

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

**FINANCIAL STATEMENTS**

Year Ended June 30, 2023

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

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## INDEPENDENT AUDITOR'S REPORT

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, 2023, 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, 2023, 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, 2023, 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 43 through 45, 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 24, 2023, 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 24, 2023  
Moscow, Idaho

## PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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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, 2023.

#### FINANCIAL HIGHLIGHTS

- The District's net position increased by \$124,145 as a result of this year's operations.
- The total cost of District operations amounted to \$8,724,490 of which \$2,545,372 was generated from program revenues. General revenues amounted to \$6,278,220.
- The District recognized a net OPEB asset and a net pension liability of \$158,495 and \$3,733,473, respectively, at June 30, 2023. PERSI reflects that the OPEB and pensions are 127.21 and 83.09 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.

### ***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 23-41.

### **THE DISTRICT AS A WHOLE**

Net position of the District's governmental activities increased by \$124,145 to a total of \$11,063,698 in fiscal year 2023 as a result of current operations. This is compared to \$10,939,553 in 2022 and \$11,066,330 in 2021. 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 \$856,354 at June 30, 2022, to \$549,170 at this fiscal year-end.

Total assets increased to \$13,652,063 in 2023 compared to \$13,153,251 in 2022.



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Payables relating to payroll and taxes decreased from \$702,709 to \$650,284.

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

<b>Table 1</b>		
<b>Changes in Net Position</b>		
	<u>2023</u>	<u>2022</u>
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 25,043	\$ 102,192
Operating grants and contributions	2,545,372	1,902,970
General revenues		
Property taxes, levied for general purposes	485,682	30,939
State base support	3,269,176	3,149,290
State and federal funding not restricted to specific programs	26,956	68,784
P.L. 874 Impact Aid	1,552,161	1,493,382
Interest and investment earnings	101,949	6,796
Gain on sale	801,910	
Other general revenues	<u>40,386</u>	<u>52,672</u>
Total revenues	<u>8,848,635</u>	<u>6,807,025</u>
Program Expenses		
<b>Instruction</b>		
Regular programs	2,632,423	2,803,198
Special programs	611,592	564,745
Interscholastic and school activity	132,248	110,738
Other instructional programs		
Support services		
Pupil support	449,939	477,374
Staff support	435,561	600,821
General administration	247,930	237,405
School administration	311,231	323,585
Business services	741,952	643,825
Maintenance and operations	1,396,941	454,726
Transportation	435,499	393,141
Other support services	91,290	72,430
Food services	433,320	444,845
Community services	192,860	160,239
Student activity	47,160	104,987
PERSI retirement actuarial charges	<u>564,544</u>	<u>(458,257)</u>
Total expenses	<u>8,724,490</u>	<u>6,933,802</u>
Change in net position	<u>\$ 124,145</u>	<u>\$ (126,777)</u>

The District experienced a revenue increase during the year ended June 30, 2023. 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

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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.

<b>Table 2 – District Program Expense</b>		
	<u>Program Expense</u>	<u>Net Revenue (Expense)</u>
Instruction		
Regular programs	\$ 2,632,423	\$(2,073,185)
Special programs	611,592	(539,775)
Interscholastic and school activity	132,248	(132,248)
Support services		
Pupil support	449,939	(383,949)
Staff support	435,561	(156,811)
General administration	247,930	(246,197)
School administration	311,231	(309,034)
Business services	741,952	(675,348)
Maintenance and operations	1,396,941	(406,343)
Transportation	435,499	(434,557)
Other support services	91,290	(30,122)
Food services	433,320	(175,419)
Community services	192,860	(992)
Student activity	47,160	(25,551)
PERSI retirement actuarial charges	564,544	(564,544)

**Net Pension Asset.** The District recognized a net pension liability of \$3,733,473 for its share of PERSI's net pension liability. PERSI is one of the strongest retirement systems in the nation, with funding at 83.09 percent of the pension obligation. The District recognized deferred outflows of \$2,330,101 for payments made towards the net pension asset and deferred inflows of \$16,664 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 \$3,532,344, which increased from last year's total of \$2,509,319.

#### ***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 2023, the District had \$15,001,186 in capital assets, including buildings, computer equipment, and major school equipment. This year the District purchased a new Skyward system, two Ricoh-IM copiers, and an Accu Temp steamer. Total new additions were \$40,130.

## PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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#### ***Debt***

The District does not have any long-term debt outstanding at June 30, 2023.

#### **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 is not available due to staffing shortages. Remaining is \$3,968.76 intended for Social and Emotional Learning/Behavioral Health and Wellness services as well as the Learning Management System. In the 2022-2023 school year we used \$3,916 for Social and Emotional Learning/Behavior Health and Wellness services as well as the learning management system.

## PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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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 \$1,685,940.47 that can be spent between March 24, 2021 through September 30, 2024. *ARP-ESSER III-F/T Discretionary* funds spent through 2022-2023 in the amount of \$338,445. We will spend the remaining *CRRSA ACT-ESSER II* F/T \$1,347,495.80 during the 2023-2024 school year. *CRRSA ACT-ESSER II* F/T we spent \$704,331 in the 2022-2023 school year. We spent \$234,640.65 in 2021-2022 school year for *CRRSA ACT-ESSER II* F/T. These funds started being used during the 2021-2022 school year. 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 \$421,150.45 and are to be used from March 24, 2021 through September 30, 2024. For the 2021-2022 school year \$32,453.73 was used. For the 2022-2023 school year \$116,441 was used. The remaining funds of \$272,253.45 will be spent during the 2023-2024 school year. 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 2023. 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 \$17,948 and the preschool extra total \$1,662. The District used all of the preschool funds and most of the school age funds during the 2021-2022 school year. The balance of \$2,184.06 will be used during the 2023-2024 school year by September 30, 2023.

The District had available funds through the State entitled "2021 Recruit, Hire & Retain." We received \$2,500 during the 2022-2023 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 provide supplementary pay for school support staff, which included special education staff.

The District had available funds through the State entitled " ARPA State Fiscal Recovery SLFRF Instructional Staff Additional Compensation (HB793). The District received \$78,986. These funds were to be spent between July 1, 2022 and June 15, 2023. We split this fund into two payments for certified staff additional pay and benefits.

## PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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For the 2022-2023 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.

We will see an increase in funding from the State of Idaho as the unit funding went from \$35,924 per unit to \$41,391. 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 2023-2024 school year has reverted back to ADA (average daily attendance). The District budgeted at 20.91 units but actually ended the year at 22.60 units due to the way we counted our students. For the 2023-2024 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 2023-2024 school year by \$56.48 a month per employee. For an estimated 79 employees for the year. The District's health insurance committee, consisting of staff, met and decided to change plans to reduce the monthly costs by \$23.27 per month instead of the increase of \$56.48. This is a savings in the amount of \$29,906 instead of an increase of \$69,433.28. We did add Allyhealth (Telehealth for Employees only at \$13 per employee per month for at least one year at \$1,027 per month, bringing our savings to \$28,879.

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 3 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.

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

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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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 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.

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, 2023

	Governmental Activities
<b>ASSETS</b>	
<b>Current assets</b>	
Investments	\$ 3,898,114.0
Property taxes receivable	73,535
Accounts receivable	444,450
Total current assets	<u>4,416,099</u>
<b>Noncurrent assets</b>	
Net OPEB asset	185,752
Capital assets	15,001,186
Less accumulated depreciation	(5,950,974)
Total noncurrent assets	<u>9,235,964</u>
Total assets	<u>13,652,063</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
OPEB plan	158,495
Defined benefit pension	2,330,101
Total deferred outflows of resources	<u>2,488,596</u>
<b>LIABILITIES</b>	
<b>Current liabilities</b>	
Checks in excess of deposit	112,587
Payroll and taxes payable	650,284
Unearned revenue	52,102
Total current liabilities	<u>814,973</u>
<b>Noncurrent liabilities</b>	
Accrued post-employment benefits	428,412
Net pension liability	3,733,473
Total noncurrent liabilities	<u>4,161,885</u>
Total liabilities	<u>4,976,858</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
OPEB plan	83,439
Defined benefit pension	16,664
Total deferred inflows of resources	<u>100,103</u>
<b>NET POSITION</b>	
Net investment in capital assets	9,050,212
Restricted for:	
Capital projects	1,389,409
Grant programs	74,907
Unrestricted	549,170
Total net position	<u><u>\$ 11,063,698</u></u>

See accompanying notes

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

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2023

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	\$ 2,632,423		\$ 559,238	\$ (2,073,185)
Special programs	611,592		71,817	(539,775)
Interscholastic and school activity	132,248			(132,248)
Support services				
Pupil support	449,939		65,990	(383,949)
Staff support	435,561		278,750	(156,811)
General administration	247,930		1,733	(246,197)
School administration	311,231		2,197	(309,034)
Business services	741,952		66,604	(675,348)
Maintenance and operations	1,396,941		990,598	(406,343)
Transportation	435,499		942	(434,557)
Other support services	91,290		61,168	(30,122)
Food services	433,320	\$ 3,434	254,467	(175,419)
Community services	192,860		191,868	(992)
Student activity	47,160	21,609		(25,551)
PERSI retirement actuarial charges	564,544			(564,544)
Total governmental activities	<u>\$ 8,724,490</u>	<u>\$ 25,043</u>	<u>\$ 2,545,372</u>	<u>(6,154,075)</u>
General revenues:				
Property taxes, levied for general purposes				485,682
State base support				3,269,176
State and federal funding not restricted to specific programs				26,956
P.L. 874 Impact Aid				1,552,161
Interest and investment earnings				101,949
Gain on sale				801,910
Other general revenues				40,386
				<u>6,278,220</u>
Change in net position				124,145
Net position, beginning				<u>10,939,553</u>
Net position, ending				<u>\$ 11,063,698</u>

See accompanying notes



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

BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2023

	General	Food Service	School Plant Facilities Reserve	Capital Construction	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash					\$ 10,807	\$ 10,807
Investments	\$ 2,774,391		\$ 1,035,707		88,016	3,898,114
Property taxes receivable	73,535					73,535
Accounts receivable	50,997				393,453	444,450
Interfund balances	46,487	\$ 63,968		\$ 798,819	394,562	1,303,836
Total assets	<u>\$ 2,945,410</u>	<u>\$ 63,968</u>	<u>\$ 1,035,707</u>	<u>\$ 798,819</u>	<u>\$ 886,838</u>	<u>\$ 5,730,742</u>
<b>LIABILITIES</b>						
Checks in excess of deposit	\$ 123,394					\$ 123,394
Payroll and taxes payable	486,122	\$ 42,552			\$ 121,610	650,284
Interfund balances	423,046		\$ 577,946		302,844	1,303,836
Unearned revenue					52,102	52,102
Total liabilities	<u>1,032,562</u>	<u>42,552</u>	<u>577,946</u>	<u>0</u>	<u>476,556</u>	<u>2,129,616</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue-property taxes	68,782					68,782
Total deferred inflows of resources	<u>68,782</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,782</u>
<b>FUND BALANCES</b>						
Restricted for capital projects			457,761	798,819	132,829	1,389,409
Restricted for grant programs					74,907	74,907
Assigned for sick leave	29,332					29,332
Assigned, reported in:						
Special revenue funds		21,416			201,939	223,355
Unassigned, reported in:						
General fund	1,814,734				607	1,815,341
Total fund balances	<u>1,844,066</u>	<u>21,416</u>	<u>457,761</u>	<u>798,819</u>	<u>410,282</u>	<u>3,532,344</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,945,410</u>	<u>\$ 63,968</u>	<u>\$ 1,035,707</u>	<u>\$ 798,819</u>	<u>\$ 886,838</u>	<u>\$ 5,730,742</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, 2023

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<b>Total fund balances - Governmental Funds</b>		<b>\$ 3,532,344</b>
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		185,752
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	\$ 15,001,186	
Accumulated depreciation	<u>(5,950,974)</u>	
		9,050,212
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		2,488,596
Deferred inflows		(100,103)
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.		
		68,782
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>(3,733,473)</u>
<b>Total net position - Governmental Activities</b>		<b><u>\$ 11,063,698</u></b>

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, 2023

	General	Food Service	School Plant Facilities Reserve	Capital Construction	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
General property taxes	\$ 462,638					\$ 462,638
State foundation program	3,262,932				\$ 6,224	3,269,156
Other state revenue	1,874	\$ 20			156,155	158,049
Federal revenue	1,529,153	260,773	\$ 23,008		2,095,485	3,908,419
Charges for services		3,434			21,609	25,043
Earnings on investments	99,107				2,842	101,949
Other revenues	59,288			\$ 801,910	69,007	930,205
Total revenues	<u>5,414,992</u>	<u>264,227</u>	<u>23,008</u>	<u>801,910</u>	<u>2,351,322</u>	<u>8,855,459</u>
<b>EXPENDITURES</b>						
Instruction						
Regular programs	1,722,578				648,249	2,370,827
Special programs	492,542				71,817	564,359
Interscholastic and school activity	132,248					132,248
Other instructional programs						
Support services						
Pupil support	415,920				63,885	479,805
Staff support	156,811				278,750	435,561
General administration	246,197				1,733	247,930
School administration	309,034				2,197	311,231
Business services	675,348				82,715	758,063
Maintenance and operations	399,500			3,091	994,960	1,397,551
Transportation	391,938				942	392,880
Other support services	(354)				61,168	60,814
Food services		432,084			9,061	441,145
Community services					192,860	192,860
Student activity					47,160	47,160
Total expenditures	<u>4,941,762</u>	<u>432,084</u>	<u>0</u>	<u>3,091</u>	<u>2,455,497</u>	<u>7,832,434</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>473,230</u>	<u>(167,857)</u>	<u>23,008</u>	<u>798,819</u>	<u>(104,175)</u>	<u>1,023,025</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers from other funds		170,516			20,449	190,965
Transfers to other funds	(190,965)					(190,965)
Total other financing sources (uses)	<u>(190,965)</u>	<u>170,516</u>	<u>0</u>	<u>0</u>	<u>20,449</u>	<u>0</u>
<b>NET CHANGES IN FUND BALANCES</b>	282,265	2,659	23,008	798,819	(83,726)	1,023,025
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>1,561,801</u>	<u>18,757</u>	<u>434,753</u>		<u>494,008</u>	<u>2,509,319</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 1,844,066</u>	<u>\$ 21,416</u>	<u>\$ 457,761</u>	<u>\$ 798,819</u>	<u>\$ 410,282</u>	<u>\$ 3,532,344</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, 2023**

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**Net changes in fund balances - Total Governmental Funds** **\$ 1,023,025**

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	40,130
Current year depreciation	(367,642)
Loss on sale of capital assets	(29,868)

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	(540,684)
Current year net OPEB asset, deferred outflows, and deferred inflows	(23,860)

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	68,782
Prior year taxes receivable	(45,738)

**Change in net position - Governmental Activities** **\$ 124,145**

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

**STATEMENT OF FIDUCIARY NET POSITION -  
FIDUCIARY FUNDS  
June 30, 2023**

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	Private-Purpose Trusts	
	Lloyd Selder Scholarship Fund	Wilson Scholarship Fund
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 1,208	\$ 6,667
Investments	11,630	18,556
Total current assets	<u>12,838</u>	<u>25,223</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Total current liabilities	<u>0</u>	<u>0</u>
<b>NET POSITION</b>		
Held for benefit of others	<u>12,838</u>	<u>25,223</u>
Total net position	<u><u>\$ 12,838</u></u>	<u><u>\$ 25,223</u></u>

See accompanying notes

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

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -  
FIDUCIARY FUNDS  
Year Ended June 30, 2023**

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	Private-Purpose Trusts	
	Lloyd Selder Scholarship Fund	Wilson Scholarship Fund
<b>ADDITIONS</b>		
Contributions	\$ 1,200	\$ 10,000
Earnings on investments	361	698
Total additions	<u>1,561</u>	<u>10,698</u>
 <b>DEDUCTIONS</b>		
Scholarships	<u>0</u>	<u>8,333</u>
Total deductions	<u>0</u>	<u>8,333</u>
 Change in net position	1,561	2,365
 <b>NET POSITION AT BEGINNING OF YEAR</b>	<u>11,277</u>	<u>22,858</u>
 <b>NET POSITION AT END OF YEAR</b>	<u><u>\$ 12,838</u></u>	<u><u>\$ 25,223</u></u>

See accompanying notes

# PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

## NOTES TO FINANCIAL STATEMENTS

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### 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.

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 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.



**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.

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

**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

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### 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>
Medicaid	\$ 27,867	\$ 30,476

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, 2023, the District had issued checks, which were in excess of deposits by \$112,587 for governmental activities. The bank balance was \$160,796 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

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**3. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments.** At June 30, 2023, 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, 2023, are as follows:

State of Idaho -- Foundation program	\$ 50,997
State of Idaho -- Federal grant funds	387,499
U.S. Government -- Federal grant funds	<u>5,954</u>
	<u>\$ 444,450</u>

**5. PROPERTY TAXES**

Details of property taxes receivable at June 30, 2023, are as follows:

	Governmental Funds
Benewah County, taxes, penalties and interest	\$ 12,311
Kootenai County, taxes, penalties and interest	<u>61,224</u>
	<u>\$ 73,535</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		\$ (440,729)	12,869,954
Equipment	599,934	\$ 40,130		640,064
Buses and vehicles	<u>1,210,417</u>			<u>1,210,417</u>
	<u>\$ 15,401,785</u>	<u>\$ 40,130</u>	<u>\$ (440,729)</u>	<u>15,001,186</u>
Accumulated depreciation				
Structures and improvements	\$ 4,439,309	\$ 293,005	\$ (410,861)	4,321,453
Equipment	502,590	32,018		534,608
Buses and vehicles	<u>1,052,294</u>	<u>42,619</u>		<u>1,094,913</u>
	<u>\$ 5,994,193</u>	<u>\$ 367,642</u>	<u>\$ (410,861)</u>	<u>5,950,974</u>
Capital assets, net				<u>\$ 9,050,212</u>

Depreciation of \$367,642 was charged to the following programs in the statement of activities:

Instruction, regular program	\$ 325,023
Support services, transportation	<u>42,619</u>
	<u>\$ 367,642</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](http://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.



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, 2023, it was 7.16 percent (7.16 percent in 2022) 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 2022) 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 \$451,859, \$446,306, and, \$414,627, for the three years ended June 30, 2023, 2022, and 2021, respectively.

***Pension Liabilities, Assets, Pension Expense (Revenue), and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.*** At June 30, 2023, the District reported an liability of 3,733,473 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the District's proportion was .0947881 percent.

For the year ended June 30, 2023, the District recognized a net pension expense of \$540,684. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$ 451,859	
Differences between expected and actual experience	\$ 410,546	\$ 16,664
Changes in assumptions or other inputs	\$ 608,668	
Net difference between projected and actual earnings on pension plan investments	\$ 859,028	



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 liability in the year ending June 30, 2024. These contributions were \$451,859 for the year ending June 30, 2023, 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, 2022, the beginning of the measurement period ended June 30, 2023, is 4.6 and 4.6 for the measurement period June 30, 2022.

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:

2024	\$ 445,171
2025	483,276
2026	223,515
2027	709,616
2028	0

***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 liability in the June 30, 2023, 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, 2023.

**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%

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 liability as of June 30, 2023, 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.

CAPITAL MARKET ASSUMPTIONS

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

10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

**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 Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the District's proportionate share of the net pension liability 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)	\$ 6,589,214	\$ 3,733,473	\$ 1,396,123

**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](http://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, 2023.

**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](http://www.persi.idaho.gov).

11. OTHER POST EMPLOYMENT BENEFIT PLANS (CONTINUED)

**Sick Leave Plan (Continued).** 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, 2023.

**OPEB Liabilities, OPEB Expense (Expense Offset), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** At June 30, 2023, the District reported a asset of \$185,752 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of July 1, 2021, and rolled forward to June 30, 2022. 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, 2022, the District's proportion was 0.2440020 percent.

For the year ended June 30, 2023, the District recognized an OPEB benefit offset of (\$23,860). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 44,868	
Changes in assumptions or other inputs	\$ 36,259	\$ 83,439
Net difference between projected and actual earnings on pension plan investments	\$ 77,368	

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 (Continued).*** 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, 2024. These contributions were \$0 for the year ending June 30, 2023, 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:

2024	\$	15,886
2025		17,009
2026		10,050
2027		34,460
2028		(2,234)
Thereafter		(115)

***Actuarial Assumptions.*** Valuations are based upon actuarial assumptions, the benefit formulas, and employee groups. The Sick Leave Plan amortizes any net OPEB liability 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.

The total OPEB liability in the June 30, 2023, 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.

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

**NOTES TO FINANCIAL STATEMENTS**

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**11. OTHER POST EMPLOYMENT BENEFIT PLANS (CONTINUED)**

***Actuarial Assumptions (Continued).*** 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%
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>

# 11. OTHER POST EMPLOYMENT BENEFIT PLANS (CONTINUED)

**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)	\$ (131,057)	\$ (185,752)	\$ (235,761)

**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](http://www.persi.idaho.gov).

# 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, 2023, amounted to \$170,516.

*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 \$20,449 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.

***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.



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

**NOTES TO FINANCIAL STATEMENTS**

**15. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

***Individual Fund Interfund Receivable and Payable Balances.*** Such balances at June 30, 2023, were:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General	\$ 46,487	\$ 423,046
Federal Forest Reserve	7,075	
Soar Grant	16,036	
CDA Bingo Donation	54,267	
Block Fest	500	
Playground Equipment	540	
Community Night	583	
Driver Education	1,680	
Vocational Education	789	
Public School Technology Grant	67,832	
Safe & Drug Free	5,854	
ESSER III		200,281
Title I-A Improving Basic Programs		32,196
IDEA Part B		5,254
IDEA Part B Preschool		589
Title V-A Innovative Programs		1,352
Title VI-A Rural Education		(8,506)
Perkins IV Professional Technical Act		34,044
Title VII Indian Education		18
Johnson O'Malley	49,922	
Title III-A ESSA	488	
Title II-A Improving Teacher Quality		1,485
Twenty-First Century		27,625
Food Service	63,968	
Capital Construction	798,819	
School Plant Facilities Reserve		577,946
School Bus Reserve	97,415	
School Building Maintenance Reserve	35,414	
Daycare Fund	47,661	

***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.

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## REQUIRED SUPPLEMENTARY INFORMATION

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

**SCHEDULE OF PENSION AND OPEB FUNDING**  
Year Ended June 30, 2023

**SCHEDULE OF PENSION FUNDING**

Fiscal Year	Statutorily Required Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution	Share of PERSI Net		Net Pension	Plan Fiduciary
					as a % of	Pension Liability		Liability as %	Net Position
					Covered Payroll	%	Amount	of Covered Payroll	as % of Total Pension Liability
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%
2023	451,859	451,859	0	3,784,410	11.94%	0.0947881%	3,733,473	99%	83%

**SCHEDULE OF OPEB FUNDING**

Fiscal Year	Statutorily Required Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution		Share of PERSI Net OPEB Asset		Net OPEB Asset as % of Covered Payroll	Plan Fiduciary Net Position as % of Total OPEB Liability
					as a % of Covered Payroll	OPEB Asset				
						%	Amount			
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%	300,139		9%	153%
2022	43,360	43,360	0	3,737,905	1.16%	0%	354,341		9%	153%
2023	43,899	43,899	0	3,784,410	1.16%	0%	185,782		5%	127%

(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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
General property taxes	\$ 29,755	\$ 654,204	\$ 462,638	\$ (191,566)
State foundation program	3,000,674	3,022,057	3,262,932	240,875
Other state revenue	3,133	3,133	1,874	(1,259)
Federal revenue	1,224,010	1,224,010	1,529,153	305,143
Earnings on investments	5,800	5,800	99,107	93,307
Other revenues	29,600	35,600	59,288	23,688
Total revenues	<u>4,292,972</u>	<u>4,944,804</u>	<u>5,414,992</u>	<u>470,188</u>
<b>EXPENDITURES</b>				
Instruction				
Payroll	1,597,859	1,718,821	1,637,836	80,985
Payroll burden and employee benefits	758,106	734,847	647,297	87,550
Purchased services	37,350	48,600	27,194	21,406
Supplies and materials	43,389	72,506	44,258	28,248
Capital outlay	1,000	1,000	511	489
Support services				
Payroll	1,227,174	1,245,469	1,154,387	91,082
Payroll burden and employee benefits	521,730	525,339	479,560	45,779
Purchased services	618,739	943,333	417,376	525,957
Supplies and materials	100,643	127,305	76,155	51,150
Capital outlay	9,200	9,500	(1,551)	11,051
Insurance	51,000	68,801	66,801	2,000
Pupil transportation	410,553	447,572	391,938	55,634
Contingency budget	64,728	309,401		309,401
Total expenditures	<u>5,441,471</u>	<u>6,252,494</u>	<u>4,941,762</u>	<u>1,310,732</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(1,148,499)</u>	<u>(1,307,690)</u>	<u>473,230</u>	<u>1,780,920</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to other funds	<u>(198,140)</u>	<u>(244,879)</u>	<u>(190,965)</u>	<u>53,914</u>
Total other financing sources (uses)	<u>(198,140)</u>	<u>(244,879)</u>	<u>(190,965)</u>	<u>53,914</u>
<b>NET CHANGES IN FUND BALANCE</b>	<u>(1,346,639)</u>	<u>(1,552,569)</u>	<u>282,265</u>	<u>1,834,834</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>1,346,639</u>	<u>1,552,569</u>	<u>1,561,801</u>	<u>9,232</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,844,066</u>	<u>\$ 1,844,066</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, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Federal revenue	\$ 210,000	\$ 258,967	\$ 260,773	\$ 1,806
Charges for services	3,200	3,200	3,434	234
Other revenues			20	20
Total revenues	<u>213,200</u>	<u>262,167</u>	<u>264,227</u>	<u>2,060</u>
<b>EXPENDITURES</b>				
Food services				
Payroll	140,585	167,617	165,700	1,917
Payroll burden and employee benefits	95,906	107,519	105,293	2,226
Purchased services	9,100	11,065	10,569	496
Supplies and materials	143,300	190,240	142,048	48,192
Capital outlay	2,000	10,156	8,474	1,682
Total expenditures	<u>390,891</u>	<u>486,597</u>	<u>432,084</u>	<u>54,513</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(177,691)</u>	<u>(224,430)</u>	<u>(167,857)</u>	<u>56,573</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	177,691	224,430	170,516	(53,914)
Total other financing sources (uses)	<u>177,691</u>	<u>224,430</u>	<u>170,516</u>	<u>(53,914)</u>
<b>NET CHANGES IN FUND BALANCE</b>	0	0	2,659	2,659
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>0</u>	<u>0</u>	<u>18,757</u>	<u>18,757</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 21,416</u></u>	<u><u>\$ 21,416</u></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.

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## SUPPLEMENTARY INFORMATION

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## 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, 2023, 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 24, 2023.

### 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 #2023-001).



## **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**

Government Auditing Standards requires the auditor to perform limited procedures on the 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. The Plummer/Worley Joint School District No. 44's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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 24, 2023  
Moscow, Idaho



## **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, 2023. 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, 2023.

#### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Our responsibilities under those standards and the *Uniform Guidance* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of 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 24, 2023  
Moscow, Idaho

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

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

	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through To Subrecipients	Federal Expenditures
<b>DEPARTMENT OF AGRICULTURE</b>				
Passed through the State of Idaho - Department of Education				
National School Breakfast Program	10.553	202323N119947	None	\$ 51,066
National School Lunch Program	10.555	202323N119947	None	164,280
Summer Food Service Program	10.559	202323N119947	None	3,857
Fresh Fruit and Vegetable Program	10.582	202322L160347	None	16,465
Subtotal School Lunch Cluster				<u>235,668</u>
Child and Adult Care Food Program	10.558	202323N119947	None	9,975
Child Nutrition Discretionary Grants	10.579	202222N810347	None	7,825
Child Nutrition Technology Innovation Grant	10.541	202120N760330	None	7,305
Passed through Benewah and Kootenai County Federal Forest	10.665		None	6,843
Total Department of Agriculture				<u>267,616</u>
<b>DEPARTMENT OF INTERIOR</b>				
Direct Programs				
Indian Education Assistance to School	15.130	A16AV00941	None	<u>13,494</u>
<b>DEPARTMENT OF TREASURY</b>				
Passed through the State of Idaho - Department of Education				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP0142	None	<u>78,986</u>
Total Department of Treasury				<u>78,986</u>
<b>DEPARTMENT OF EDUCATION</b>				
Direct Programs				
Impact Aid, P.L. 81-874	84.041	SO41B-2022-1419	None	<u>1,552,161 *</u>
Indian Education - Grants to Local Educational Agencies	84.060A		None	<u>47,674</u>
Rural Education Achievement Program	84.358	S358B220012	None	<u>6,983</u>
Passed through St. Maries School District Career and				
Technical Education - Basic Grants to States	84.048	VO48A220012	None	<u>34,668</u>
Passed through the State of Idaho - Department of Education				<u>34,668</u>
Title I-A	84.010	S010A220012	None	<u>458,469</u>
Title VI-B	84.027	H027A220088	None	<u>72,667</u>
Title VI-B Preschool	84.173	H173A220030	None	<u>7,525</u>
Subtotal Title VI-B Cluster				<u>80,192</u>
Twenty-First Century Community Learning Centers	84.287	S287C220012	None	<u>104,287</u>
Improving Teacher Quality	84.367	S367A220011	None	<u>20,584</u>
Student Support and Academic Enrollment	84.424	S424A220013	None	<u>21,684</u>
Elementary and Secondary School Emergency Relief	84.425D	S425D210043	None	<u>708,247</u>
ARP - Elementary and Secondary School Emergency Relief	84.425U	S425U210043	None	<u>454,886</u>
Total Education Stabilization Fund	84.425			<u>1,163,133 *</u>
Child Care and Development Block Grant	93.575	2101DCSC6	None	<u>27,780</u>
Total Department of Education				<u>3,517,615</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<u><u>\$ 3,877,711</u></u>

**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, 2023

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
84.425	Education Stabilization Funds

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, 2023

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**Section II – Financial Statement Findings**

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**SIGNIFICANT DEFICIENCY**

**Finding #2023-001**

*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.

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**Section III – Federal Award Findings and Questioned Costs**

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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 \$150 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 III-A Every Student Succeeds Act** – The federal government provides Title III-A ESSA grants to school districts under the requirements of the Elementary and Secondary Education Act (ESEA), currently enacted as the Every Student Succeeds Act (ESSA). Funds are used to help students who are struggling and at-risk so they meet state academic standards.

**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.

**Capital Construction** – The District has established this fund in order to track income from buildings that are sold.

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

COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS  
June 30, 2023

	General Fund	Federal Forest Reserve	Soar Grant	CDA Bingo Donation	Playground Equipment	Driver Education	Vocational Education	Public School Technology Grant
<b>ASSETS</b>								
Cash	\$ 2,774,391							
Investments	73,535							
Property taxes receivable	50,997							
Accounts receivable	46,487	\$ 7,075	\$ 16,036	\$ 54,267	\$ 540	\$ 1,680	\$ 789	\$ 67,832
Interfund balances								
Total assets	<u>\$ 2,945,410</u>	<u>\$ 7,075</u>	<u>\$ 16,036</u>	<u>\$ 54,267</u>	<u>\$ 540</u>	<u>\$ 1,680</u>	<u>\$ 789</u>	<u>\$ 67,832</u>
<b>LIABILITIES</b>								
Checks in excess of deposit	\$ 123,394							
Payroll and taxes payable	486,122			\$ 13,638				
Interfund balances	423,046							
Unearned revenue							\$ 182	\$ 0
Total liabilities	<u>1,032,562</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>13,638</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 182</u>	<u>\$ 0</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue-property taxes	68,782							
Total deferred inflows of resources	<u>68,782</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES</b>								
Restricted for capital projects		7,075						67,832
Restricted for grant programs	29,332							
Assigned for sick leave			16,036	40,629	540	1,680	607	
Assigned for special revenue	1,814,734							
Unassigned	<u>1,844,066</u>	<u>7,075</u>	<u>16,036</u>	<u>40,629</u>	<u>540</u>	<u>1,680</u>	<u>607</u>	<u>67,832</u>
Total fund balances								
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,945,410</u>	<u>\$ 7,075</u>	<u>\$ 16,036</u>	<u>\$ 54,267</u>	<u>\$ 540</u>	<u>\$ 1,680</u>	<u>\$ 789</u>	<u>\$ 67,832</u>

PLUMMER/WORLEY JOINT SCHOOL DISTRICT NO. 44

COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS  
June 30, 2023

	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
<b>ASSETS</b>									
Cash									
Investments									
Property taxes receivable		\$ 214,646	\$ 80,219			\$ 15,520	\$ 1,741		
Accounts receivable	\$ 5,854								
Interfund balances									
Total assets	\$ 5,854	\$ 214,646	\$ 80,219	\$ 0	\$ 0	\$ 15,520	\$ 1,741	\$ 0	\$ 0
<b>LIABILITIES</b>									
Checks in excess of deposit									
Payroll and taxes payable	\$ 2,733	\$ 14,365	\$ 48,023			\$ 10,266	\$ 1,152		
Interfund balances		200,281	32,196			5,254	589		
Unearned revenue									
Total liabilities	2,733	214,646	80,219	\$ 0	\$ 0	15,520	1,741	\$ 0	\$ 0
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable revenue-property taxes	0	0	0	0	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0	0	0	0	0
<b>FUND BALANCES</b>									
Restricted for capital projects									
Restricted for grant programs									
Assigned for sick leave									
Assigned for special revenue	3,121								
Unassigned									
Total fund balances	3,121	0	0	0	0	0	0	0	0
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,854	\$ 214,646	\$ 80,219	\$ 0	\$ 0	\$ 15,520	\$ 1,741	\$ 0	\$ 0

PLUMMERWORLEY JOINT SCHOOL DISTRICT NO. 44

COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS  
June 30, 2023

	Title V-A Innovative Programs	Title VI-A Rural Education	Perkins IV Professional Technical Act	Title VII Indian Education	Title III-A Every Student Succeeds Act	Title II-A Improving Teacher Quality	SLFRF	Twenty-First Century
<b>ASSETS</b>								
Cash								
Investments								
Property taxes receivable	\$ 1,353		\$ 34,277	\$ 5,954	\$ 488	\$ 4,391		\$ 35,352
Accounts receivable		\$ 8,506						
Interfund balances								
Total assets	\$ 1,353	\$ 8,506	\$ 34,277	\$ 5,954	\$ 488	\$ 4,391	\$ 0	\$ 35,352
								\$ 98,823
<b>LIABILITIES</b>								
Checks in excess of deposit								
Payroll and taxes payable	\$ 1	\$ 1,433	\$ 233	\$ 5,936		\$ 2,906		\$ 7,727
Interfund balances	1,352	7,073	34,044	18		1,485		27,625
Unearned revenue					\$ 488			
Total liabilities	1,353	8,506	34,277	5,954	488	4,391	\$ 0	35,352
								\$ 0
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue-property taxes								
Total deferred inflows of resources	0	0	0	0	0	0	0	0
<b>FUND BALANCES</b>								
Restricted for capital projects								
Restricted for grant programs								
Assigned for sick leave								
Assigned for special revenue								
Unassigned	0	0	0	0	0	0		98,823
Total fund balances								98,823
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,353	\$ 8,506	\$ 34,277	\$ 5,954	\$ 488	\$ 4,391	\$ 0	\$ 35,352
								\$ 98,823



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

**COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS**  
June 30, 2023

	Food Service	Capital Construction	School Plant Facilities Reserve	School Bus Reserve	Community Night	Block Fest	School Building Maintenance Reserve	Johnson O'Malley	Daycare	Combined
<b>ASSETS</b>										
Cash			\$ 1,035,707							\$ 10,807
Investments										3,898,114
Property taxes receivable										73,535
Accounts receivable										444,450
Interfund balances	\$ 63,968	\$ 798,819		\$ 97,415	\$ 583	\$ 500	\$ 35,414	\$ 49,922	\$ 47,661	1,303,836
Total assets	\$ 63,968	\$ 798,819	\$ 1,035,707	\$ 97,415	\$ 583	\$ 500	\$ 35,414	\$ 49,922	\$ 47,661	\$ 5,730,742
<b>LIABILITIES</b>										
Checks in excess of deposit										\$ 123,394
Payroll and taxes payable	\$ 42,552		\$ 577,946					\$ 5,563	\$ 7,634	650,284
Interfund balances								44,359		1,303,836
Unearned revenue	42,552	\$ 0	577,946	\$ 0	\$ 0	\$ 0	\$ 0	49,922	\$ 7,634	52,102
Total liabilities										2,129,616
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable revenue-property taxes										68,782
Total deferred inflows of resources										68,782
<b>FUND BALANCES</b>										
Restricted for capital projects		798,819	457,761	97,415			35,414			1,389,409
Restricted for grant programs										74,907
Assigned for sick leave					583	500			40,027	29,332
Assigned for special revenue	21,416									223,355
Unassigned	21,416	798,819	457,761	97,415	583	500	35,414	0	40,027	1,815,341
Total fund balances										3,532,344
Total liabilities, deferred inflows of resources, and fund balances	\$ 63,968	\$ 798,819	\$ 1,035,707	\$ 97,415	\$ 583	\$ 500	\$ 35,414	\$ 49,922	\$ 47,661	\$ 5,730,742

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

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
ALL GOVERNMENTAL FUNDS  
Year Ended June 30, 2023**

	General Fund	Federal Forest Reserve	Soar Grant	CDA Bingo Donation	Playground Equipment	Driver Education	Vocational Education	Public School Technology Grant
<b>REVENUES</b>								
General property taxes	\$ 462,638							
State revenue	3,264,806						\$ 60,232	\$ 57,047
Federal revenue	1,529,153	\$ 7,075						
Charges for services								
Earnings on investments	99,107							
Other revenues	59,288		\$ 10,866		\$ 100			
Total revenues	<u>5,414,992</u>	<u>7,075</u>	<u>10,866</u>	<u>\$ 0</u>	<u>100</u>	<u>\$ 0</u>	<u>60,232</u>	<u>57,047</u>
<b>EXPENDITURES</b>								
Instruction								
Regular programs	1,722,578			88,951	60		59,625	
Special programs	492,542							
Interscholastic and school activity	132,248							
Support services								
Pupil support	415,920							44,358
Staff support	156,811							
General administration	246,197							
School administration	309,034							
Business services	675,348							5,201
Maintenance and operations	399,500	6,843	16,111					
Transportation	391,938							
Other support services	(354)							
Food services								
Community services								
Student Activity								
Total expenditures	<u>4,941,762</u>	<u>6,843</u>	<u>16,111</u>	<u>88,951</u>	<u>60</u>	<u>0</u>	<u>59,625</u>	<u>49,559</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>473,230</u>	<u>232</u>	<u>(5,245)</u>	<u>(88,951)</u>	<u>40</u>	<u>0</u>	<u>607</u>	<u>7,488</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers from other funds	(190,965)							
Transfers to other funds	(190,965)	0	0	0	0	0	0	0
Total other financing sources (uses)								
<b>NET CHANGES IN FUND BALANCES</b>	<u>282,265</u>	<u>232</u>	<u>(5,245)</u>	<u>(88,951)</u>	<u>40</u>	<u>0</u>	<u>607</u>	<u>7,488</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>1,561,801</u>	<u>6,843</u>	<u>21,281</u>	<u>129,580</u>	<u>500</u>	<u>1,680</u>	<u>0</u>	<u>60,344</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 1,844,066</u>	<u>\$ 7,075</u>	<u>\$ 16,036</u>	<u>\$ 40,629</u>	<u>\$ 540</u>	<u>\$ 1,680</u>	<u>\$ 607</u>	<u>\$ 67,832</u>

**PLUMMERWORLEY JOINT SCHOOL DISTRICT NO. 44**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
ALL GOVERNMENTAL FUNDS  
Year Ended June 30, 2023**

	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
<b>REVENUES</b>									
General property taxes									
State revenue	\$ 6,224								
Federal revenue		\$ 454,886	\$ 458,469	\$ 3,916	\$ 704,331	\$ 72,162	\$ 7,525	\$ 505	\$ 30,476
Charges for services									
Earnings on investments									
Other revenues									
Total revenues	<u>6,224</u>	<u>454,886</u>	<u>458,469</u>	<u>3,916</u>	<u>704,331</u>	<u>72,162</u>	<u>7,525</u>	<u>505</u>	<u>30,476</u>
<b>EXPENDITURES</b>									
Instruction									
Regular programs	11,161	110,450	246,496		10,803				
Special programs					45	63,929	7,525	318	
Interscholastic and school activity									
Support services									
Pupil support				47		8,233		187	30,476
Staff support			210,180	3,628					
General administration			1,733						
School administration	2,197			208	59,781				
Business services					624,495				
Maintenance and operations	610	338,445							
Transportation		942							
Other support services		5,049		33	3,979				
Food services			60		5,228				
Community services									
Student Activity									
Total expenditures	<u>13,968</u>	<u>454,886</u>	<u>458,469</u>	<u>3,916</u>	<u>704,331</u>	<u>72,162</u>	<u>7,525</u>	<u>505</u>	<u>30,476</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(7,744)</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>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers from other funds									
Transfers to other funds	<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>
Total other financing sources (uses)	<u>(7,744)</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>
<b>NET CHANGES IN FUND BALANCES</b>									
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>10,865</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>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 3,121</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>

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

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
ALL GOVERNMENTAL FUNDS  
Year Ended June 30, 2023**

	Title V-A Innovative Programs	Title VI-A Rural Education	Perkins IV - Professional Technical Act	Title VII Indian Education	Title III-A Every Student Succeeds Act	Title II-A Improving Teacher Quality	SLFRF	Twenty-First Century	Student Activity Fund
<b>REVENUES</b>									
General property taxes									
State revenue		\$ 2,105							
Federal revenue	\$ 21,684	6,983	\$ 34,668	\$ 47,674		\$ 20,584	\$ 78,986	\$ 104,287	\$ 21,609
Charges for services									2,842
Earnings on investments									
Other revenues									
Total revenues	<u>21,684</u>	<u>9,088</u>	<u>34,668</u>	<u>47,674</u>	<u>0</u>	<u>20,584</u>	<u>78,986</u>	<u>104,287</u>	<u>24,451</u>
<b>EXPENDITURES</b>									
Instruction									
Regular programs	675	5,155	33,254				78,986		
Special programs									
Interscholastic and school activity									
Support services									
Pupil support	21,009	3,933				20,584			
Staff support									
General administration									
School administration									
Business services			1,414						
Maintenance and operations									
Transportation				47,674					
Other support services									
Food services								104,287	47,160
Community services								104,287	47,160
Student Activity									
Total expenditures	<u>21,684</u>	<u>9,088</u>	<u>34,668</u>	<u>47,674</u>	<u>0</u>	<u>20,584</u>	<u>78,986</u>	<u>104,287</u>	<u>47,160</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<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>(22,709)</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
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>
<b>NET CHANGES IN FUND BALANCES</b>	<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>(22,709)</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES AT END OF YEAR</b>	<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>\$ 98,823</u>

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

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
ALL GOVERNMENTAL FUNDS  
Year Ended June 30, 2023**

	Food Service	Capital Construction	School Plant Facilities Reserve	School Bus Reserve	Community Night	Block Fest	School Building Maintenance Reserve	Johnson O'Malley	Daycare	Combined
<b>REVENUES</b>										
General property taxes	\$ 20						\$ 36,771	\$ 13,494	\$ 27,780	\$ 462,638
State revenue	260,773		\$ 23,008							3,427,205
Federal revenue	3,434									3,908,419
Charges for services										25,043
Earnings on investments										101,949
Other revenues		\$ 801,910							58,041	930,205
Total revenues	<u>264,227</u>	<u>801,910</u>	<u>23,008</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>36,771</u>	<u>\$ 13,494</u>	<u>85,821</u>	<u>8,855,459</u>
<b>EXPENDITURES</b>										
Instruction										
Regular programs					2,633					2,370,827
Special programs										564,359
Interscholastic and school activity										132,248
Support services										
Pupil support										479,805
Staff support										435,561
General administration										247,930
School administration										311,231
Business services										758,063
Maintenance and operations		3,091					24,567			1,397,551
Transportation										392,880
Other support services								13,494		60,814
Food services	432,084								83,285	441,145
Community services		3,091								192,860
Student Activity										47,160
Total expenditures	<u>432,084</u>	<u>3,091</u>	<u>0</u>	<u>0</u>	<u>2,633</u>	<u>0</u>	<u>24,567</u>	<u>13,494</u>	<u>83,285</u>	<u>7,832,434</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>(167,857)</u>	<u>798,819</u>	<u>23,008</u>	<u>0</u>	<u>(2,633)</u>	<u>0</u>	<u>12,204</u>	<u>0</u>	<u>2,536</u>	<u>1,023,025</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers from other funds	170,516			20,449						190,965
Transfers to other funds										(190,965)
Total other financing sources (uses)	<u>170,516</u>	<u>0</u>	<u>0</u>	<u>20,449</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>2,659</u>	<u>798,819</u>	<u>23,008</u>	<u>20,449</u>	<u>(2,633)</u>	<u>0</u>	<u>12,204</u>	<u>0</u>	<u>2,536</u>	<u>1,023,025</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<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>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 21,416</u>	<u>\$ 798,819</u>	<u>\$ 457,761</u>	<u>\$ 97,415</u>	<u>\$ 583</u>	<u>\$ 500</u>	<u>\$ 35,414</u>	<u>\$ 0</u>	<u>\$ 40,027</u>	<u>\$ 3,532,344</u>