

**PLUMMER/WORLEY JOINT SCHOOL
DISTRICT NO. 44**

FINANCIAL STATEMENTS

Year Ended June 30, 2022

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	3
MANAGEMENT'S DISCUSSION AND ANALYSIS (M D & A)	7
BASIC FINANCIAL STATEMENTS	
DISTRICT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	15
Statement of Activities	16
FUND FINANCIAL STATEMENTS	
Balance Sheet - Governmental Funds	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	19
Statement of Fiduciary Net Position – Fiduciary Funds	21
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	22
NOTES TO FINANCIAL STATEMENTS	23
REQUIRED SUPPLEMENTARY INFORMATION (RSI)	
Schedule of Pension and OPEB Funding	44
Budgetary Comparison Schedule – General Fund	45
Budgetary Comparison Schedule – Food Service Fund	46
SUPPLEMENTARY INFORMATION	
Independent Auditor's Report – <i>Government Auditing Standards</i>	48
<i>Uniform Guidance</i>	50
Schedule of Expenditures of Federal Awards	53
Schedule of Findings and Questioned Costs	54
Governmental Funds	56
Combining Balance Sheet – All Governmental Funds	60
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Funds	64



INDEPENDENT AUDITOR'S REPORT

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Board of Trustees
Plummer/Worley Joint School District No. 44
Plummer, Idaho

Report on the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Plummer/Worley Joint School District No. 44, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Plummer/Worley Joint School District No. 44's basic financial statements as listed in the table of contents.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, 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 the Plummer/Worley Joint School District No. 44, as of June 30, 2022, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Plummer/Worley Joint School District No. 44, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified 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 the Plummer/Worley Joint School District No. 44 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 qualified and unmodified audit opinions.

Matter Giving Rise to Qualified Opinion on the Governmental Activities

Management has recorded a liability for the implicit rate subsidy of the retiree healthcare. However, the District did not obtain a current actuarial report to determine the current amount of the liability. Accounting principles generally accepted in the United States of America require that the District record a liability for the excess of the age-adjusted health insurance premium over the blended health insurance premium for retirees, which would increase the liabilities, decrease the net position in the statement of net position, and increase expenses in the statement of activities. Since the District did not obtain a current actuarial report, the amount by which this departure would affect the liabilities, net position, and expenses of the governmental activities is not reasonably determinable.

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 the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44'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 and schedule of pension and OPEB funding and budgetary comparison information on pages 7 through 14 and 44 through 46, 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 the Plummer/Worley Joint School District No. 44's basic financial statements. The supplementary information, as listed in the table of contents and the 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 supplementary information, as listed in the table of contents, 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 28, 2022, on our consideration of the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Plummer/Worley Joint School District No. 44's internal control over financial reporting and compliance.

PRESNELL GAGE PLLC

October 28, 2022

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the Plummer/Worley Joint School District No. 44's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

- The District's net position decreased by \$126,777 as a result of this year's operations.
- The total cost of District operations amounted to \$6,933,802 of which \$1,902,970 was generated from program revenues. General revenues amounted to \$4,801,863.
- The District recognized a net OPEB and pension asset of \$354,341 and \$73,491, respectively, at June 30, 2022. PERSI reflects that the OPEB and pensions are 152.61 and 100.36 percent funded, respectively.

USING THIS ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of four components: 1) District-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) other supplementary information.

- The statement of net position and the statement of activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances.
- The Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.
- The remaining statements and schedules provide information about individual funds within the District and the results of their operations compared to budget.

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the District's finances is: "Is the District as a whole better off or worse off as a result of the year's activities"? The statement of net position and the statement of activities report information about the District as a whole and about its activities in a way that may help answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position—the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base and student enrollment to assess the overall health of the District.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

Reporting the District's Most Significant Funds

Fund Financial Statements. The fund financial statements begin on page 17 and provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received through the Idaho State Department of Education).

Governmental Funds. Most of the District's day-to-day operations are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliation on pages 18 and 20.

Fiduciary Funds. The District is the fiduciary for its scholarship funds established through the District. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position on page 21. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the District-wide and fund financial statements. The notes to the financial statements can be found on pages 23-42.

THE DISTRICT AS A WHOLE

Net position of the District's governmental activities decreased by \$126,777 to a total of \$10,939,553 in fiscal year 2022 as a result of current operations. This is compared to \$11,066,330 in 2021 and \$11,039,122 in 2020. Unrestricted net position—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements went from \$759,841 at June 30, 2021, to \$856,354 at this fiscal year-end.

Total assets decreased to \$13,153,251 in 2022 compared to \$13,610,490 in 2021.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

Payables relating to payroll and taxes increased from \$702,671 to \$702,709.

Table 1 presents the revenues and expenses for the District's programs.

Table 1		
Changes in Net Position		
	<u>2022</u>	<u>2021</u>
Revenues		
Program revenues:		
Charges for services	\$ 102,192	\$ 80,040
Operating grants and contributions	1,902,970	1,433,395
General revenues		
Property taxes, levied for general purposes	30,939	701,516
State base support	3,149,290	3,030,690
State and federal funding not restricted to specific programs	68,784	170,673
P.L. 874 Impact Aid	1,493,382	1,624,725
Coeur d'Alene Tribe contributions		160,000
Interest and investment earnings	6,796	12,787
Other general revenues	<u>52,672</u>	<u>48,722</u>
Total revenues	<u>6,807,025</u>	<u>7,262,548</u>
Program Expenses		
Instruction		
Regular programs	2,803,198	2,699,427
Special programs	564,745	506,791
Interscholastic and school activity	110,738	147,869
Other instructional programs		6,466
Support services		
Pupil support	477,374	488,660
Staff support	600,821	583,781
General administration	237,405	210,842
School administration	323,585	305,332
Business services	643,825	633,224
Maintenance and operations	454,726	485,432
Transportation	393,141	362,230
Other support services	72,430	34,186
Food services	444,845	349,314
Community services	160,239	59,089
Student activity	104,987	71,316
PERSI retirement actuarial charges	<u>(458,257)</u>	<u>420,510</u>
Total expenses	<u>6,933,802</u>	<u>7,364,469</u>
Change in net position	<u>\$ (126,777)</u>	<u>\$ (101,921)</u>

The District experienced a revenue decrease during the year ended June 30, 2022. The most notable increase was from operating grants and contributions and state base support.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table 2 presents the cost of each of the District's programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 2 – District Program Expense		
	Program <u>Expense</u>	Net Revenue <u>(Expense)</u>
Instruction		
Regular programs	\$ 2,803,198	\$(2,207,094)
Special programs	564,745	(438,505)
Interscholastic and school activity	110,738	(110,738)
Support services		
Pupil support	477,374	(428,902)
Staff support	600,821	(191,076)
General administration	237,405	(233,577)
School administration	323,585	(317,836)
Business services	643,825	(557,284)
Maintenance and operations	454,726	(402,848)
Transportation	393,141	(376,837)
Other support services	72,430	(12,823)
Food services	444,845	(138,984)
Community services	160,239	37,313
Student activity	104,987	(7,706)
PERSI retirement actuarial charges	(458,257)	458,257

Net Pension Asset. The District recognized a net pension asset of \$73,491 for its share of PERSI's net pension asset. PERSI is one of the strongest retirement systems in the nation, with funding at 100.36 percent of the pension obligation. The District recognized deferred outflows of \$1,398,165 for payments made towards the net pension asset and deferred inflows of \$2,351,008 for the District's share of earnings in excess of the minimum expectation by PERSI.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported a combined fund balance of \$2,509,319, which decreased from last year's total of \$2,715,184.

General Fund Budgetary Highlights

During the fiscal year, the District amended their operating budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2022, the District had \$15,401,785 in capital assets, including buildings, computer equipment, and major school equipment. This year the District purchased a plotter cutter for \$7,295.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt

The District does not have any long-term debt outstanding at June 30, 2022.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District continues to be affected by COVID-19 initially hitting our nation March of 2020. The State of Idaho, through the Federal Government, received CARES ACT-ESSER (ESSER I) dollars and we have used these K-12 funds for COVID-19 related expenditures, which fall into various categories including:

1. Activities authorized by ESEA, IDEA, AEFLA, the *Perkins Act*, and the *McKinney-Vento Act*.
2. Coordination of preparedness and response efforts.
3. Providing principals with resources necessary for their school-level needs.
4. Activities to address the needs of special-needs populations.
5. Development and implementation of preparedness and response systems.
6. Training and professional development on sanitization and the minimization of disease spread.
7. Purchasing cleaning supplies.
8. Planning and coordinating long-term closures.
9. Purchasing education technology for students.
10. Providing mental health services and supports.
11. Planning and implementing summer-learning and after-school programs.
12. Addressing learning loss of all students.
13. School facility repairs and improvements to enable operation of schools to reduce risk of virus transmission and exposure to environmental health hazards, and to support student health needs.
14. Inspection, testing, maintenance, repair, replacement, and upgrade projects to improve the in-door air quality in school facilities, including mechanical and non-mechanical heating, ventilation, and air conditioning systems, and window and door repair and replacement.
15. Other activities necessary to maintain the operation of the LEA and for continuing to employ existing staff.

We have had available to us, ESSER I funds totaling \$247,246.76. These funds are to be used for expenditures from March 13, 2020 through September 30, 2022. During the spring of 2020 we used \$7,069.00 of those funds. During the 2020-2021 school year we used an additional \$161,789. During the 2021-2022 school year we used \$74,419.44. Due to staff shortages, funds were used for a full-time substitute teacher at the secondary level to assist students in cohort groups. It was also used for bus costs for activity trips due to a shortage of staff in the transportation area due to COVID. In addition, extra hours for our school nurse were experienced to address contact tracing issues, purchase of masks for all students, and the need for additional technology to compensate for losses due to budget cuts in that area from the state. The District experienced additional custodial and maintenance costs due to the need for sanitizing, repairs to HVAC systems for the circulation of clean air, the purchasing of a used white bus to use when transportation staffing isn't available due to staffing shortages. Remaining is \$3,969.32 intended for Social and Emotional Learning/Behavioral Health and Wellness services as well as the Learning Management System.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

We also have available *CRRSA ACT-ESSER II F/T* in the amount of \$938,977.66 to be spent January 5, 2021 through September 30, 2023, as well as *ARP-ESSER III-F/T Discretionary* in the amount of \$1,683,987.00 that can be spent between March 24, 2021 through September 30, 2024. Neither of those funds had any expenditures through June 30, 2021. These funds started being used during the 2021-2022 school year. We spent \$234,640.65 similarly to how we had used *ESSER 1/Cares Act*. Because of COVID and staffing absences due to daycares closing down periodically, we used these funds to establish a Daycare on-site for staff.

The School District will use the remaining *ESSER II* and *ESSER III* funds primarily for HVAC upgrades and maintenance in all school buildings. A portion will be used for technology, extra hours for staff due to COVID, Zoom licenses for parent meetings or when gathering of persons is inadvisable, as well as the District identified consistent staffing shortages as a result of staff daycares' long-term suspensions of services due to COVID. The remaining funds will be used as needed according to allowable uses.

The School District also has available, and is required to expend awarded funds entitled *ARP-ESSER III-F/T Learning Loss*. These funds are provided in the amount of \$420,997.00 and are to be used from March 24, 2021 through September 30, 2024. These funds are to be used for:

1. "The School District shall address learning loss through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, afterschool programs, or extended school year programs."

We had a summer "Jump Start" program for students prior to school in August 2022. This additional program was for students identified as having experienced learning loss during school closures and required additional educational services to curb additional learning loss. There will be other areas addressed over the next couple of years related to learning loss.

The School District received additional federal *IDEA ARPA School Age and Preschool* funds for one-time items for Special Education and Preschool. The school age extra funds are in the amount of \$17,692 and the preschool extra total \$1,562.00. The District used all of the preschool funds and most of the school age funds during the 2021-2022 school year. The balance of \$2,333.42 will be used during the 2022-2023 school year.

The District had available funds through the State entitled "Substitute Recruitment-Idaho Rebounds-Coronavirus Relief Fund." We received \$12,970.00 during the 2021-2022 school year. These funds were to be used to recruit and retain staff critical to the ongoing operations of in-person instruction. Funds may be used to increase the rate of pay for substitute teachers, and provide supplementary pay for school support staff, which includes bus drivers, custodians, office staff, school nutrition staff, and paraprofessionals. The District chose to increase the rate of pay for substitute teachers.

For the 2021-2022 school year, there was a change in the salary-based apportionment funding. Due to the Career Ladder funding that the legislation put into effect with the 2015-2016 school year, beginning teacher salaries were increased from \$40,000 to \$40,369. For the 2022-2023 school year, the beginning teacher salaries will increase to \$40,742. The beginning teacher salaries are scheduled to increase over the next few years and for the 2024-2025 school year will be \$41,500. They also added a third level to the "Advanced Professional" level for the 2022-2023 school year that will be in the amount of \$55,389. Requirements for certificated teachers to attain this level are based on a variety of criteria, including, but not limited to: student achievement, evaluation performance, and engaging in leadership opportunities.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

We will see an increase in funding from the State of Idaho as the unit funding went from \$29,542 per unit to \$35,924. The unit funding is expected to be based on ADA (average daily attendance) for the entire school year. Due to COVID, legislation allowed for the 2020-2021 and 2021-2022 school years as well as the 2022-2023 school year to be paid as student enrollment instead of ADA. The District budgeted at 22.10 units but actually ended the year at 24.27 units due to the way we counted our students. This gave us an extra \$64,106. For the 2022-2023 school year, we are estimating our units to be at 20.91 for the full year, which should give us \$751,171. Our health insurance monthly rates were scheduled to increase for the 2022-2023 school year by \$80.05 a month per employee. For an estimated 84 employees for the year, this increase will be an additional \$80,690. The District's health insurance committee, consisting of staff, met and decided to change plans to reduce the monthly costs by \$27.15 per month instead of the increase of \$80.05. This is a savings in the amount of \$27,367 instead of an increase of \$80,690.

We had a 2-year supplemental levy of \$640,000 per year with the 2020-2021 school year being the second year. The School Board decided not to put the supplemental levy out for a vote during the 2021-2022 school year. It was decided to run the levy for 2 years at \$627,500 per year starting with the 2022-2023 school year. The levy was approved in August 2022 by patrons.

Although the District was eligible to approve the Emergency Levy based on increased ADA from the prior year, the School Board decided in September 2021 and 2022 not to approve the Emergency Levy. This Emergency Levy is part of *Idaho Code 33-805*.

The District has not received Education Donations from the Coeur d'Alene Tribe for 2 years as of the time of this submission. We have requested \$160,000 per year, which consists of \$82,000 for the music program, \$20,000 for Technology, and \$58,000 for Maintenance.

The District is receiving Federal School Improvement funds through the Idaho Comprehensive Support and Improvement program. Through the development of a Schoolwide Improvement Plan (SWIP), at each of the District's schools, a series of initiatives will be funded and monitored by the Idaho Department of Education. The District received funds during the 2018-2019, 2019-2020 and the 2020-2021 school years. As a result of the COVID-19 pandemic, disruption to this process was significant. All unused funds from the previous years were carried over to the 2021-2022 school year. The funds are designated to be spent in previously identified areas requiring support. Because much of the 2019-20 school year resulted in the halting of many of these initiatives, a fourth year (2021-2022) has been added to the program for all three schools. The District has been notified that the State of Idaho will be recognizing the 3 schools in the District as a comprehensive support and improvement recipient. Details of this program and the District's engagement will be forthcoming in the 2022-2023 school year after each respective school submits a detailed plan.

The District will be doing several maintenance projects during the 2022-2023 school year. The levy that was approved will provide funding each school year (for 2 years) of \$25,000 for exterior door replacement, \$5,000 for security camera replacement, \$50,000 for Middle School roof updates, \$50,000 to replace single pane windows, and \$17,500 for LED lighting replacement in student occupied areas. The District is also using the ESSER dollars for HVAC in the amount of \$1,836,302.00. At the secondary schools. Additional work will be done at the Elementary school related to HVAC repairs. The amount will be a result of a thorough due diligence process.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

MANAGEMENT'S DISCUSSION AND ANALYSIS

Due to COVID, our Food Service program is seeing costs rise on products, availability of products as well as availability of staff. Because of the excessive costs of plastic/paper trays students have used, we are using a student to wash trays/dishes during the 2021-2022 as well as the 2022-2023 school year and using trays that the school already possessed. We are also baking and preparing more homemade food because of product limitations with regard to availability. These additional efforts are causing staff to spend more hours preparing foods, and we currently have an additional full time staff to help with the additional work load.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Business Office at 1255 E. Street, Plummer, Idaho.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

STATEMENT OF NET POSITION
June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash	\$ 20,053
Investments	2,949,379
Property taxes receivable	55,525
Accounts receivable	<u>292,870</u>
Total current assets	<u>3,317,827</u>
Noncurrent assets	
Net OPEB asset	354,341
Net Pension Asset	73,491
Capital assets	15,401,785
Less accumulated depreciation	<u>(5,994,193)</u>
Total noncurrent assets	<u>9,835,424</u>
Total assets	<u>13,153,251</u>
DEFERRED OUTFLOWS OF RESOURCES	
OPEB plan	92,177
Defined benefit pension	<u>1,398,165</u>
Total deferred outflows of resources	<u>1,490,342</u>
LIABILITIES	
Current liabilities	
Accounts payable	2,026
Payroll and taxes payable	702,709
Unearned revenue	<u>58,035</u>
Total current liabilities	<u>762,770</u>
Noncurrent liabilities	
Accrued post-employment benefits	<u>428,412</u>
Total noncurrent liabilities	<u>428,412</u>
Total liabilities	<u>1,191,182</u>
DEFERRED INFLOWS OF RESOURCES	
OPEB plan	161,850
Defined benefit pension	<u>2,351,008</u>
Total deferred inflows of resources	<u>2,512,858</u>
NET POSITION	
Net investment in capital assets	9,481,083
Restricted for:	
Capital projects	534,929
Grant programs	67,187
Unrestricted	<u>856,354</u>
Total net position	<u>\$ 10,939,553</u>

See accompanying notes

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Instruction				
Regular programs	\$ 2,803,198		\$ 596,104	\$ (2,207,094)
Special programs	564,745		126,240	(438,505)
Interscholastic and school activity	110,738			(110,738)
Other instructional programs				
Support services				
Pupil support	477,374		48,472	(428,902)
Staff support	600,821		409,745	(191,076)
General administration	237,405		3,828	(233,577)
School administration	323,585		5,749	(317,836)
Business services	643,825		86,541	(557,284)
Maintenance and operations	454,726		51,878	(402,848)
Transportation	393,141		16,304	(376,837)
Other support services	72,430		59,607	(12,823)
Food services	444,845	\$ 4,911	300,950	(138,984)
Community services	160,239		197,552	37,313
Student activity	104,987	97,281		(7,706)
PERSI retirement actuarial charges	(458,257)			458,257
Total governmental activities	\$ 6,933,802	\$ 102,192	\$ 1,902,970	(4,928,640)
General revenues:				
Property taxes, levied for general purposes				30,939
State base support				3,149,290
State and federal funding not restricted to specific programs				68,784
P.L. 874 Impact Aid				1,493,382
Interest and investment earnings				6,796
Other general revenues				52,672
				<u>4,801,863</u>
Change in net position				(126,777)
Net position, beginning				<u>11,066,330</u>
Net position, ending				<u>\$ 10,939,553</u>

See accompanying notes

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2022

	General	Food Service	School Plant Facilities Reserve	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 9,246			\$ 10,807	\$ 20,053
Investments	1,802,947		\$ 1,035,707	110,725	2,949,379
Property taxes receivable	55,525				55,525
Accounts receivable	9,799			283,071	292,870
Interfund balances	277,255	\$ 48,211		444,993	770,459
Total assets	<u>\$ 2,154,772</u>	<u>\$ 48,211</u>	<u>\$ 1,035,707</u>	<u>\$ 849,596</u>	<u>\$ 4,088,286</u>
LIABILITIES					
Accounts payable	\$ 1,809			\$ 217	\$ 2,026
Payroll and taxes payable	529,341	\$ 29,454		143,914	702,709
Interfund balances	16,083		\$ 600,954	153,422	770,459
Unearned revenue				58,035	58,035
Total liabilities	<u>547,233</u>	<u>29,454</u>	<u>600,954</u>	<u>355,588</u>	<u>1,533,229</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	45,738				45,738
Total deferred inflows of resources	<u>45,738</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>45,738</u>
FUND BALANCES					
Restricted for capital projects			434,753	100,176	534,929
Restricted for grant programs				67,187	67,187
Assigned for sick leave	28,464				28,464
Assigned, reported in:					
Special revenue funds		18,757		326,645	345,402
Unassigned, reported in:					
General fund	1,533,337				1,533,337
Total fund balances	<u>1,561,801</u>	<u>18,757</u>	<u>434,753</u>	<u>494,008</u>	<u>2,509,319</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,154,772</u>	<u>\$ 48,211</u>	<u>\$ 1,035,707</u>	<u>\$ 849,596</u>	<u>\$ 4,088,286</u>

See accompanying notes

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

**RECONCILIATION OF THE STATEMENT OF NET POSITION
TO THE BALANCE SHEET - GOVERNMENTAL FUNDS**

June 30, 2022

Total fund balances - Governmental Funds **\$ 2,509,319**

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

Excess funding of long-term liabilities are not financial
resources and, therefore, are not reported as assets
in governmental funds:

Net OPEB asset 354,341

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

Cost of capital assets	\$ 15,401,785	
Accumulated depreciation	<u>(5,994,193)</u>	
		9,407,592

Deferred outflows and deferred inflows for pension liabilities
are not due and payable in the current period and, therefore,
are not reported in the funds:

Deferred outflows	1,490,342
Deferred inflows	<u>(2,512,858)</u>

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

45,738

Long-term liabilities are not due and payable in the current
period and, therefore, are not reported in the funds:

Post-employment benefits	(428,412)
Net pension asset (liability)	<u>73,491</u>

Total net position - Governmental Activities **\$ 10,939,553**

See accompanying notes

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
Year Ended June 30, 2022**

	General	Food Service	School Plant Facilities Reserve	Other Governmental Funds	Total Governmental Funds
REVENUES					
General property taxes	\$ 54,803				\$ 54,803
State foundation program	3,142,857			\$ 6,433	3,149,290
Other state revenue	3,133			199,219	202,352
Federal revenue	1,491,803	\$ 300,950	\$ 1,579	1,448,157	3,242,489
Charges for services		4,911		97,281	102,192
Earnings on investments	6,582			214	6,796
Other revenues	35,986			36,981	72,967
Total revenues	<u>4,735,164</u>	<u>305,861</u>	<u>1,579</u>	<u>1,788,285</u>	<u>6,830,889</u>
EXPENDITURES					
Instruction					
Regular programs	1,824,757			677,104	2,501,861
Special programs	427,156			126,240	553,396
Interscholastic and school activity	110,738				110,738
Other instructional programs					
Support services					
Pupil support	441,545			48,472	490,017
Staff support	189,785			411,036	600,821
General administration	233,577			3,828	237,405
School administration	318,064			5,521	323,585
Business services	556,965			86,860	643,825
Maintenance and operations	402,848			51,878	454,726
Transportation	334,218			16,304	350,522
Other support services	180			59,607	59,787
Food services		394,104		50,741	444,845
Community services	178			160,061	160,239
Student activity				104,987	104,987
Total expenditures	<u>4,840,011</u>	<u>394,104</u>	<u></u>	<u>1,802,639</u>	<u>7,036,754</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(104,847)</u>	<u>(88,243)</u>	<u>1,579</u>	<u>(14,354)</u>	<u>(205,865)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds		107,000		26,441	133,441
Transfers to other funds	<u>(133,441)</u>				<u>(133,441)</u>
Total other financing sources (uses)	<u>(133,441)</u>	<u>107,000</u>	<u>0</u>	<u>26,441</u>	<u>0</u>
NET CHANGES IN FUND BALANCES	<u>(238,288)</u>	<u>18,757</u>	<u>1,579</u>	<u>12,087</u>	<u>(205,865)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>1,800,089</u>	<u>0</u>	<u>433,174</u>	<u>481,921</u>	<u>2,715,184</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,561,801</u>	<u>\$ 18,757</u>	<u>\$ 434,753</u>	<u>\$ 494,008</u>	<u>\$ 2,509,319</u>

See accompanying notes

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2022**

Net changes in fund balances - Total Governmental Funds **\$ (205,865)**

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 shown in the statement of net position and allocated over their estimated useful lives as annual depreciation:

Current year capital outlay	7,295
Current year depreciation	(362,600)

Net pension liability and the related deferred outflows and deferred inflows are not considered available for the governmental funds in the current year.

Current year net pension liability, deferred outflows, and deferred inflows	479,258
Current year net OPEB asset, deferred outflows, and deferred inflows	(21,001)

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

Current year taxes receivable	45,738
Prior year taxes receivable	<u>(69,602)</u>

Change in net position - Governmental Activities **\$ (126,777)**

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

**STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
June 30, 2022**

	Private-Purpose Trusts	
	Lloyd Selder Scholarship Fund	Wilson Scholarship Fund
ASSETS		
Current assets		
Cash		
Investments	\$ 11,277	\$ 22,858
Total current assets	11,277	22,858
LIABILITIES		
Current liabilities		
Due to student groups		
Total current liabilities	0	0
NET POSITION		
Held for benefit of others	11,277	22,858
Total net position	\$ 11,277	\$ 22,858

See accompanying notes

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
Year Ended June 30, 2022**

	Private-Purpose Trusts	
	Lloyd Selder Scholarship Fund	Wilson Scholarship Fund
ADDITIONS		
Contributions	\$ 1,200	\$ 10,000
Earnings on investments	28	41
Total additions	1,228	10,041
DEDUCTIONS		
Scholarships	600	10,500
Total deductions	600	10,500
Change in net position	628	(459)
NET POSITION AT BEGINNING OF YEAR	10,649	23,317
NET POSITION AT END OF YEAR	<u>\$ 11,277</u>	<u>\$ 22,858</u>

See accompanying notes

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Plummer/Worley Joint School District No. 44 conform to United States generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

Reporting Entity. Plummer/Worley Joint School District No. 44 is based in Plummer, Idaho, and is located in Kootenai and Benewah Counties. The District operates two school facilities: an elementary school for grades kindergarten through 6th grade and a junior/senior high school for grades 7 through 12.

The District has developed criteria to determine whether outside agencies with activities, which benefit the citizens of the District, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability for fiscal matters (e.g., final budget approval of assets, etc.). The District has determined that no other outside agency meets the above criteria; therefore, no other agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity which would exercise such oversight, resulting in the District being considered a component unit of that entity.

The District's reporting entity includes the District government and all the student activity funds for which the District exercises oversight responsibility. The District does not exercise oversight responsibilities for any booster organizations or related groups such as Parent-Teacher Organizations.

Measurement Focus and Basis of Accounting. The District uses the following two bases of accounting in these financial statements:

Economic Resources Measurement Focus and Accrual Basis of Accounting

Under this measurement focus, 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, entitlements, 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, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Under this measurement focus, revenues are recognized when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 30 days after year-end. A 60-day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes, the state foundation program, federal and state grants, and interest are considered to be susceptible to accrual.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued).

Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting

The District reports unearned revenue in its Fund Financial Statements. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

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 debt and acquisitions under capital leases are reported as other financing sources.

Restricted Resources. Program expenses are allocated to restricted program revenue first and then to the next highest level of net position/fund balance restrictions when both restricted and unrestricted resources are available.

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB #54) defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB #54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Nonspendable

Includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted

Includes amounts that can be spent only for the specific purpose stipulated by external resource providers, constitutional provisions, or enabling legislation.

Committed

Includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned

Includes amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Resources (Continued).

Unassigned

Residual classification of fund balance that includes all spendable amounts that have not been restricted, committed, or assigned.

District-Wide Statements. The statement of net position and the statement of activities display information about the overall District except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements reflect only governmental activities of the District since there are no "business-type activities" within the School District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The District-wide financial statements are reported using the economic resources measurement focus and the modified accrual basis of accounting.

The statement of activities presents a comparison between direct expenses and program revenues for the different functions of the District's governmental activities. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity, direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and 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, are presented as general revenues.

Program Revenue

The statement of activities reflects all restricted federal and state grants as program revenue, as well as all charges to students for classes, activities, and school lunches. In addition, a substantial portion of the State Foundation Program is restricted based upon salaries paid and related payroll benefits and has been treated as program revenue. Program expenses are allocated to restricted program revenue first when both restricted and unrestricted net positions are available.

Fund Financial Statements. The fund financial statements provide information about the District's fund categories. Separate statements for each fund category--governmental and fiduciary--are presented. The emphasis of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds. The District reports the following major governmental funds:

- **General Fund.** This is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.
- **School Lunch.** The federal government provides cash grants and food allotments to school districts to make a school lunch program available. These grants are based upon the number of children eating school lunch. In addition, the District charges students for lunch and breakfast.
- **School Plant Facility Reserve.** The State of Idaho allows the District to establish a special fund and levy a special property tax to acquire, purchase, and improve school sites, and build school buildings upon a vote of the District patrons.

Fiduciary Funds. The District reports one type of fiduciary funds: private purpose. Private purpose trusts are reported using the economic resources measurement focus and the accrual basis of accounting. The District has two private purpose trusts, namely the Lloyd Selder Scholarship Fund and the Wilson Scholarship Fund.

Budgets. Annual non-appropriated budgets are adopted for the governmental funds. Expenditures may not exceed the budget at the individual fund level.

Pensions. For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by PERSI. 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.

Encumbrances. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the governmental funds. Encumbrances are included in the following year's budgeted expenditures.

Investments. The District's investments consist of deposits in the Idaho State Treasurer's Local Government Investment Pool.

Deposits in the State Treasurer's Local Government Investment Pool are stated at cost, which approximates market. The State Treasurer combines deposits from all governmental entities in the State, which participate in the pool and purchases the following types of investments:

Local Certificates of Deposit
Repurchase Agreements
U.S. Government Securities

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued). The entities participating in the pool own a percentage of each investment held. This percentage is calculated by dividing the individual entity's deposits by the total deposits held in the pool. The purpose of this is to:

- Increase the overall rate of return.
- Reduce the risk of default.
- Place each entity under the FDIC and FSLIC limits of \$250,000.

Investments are authorized by Board policy as permitted by *Idaho Code*, Section 67-1210.

Prepaid Supplies. The District does not capitalize its supplies inventory at year end. All supplies are recorded as expenditures in the period in which they were purchased. Supplies purchased after the current school year for use in the subsequent school year are reflected as prepaid expenses at June 30.

Capital Assets. Capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The District records all capital assets at their original cost. Assets acquired prior to 2003 are recorded at their estimated original cost. Interest is capitalized on capital assets during the construction period.

The District capitalizes equipment with an original unit cost of \$5,000 or more and an expected life of more than five years. The District capitalizes property improvements with an original cost of \$10,000 or more that is expected to extend the property life by 10 years or more. Equipment with an original unit cost of between \$100 and \$5,000 is not capitalized for depreciation purposes, but is recorded for inventory tracking purposes only.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings - 40 years; vehicles - 5 years; buses - 10 years; machinery and equipment - 7 years; computer equipment - 5 years.

Property Taxes. The District's property tax is levied by Benewah and Kootenai counties in November and payable on December 20 and June 20 following the levy date. Taxes are remitted to the District in the month following collection. The taxes are delinquent and a lien is filed the day following the due dates. A tax deed is issued on property three years from the date of delinquency.

Other Post Employment Benefits (OPEB). For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense (expense offset), information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI or system) Sick Leave Insurance Reserve Fund and additions to/deductions from Sick Leave Insurance Reserve Fund's fiduciary net position have been determined on the same basis as they are reported by the Sick Leave Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences. District employees are granted vacation and sick leave days in varying amounts under the terms of the *Plummer/Worley School District Personnel Manual*. Employees are not compensated for unused sick leave. The estimated amount of compensation for future absences is believed to be immaterial to these financial statements and, accordingly, no liability has been recorded.

Use of Estimates. Management of the District uses estimates and assumptions in preparing financial statements in accordance with United States generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates management uses.

2. LEGAL COMPLIANCE - BUDGETS

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.
5. During the fiscal year, a revised budget can be prepared and adopted to reflect more accurate revenue and expenditure projections. The Board must hold public hearings and publish the proposed budget prior to adoption. The Board did not amend the budget during the current fiscal year.

Expenditures may not exceed the budget at the individual fund level. The District incurred expenditures in excess of budget in the following funds:

	<u>Budget</u>	<u>Expenditures</u>
Title VII	\$ 57,457	\$ 58,104

This resulted from expenditures being recorded in the current year from grant revenue that was not expended in the prior year and was allowed to be carried forward due to the COVID-19 shutdown.

3. DEPOSITS AND INVESTMENTS

Deposits. At June 30, 2022, the District's carrying amount of deposits was \$20,053 for government activities. The bank balance was \$225,594 for governmental activities. All of the bank balances were covered by Federal Depository Insurance.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

3. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments. At June 30, 2022, all District investments were held in the Idaho State Treasurer's Local Government Investment Pool. The carrying value of investments approximates market value.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will reduce the value of the District's investments. The District does not have a policy regarding interest rate risk.

Custodial Risk. Custodial risk is the risk that, in the event of the failure of the investment custodian, the District will not be able to recover the value of its investments or collateral securities that are in the possession of the custodian. The District owns a percentage of each investment held by the Idaho State Treasurer's Local Government Investment Pool and all investments are held in the name of the pool.

Credit Risk. Credit risk is the risk that a borrower will fail to repay principal and interest in a timely manner. The District owns a percentage of each investment held by the Idaho State Treasurer's Local Government Investment Pool and the Pool diversifies investments to minimize credit risk to any individual government. The District's investment in the Idaho State Treasurer's Local Government Investment Pool has not been issued an external credit quality rating.

Concentration of Credit Risk. The District has no policy on the amount they may invest in any one issuer.

4. ACCOUNTS RECEIVABLE

Details of accounts receivable at June 30, 2022, are as follows:

State of Idaho -- Foundation program	\$ 9,799
State of Idaho -- Federal grant funds	272,350
U.S. Government -- Federal grant funds	<u>10,721</u>
	<u>\$ 292,870</u>

5. PROPERTY TAXES

Details of property taxes receivable at June 30, 2022, are as follows:

	Governmental Funds
Benewah County, taxes, penalties and interest	\$ 9,189
Kootenai County, taxes, penalties and interest	<u>46,336</u>
	<u>\$ 55,525</u>

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

6. CAPITAL ASSETS

A summary of changes in capital assets follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets				
Land	\$ 280,751			\$ 280,751
Structures and improvements	13,310,683			13,310,683
Equipment	592,639	\$ 7,295		599,934
Buses and vehicles	1,210,417			1,210,417
	<u>\$ 15,394,490</u>	<u>\$ 7,295</u>	<u>\$ 0</u>	<u>15,401,785</u>
Accumulated depreciation				
Structures and improvements	\$ 4,146,304	\$ 293,005		4,439,309
Equipment	475,614	26,976		502,590
Buses and vehicles	1,009,675	42,619		1,052,294
	<u>\$ 5,631,593</u>	<u>\$ 362,600</u>	<u>\$ 0</u>	<u>5,994,193</u>
Capital assets, net				<u>\$ 9,407,592</u>

Depreciation of \$362,600 was charged to the following programs in the statement of activities:

Instruction, regular program	\$ 319,981
Support services, transportation	<u>42,619</u>
	<u>\$ 362,600</u>

7. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify for reporting in this category in the current year.

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

8. NET POSITION FLOW ASSUMPTION

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

9. FUND BALANCE FLOW ASSUMPTIONS

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. DEFINED BENEFIT PENSION PLAN

The District contributes to the Base Plan, which is a cost-sharing, multiple-employer, defined benefit pension plan administered by the Public Employee Retirement System of Idaho (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 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.

The Base Plan provides for retirement, disability, death, and survivor benefits of eligible members or beneficiaries. Benefits are based upon members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with 5 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 classifications. The annual service retirement allowance for each month of credited service is 2.0 percent of the average monthly salary for the highest consecutive 42 months.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 percent minimum cost of living increase per year provided the *Consumer Price Index* increases 1 percent 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 percent, whichever is less; however, any amount above the 1 percent minimum is subject to review by the Idaho Legislature.

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

The contribution rates for employees are set by statute at 60 percent of the employer rate for general employees. As of June 30, 2022, it was 7.16 percent (7.16 percent in 2021) for general employees. The employer contribution rate, as a percentage of covered payroll, is set by the Retirement Board and was 11.94 percent (11.94 percent in 2021) for general employees. The District also pays 1.16 percent of eligible wages to the fund for future medical benefits to be provided. The District's contributions required and paid were \$446,306, \$414,627, and, \$392,900, for the three years ended June 30, 2022, 2021, and 2020, respectively.

Pension Liabilities, Assets, Pension Expense (Revenue), and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2022, the District reported an asset of \$73,491 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The District's proportion of the net pension asset 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, 2021, the District's proportion was .0930524 percent.

For the year ended June 30, 2022, the District recognized a net gain on pension expense of \$479,258. At June 30, 2022, 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
Employer contributions made subsequent to the measurement date	\$ 446,306	
Differences between expected and actual experience	\$ 108,279	\$ 42,718
Changes in assumptions or other inputs		
Net difference between projected and actual earnings on pension plan investments	\$ 843,580	\$ 2,308,290

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Assets, Pension Expense (Revenue), and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued). Contributions made by the employer subsequent to the measurement date, will be recognized as a reduction of the net pension asset in the year ending June 30, 2022. These contributions were \$446,306 for the year ending June 30, 2021, and are reported as deferred outflows of resources.

The average of the expected remaining service lives of all employees that are provided with pensions through the system (active and inactive employees) determined at July 1, 2020, the beginning of the measurement period ended June 30, 2021, is 4.6 and 4.7 for the measurement period June 30, 2021.

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

2023	\$ (329,127)
2024	(296,611)
2025	(259,204)
2026	(514,207)

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

The total pension asset in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	6.35%, net of pension plan investment expense
Cost of Living Adjustments (COLA)	1.00%

Several different sets of mortality rates are used in the valuation for contributing members, service retirement members, and beneficiaries. These rates were adopted for the valuation dated July 1, 2022.

Contributing Members, Service Retirement Members, and Beneficiaries.

General Employees and All Beneficiaries – Male	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries – Female	Pub-2010 General Tables, increased 21%
Teachers – Male	Pub-2010 Teacher Tables, increased 12%
Teachers – Female	Pub-2010 Teacher Tables, increased 21%

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued). An experience study was performed for the period July 1, 2015 through June 30, 2020, which reviewed all economic and demographic assumptions other than mortality. The total pension asset as of June 30, 2022, is based on the results of an actuarial valuation date July 1, 2022.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return (Arithmetic)</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Core Fixed Income	30.00%	1.80%	(0.20%)
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation – Mean		2.00%	2.00%
Assumed Inflation – Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued).

Portfolio Long-Term Expected Real Rate of Return,	
Net of Investment Expenses	4.14%
Portfolio Standard Deviation	14.16%

Valuation Assumptions Chosen by PERSI Board

Long-Term Expected Real Rate of Return,	
Net of Investment Expenses	4.05%
Assumed Inflation	<u>2.30%</u>
Long-Term Expected Geometric Rate of Return,	
Net of Investment Expenses	<u>6.35%</u>

Discount Rate. The discount rate used to measure the total pension liability was 6.35 percent. 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 plan'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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the District's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension asset calculated using the discount rate of 6.35 percent, as well as what the District's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
District's proportionate share of the net pension liability (asset)	\$ 2,554,698	\$ (73,491)	\$ (2,227,870)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

11. OTHER POST EMPLOYMENT BENEFIT PLANS

Insurance Extension. Retired employees can remain on the District's insurance policy after retirement if the retired employee pays the monthly cost. This arrangement is referred to as an "implicit subsidy" since the medical insurance rate of a retired employee is generally higher than the medical insurance rate of a younger employee. The estimated amount of this implicit subsidy is considered material to these financial statements; however, the District has no plans to currently fund this liability. The "implicit subsidy" for retired employees is paid each year on a pay-as-you-go basis. The balance recorded by the District is \$428,412 at June 30, 2022.

Sick Leave Plan. 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. The Sick Leave Insurance Retirement Fund is made up of two trust funds, one for school district employee benefits and one for state employee benefits. 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 the financial statement 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 Sick Leave 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 PERSI Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the PERSI Base Plan except by reason of having served on the Board.

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. The amount available for benefit is limited to one-half of the employee's eligible sick leave balance and rate of compensation at retirement. The benefit terms are established and may be amended by the Idaho Senate.

The contribution rates for school members are set by statute based on the number of sick days offered by the District to certified teachers. The contribution rate of 1.16 percent for members with nine or ten sick days and 1.26 percent for members with 11-14 sick days. If a 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. The school districts are responsible for any unfunded obligations through contribution rate adjustments. Effective in January 2020, the PERSI Retirement Board approved a sick leave rate holiday due to excess funds. This rate holiday has been approved through June 30, 2022, and does not require the District to pay the sick leave portion during that time frame. Given that fact, the District's contributions were \$0 for the year ended June 30, 2022.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFIT PLANS (CONTINUED)

OPEB Liabilities, OPEB Expense (Expense Offset), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2022, the District reported an asset of \$354,341 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of July 1, 2020, and rolled forward to June 30, 2021. The District's proportion of the net OPEB asset was based on the District's share of contributions in the OPEB plan relative to the total contributions of all participating employers. At June 30, 2021, the District's proportion was 0.2440020 percent.

For the year ended June 30, 2022, the District recognized an OPEB benefit offset of (\$21,001). At June 30, 2022, 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	\$ 50,559	
Changes in assumptions or other inputs	\$ 41,618	\$ 67,127
Net difference between projected and actual earnings on pension plan investments		\$ 94,723

Contributions made by the employer subsequent to the measurement date, will be recognized as an increase of the net OPEB asset in the year ending June 30, 2022. These contributions were \$0 for the year ending June 30, 2022, and are reported as deferred outflows of resources.

The average of the expected remaining service lives of all employees that are provided with OPEB through PERSI determined at the beginning of the measurement period is 7.5 years.

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

2023	\$ (20,908)
2024	(17,902)
2025	(16,780)
2026	(22,640)
2027	671
Thereafter	8,983

Actuarial Assumptions. Valuations are based upon actuarial assumptions, the benefit formulas, and employee groups. The Sick Leave Plan amortizes any net OPEB asset based on a level percentage of payroll. The maximum amortization period for the Sick Leave Plan permitted under Section 59-1322, *Idaho Code*, is 25 years.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFIT PLANS (CONTINUED)

Actuarial Assumptions (Continued).

The total OPEB liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	5.45%, net of investment fees

The long-term expected rate of return on OPEB 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 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 System relies primarily on an approach, which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers, and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat 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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return (Arithmetic)</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Core Fixed Income	50.00%	2.80%	(0.20%)
Broad US Equities	39.30%	8.00%	6.00%
Developed Foreign Equities	10.70%	8.25%	6.25%
Assumed Inflation – Mean		2.00%	2.00%
Assumed Inflation – Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFIT PLANS (CONTINUED)

Actuarial Assumptions (Continued).

Assumed Investment Expenses	0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses	5.15%	3.06%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses		4.14%
Portfolio Standard Deviation		14.16%
<u>Valuation Assumptions Chosen by</u> <u>PERSI Board</u>		
Long-Term Expected Real Rate of Return, Net of Investment Expenses		3.15%
Assumed Inflation		<u>2.30%</u>
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses		<u>5.45%</u>

Discount Rate. The discount rate used to measure the total OPEB liability was 5.45 percent. 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. 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 District's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate. The following presents the District's proportionate share of the net OPEB 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 (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
District's proportionate share of the net OPEB liability (asset)	\$ (307,486)	\$ (354,341)	\$ (398,106)

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERSI financial report. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

12. RISK MANAGEMENT

The District has the following insurance coverage:

- Property coverage - Replacement cost coverage with a \$5,000 deductible.
- Boiler and Machinery - \$50,000,000 limit per occurrence with a \$5,000 deductible.
- Crime - \$125,000 limit for school officials and employees with a \$1,000 deductible.
- General Liability - \$1,000,000 limit per occurrence and \$2,000,000 in aggregate. There is no deductible.
- Automobiles
 - Liability - \$1,000,000 per occurrence; \$250,000 uninsured motorist; and \$5,000 medical payment. There is no deductible.
 - Comprehensive and Collision - Coverage on 1996 passenger vehicles and newer; 1996 drivers training vehicles and newer. Owned buses are not covered.
- Educators Legal Liability - \$1,000,000 limit per occurrence and \$2,000,000 in aggregate. There is a \$1,000 deductible.
- Abuse and Molestation Coverage - \$3,000,000 limit per occurrence no deductible.

13. TRANSFERS TO/FROM OTHER FUNDS

The State Department of Education requires that the District pay for the costs of school lunch personnel's Social Security and retirement expense from general fund revenues as a condition of participation in the National School Lunch Program. The amount transferred from the general fund to the food service fund for the year ended June 30, 2022, amounted to \$107,000.

Idaho Code, Section 33-901, requires that any amount paid by the State of Idaho to a school district for depreciation of school facilities shall be deposited in the plant facilities funds. Accordingly, the School District has transferred State foundation funds paid for depreciation of school buses in the amount of \$26,441 to the school bus reserve fund.

14. FUND BALANCE RESERVES AND DESIGNATIONS

Restricted Net Position. Restricted net position on the District-wide statements represents amounts whose use is restricted by creditors, grantors, laws and regulations of other governments, or through enabling legislation. Net position restricted for capital projects are restricted by *Idaho Code* for selected facilities' repairs and improvements and school bus purchases. Net position restricted for building maintenance is restricted by *Idaho Code* for maintenance on student occupied buildings. Net position restricted for debt service is restricted by *Idaho Code* for debt service on outstanding bonds. Net position restricted for federal grant programs is restricted by the granting agency for specific educational programs. These net positions are reflected as restricted since they are not available for general education expenditures.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

14. FUND BALANCE RESERVES AND DESIGNATIONS (CONTINUED)

Restricted Fund Balances. The fund balances of certain individual funds are restricted for particular purposes by the *Idaho Code* or by the granting agency. These fund balances are reflected as a restricted portion of fund balance in the fund financial statements since the funds are not available for general education expenditures.

Assigned Fund Balances. The forest reserve fund balance is restricted by State Code for capital improvements. However, if the Board of Trustees decides that these funds are not currently needed for capital improvements, then the funds may be expended for general educational purposes. This fund balance is reflected as an assigned portion of fund balance in the fund financial statements since the Board of Trustees has some discretion in using the funds for general educational expenditures. Additionally, multiple other funds have had their fund balances restricted where specific purposes are assigned, such as with sick leave, special revenue, and some state programs in the general fund.

15. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Individual Fund Interfund Receivable and Payable Balances. Such balances at June 30, 2022, were:

	Interfund <u>Receivables</u>	Interfund <u>Payables</u>
General	\$ 277,255	\$ 16,083
Federal Forest Reserve	6,843	
Soar Grant	21,281	
CDA Bingo Donation	142,762	
Block Fest	500	
Playground Equipment	500	
Community Night	3,216	
Driver Education	1,680	
Vocational Education	399	
Public School Technology Grant	60,344	
Safe & Drug Free	11,948	
ESSER III		4,197
Title I-A Improving Basic Programs		53,140
ESSER II		31,015
IDEA Part B		10,704
IDEA Part B Preschool		539
Title V-A Innovative Programs		1,048
Title VI-A Rural Education		557
Perkins IV Professional Technical Act		25,235
Title VII Indian Education		129
Johnson O'Malley	57,853	
Title II-A Improving Teacher Quality		3,239
Twenty-First Century		23,619
Food Service	48,211	
School Plant Facilities Reserve		600,954
School Bus Reserve	76,966	
School Building Maintenance Reserve	23,210	
Daycare Fund	37,491	

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

NOTES TO FINANCIAL STATEMENTS

15. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (CONTINUED)

Individual Fund Interfund Receivable and Payable Balances (Continued). The District uses a pooled cash arrangement whereby all receipts are deposited to the general fund on behalf of all District funds. Expenditures are paid out of this pooled account and charged to all District funds. The excess (deficiency) of receipts over expenditures is recorded as a short-term interfund receivable (payable).

16. CONTINGENT LIABILITIES

The District participates in a number of state and federally assisted grant programs, mainly Impact Aid, Title I, Title VI-B, and the National School Lunch Program. These programs can be subject to financial and compliance audits by the grantors. The amount, if any, of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

SCHEDULE OF PENSION AND OPEB FUNDING
Year Ended June 30, 2022

SCHEDULE OF PENSION FUNDING									
Fiscal Year	Statutorily Required Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll	Share of PERSI Net Pension Liability		Net Pension Liability as % of Covered Payroll	Plan Fiduciary Net Position as % of Total Pension Liability
						%	Amount		
2013	\$ 247,163	\$ 247,163	\$ 0	\$ 2,378,854	10.39%	(1)	(1)		
2014	263,752	263,752	0	2,345,636	11.24%	(1)	\$ 1,645,000	70%	86%
2015	269,504	269,504	0	2,380,777	11.32%	0.0860042%	633,000	27%	95%
2016	289,927	289,927	0	2,561,196	11.32%	0.0849982%	1,119,000	44%	91%
2017	316,141	316,141	0	2,792,766	11.32%	0.0876633%	1,777,000	64%	87%
2018	329,358	329,358	0	2,909,524	11.32%	0.0899172%	1,413,000	49%	91%
2019	341,872	341,872	0	3,020,073	11.32%	0.0904320%	1,334,000	44%	92%
2020	392,900	392,900	0	3,304,110	11.89%	0.0889197%	1,015,000	31%	94%
2021	414,627	414,627	0	3,472,586	11.94%	0.0927012%	2,153,000	62%	88%
2022	446,306	446,306	0	3,737,905	11.94%	0.0930524%	73,491	2%	100%

SCHEDULE OF OPEB FUNDING									
Fiscal Year	Statutorily Required Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll	Share of PERSI Net OPEB Asset		Net OPEB Asset as % of Covered Payroll	Plan Fiduciary Net Position as % of Total OPEB Liability
						%	Amount		
2013	\$ 27,595	\$ 27,595	\$ 0	\$ 2,378,854	1.16%	(2)	(2)		
2014	27,209	27,209	0	2,345,636	1.16%	(2)	(2)		
2015	27,617	27,617	0	2,380,777	1.16%	(2)	(2)		
2016	29,710	29,710	0	2,561,196	1.16%	(2)	(2)		
2017	32,396	32,396	0	2,792,766	1.16%	(2)	\$ 143,000	5%	135%
2018	33,750	33,750	0	2,909,524	1.16%	0.2192492%	168,000	6%	137%
2019	35,033	35,033	0	3,020,073	1.16%	0.2164027%	179,193	6%	136%
2020	38,328	38,328	0	3,304,110	1.16%	0.2135782%	204,566	6%	139%
2021	40,282	40,282	0	3,472,586	1.16%	0.2440020%	300,139	9%	153%
2022	43,360	43,360	0	3,737,905	1.16%	0.2440020%	354,341	9%	153%

(1) PERSI has not provided calculations for years prior to implementation of GASB Statement No. 68.

(2) PERSI has not provided calculations for years prior to implementation of GASB Statement No. 75.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final	Budgetary Basis	with Final Budget
REVENUES				
General property taxes	\$ 27,075	\$ 27,075	\$ 54,803	\$ 27,728
State foundation program	2,894,932	2,899,677	3,142,857	243,180
Other state revenue	3,133	3,133	3,133	
Federal revenue	1,305,648	1,305,648	1,491,803	186,155
Earnings on investments	8,148	8,148	6,582	(1,566)
Other revenues	15,600	24,365	35,986	11,621
Total revenues	<u>4,254,536</u>	<u>4,268,046</u>	<u>4,735,164</u>	<u>467,118</u>
EXPENDITURES				
Instruction				
Payroll	1,722,294	1,697,942	1,645,324	52,618
Payroll burden and employee benefits	747,853	761,233	673,459	87,774
Purchased services	174,150	174,238	35,824	138,414
Supplies and materials	34,837	34,837	22,633	12,204
Capital outlay			867	(867)
Insurance				
Support services				
Payroll	1,178,451	1,202,010	1,065,501	136,509
Payroll burden and employee benefits	490,436	500,506	451,665	48,841
Purchased services	553,088	550,053	469,783	80,270
Supplies and materials	108,559	112,919	86,184	26,735
Capital outlay	5,400	5,320	4,945	375
Insurance	50,000	50,000	49,430	570
Pupil transportation	392,093	392,816	334,218	58,598
Food services				
Community services	177	178	178	
Capital outlay				
Contingency budget	<u>215,722</u>	<u>206,371</u>		<u>206,371</u>
Total expenditures	<u>5,673,060</u>	<u>5,688,423</u>	<u>4,840,011</u>	<u>848,412</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(1,418,524)</u>	<u>(1,420,377)</u>	<u>(104,847)</u>	<u>1,315,530</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds				
Transfers to other funds	<u>(190,598)</u>	<u>(190,598)</u>	<u>(133,441)</u>	<u>57,157</u>
Total other financing sources (uses)	<u>(190,598)</u>	<u>(190,598)</u>	<u>(133,441)</u>	<u>57,157</u>
NET CHANGES IN FUND BALANCE	<u>(1,609,122)</u>	<u>(1,610,975)</u>	<u>(238,288)</u>	<u>1,372,687</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>1,609,122</u>	<u>1,610,975</u>	<u>1,800,089</u>	<u>189,114</u>
FUND BALANCE AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,561,801</u>	<u>\$ 1,561,801</u>

Note: The budgetary comparison schedule is presented on the modified accrual basis of accounting, which is the same basis of accounting used by the District in the fund financial statements.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

FOOD SERVICE FUND

BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
REVENUES				
Federal revenue	\$ 204,000	\$ 231,478	\$ 300,950	\$ 69,472
Charges for services	3,050	3,050	4,911	1,861
Other revenues				
Total revenues	<u>207,050</u>	<u>234,528</u>	<u>305,861</u>	<u>71,333</u>
EXPENDITURES				
Food services				
Payroll	132,075	132,375	135,383	(3,008)
Payroll burden and employee benefits	89,932	89,978	86,803	3,175
Purchased services	10,000	9,669	5,570	4,099
Supplies and materials	139,200	166,663	158,553	8,110
Capital outlay			7,795	(7,795)
Total expenditures	<u>371,207</u>	<u>398,685</u>	<u>394,104</u>	<u>4,581</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(164,157)</u>	<u>(164,157)</u>	<u>(88,243)</u>	<u>75,914</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	164,157	164,157	107,000	(57,157)
Total other financing sources (uses)	<u>164,157</u>	<u>164,157</u>	<u>107,000</u>	<u>(57,157)</u>
NET CHANGES IN FUND BALANCE	0	0	18,757	18,757
FUND BALANCE AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,757</u>	<u>\$ 18,757</u>

Note: The budgetary comparison schedule is presented on the modified accrual basis of accounting, which is the same basis of accounting used by the District in the fund financial statements.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT - GOVERNMENT AUDITING STANDARDS

Board of Trustees
Plummer/Worley Joint School District No. 44
Plummer, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Plummer/Worley Joint School District No. 44, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Plummer/Worley Joint School District No. 44's basic financial statements and have issued our report thereon dated October 28, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plummer/Worley Joint School District No. 44's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plummer/Worley Joint School District No. 44's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency (Finding #2022-001).

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plummer/Worley Joint School District No. 44'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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Plummer/Worley Joint School District No. 44's Response to Findings

Plummer/Worley Joint School District No. 44's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Plummer/Worley Joint School District No. 44's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PRESNELL GAGE PLLC

October 28, 2022



INDEPENDENT AUDITOR'S REPORT – UNIFORM GUIDANCE

Board of Trustees
Plummer/Worley Joint School District No. 44
Plummer, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Plummer/Worley Joint School District No. 44's compliance with the types of compliance requirements identified as subject to audit in the OMB's *Compliance Supplement*, that could have a direct and material effect on each of the Plummer/Worley Joint School District No. 44's major federal programs for the year ended June 30, 2022. The Plummer/Worley Joint School District No. 44'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, the Plummer/Worley Joint School District No. 44, 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, 2022.

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 the Plummer/Worley Joint School District No. 44 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 the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44's federal programs.

Auditor's Responsibility 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 the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44'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 the Plummer/Worley Joint School District No. 44'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 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.

PRESNELL GAGE PLLC

October 28, 2022

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through To Subrecipients	Federal Expenditures
DEPARTMENT OF AGRICULTURE				
Passed through the State of Idaho - Department of Education				
National School Breakfast Program	10.553	202121N109947	None	\$ 61,700
National School Lunch Program	10.555	202121N109947	None	196,750
Summer Food Service Program	10.559	202121N109947	None	10,400
Subtotal School Lunch Cluster				268,850
Child and Adult Care Food Program	10.558	202121N202047	None	9,995
Child Nutrition Discretionary Grants	10.579	201515N810347	None	7,795
Fresh Fruit and Vegetable Program	10.582	202120L160347	None	14,310
Total Department of Agriculture				300,950
DEPARTMENT OF INTERIOR				
Direct Programs				
Indian Education Assistance to School	15.130	A16AV00941	None	1,503
DEPARTMENT OF TREASURY				
Passed through the State of Idaho - Department of Education				
Coronavirus Relief Fund	21.019	20-1892-0-1-806	None	12,970
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP0142	None	86,894
Total Department of Treasury				99,864
DEPARTMENT OF EDUCATION				
Direct Programs				
Impact Aid, P.L. 81-874	84.041	SO41B-2021-1419	None	1,493,382 *
Indian Education - Grants to Local Educational Agencies	84.060A		None	58,104
Rural Education Achievement Program	84.358	S358B200012	None	7,226
Passed through St. Maries School District Career and Technical Education - Basic Grants to States	84.048	VO48A190012	None	33,222
Passed through the State of Idaho - Department of Education				
Title I-A	84.010	S010A200012	None	579,387
Title VI-B	84.027	H027A200088	None	121,270
Title VI-B Preschool	84.173	H173A200030	None	9,181
Subtotal Title VI-B Cluster				130,451
Twenty-First Century Community Learning Centers	84.287	S287C180012	None	103,446
Improving Teacher Quality	84.367	S367A200011	None	37,411
Student Support and Academic Enrollment	84.424	S424A200013	None	27,667
Cares Act- Esser Funds	84.425	S425D200043	None	341,518
Child Care and Development Block Grant	93.575	2101IDCCC5	None	6,274
Total Department of Education				2,818,088
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 3,220,405

NOTE 1: BASIS OF PRESENTATION

The schedule includes federal award activity of the District under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in compliance 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 the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: DE MINIMIS INDIRECT COST RATE

The District did not elect to use the 10 percent de minimis cost rate.

NOTE 4: MAJOR PROGRAMS

Programs indicated with "*" are major programs as reported on the schedule of findings and questioned costs.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Qualified

Internal control over financial reporting:

* Material weakness(es) identified ___ yes X no

* Significant deficiency(ies) identified that are not considered to be material weaknesses? X yes ___ 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 that are not considered to be material weaknesses? ___ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with the OMB's *Uniform Guidance*? ___ yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.041	Impact Aid P.L. 81-874

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

Auditee qualified as low-risk auditee? ___ yes X no

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

Section II – Financial Statement Findings

SIGNIFICANT DEFICIENCY

Finding #2022-001

Criteria: Internal control systems generally attempt to divide up accounting tasks among multiple individuals (segregation of duties) to improve the ability of the organization to identify errors within the accounting system.

Condition: The Plummer/Worley Joint School District No. 44 has concentrated many accounting duties to a limited number of individuals such that the desired segregation of duties is not possible. There are a limited number of personnel available to provide for the desired "segregation of duties."

Effect: Many accounting duties are performed by a limited number of personnel with limited oversight available within the Plummer/Worley Joint School District No. 44.

Response: The District's management and Board of Trustees believe that the cost of hiring additional accounting staff outweighs the benefits that segregation of duties would provide.

Recommendation: We concur with the District's response.

Section III – Federal Award Findings and Questioned Costs

No matters were noted.

GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is also often referred to as the M&O (Maintenance and Operations) Fund. The District uses this fund to account for the basic educational programs of the District. In general, these programs are operated with a great deal of local input and control.

The general fund primarily receives funding from the State of Idaho through the Educational Foundation Program and through local general property taxes. The District is authorized to levy a tax upon property within the District boundaries for liability insurance. The District is authorized to levy an additional amount if approved by a majority of voters in a supplemental levy election.

Other sources of funds that are restricted are accounted for in the special revenue, capital projects, and trust funds.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources, or to finance specific activities as required by law or administrative regulations. Although there is local input and control over the use of these proceeds, the party who provides the proceeds also has some type of external restriction on the use of the proceeds.

LOCAL SPECIAL PROJECTS

Federal Forest Reserve - The U.S. Forest Service pays a percentage of timber sales from federal forests to the County where the federal forest is located. In the State of Idaho, 30 percent of this amount is allocated to the public schools based upon their average daily attendance. These proceeds are restricted for the purchase of school sites, construction, or remodeling of school buildings. When, within the discretion of the trustees of the District, the proceeds are not needed for the foregoing items, they may be expended for current expenses. These proceeds may be accumulated for future projects.

Soar Grant – This is a grant program through the University of Idaho that aims to improve student achievement and classroom instruction.

CDA Bingo Donation – The Coeur d'Alene Tribe contributes funds to the District from time-to-time. While the funds are not restricted by the donor, they are used primarily for the purchase or renovation of capital assets.

Playground Equipment – This fund was established as a local, special-revenue fund that takes donations from the community to support funding for new playground equipment for the District.

Driver Education - The State of Idaho will reimburse the District for expenses up to \$125 per student who completes the driver education class at the District. In addition, the District charges students a \$225 fee to enroll in the class. The general fund of the District pays expenses in excess of the above proceeds; however, the goal of the District is to make it a self-sufficient fund.

Vocational Education - The State of Idaho will reimburse the District for expenses incurred in operating certain vocational education programs. The State establishes a maximum reimbursement at the beginning of each school year based upon courses offered and numbers of students involved. The general fund of the District pays expenses in excess of the above proceeds.

Public School Technology Grant - The State of Idaho awards technology grants on a noncompetitive basis to schools based upon average daily attendance. The grants provide equipment and resources to integrate information age technology into the classroom and to connect the classrooms with external telecommunications services. The general fund of the District pays expenses in excess of the grant. Unused grant proceeds may be carried over to the following school year.

Safe & Drug Free – The State of Idaho taxes the sale of tobacco products and uses a portion of the proceeds to provide substance abuse programs in the public school system. Proceeds are allocated to schools on a noncompetitive basis upon average daily attendance. The general fund of the District pays expenses in excess of the grant. Unused grant proceeds may be carried over to the following school year.

Block Fest – This program is designed to help parents support the development of pre-math and science skills through block play for children ages eight months to eight years.

Student Activity – This program supports activities that are based in student organizations. Students not only participate in the activities of the organization, but also are involved in managing and directing the organization's activities.

Community Night – This program is designed to help parents support the development of pre-math and science skills through block play for children ages eight months to eight years.

FEDERALLY FUNDED PROJECTS

Title I-A Improving Basic Programs - The federal government provides Title I grants to improve the education of children who are at risk of not meeting academic standards and who reside in areas with high concentrations of children from low income families. The program is administered by the State and funds are allocated to the District based upon average daily attendance. Funds are modified based upon student counts from low income families. The District uses the grant primarily to provide additional classroom aides. The general fund of the District pays expenses in excess of the grant. In general, unused grant proceeds may be carried over to the following school year.

CARES Act ESSER I, II, and III - The federal government provides funding in order to address the impact of COVID-19 on elementary and secondary schools. The program is administered by the State and funds are allocated to the District for any allowable expenditure incurred on or after March 13, 2020, the date the President declared the national emergency due to COVID-19.

IDEA Part B and IDEA Part B ARPA - The federal government provides IDEA grants for special education to school-age children with disabilities. The program is administered by the State and funds are allocated to the District based upon a child count of eligible students as of December 1 of the prior year. Supplemental awards are also available. The District must meet nonsupplanting tests and maintenance of effort tests. These tests are to ensure that the District continues to provide the basic education curriculum and that the federal dollars provide additional educational opportunities. The general fund of the District pays expenses in excess of the grant. In general, unused grant proceeds may be carried over to the following school year.

IDEA Part B - Preschool - The federal government provides Title VI-B IDEA Preschool grants for special education to children with disabilities between the ages of three and five. The program is administered by the State and funds are allocated to the District based upon a child count of eligible students as of December 1 of the prior year. Supplemental awards are also available. The District must meet nonsupplanting tests and maintenance of effort tests. These tests are to ensure that the District continues to provide the basic education curriculum and that the federal dollars provide additional educational opportunities. The general fund of the District pays expenses in excess of the grant. In general, unused grant proceeds may be carried over to the following school year.

Medicaid - The federal government provides Medicaid grants to assist students in accessing their educational environment or educational curriculum.

Title V-A Innovative Programs – The federal government provides Title V-A grants to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access. Funding may be used for the following purposes: To support local education reform efforts; to provide funding to enable the implementation of promising education reform programs and school improvement programs that rely on scientifically based research; to provide a continuing source of innovation and education improvement, including support programs that provide library services and instructional and media materials; to meet the education needs of all students, including at-risk youths; and to develop and implement education programs to improve school, student, and teacher performance, including professional development activities and class-size reduction programs.

Title VI-A Rural Education - The federal government provides grants under the Rural Education Achievement Program to schools with an average daily attendance of less than 600 students to provide activities allowed under Title I; Eisenhower Professional Development State Grants; and Technology Literacy Challenge Fund Grants. The District has used the grant to pay teachers' salaries and benefits during the current year.

Perkins IV Professional Technical Act - The District is part of a consortium along with the St. Maries and Kootenai School Districts for this grant. Funds are used to give students opportunities and provide vocational training.

Title VII Indian Education - The grant funds are used to hire one staff person at each school facility to tutor Native American students.

Title II-A Improving Teacher Quality - The federal government provides Title II-A ESEA grants to provide assistance to classroom teachers. The District uses the funds generally for two purposes:

The District provides additional professional education for teachers in the core academic subjects by paying the costs for teachers to attend specific workshops designed to enhance their skills in teaching math and science classes. The program is administered through the State, and funds are allocated based upon student enrollment. The general fund of the District pays expenses in excess of the grant. Unused grant proceeds may be carried over to the following school year.

The District can also use the grant to pay for an additional teaching position in the elementary grades. The goal of the program is to reduce the student-to-teacher ratio to 18 students per class. The program is administered through the State and funds are allocated based upon census poverty data (80 percent) and student enrollment (20 percent). The general fund of the District pays expenses in excess of the grant. Unused grant proceeds may be carried over to the following school year.

SLFRF and Substitute Recruitment – The State of Idaho used Coronavirus Relief Funds received from the federal government to help schools address the economic impact of COVID-19 by preventing, preparing for, and responding to the pandemic.

Twenty-First Century - This five-year grant began in fiscal year 2005 and is used to fund after-school programs designed to meet unique needs of students performing below grade level. By providing exciting cultural and academic opportunities, students will have assistance to overcome difficult challenges and experience academic and personal success.

Daycare – The state of Idaho used Child Care and Development Block Grant Funds from the federal government to help schools provide daycare services.

Food Service - The federal government provides cash grants and food allotments to school districts to make a school lunch program available. These grants are based upon the number of children eating school lunch and breakfast. In addition, the District charges adults for lunch and breakfast. Lunch and breakfast are served free to all students. Meals must meet certain dietary and nutrition requirements. The general fund pays Social Security taxes and retirement benefits as a "matching contribution" to the program. The general fund of the District pays expenses in excess of the revenue generated. Excess revenue may be carried over to the following school year.

Johnson O'Malley – The federal government provides grants in order to provide supplementary financial assistance to meet the unique and specialized educational needs of Indian children.

CAPITAL PROJECTS FUND

School Plant Facilities Reserve Funds - The District has established School Plant Facility Reserve Funds. The funds may be used to acquire, purchase, and improve school sites, and build school buildings.

The Trustees of the District can request an election to approve a property tax levy of up to .4 percent of assessed market value in addition to the authorized general Fund tax levies.

- The Plant Facility levy requires 55 percent voter approval if the total levy (including any previously approved levies) is less than .2 percent of the assessed value.
- The Plant Facility levy requires 60 percent voter approval if the total levy (including any previously approved levies) is between .2 percent and .3 percent of the assessed value.
- The Plant Facility levy requires 66 2/3 percent voter approval if the total levy (including any previously approved levies) is between .3 percent and .4 percent of the assessed value.

School Bus Reserve Fund – The District has established this fund to accumulate funds for the future purchase of school buses.

School Building Maintenance Reserve - The District has established this fund in order to track the revenue and expenses related to the repair and maintenance of school buildings.

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS
June 30, 2022

	General Fund	Federal Forest Reserve	Soar Grant	CDA Bingo Donation	Playground Equipment	Driver Education	Vocational Education	Public School Technology Grant
ASSETS								
Cash	\$ 9,246							
Investments	1,802,947							
Property taxes receivable	55,525							
Accounts receivable	9,799							
Interfund balances	277,255	\$ 6,843	\$ 21,281	\$ 142,762	\$ 500	\$ 1,680	\$ 399	\$ 60,344
Total assets	\$ 2,154,772	\$ 6,843	\$ 21,281	\$ 142,762	\$ 500	\$ 1,680	\$ 399	\$ 60,344
LIABILITIES								
Accounts payable	\$ 1,809						\$ 217	
Payroll and taxes payable	529,341			\$ 13,182				
Interfund balances	16,083							
Unearned revenue							182	
Total liabilities	547,233	\$ 0	\$ 0	13,182	\$ 0	\$ 0	399	\$ 0
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue-property taxes	45,738							
Total deferred inflows of resources	45,738	0	0	0	0	0	0	0
FUND BALANCES								
Restricted for capital projects		6,843						60,344
Restricted for grant programs	28,464							
Assigned for sick leave			21,281	129,580	500	1,680		
Assigned for special revenue	1,533,337							
Unassigned	1,561,801	6,843	21,281	129,580	500	1,680	0	60,344
Total fund balances	\$ 2,154,772	\$ 6,843	\$ 21,281	\$ 142,762	\$ 500	\$ 1,680	\$ 399	\$ 60,344
Total liabilities, deferred inflows of resources, and fund balances								

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS
June 30, 2022

	Safe & Drug Free	ESSER III	Title I-A Improving Basic Programs	ESSER I	ESSER II	IDEA Part B	IDEA Part B Preschool	IDEA-ARPA Grant	Medicaid
ASSETS									
Cash									
Investments									
Property taxes receivable		\$ 6,137	\$ 114,349		\$ 47,936	\$ 23,050	\$ 1,728		
Accounts receivable	\$ 11,948								
Interfund balances									
Total assets	\$ 11,948	\$ 6,137	\$ 114,349	\$ 0	\$ 47,936	\$ 23,050	\$ 1,728	\$ 0	\$ 0
LIABILITIES									
Accounts payable									
Payroll and taxes payable	\$ 1,083	\$ 1,940	\$ 61,209		\$ 16,921	\$ 12,346	\$ 1,189		
Interfund balances		4,197	53,140		31,015	10,704	539		
Unearned revenue									
Total liabilities	1,083	6,137	114,349	\$ 0	47,936	23,050	1,728	\$ 0	\$ 0
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue-property taxes									
Total deferred inflows of resources	0	0	0	0	0	0	0	0	0
FUND BALANCES									
Restricted for capital projects									
Restricted for grant programs									
Assigned for sick leave									
Assigned for special revenue	10,865								
Unassigned		0	0	0	0	0	0	0	0
Total fund balances	10,865	0	0	0	0	0	0	0	0
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,948	\$ 6,137	\$ 114,349	\$ 0	\$ 47,936	\$ 23,050	\$ 1,728	\$ 0	\$ 0

PLUMMERWORLEY JOINT SCHOOL DISTRICT NO. 44

COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS
June 30, 2022

	Title V-A Innovative Programs	Title VI-A Rural Education	Perkins IV Professional Technical Act	Title VII Indian Education	Title II-A Improving Teacher Quality	Substitute Recruitment	SLFRF	Twenty-First Century	Student Activity Fund
ASSETS									
Cash									\$ 10,807
Investments									110,725
Property taxes receivable	\$ 6,045	\$ 1,796	\$ 25,536	\$ 10,721	\$ 9,404			\$ 36,369	
Accounts receivable									
Interfund balances									
Total assets	<u>\$ 6,045</u>	<u>\$ 1,796</u>	<u>\$ 25,536</u>	<u>\$ 10,721</u>	<u>\$ 9,404</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 36,369</u>	<u>\$ 121,532</u>
LIABILITIES									
Accounts payable	\$ 4,997	\$ 1,239	\$ 301	\$ 10,592	\$ 6,165			\$ 12,750	
Payroll and taxes payable	1,048	557	25,235	129	3,239			23,619	
Interfund balances									
Unearned revenue	<u>6,045</u>	<u>1,796</u>	<u>25,536</u>	<u>10,721</u>	<u>9,404</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>36,369</u>	<u>\$ 0</u>
Total liabilities									
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue-property taxes									
Total deferred inflows of resources									
FUND BALANCES									
Restricted for capital projects									121,532
Restricted for grant programs									
Assigned for sick leave									
Assigned for special revenue									
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>121,532</u>
Total fund balances									
	<u>\$ 6,045</u>	<u>\$ 1,796</u>	<u>\$ 25,536</u>	<u>\$ 10,721</u>	<u>\$ 9,404</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 36,369</u>	<u>\$ 121,532</u>
Total liabilities, deferred inflows of resources, and fund balances									

PLUMMERWORLEY JOINT SCHOOL DISTRICT NO. 44

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS
Year Ended June 30, 2022

	General Fund	Federal Forest Reserve	Soar Grant	CDA Bingo Donation	Playground Equipment	Driver Education	Vocational Education	Public School Technology Grant
REVENUES								
General property taxes	\$ 54,803							
State revenue	3,145,990						\$ 104,397	\$ 59,484
Federal revenue	1,491,803	\$ 5,215						
Charges for services	6,582							
Earnings on investments	35,986				\$ 500			
Other revenues	4,735,164	5,215	\$ 0	\$ 0	500	\$ 0	104,397	59,484
Total revenues								
EXPENDITURES								
Instruction	1,824,757			81,000			104,397	
Regular programs	427,156							
Special programs	110,738							
Interscholastic and school activity								
Support services	441,545							
Pupil support	189,785		1,291					48,189
Staff support	233,577							
General administration	318,064							
School administration	556,965			319				9,216
Business services	402,848							
Maintenance and operations	334,218							
Transportation	180							
Other support services								
Food services	178							
Community services								
Student Activity								
Total expenditures	4,840,011	0	1,291	81,319	0	0	104,397	57,405
EXCESS OF REVENUES OVER EXPENDITURES	(104,847)	5,215	(1,291)	(81,319)	500	0	0	2,079
OTHER FINANCING SOURCES (USES)								
Transfers from other funds	(133,441)	0	0	0	0	0	0	0
Transfers to other funds	(133,441)							
Total other financing sources (uses)								
NET CHANGES IN FUND BALANCES	(238,288)	5,215	(1,291)	(81,319)	500	0	0	2,079
FUND BALANCES AT BEGINNING OF YEAR	1,800,089	1,628	22,572	210,899	0	1,680	0	58,265
FUND BALANCES AT END OF YEAR	\$ 1,561,801	\$ 6,843	\$ 21,281	\$ 129,580	\$ 500	\$ 1,680	\$ 0	\$ 60,344

PLUMMERWORLEY JOINT SCHOOL DISTRICT NO. 44

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS
Year Ended June 30, 2022**

	Title V-A Innovative Programs	Title VI-A Rural Education	Perkins IV - Professional Technical Act	Title VII Indian Education	Title II-A Improving Teacher Quality	Substitute Recruitment	SLFRF	Twenty-First Century	Student Activity Fund
REVENUES									
General property taxes									
State revenue									
Federal revenue	\$ 27,667	\$ 7,226	\$ 33,222	\$ 58,104	\$ 37,411	\$ 12,970	\$ 86,894	\$ 103,446	\$ 97,281
Charges for services									214
Earnings on investments									
Other revenues									
Total revenues	<u>27,667</u>	<u>7,226</u>	<u>33,222</u>	<u>58,104</u>	<u>37,411</u>	<u>12,970</u>	<u>86,894</u>	<u>103,446</u>	<u>97,495</u>
EXPENDITURES									
Instruction									
Regular programs	726	5,892	31,553			6,104	65,085		
Special programs									
Interscholastic and school activity									
Support services									
Pupil support	26,941	1,334							
Staff support					37,411				
General administration									
School administration						734	1,204		
Business services			1,669				2,391		
Maintenance and operations							18,214		
Transportation									
Other support services									
Food services				58,104					
Community services									
Student Activity								103,446	
Total expenditures	<u>27,667</u>	<u>7,226</u>	<u>33,222</u>	<u>58,104</u>	<u>37,411</u>	<u>12,970</u>	<u>86,894</u>	<u>103,446</u>	<u>104,987</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(7,492)</u>
OTHER FINANCING SOURCES (USES)									
Transfers from other funds									
Transfers to other funds									
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET CHANGES IN FUND BALANCES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(7,492)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>129,024</u>
FUND BALANCES AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 121,532</u>

PLUMMERWORLEY JOINT SCHOOL DISTRICT NO. 44

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS
Year Ended June 30, 2022**

	Food Service	School Plant Facilities Reserve	School Bus Reserve	Community Night	Block Fest	School Building Maintenance Reserve	Johnson O'Malley	Daycare	Combined
REVENUES									
General property taxes						\$ 54,803			\$ 54,803
State revenue						3,351,642			3,351,642
Federal revenue						3,242,489			3,242,489
Charges for services	\$ 300,950	\$ 1,579					\$ 1,503	\$ 10,500	102,192
Earnings on investments	4,911								6,796
Other revenues				\$ 3,216				33,265	72,967
Total revenues	<u>305,861</u>	<u>1,579</u>	<u>\$ 0</u>	<u>3,216</u>	<u>\$ 0</u>	<u>35,338</u>	<u>1,503</u>	<u>43,765</u>	<u>6,830,889</u>
EXPENDITURES									
Instruction									
Regular programs									2,501,861
Special programs									553,396
Interscholastic and school activity									110,738
Support services									
Pupil support									490,017
Staff support									600,821
General administration									237,405
School administration									323,585
Business services									643,825
Maintenance and operations						12,128			454,726
Transportation									350,522
Other support services							1,503		59,787
Food services	394,104							6,274	444,845
Community services									160,239
Student Activity									104,987
Total expenditures	<u>394,104</u>	<u>1,579</u>	<u>0</u>	<u>3,216</u>	<u>0</u>	<u>12,128</u>	<u>1,503</u>	<u>6,274</u>	<u>7,036,754</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(88,243)</u>		<u>0</u>		<u>0</u>	<u>23,210</u>	<u>0</u>	<u>37,491</u>	<u>(205,865)</u>
OTHER FINANCING SOURCES (USES)									
Transfers from other funds	107,000		26,441						133,441
Transfers to other funds									(133,441)
Total other financing sources (uses)	<u>107,000</u>	<u>0</u>	<u>26,441</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET CHANGES IN FUND BALANCES	<u>18,757</u>	<u>1,579</u>	<u>26,441</u>	<u>3,216</u>	<u>0</u>	<u>23,210</u>	<u>0</u>	<u>37,491</u>	<u>(205,865)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>0</u>	<u>433,174</u>	<u>50,525</u>	<u>0</u>	<u>500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,715,184</u>
FUND BALANCES AT END OF YEAR	<u>\$ 18,757</u>	<u>\$ 434,753</u>	<u>\$ 76,966</u>	<u>\$ 3,216</u>	<u>\$ 500</u>	<u>\$ 23,210</u>	<u>\$ 0</u>	<u>\$ 37,491</u>	<u>\$ 2,509,319</u>