutorily required contribution	-	-	-	(141,219)	(267,310)	(243,950)	(226,031)
Contribution (deficiency) excess	-	-	-	-	-	-	-
Employer's covered payroll	30,664,816	27,964,397	24,873,082	24,639,045	23,056,952	21,032,800	19,485,424
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.57%	1.16%	1.16%	1.16%

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those use for which information is available.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

As of June 30, 2022 (most recently issued PERSI information)

Change of Assumptions. There were no change of assumptions for the year ended June 30, 2022.

SUPPLEMENTARY INFORMATION

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION			
Elementary school:			
Salaries	6,569,665	6,683,994	114,329
Benefits	2,160,816	2,422,065	261,249
Purchased services	41,156	39,000	(2,156)
Supplies-materials	241,826	245,868	4,042
Total elementary school	<u>9,013,463</u>	<u>9,390,927</u>	<u>377,464</u>
Secondary school:			
Salaries	7,431,501	7,266,540	(164,961)
Benefits	2,579,462	2,621,940	42,478
Purchased services	333,655	320,220	(13,435)
Supplies-materials	277,275	290,240	12,965
Total secondary school	<u>10,621,893</u>	<u>10,498,940</u>	<u>(122,953)</u>
Alternative school:			
Salaries	404,998	288,714	(116,284)
Benefits	141,626	103,727	(37,899)
Purchased services	1,978	4,000	2,022
Supplies-materials	11,233	13,200	1,967
Total alternative school	<u>559,835</u>	<u>409,641</u>	<u>(150,194)</u>
Special education:			
Salaries	2,825,449	2,034,417	(791,032)
Benefits	1,339,402	1,134,872	(204,530)
Purchased services	77	7,000	6,923
Supplies-materials	4,123	5,000	877
Total special education	<u>4,169,051</u>	<u>3,181,289</u>	<u>(987,762)</u>
Special education preschool:			
Salaries	28,116	-	(28,116)
Benefits	10,688	-	(10,688)
Total special education preschool	<u>38,804</u>	<u>-</u>	<u>(38,804)</u>
Gifted and talented:			
Salaries	80,650	-	(80,650)
Benefits	25,368	1,300	(24,068)
Purchased services	266	2,000	1,734
Supplies-materials	1	4,000	3,999
Total gifted and talented	<u>106,285</u>	<u>7,300</u>	<u>(98,985)</u>
Interscholastic:			
Salaries	715,824	507,621	(208,203)
Benefits	129,575	108,837	(20,738)
Purchased services	599,150	434,000	(165,150)
Supplies-materials	116,733	114,000	(2,733)
Capital objects	18,240	-	(18,240)
Total interscholastic	<u>1,579,522</u>	<u>1,164,458</u>	<u>(415,064)</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (CONTINUED)
For the Year Ended June 30, 2023**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION (Continued)			
Summer school:			
Salaries	24,188	-	(24,188)
Benefits	5,372	700	(4,672)
Supplies-materials	3,013	3,000	(13)
Total summer school	<u>32,573</u>	<u>3,700</u>	<u>(28,873)</u>
TOTAL INSTRUCTION			
Salaries	18,080,391	16,781,286	(1,299,105)
Benefits	6,392,309	6,393,441	1,132
Purchased services	976,282	806,220	(170,062)
Supplies-materials	654,204	675,308	21,104
Capital objects	18,240	-	(18,240)
Total instruction	<u>\$ 26,121,426</u>	<u>\$ 24,656,255</u>	<u>\$ (1,465,171)</u>
SUPPORT			
Attendance, guidance and health:			
Salaries	1,396,148	1,429,101	32,953
Benefits	459,586	511,831	52,245
Purchased services	2,989	3,250	261
Supplies-materials	6,792	5,000	(1,792)
Total attendance, guidance and health	<u>1,865,515</u>	<u>1,949,182</u>	<u>83,667</u>
Special education support services:			
Salaries	438,805	565,603	126,798
Benefits	171,895	207,895	36,000
Purchased services	429,087	243,250	(185,837)
Supplies-materials	5,009	5,500	491
Total special education support services	<u>1,044,796</u>	<u>1,022,248</u>	<u>(22,548)</u>
Instruction improvement program:			
Salaries	29,692	-	(29,692)
Benefits	9,906	3,500	(6,406)
Purchased services	111,387	40,000	(71,387)
Supplies-materials	14,537	20,000	5,463
Total instruction improvement program	<u>165,522</u>	<u>63,500</u>	<u>(102,022)</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (CONTINUED)
For the Year Ended June 30, 2023**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT (Continued)			
Educational media:			
Salaries	282,868	236,096	(46,772)
Benefits	117,687	137,304	19,617
Purchased services	10,019	10,000	(19)
Supplies-materials	26,963	1,500	(25,463)
Total educational media	<u>437,537</u>	<u>384,900</u>	<u>(52,637)</u>
Instruction related technology:			
Salaries	159,548	184,569	25,021
Benefits	75,659	102,332	26,673
Purchased services	12,995	20,000	7,005
Supplies-materials	11,610	37,000	25,390
Total instruction related technology	<u>259,812</u>	<u>343,901</u>	<u>84,089</u>
Board of education:			
Purchased services	67,015	86,000	18,985
Supplies-materials	8,006	5,200	(2,806)
Insurance - judgment	23,000	23,000	-
Total board of education	<u>98,021</u>	<u>114,200</u>	<u>16,179</u>
District administration:			
Salaries	719,934	696,489	(23,445)
Benefits	253,754	242,440	(11,314)
Purchased services	46,732	50,000	3,268
Supplies-materials	46,614	32,000	(14,614)
Capital objects	57,400	-	(57,400)
Total district administration	<u>1,124,434</u>	<u>1,020,929</u>	<u>(103,505)</u>
School administration:			
Salaries	2,471,396	2,463,084	(8,312)
Benefits	883,583	935,897	52,314
Purchased services	74	-	(74)
Supplies-materials	16,514	21,500	4,986
Total school administration	<u>3,371,567</u>	<u>3,420,481</u>	<u>48,914</u>
Business operations:			
Salaries	327,569	285,967	(41,602)
Benefits	104,824	97,464	(7,360)
Purchased services	93,956	75,000	(18,956)
Supplies-materials	7,602	70,000	62,398
Total business operations	<u>533,951</u>	<u>528,431</u>	<u>(5,520)</u>
Administrative technology:			
Salaries	147,978	176,268	28,290
Benefits	46,260	63,221	16,961
Purchased services	100,057	110,000	9,943
Supplies-materials	541	1,000	459
Total administrative technology	<u>294,836</u>	<u>350,489</u>	<u>55,653</u>
Buildings-care program (custodial):			
Salaries	1,077,347	1,017,311	(60,036)
Benefits	459,873	512,650	52,777
Purchased services	1,426,011	1,224,422	(201,589)
Supplies-materials	161,818	115,000	(46,818)
Insurance - judgment	124,381	125,000	619
Total buildings-care program (custodial)	<u>3,249,430</u>	<u>2,994,383</u>	<u>(255,047)</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL (CONTINUED)
For the Year Ended June 30, 2023**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT (Continued)			
Maintenance - non-student occupied:			
Supplies-materials	1,590	5,000	3,410
Maintenance - student occupied:			
Salaries	969,935	879,105	(90,830)
Benefits	352,146	339,881	(12,265)
Purchased services	247,657	127,000	(120,657)
Supplies-materials	194,378	130,000	(64,378)
Total maintenance - student occupied	<u>1,764,116</u>	<u>1,475,986</u>	<u>(288,130)</u>
Maintenance - grounds:			
Purchased services	239,690	177,000	(62,690)
Supplies-materials	23,604	30,000	6,396
Total maintenance - grounds	<u>263,294</u>	<u>207,000</u>	<u>(56,294)</u>
Security:			
Salaries	85,023	85,975	952
Benefits	34,463	35,912	1,449
Purchased services	81,457	21,500	(59,957)
Supplies-materials	57,434	25,000	(32,434)
Total security	<u>258,377</u>	<u>168,387</u>	<u>(89,990)</u>
Pupil-to-school transportation:			
Salaries	1,219,115	1,213,553	(5,562)
Benefits	485,966	556,412	70,446
Purchased services	85,784	68,800	(16,984)
Supplies-materials	441,396	417,800	(23,596)
Insurance - judgment	22,000	22,000	-
Total pupil-to-school transportation	<u>2,254,261</u>	<u>2,278,565</u>	<u>24,304</u>
General transportation:			
Salaries	277	-	(277)
Benefits	17,761	13,700	(4,061)
Purchased services	6,743	10,000	3,257
Supplies-materials	32,249	5,000	(27,249)
Capital objects	42,873	-	(42,873)
Insurance - judgment	22,000	22,000	-
Total general transportation	<u>121,903</u>	<u>50,700</u>	<u>(71,203)</u>
TOTAL SUPPORT			
Salaries	9,325,635	9,233,121	(92,514)
Benefits	3,473,363	3,760,439	287,076
Purchased services	2,961,653	2,266,222	(695,431)
Supplies-materials	1,056,657	926,500	(130,157)
Capital objects	100,273	-	(100,273)
Insurance - judgment	191,381	192,000	619
Total support	<u>\$ 17,108,962</u>	<u>\$ 16,378,282</u>	<u>\$ (730,680)</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

NONMAJOR FUND DESCRIPTIONS

Child Nutrition Fund - To account for costs of operating the school lunch program at the District. Financing is provided by State and Federal assistance and by sales of lunches. Reporting is done as a special revenue fund rather than as an enterprise fund due to the large amounts of State and Federal assistance received by the program.

Federal Forest Reserve Fund - To account for Federal revenue received from the U.S. Department of Agriculture. This Fund has been used for special capital outlay projects.

Facilities Fund - To account for local revenue supporting a facilities program.

Before and After School Enrichment Fund - To account for local revenues supporting a before and after school enrichment program.

Student Activity Fund - To account for revenue and costs related to student activity funds.

Literacy Intervention Fund - To account for state revenues supporting literacy intervention.

State Professional Technical Fund - To account for restricted State revenue to be spent on equipment and materials for vocational programs.

Gifted and Talented Fund - To account for State revenues to be spent on in service training for the gifted and talented program.

Technology Grant Fund - To account for restricted State revenue to be spent on capital outlay projects.

State Substance Abuse Fund - To account for restricted State revenue to be spent on drug education in-service training for teachers and parents and materials for classroom.

Miscellaneous Grant Fund - To account for State and Local revenue to be spent on the current needs of the District as indicated by each grant.

ESSER III (ARPA) American Rescue Plan Act Fund - To account for restricted federal revenue to be spent on COVID related expenditures.

Title I-A, ESSA - Improving Basic Programs Fund - To account for restricted Federal revenue to be spent on programs to provide special instruction to disadvantaged students.

ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act Fund - To account for restricted Federal revenue to be spent on COVID-19 related expenditures.

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

NONMAJOR FUND DESCRIPTIONS (CONTINUED)

ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations Act Fund - To account for restricted Federal revenue to be spent on COVID-19 related expenditures.

IDEA Part B (611 School Age 3-21) Fund - To account for restricted Federal revenue to be spent on programs to provide for special testing, physical therapy, teacher aids, equipment and materials, etc. in special education.

IDEA Part B (619 Pre-School Age 3-5) Fund - To account for restricted Federal revenue to be spent on programs to provide for preschool handicapped (3-5 years old) in the same manner provided for school age children in IDEA Part B program.

ARPA - IDEA Part B Fund - To account for restricted federal funding to be spent on programs for students with disabilities.

School Based Medicaid Fund - To account for restricted Federal revenue to be spent on Medicaid related expenditures.

Title IV-A ESSA - Student Support and Academic Enrichment Fund - To account for restricted Federal revenue for student support and academic enrichment.

Perkins IV - Professional Technical Act Fund - To account for restricted Federal revenue to be spent on vocational training.

IDEA Mini-Grants Fund - To account for restricted Federal revenue to be spent on students and professionals from underrepresented groups within the nutrition and dietetics profession, as well as support educational cultural sensitivity programs.

Title II-A, ESEA - Supporting Effective Instruction Fund - To account for restricted Federal revenue to be spent on in-service training of math and/or science teachers.

Idaho Rebounds COVID Relief Fund - To account for restricted Federal revenue to be spent on COVID-19 related expenditures.

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**NONMAJOR FUNDS
COMBINING BALANCE SHEET
June 30, 2023**

	Child Nutrition	Federal Forest Reserve	Facilities	Before and After School Enrichment	Student Activity	Literacy Intervention	State Professional Technical	Gifted and Talented
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
Assets:								
Cash	-	-	-	-	229,480	-	-	-
Investments	-	-	-	-	569,236	-	-	-
Due from other funds	842,827	46,797	241,450	178,055	-	175,896	15,651	6,396
Other receivables:								
Due from other governments	47,307	-	-	-	-	-	-	-
Other	-	-	-	1,674	-	-	-	-
Inventory	54,650	-	-	-	-	-	-	-
Total assets	<u>944,784</u>	<u>46,797</u>	<u>241,450</u>	<u>179,729</u>	<u>798,716</u>	<u>175,896</u>	<u>15,651</u>	<u>6,396</u>
Deferred outflows of resources	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 944,784</u>	<u>\$ 46,797</u>	<u>\$ 241,450</u>	<u>\$ 179,729</u>	<u>\$ 798,716</u>	<u>\$ 175,896</u>	<u>\$ 15,651</u>	<u>\$ 6,396</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Due to other funds	-	-	-	-	-	-	-	-
Accounts payable	57,813	860	41,649	299	-	24,969	15,651	-
Accrued payroll and benefits	-	-	-	17,484	-	150,927	-	-
Total liabilities	<u>57,813</u>	<u>860</u>	<u>41,649</u>	<u>17,783</u>	<u>-</u>	<u>175,896</u>	<u>15,651</u>	<u>-</u>
Deferred inflows of resources:								
Other deferred revenue	-	-	-	8,102	-	-	-	-
Fund balances:								
Nonspendable	54,650	-	-	-	-	-	-	-
Restricted	832,321	45,937	199,801	153,844	798,716	-	-	6,396
Total fund balances	<u>886,971</u>	<u>45,937</u>	<u>199,801</u>	<u>153,844</u>	<u>798,716</u>	<u>-</u>	<u>-</u>	<u>6,396</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 944,784</u>	<u>\$ 46,797</u>	<u>\$ 241,450</u>	<u>\$ 179,729</u>	<u>\$ 798,716</u>	<u>\$ 175,896</u>	<u>\$ 15,651</u>	<u>\$ 6,396</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

NONMAJOR FUNDS
COMBINING BALANCE SHEET (CONTINUED)
June 30, 2023

	Technology Grant	State Substance Abuse	Miscellaneous Grant	ESSER III (APRA)American Rescue Plan Act	Title I-A, ESSA - Improving Basic Programs	ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations Act	IDEA Part B (611 School Age 3-21)
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
Assets:								
Cash	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Due from other funds	806,029	8,466	31,418	-	-	-	-	-
Other receivables:								
Due from other governments	-	-	-	212,748	159,057	-	-	191,272
Other	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Total assets	806,029	8,466	31,418	212,748	159,057	-	-	191,272
Deferred outflows of resources	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 806,029</u>	<u>\$ 8,466</u>	<u>\$ 31,418</u>	<u>\$ 212,748</u>	<u>\$ 159,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,272</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Due to other funds	-	-	-	212,748	25,630	-	-	67,096
Accounts payable	561,031	8,466	1,051	-	-	-	-	-
Accrued payroll and benefits	-	-	-	-	133,427	-	-	124,176
Total liabilities	561,031	8,466	1,051	212,748	159,057	-	-	191,272
Deferred inflows of resources:								
Other deferred revenue	-	-	-	-	-	-	-	-
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	244,998	-	30,367	-	-	-	-	-
Total fund balances	244,998	-	30,367	-	-	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 806,029</u>	<u>\$ 8,466</u>	<u>\$ 31,418</u>	<u>\$ 212,748</u>	<u>\$ 159,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,272</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

NONMAJOR FUNDS
COMBINING BALANCE SHEET (CONTINUED)
June 30, 2023

	IDEA Part B (619 Pre-School Age 3-5)	ARPA IDEA Part B	School Based Medicaid	Title IV-A, ESSA - Student Support and Academic Enrichment	Perkins IV Professional Technical Act	IDEA Mini-Grants	Title II-A ESEA - Supporting Effective Instruction	Idaho Rebounds COVID Relief	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES									
Assets:									
Cash	-	-	35,609	-	-	-	-	-	265,089
Investments	-	-	-	-	-	-	-	-	569,236
Due from other funds	5,635	-	-	-	-	-	23,358	-	2,381,978
Other receivables:									
Due from other governments	-	44,839	110,142	20,090	59,151	11,596	7,242	-	863,444
Other	-	-	-	-	-	-	-	-	1,674
Inventory	-	-	-	-	-	-	-	-	54,650
Total assets	5,635	44,839	145,751	20,090	59,151	11,596	30,600	-	4,136,071
Deferred outflows of resources:	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 5,635</u>	<u>\$ 44,839</u>	<u>\$ 145,751</u>	<u>\$ 20,090</u>	<u>\$ 59,151</u>	<u>\$ 11,596</u>	<u>\$ 30,600</u>	<u>\$ -</u>	<u>\$ 4,136,071</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Due to other funds	-	9,027	110,142	10,045	49,907	11,596	-	-	496,191
Accounts payable	-	-	-	-	-	-	-	-	711,789
Accrued payroll and benefits	5,635	35,812	-	10,045	9,244	-	30,600	-	517,350
Total liabilities	5,635	44,839	110,142	20,090	59,151	11,596	30,600	-	1,725,330
Deferred inflows of resources:									
Other deferred revenue	-	-	-	-	-	-	-	-	8,102
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	54,650
Restricted	-	-	35,609	-	-	-	-	-	2,347,989
Total fund balances	-	-	35,609	-	-	-	-	-	2,402,639
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 5,635</u>	<u>\$ 44,839</u>	<u>\$ 145,751</u>	<u>\$ 20,090</u>	<u>\$ 59,151</u>	<u>\$ 11,596</u>	<u>\$ 30,600</u>	<u>\$ -</u>	<u>\$ 4,136,071</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023

	Child Nutrition	Federal Forest Reserve	Facilities	Before and After School Enrichment	Student Activity	Literacy Intervention	State Professional Technical	Gifted and Talented
REVENUES								
Local:								
Earnings on investments	-	-	-	-	-	-	-	-
Lunch sales	505,866	-	-	-	-	-	-	-
Other	-	-	206,781	156,815	1,285,919	-	-	-
Total local	505,866	-	206,781	156,815	1,285,919	-	-	-
State:								
Restricted	-	-	-	-	-	1,152,819	103,904	-
Other state revenue	279	-	-	-	-	-	-	-
Total state	279	-	-	-	-	1,152,819	103,904	-
Federal:								
School lunch reimbursement	856,331	-	-	-	-	-	-	-
Unrestricted	-	25,732	-	-	-	-	-	-
Restricted	93,976	-	-	-	-	-	-	-
Total federal	950,307	25,732	-	-	-	-	-	-
Total revenues	1,456,452	25,732	206,781	156,815	1,285,919	1,152,819	103,904	-
EXPENDITURES								
Instruction:								
Salaries	-	-	-	-	-	774,934	-	-
Benefits	-	-	-	-	-	368,329	-	3,263
Purchased services	-	-	-	-	-	-	7,645	3,928
Supplies-materials	-	-	5,397	-	-	9,556	96,259	-
Total instruction	-	-	5,397	-	-	1,152,819	103,904	7,191
Support:								
Salaries	-	-	-	136,632	-	-	-	-
Benefits	-	-	-	44,101	-	-	-	-
Purchased services	-	8,000	-	7,224	-	-	-	-
Supplies-materials	-	860	5,659	-	-	-	-	-
Capital objects	-	35,000	-	-	-	-	-	-
Total support	-	43,860	5,659	187,957	-	-	-	-
Non-instruction:								
Purchased services	866,481	-	-	-	-	-	-	-
Supplies-materials	837,360	-	-	-	1,177,304	-	-	-
Capital objects	328,283	-	-	-	-	-	-	-
Insurance - judgment	9,665	-	-	-	-	-	-	-
Total non-instruction	2,041,789	-	-	-	1,177,304	-	-	-
Capital asset program:								
Capital objects	-	-	105,786	-	-	-	-	-
Total expenditures	2,041,789	43,860	116,842	187,957	1,177,304	1,152,819	103,904	7,191
Excess (deficiency) of revenues over (under) expenditures	(585,337)	(18,128)	89,939	(31,142)	108,615	-	-	(7,191)
Other financing sources (uses)								
Transfers in	721	-	-	-	-	-	-	-
Transfers out	-	-	(132,318)	-	-	-	-	-
Total other financing sources (uses)	721	-	(132,318)	-	-	-	-	-
Net change in fund balance	(584,616)	(18,128)	(42,379)	(31,142)	108,615	-	-	(7,191)
Fund balance-beginning of year	1,471,587	64,065	242,180	184,986	690,101	-	-	13,587
Fund balance-end of year	\$ 886,971	\$ 45,937	\$ 199,801	\$ 153,844	\$ 798,716	\$ -	\$ -	\$ 6,396

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended June 30, 2023

	Technology Grant	State Substance Abuse	Miscellaneous Grant	ESSER III (APRA) American Rescue Plan Act	Title I-A, ESSA - Improving Basic Programs	ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations Act	IDEA Part B (611 School Age 3-21)
REVENUES								
Local:								
Earnings on investments	-	-	-	-	-	-	-	-
Lunch sales	-	-	-	-	-	-	-	-
Other	-	-	74,679	-	-	-	-	-
Total local	-	-	74,679	-	-	-	-	-
State:								
Restricted	353,735	56,878	45,193	-	-	-	-	-
Other state revenue	-	-	-	-	-	-	-	-
Total state	353,735	56,878	45,193	-	-	-	-	-
Federal:								
School lunch reimbursement	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Restricted	-	-	-	3,276,178	807,432	770	105,659	777,960
Total federal	-	-	-	3,276,178	807,432	770	105,659	777,960
Total revenues	353,735	56,878	119,872	3,276,178	807,432	770	105,659	777,960
EXPENDITURES								
Instruction:								
Salaries	-	-	39,930	943,321	545,513	-	30,010	561,173
Benefits	-	-	6,484	265,402	244,891	-	5,675	194,605
Purchased services	-	-	18,776	-	4,831	-	-	459
Supplies-materials	-	-	62,791	925,469	12,197	770	(150)	21,723
Total instruction	-	-	127,981	2,134,192	807,432	770	35,535	777,960
Support:								
Salaries	-	-	-	514,846	-	-	16,792	-
Benefits	-	-	-	116,349	-	-	3,058	-
Purchased services	33,346	56,878	-	124,750	-	-	3,000	-
Supplies-materials	667,347	-	1,481	20,860	-	-	24,551	-
Capital objects	-	-	-	249,300	-	-	-	-
Total support	700,693	56,878	1,481	1,026,105	-	-	47,401	-
Non-instruction:								
Purchased services	-	-	-	-	-	-	-	-
Supplies-materials	-	-	-	-	-	-	-	-
Capital objects	-	-	-	-	-	-	-	-
Insurance - judgment	-	-	-	-	-	-	-	-
Total non-instruction	-	-	-	-	-	-	-	-
Capital asset program:								
Capital objects	-	-	-	115,881	-	-	22,723	-
Total expenditures	700,693	56,878	129,462	3,276,178	807,432	770	105,659	777,960
Excess (deficiency) of revenues over (under) expenditures	(346,958)	-	(9,590)	-	-	-	-	-
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balance	(346,958)	-	(9,590)	-	-	-	-	-
Fund balance-beginning of year	591,956	-	39,957	-	-	-	-	-
Fund balance-end of year	\$ 244,998	\$ -	\$ 30,367	\$ -	\$ -	\$ -	\$ -	\$ -

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended June 30, 2023

	IDEA Part B (619 Pre-School Age 3-5)	ARPA IDEA Part B	School Based Medicaid	Title IV-A, ESSA - Student Support and Academic Enrichment	Perkins IV Professional Technical Act	IDEA Mini-Grants	Title II-A ESEA - Supporting Effective Instruction	Idaho Rebounds COVID Relief	Total
REVENUES									
Local:									
Earnings on investments	-	-	334	-	-	-	-	-	334
Lunch sales	-	-	-	-	-	-	-	-	505,866
Other	-	-	-	-	-	-	-	-	1,724,194
Total local	-	-	334	-	-	-	-	-	2,230,394
State:									
Restricted	-	-	-	-	-	-	-	-	1,712,529
Other state revenue	-	-	-	-	-	-	-	-	279
Total state	-	-	-	-	-	-	-	-	1,712,808
Federal:									
School lunch reimbursement	-	-	-	-	-	-	-	-	856,331
Unrestricted	-	-	-	-	-	-	-	-	25,732
Restricted	22,867	203,972	412,113	124,749	59,151	11,596	170,713	525,389	6,592,525
Total federal	22,867	203,972	412,113	124,749	59,151	11,596	170,713	525,389	7,474,588
Total revenues	22,867	203,972	412,447	124,749	59,151	11,596	170,713	525,389	11,417,790
EXPENDITURES									
Instruction:									
Salaries	16,523	99,350	390,000	3,800	19,948	-	-	409,640	3,834,142
Benefits	6,344	38,050	143,973	734	7,019	-	-	79,197	1,363,966
Purchased services	-	-	-	-	-	-	-	-	35,639
Supplies-materials	-	-	-	-	9,399	-	-	-	1,143,411
Total instruction	22,867	137,400	533,973	4,534	36,366	-	-	488,837	6,377,158
Support:									
Salaries	-	47,931	-	93,202	17,313	-	119,531	30,458	976,705
Benefits	-	18,641	-	27,013	5,472	-	38,799	6,094	259,527
Purchased services	-	-	18,663	-	-	11,596	12,383	-	275,840
Supplies-materials	-	-	-	-	-	-	-	-	720,758
Capital objects	-	-	-	-	-	-	-	-	284,300
Total support	-	66,572	18,663	120,215	22,785	11,596	170,713	36,552	2,517,130
Non-instruction:									
Purchased services	-	-	-	-	-	-	-	-	866,481
Supplies-materials	-	-	-	-	-	-	-	-	2,014,664
Capital objects	-	-	-	-	-	-	-	-	328,283
Insurance - judgment	-	-	-	-	-	-	-	-	9,665
Total non-instruction	-	-	-	-	-	-	-	-	3,219,093
Capital asset program:									
Capital objects	-	-	-	-	-	-	-	-	244,390
Total expenditures	22,867	203,972	552,636	124,749	59,151	11,596	170,713	525,389	12,357,771
Excess (deficiency) of revenues over (under) expenditures	-	-	(140,189)	-	-	-	-	-	(939,981)
Other financing sources (uses)									
Transfers in	-	-	160,469	-	-	-	-	-	161,190
Transfer out	-	-	-	-	-	-	-	-	(132,318)
Total other financing sources (uses)	-	-	160,469	-	-	-	-	-	28,872
Net change in fund balance	-	-	20,280	-	-	-	-	-	(911,109)
Fund balance-beginning of year	-	-	15,329	-	-	-	-	-	3,313,748
Fund balance-end of year	\$ -	\$ -	\$ 35,609	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,402,639

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**NONMAJOR FUNDS
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

Fund	Budgeted Revenues	Actual Revenues	Budgeted Expenditures	Actual Expenditures	Transfer	Beginning Fund Balance	Ending Fund Balance
Child Nutrition	1,469,805	1,456,452	2,089,549	2,041,789	721	1,471,587	886,971
Federal Forest Reserve	20,000	25,732	25,000	43,860	-	64,065	45,937
Facilities	17,000	206,781	77,200	116,842	(132,318)	242,180	199,801
Before and After School Enrichment	341,200	156,815	340,467	187,957	-	184,986	153,844
Student Activity	-	1,285,919	-	1,177,304	-	690,101	798,716
Literacy Intervention	782,438	1,152,819	782,438	1,152,819	-	-	-
State Professional Technical	83,070	103,904	83,070	103,904	-	-	-
Gifted and Talented	-	-	-	7,191	-	13,587	6,396
Technology Grant	308,150	353,735	686,000	700,693	-	591,956	244,998
State Substance Abuse	53,700	56,878	53,700	56,878	-	-	-
Miscellaneous Grant	17,000	119,872	17,000	129,462	-	39,957	30,367
ESSER III (ARPA) American Rescue Plan Act	2,935,275	3,276,178	2,935,275	3,276,178	-	-	-
Title I-A - ESSA Improving Basic Programs	726,276	807,432	757,562	807,432	-	-	-
ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	-	770	-	770	-	-	-
ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations Act	-	105,659	-	105,659	-	-	-
IDEA Part B (611 School Age 3-21)	824,629	777,960	901,506	777,960	-	-	-
IDEA Part B (619 Pre-School Age 3-5)	22,852	22,867	22,852	22,867	-	-	-
ARPA IDEA Part B	-	203,972	-	203,972	-	-	-
School Based Medicaid	390,000	412,447	390,000	552,636	160,469	15,329	35,609
Title IV-A, ESSA - Student Support and Academic Enrichment	83,273	124,749	91,339	124,749	-	-	-
Perkins IV - Professional Technical Act	68,126	59,151	68,126	59,151	-	-	-
IDEA Mini-Grants	-	11,596	-	11,596	-	-	-
Title II-A ESEA - Supporting Effective Instruction	124,704	170,713	143,589	170,713	-	-	-
Idaho Rebounds COVID Relief	-	525,389	-	525,389	-	-	-
Total	\$ 8,267,498	\$ 11,417,790	\$ 9,464,673	\$ 12,357,771	\$ 28,872	\$ 3,313,748	\$ 2,402,639

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
June 30, 2023**

	<u>School Plant Facility</u>	<u>Board Projects</u>	<u>Land Reserve</u>	<u>School Plant Facility - Bus Depreciation</u>	<u>Total</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Due from other funds		2,452,523	206,566	577,395	3,236,484
Taxes receivable	63	-	-	-	63
Unbilled taxes receivable	1,146,520	-	-	-	1,146,520
Other receivables:					
Due from other governments	3,679	-	-	-	3,679
Total assets	<u>1,150,262</u>	<u>2,452,523</u>	<u>206,566</u>	<u>577,395</u>	<u>4,386,746</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,150,262</u>	<u>\$ 2,452,523</u>	<u>\$ 206,566</u>	<u>\$ 577,395</u>	<u>\$ 4,386,746</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Due to other funds	10,199	-	-	-	10,199
Accounts payable	<u>2,520</u>	<u>412,833</u>	<u>-</u>	<u>-</u>	<u>415,353</u>
Total liabilities	<u>12,719</u>	<u>412,833</u>	<u>-</u>	<u>-</u>	<u>425,552</u>
Deferred inflows of resources:					
Deferred revenue	56	-	-	-	56
Unavailable property tax revenue	<u>1,146,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,146,520</u>
Total deferred inflows of resources	<u>1,146,576</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,146,576</u>
Fund balances:					
Restricted	<u>(9,033)</u>	<u>2,039,690</u>	<u>206,566</u>	<u>577,395</u>	<u>2,814,618</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,150,262</u>	<u>\$ 2,452,523</u>	<u>\$ 206,566</u>	<u>\$ 577,395</u>	<u>\$ 4,386,746</u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272

Rathdrum, Idaho

**CAPITAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023**

	<u>School Plant Facility</u>	<u>Board Projects</u>	<u>Land Reserve</u>	<u>School Plant Facility - Bus Depreciation</u>	<u>Total</u>
REVENUES					
Local:					
Taxes	23,510	-	-	-	23,510
Total revenues	23,510	-	-	-	23,510
EXPENDITURES					
Support:					
Purchased services	59,243	-	-	-	59,243
Supplies-materials	33,849	-	-	-	33,849
Capital objects	43,346	-	-	-	43,346
Total support	136,438	-	-	-	136,438
Capital asset program:					
Capital objects	617,380	840,510	-	503,949	1,961,839
Total expenditures	753,818	840,510	-	503,949	2,098,277
Excess (deficiency) of revenue over (under) expenditures	(730,308)	(840,510)	-	(503,949)	(2,074,767)
Other financing sources (uses)					
Proceeds from sale of capital asset	-	-	-	44,117	44,117
Transfer in	132,318	2,880,200	206,566	204,723	3,423,807
Transfer out	(206,566)	-	-	-	(206,566)
Total other financing sources (uses)	(74,248)	2,880,200	206,566	248,840	3,261,358
Net change in fund balance	(804,556)	2,039,690	206,566	(255,109)	1,186,591
Fund balance -beginning of year	795,523	-	-	832,504	1,628,027
Fund balance-end of year	\$ (9,033)	\$ 2,039,690	\$ 206,566	\$ 577,395	\$ 2,814,618

SINGLE AUDIT SECTION

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2023

	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Grant Number	Expenditures
U. S. Department of Agriculture				
Passed through State Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	272	202323N119947	135,105
National School Lunch Program	10.555	272	202323N119947	668,179
Food Distribution (non-cash)	10.555	272	Not Available	93,976
Summer Food Service Program for Children	10.559	272	202222N119947	17,433
Fresh Fruit and Vegetable Program	10.582	272	202322L160347	35,614
Total Child Nutrition Cluster				<u>950,307</u>
Direct through U.S. Department of Agriculture				
Forest Service Schools and Roads Cluster				
Schools and Roads - Grants to States	10.665	272	Not Available	<u>43,860</u>
Total U.S. Department of Agriculture				<u>994,167</u>
U. S. Department of Treasury				
Passed through State Department of Education				
Coronavirus State and Local Fiscal Recovery Funds	21.027	272	SLFRP0142	<u>525,389</u>
Total U.S. Department of Treasury				<u>525,389</u>
U. S. Department of Health and Human Services				
Passed through State Department of Education				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	272	Not Available	<u>6,450</u>
Total U.S. Department of Health and Human Services				<u>6,450</u>
U.S. Department of Education				
Passed through State Department of Education				
Special Education Cluster				
Part B, IDEA - School Age	84.027	272	H027A220088	777,960
Part B, IDEA - Restraint & Seclusion (HB281)	84.027	272	H027A210088	11,596
COVID 19 - Part B, IDEA - School Age	84.027x	272	H027X210088	184,795
Total Part B, IDEA - School Age				<u>974,351</u>
Part B, IDEA - Preschool	84.173	272	H173A220030	22,867
COVID 19 - Part B, IDEA - Preschool	84.173x	272	H173X210030	19,177
Total Part B, IDEA - Preschool				<u>42,044</u>
Total Special Education Cluster				<u>1,016,395</u>
Education Stabilization Fund (ESF)				
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	272	S425D210043	770
COVID 19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	272	S425U200043	3,276,178
COVID 19 - Coronavirus Response and Relief Supplemental Appropriations Act, 2021 - Emergency Assistance to Non-Public Schools (CRRSA EANS) Program	84.425W	272	S425W210013	105,659
Total Education Stabilization Fund (ESF)				<u>3,382,607</u>
Other Programs				
Title I-A, ESEA - Improving Basic Programs	84.010	272	S010A220012	807,432
Perkins III, Professional Technical	84.048	272	V048A220012	59,151
Title II-A, ESEA - Improving Teacher Quality	84.367	272	S367A220011	170,713
State Support and Academic Enrichment Program	84.424	272	S424A220013	124,749
Total Other Programs				<u>1,162,045</u>
Total U.S. Department of Education				<u>5,561,047</u>
Total Expenditures				<u><u>\$ 7,080,603</u></u>

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2023

NOTE 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Lakeland Joint School District No. 272 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Lakeland Joint School District No. 272, it is not intended to and does not present the financial position, changes in fund balance, or cash flows of Lakeland Joint School District No. 272.

NOTE 2 Summary of Significant Accounting Policies

- (1) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Cost Principles for State, Local and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Lakeland Joint School District No. 272 has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 Food Distribution

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. The value of the non-cash assistance for the year ended June 30, 2023 was \$93,976.

NOTE 4 Sub-Recipients

There were no awards passed through to sub-recipients.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees
Lakeland Joint School District No. 272
Rathdrum, Idaho 83858

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 governmental activities, each major fund, and the aggregate remaining fund information of Lakeland Joint School District No. 272, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise Lakeland Joint School District No. 272's basic financial statements, and have issued our report thereon dated October 6, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lakeland Joint School District No. 272's internal control over financial reporting (internal control) as a basis for designing 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 Lakeland Joint School District No. 272's internal control. Accordingly, we do not express an opinion on the effectiveness of Lakeland Joint School District No. 272'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 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 or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lakeland Joint School District No. 272'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 financial statements. 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hayden Ross, PLLC

Moscow, Idaho
October 6, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees
Lakeland Joint School District No. 272
Rathdrum, Idaho 83858

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lakeland Joint School District No. 272's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Lakeland Joint School District No. 272's major federal programs for the year ended June 30, 2023. Lakeland Joint School District No. 272's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lakeland Joint School District No. 272 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, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lakeland Joint School District No. 272 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lakeland Joint School District No. 272's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lakeland Joint School District No. 272's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lakeland Joint School District No. 272's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lakeland Joint School District No. 272's compliance with the requirements of each major federal program as a whole. In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Lakeland Joint School District No. 272's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lakeland Joint School District No. 272's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Lakeland Joint School District No. 272's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Hayden Ross, PLLC

Moscow, Idaho
October 6, 2023

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Governmental Activities, Each Major Fund,
and Aggregate Remaining Fund Information Unmodified

Internal control over financial reporting:

- material weakness(es) identified? _____ yes x no

- significant deficiency(ies) identified? _____ yes x none reported

Noncompliance material to financial statements
noted?

_____ yes x no

Federal Awards

Internal control over major programs:

- material weakness(es) identified? _____ yes x no

- significant deficiency(ies) identified? _____ yes x none reported

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

Unmodified

Any audit findings disclosed that are required
to be reported in accordance with
2 CFR section 200.516(a)?

_____ yes x no

Identification of major programs:

Federal Assistance Listing Number

Name of Federal Program or Cluster

84.010

Title I-A, ESEA - Improving Basic Programs

84.425

Education Stabilization Fund

Dollar threshold used to distinguish between
type A and type B programs:

\$750,000

Auditee qualified as a low-risk auditee?

 x yes _____ no

LAKELAND JOINT SCHOOL DISTRICT NO. 272
Rathdrum, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For The Year Ended June 30, 2023

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.