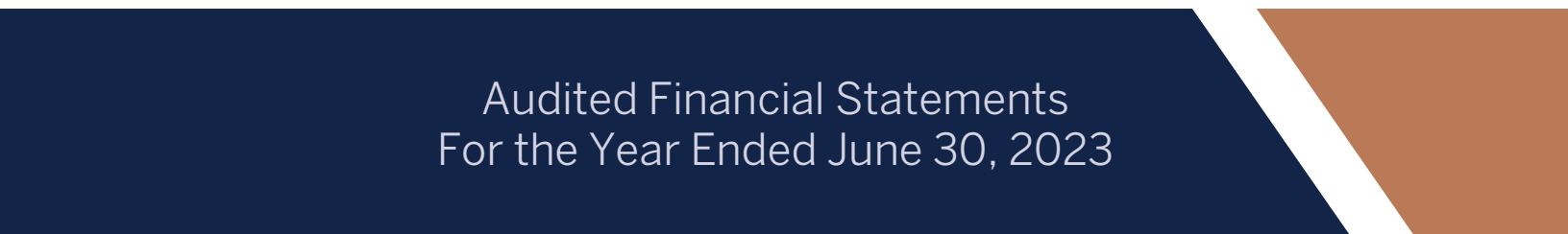




ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho



Audited Financial Statements
For the Year Ended June 30, 2023

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
St. Maries Joint School District No. 41
St. Maries, Idaho 83861

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Maries Joint School District No. 41, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise St. Maries Joint School District No. 41's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of St. Maries Joint School District No. 41 as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Maries Joint School District No. 41 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Maries Joint School District No. 41'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 St. Maries Joint School District No. 41'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 St. Maries Joint School District No. 41's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-10, the budgetary comparison schedules on pages 42-43, the net pension (asset) liability related schedules on page 44, Other Post Employment Benefit liability schedule on page 45, and the Net OPEB Asset – sick leave plan related schedules on page 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. Maries Joint School District No. 41's basis financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2023 on our consideration of St. Maries Joint School District No. 41'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 St. Maries Joint School District No. 41's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standard* in considering St. Maries Joint School District No. 41's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
September 25, 2023

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

As management of St. Maries Joint School District No. 41 (District), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ended June 30, 2023.

Financial Highlights

- St. Maries Joint School District No. 41's financial status, as reflected in the General Fund balance, increased \$7,552 from the previous fiscal year to an ending balance of \$982,175. Fund Balance remained stable this year with the Board fully utilizing revenues received to allocate expenditures to provide a quality education for students. General Fund Balance represents 1.2 months of operating expenditures.
- Supplemental levies have supported essential school programs for over 30 years in St. Maries. Voters approved the \$2,073,385 two-year supplemental levy held on March 14, 2023 which provides support for the 2023-2024 and 2024-2025 school years. Supplemental levies continue to be a necessary part of the school district's budget to help close the gap between State revenues received for education and the expenditures necessary to provide a quality education for our students. The supplemental levy for 2022-2023 represents 21.44% of general fund budgeted revenues.
- Overall district enrollment for the 2022-2023 school year increased from the 2021-2022 school year. Ending K-12 enrollment for the 2021-2022 school year was 886 students. The School District began the 2022-2023 school year with 932 students and ended with 900 students in June.
- The School District received Federal Funds for the 2022-2023 School year to provide assistance to address the economic impact of COVID-19 by preventing, preparing for, and responding to the pandemic. These funds were used wisely to implement distance/blended learning, address student learning loss, and improve facility safety and security measures, including the installation of an HVAC System at St Maries High School.

Overview of the Financial Statements

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

- 1) Government-wide Financial Statements
- 2) Fund Financial Statements, and

3) Notes to the Financial Statements

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

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

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

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

In the statements, the District's activities are all classified as governmental activities. Governmental activities include all regular and special education, all educational support activities, administration, transportation, and food services. Most of these activities are supported by property taxes and formula aid from the State of Idaho.

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the

government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

Required Supplementary Information. The budgetary comparison schedules, the net pension (asset) liability schedules provide additional information required by GASB 68. The other post-employment schedules provides additional information required by GASB 75.

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

**Government-Wide Financial Analysis
Statement of Net Position
June 30,**

	2023	2022	Change
Assets			
Current assets	6,736,096	6,037,339	698,757
Capital assets	4,743,762	3,556,029	1,187,733
Other noncurrent assets	296,567	678,205	(381,638)
Total Assets	11,776,425	10,271,573	1,504,852
Deferred Outflows of Resources	4,008,963	2,496,074	1,512,889
Liabilities			
Current liabilities	1,299,206	1,256,416	42,790
Noncurrent liabilities	6,253,430	627,501	5,625,929
Total Liabilities	7,552,636	1,883,917	5,668,719
Deferred Inflows of Resources	2,053,287	6,141,682	(4,088,395)
Net Position			
Net investment in capital assets	4,574,150	3,300,340	1,273,810
Restricted	2,687,727	1,692,693	995,034
Unrestricted	(1,082,412)	(250,985)	(831,427)
Total Net Position	\$6,179,465	\$4,742,048	\$1,437,417

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$6,179,465 at the close of the most recent fiscal year.

The largest portion of the District’s net position (74.02%) reflects its investment in capital assets (e.g., land, buildings and improvements, and furniture and equipment), less any related debt (mortgage obligations and obligations under right-to-use lease liability) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District’s net position (43.49%) represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (-17.51%) may be used to meet the District’s ongoing obligations to students, employees, and creditors.

The unrestricted net position amount is typically earmarked for the following purposes: To meet cash flow needs throughout the year and to provide a General Fund contingency. The District is reporting a deficit in unrestricted net position.

**Changes in Net Position
For Fiscal Year Ended June 30,**

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Revenues			
Program revenues:			
Charges for services	330,647	281,091	49,556
Operating grants and contributions	2,786,983	1,732,561	1,054,422
General revenues:			
Property taxes -general purposes	2,667,815	2,149,432	518,383
Property taxes -liability insurance	23,425	21,993	1,432
Federal and state revenues	7,841,447	7,195,400	646,047
Other	229,244	217,778	11,466
Gain on disposal of capital asset	125	2,579	(2,454)
Interest and investment earnings	124,289	24,139	100,150
Total revenues	<u>14,003,975</u>	<u>11,624,973</u>	<u>2,379,002</u>

Changes in Net Position (Continued)
For Fiscal Year Ended June 30,

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Expenses			
Preschool - 12 instruction	6,929,378	5,641,233	1,288,145
Support services:			
Pupil support	781,947	589,540	192,407
Staff support	239,686	194,968	44,718
General administration	481,556	385,233	96,323
School/business administration	1,021,513	810,131	211,382
Maintenance/custodial	1,033,899	876,721	157,178
Transportation	747,548	666,532	81,016
Other support	15,059	24,513	(9,454)
Child nutrition	636,843	509,805	127,038
Student activity	294,867	262,726	32,141
Capital outlay	4,216	-	4,216
Debt services, interest	6,036	20,565	(14,529)
Amortization, unallocated	5,572	5,572	-
Depreciation, unallocated	368,438	353,353	15,085
Total Expenses	<u>12,566,558</u>	<u>10,340,892</u>	<u>2,225,666</u>
 Change in Net Position	 1,437,417	 1,284,081	 153,336
 Net Position – Beginning	 <u>4,742,048</u>	 <u>3,457,967</u>	 <u>1,284,081</u>
 Net Position – Ending	 <u><u>\$6,179,465</u></u>	 <u><u>\$4,742,048</u></u>	 <u><u>\$1,437,417</u></u>

District Funds

General Fund. The General Fund is the chief operating fund of the District. At the end of the current fiscal year the total balance was \$982,175; \$908,922 was unreserved and undesignated and \$73,253 was assigned. The unreserved and undesignated fund balance decreased by \$65,701 during the current fiscal year. The assigned fund balance increased by \$73,253.

Expenditures for general District purposes totaled \$9,078,791, an increase of 4.11% during the current fiscal year from the prior year, which was \$8,717,461.

Capital Asset and Debt Administration

Capital Assets. The Plant Facility Fund is the District fund used to pay for capital construction, building repair and remodeling, and furniture, fixtures, and equipment. Capital asset acquisitions for the fiscal year totaled \$1,569,118.

**Capital Assets
Governmental Activities
Capital Assets, Net
June 30,**

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Land	92,884	92,884	-
Construction in progress	41,564	-	41,564
Site improvements	1,618,030	1,618,030	-
Building	9,789,137	8,318,876	1,470,261
Equipment	2,208,282	2,158,489	49,793
Transportation	1,807,864	1,807,864	-
Less: accumulated depreciation	(10,816,786)	(10,448,473)	(368,313)
Right-of-use lease assets	13,931	13,931	-
Less: accumulated amortization	(11,144)	(5,572)	(5,572)
Total Net Capital Assets	<u>\$ 4,743,762</u>	<u>\$ 3,556,029</u>	<u>\$ 1,187,733</u>

Long Term Debt. At year end the District had \$169,612 of outstanding debt as follows:

	<u>Beginning Balance</u>	<u>Long-Term Obligations Incurred</u>	<u>Long-Term Obligations Paid</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Remaining Balance</u>
Bus loan	247,244	-	(80,482)	166,762	82,400	84,362
Right-of-use lease liability	8,445	-	(5,595)	2,850	2,850	-
Total	<u>\$ 255,689</u>	<u>\$ -</u>	<u>\$ (86,077)</u>	<u>\$ 169,612</u>	<u>\$ 85,250</u>	<u>\$ 84,362</u>

Factors Bearing on the District's Future

Circumstances that may impact the District's financial status in the future are:

- The economy in Benewah County and other factors which impact student enrollment and attendance.
- Idaho State's economy which directly affects the school district's state funding resources that accounts for the majority of general fund revenues.
- The uncertainty of existing levels of Federal Program funds.
- The lack of funding resources for aging equipment and facilities.

Requests for Information

This financial report is designed to provide a general overview of the St. Maries Joint School District No. 41's finances for all those with interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Dr. Teresa Rensch, Superintendent, St. Maries School District No. 41, P.O. Box 384 St. Maries, Idaho 83861.

FINANCIAL STATEMENTS



ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

STATEMENT OF NET POSITION
June 30, 2023

ASSETS

Current assets:

Cash	555,675
Investments	2,940,538
Taxes receivable	137,596
Unbilled taxes receivable	1,747,896
Other receivables:	
Due from other governments	1,190,679
Other receivables	127,056
Prepaid expenses	8,038
Inventory	28,618
Total current assets	6,736,096

Noncurrent assets:

Nondepreciated capital assets	134,448
Depreciated capital assets	15,423,313
Less: accumulated depreciation	(10,816,786)
Right-of-use lease asset	13,931
Less: accumulated amortization	(11,144)
Net OPEB asset - sick leave	296,567
Total noncurrent assets	5,040,329

Total assets 11,776,425

DEFERRED OUTFLOWS OF RESOURCES

Pension related items	3,586,188
Net OPEB - sick leave related items	253,050
OPEB related items	169,725
	4,008,963

Total deferred outflows of resources 4,008,963

LIABILITIES

Current liabilities:

Accounts payable and other current liabilities	1,213,956
Current portion of long-term debt	82,400
Current portion of right-of-use lease liability	2,850
Total current liabilities	1,299,206

Noncurrent liabilities:

Noncurrent portion of long-term debt	84,362
Other post employment benefit liability	476,628
Net pension liability	5,692,440
Total noncurrent liabilities	6,253,430

Total liabilities 7,552,636

DEFERRED INFLOWS OF RESOURCES

Unavailable property tax revenue	1,747,896
Pension related items	100,180
Net OPEB - sick leave related items	157,980
OPEB related items	47,231
	2,053,287

Total deferred inflows of resources 2,053,287

NET POSITION

Net investment in capital assets	4,574,150
Restricted for:	
Capital projects	2,019,089
Grant programs	668,638
Unrestricted	(1,082,412)
	6,179,465

TOTAL NET POSITION **\$ 6,179,465**

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Governmental activities:					
Preschool - 12 instruction	6,929,378	67,157	772,155	-	(6,090,066)
Support services					
Pupil support	781,947	-	-	-	(781,947)
Staff support	239,686	-	1,536,736	-	1,297,050
General administration	481,556	-	-	-	(481,556)
School/business administration	1,021,513	-	-	-	(1,021,513)
Maintenance/custodial	1,033,899	-	-	-	(1,033,899)
Transportation	747,548	-	-	-	(747,548)
Other support	15,059	-	-	-	(15,059)
Child nutrition	636,843	102,274	478,092	-	(56,477)
Student activity	294,867	161,216	-	-	(133,651)
Capital outlay	4,216	-	-	-	(4,216)
Debt services, interest	6,036	-	-	-	(6,036)
Amortization, unallocated	5,572	-	-	-	(5,572)
Depreciation, unallocated	368,438	-	-	-	(368,438)
Total school district	\$ 12,566,558	\$ 330,647	\$ 2,786,983	\$ -	(9,448,928)
General revenues					
Taxes:					
Property taxes levied for general purposes					2,667,815
Property taxes levied for liability insurance					23,425
Federal and State aid not restricted to specific purposes					7,841,447
Other					229,244
Gain on disposal of capital assets					125
Interest and investment earnings					124,289
Total general revenues					10,886,345
Change in net position					1,437,417
Net position - beginning					4,742,048
Net position - ending					\$ 6,179,465

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>General</u>	<u>Plant Facilities</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash	242,127	-	313,548	555,675
Investments	1,398,043	1,428,338	114,157	2,940,538
Due from other funds	-	317,329	497,032	814,361
Taxes receivable	137,596	-	-	137,596
Unbilled taxes receivable	1,747,896	-	-	1,747,896
Other receivables:				
Due from other governments	806,579	-	384,100	1,190,679
Other receivables	89,421	37,301	334	127,056
Prepaid items	8,038	-	-	8,038
Inventory	-	-	28,618	28,618
Total assets	<u>4,429,700</u>	<u>1,782,968</u>	<u>1,337,789</u>	<u>7,550,457</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 4,429,700</u>	<u>\$ 1,782,968</u>	<u>\$ 1,337,789</u>	<u>\$ 7,550,457</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Due to other funds	534,210	-	280,151	814,361
Accounts payable	78,193	-	25,840	104,033
Accrued payroll and benefits	982,884	-	127,039	1,109,923
Total liabilities	<u>1,595,287</u>	<u>-</u>	<u>433,030</u>	<u>2,028,317</u>
Deferred inflows of resources:				
Deferred revenue	104,342	-	-	104,342
Unavailable property tax revenue	1,747,896	-	-	1,747,896
Total deferred inflows of resources	<u>1,852,238</u>	<u>-</u>	<u>-</u>	<u>1,852,238</u>
Fund balance:				
Nonspendable	-	-	28,618	28,618
Restricted	-	1,782,968	876,141	2,659,109
Assigned	73,253	-	-	73,253
Unassigned	908,922	-	-	908,922
Total fund balance	<u>982,175</u>	<u>1,782,968</u>	<u>904,759</u>	<u>3,669,902</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 4,429,700</u>	<u>\$ 1,782,968</u>	<u>\$ 1,337,789</u>	<u>\$ 7,550,457</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
June 30, 2023

Total fund balances - governmental funds	3,669,902
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in government funds:	
Cost of capital assets	15,557,761
Accumulated depreciation	(10,816,786)
Right-of-use lease assets used in governmental activities are not financial resources and therefore are not reported as assets in government funds.	
Cost of right-of-use lease assets	13,931
Accumulated amortization	(11,144)
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	104,342
Total Net OPEB asset for PERSI sick leave is a long-term asset and is not available to pay current year expenditures, therefore is not reported as an asset in governmental funds	296,567
Certain pension related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	3,586,188
Deferred inflow of resources	(100,180)
Certain OPEB related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	169,725
Deferred inflow of resources	(47,231)
Certain OPEB Sick Leave related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	253,050
Deferred inflow of resources	(157,980)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of the following:	
Right-of-use lease liability	(2,850)
Long-term debt	(166,762)
Other post employment benefit liability	(476,628)
Net pension liability	(5,692,440)
Total net position - governmental activities	<u>\$ 6,179,465</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>General</u>	<u>Plant Facilities</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Local	2,370,553	556,216	454,568	3,381,337
State	7,434,757	-	248,188	7,682,945
Federal	-	-	2,945,485	2,945,485
Total revenues	<u>9,805,310</u>	<u>556,216</u>	<u>3,648,241</u>	<u>14,009,767</u>
EXPENDITURES				
Instruction	5,551,361	-	854,514	6,405,875
Support	3,521,689	-	588,467	4,110,156
Non-instruction	-	-	2,270,826	2,270,826
Capital asset program	-	32,672	95,539	128,211
Debt service	5,741	-	86,372	92,113
Total expenditures	<u>9,078,791</u>	<u>32,672</u>	<u>3,895,718</u>	<u>13,007,181</u>
Excess (deficiency) of revenue over (under) expenditures	<u>726,519</u>	<u>523,544</u>	<u>(247,477)</u>	<u>1,002,586</u>
Other financing sources (uses)				
Transfer in	-	466,300	252,667	718,967
Transfer out	(718,967)	-	-	(718,967)
Total other financing sources (uses)	<u>(718,967)</u>	<u>466,300</u>	<u>252,667</u>	<u>-</u>
Net change in fund balances	7,552	989,844	5,190	1,002,586
Fund balance - beginning of year	<u>974,623</u>	<u>793,124</u>	<u>899,569</u>	<u>2,667,316</u>
Fund balance - end of year	<u>\$ 982,175</u>	<u>\$ 1,782,968</u>	<u>\$ 904,759</u>	<u>\$ 3,669,902</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

Net change in fund balances - total governmental funds		1,002,586
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>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 expense in the statement of activities.</p>		
Capital outlays	1,569,118	
Depreciation expense	<u>(368,438)</u>	1,200,680
<p>Capital outlays used to lease right-of-use lease assets are related 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 amortization expense.</p>		
Amortization expense	<u>(5,572)</u>	(5,572)
<p>Proceeds from the sale of capital assets are recorded as a gain for governmental funds, however, in the Statement of Activities, the gain is reduced by the remaining net depreciable basis associated with the disposed assets.</p>		
		(7,375)
<p>Net Pension (Asset) Liability Adjustments:</p>		
Fiscal year 2022 employer PERSI contributions recognized as pension expense in the current year	(682,346)	
Fiscal year 2023 employer PERSI contributions deferred to subsequent year	698,344	
Pension related amortization expense	<u>(786,818)</u>	(770,820)
<p>Some property taxes will not be collected for several months after the District's fiscal year ends and they are not considered as "available" revenues in the governmental funds. Instead they are counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities.</p>		
		1,583
<p>Net OPEB asset - sick leave adjustment:</p>		
Fiscal year 2022 employer PERSI Sick Leave contributions recognized as OPEB expense in the current year	-	
Fiscal year 2023 employer PERSI Sick Leave contributions deferred to subsequent year	-	
OPEB related amortization expense	<u>(33,649)</u>	(33,649)
<p>Net OPEB liability adjustment:</p>		
Current year change in liability		(36,093)
<p>Repayment of long-term debt obligations is an expenditure in the governmental funds, but the repayment reduces liabilities in the statement of net position.</p>		
Right-of-use lease payments		5,595
Long-term financing arrangement payments		<u>80,482</u>
Net change in net position - total governmental activities		<u>\$ 1,437,417</u>

ST. MARIES SCHOOL DISTRICT NO. 41
St. Maries, Idaho

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 Summary of Significant Accounting Policies

The financial statements of St. Maries Joint School District No. 41 have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below:

Reporting Entity - St. Maries Joint School District No. 41 is the basic level of government, which has financial accountability and control over all activities related to the public school education within the District. The Board receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental “reporting entity” as defined by GASB pronouncements, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and have primary financial accountability for fiscal matters.

Basis of Presentation, Fund Accounting - Government-Wide Statements: The statement of net position and the statement of activities display information about the financial activities of the overall district. Only governmental-type activities are shown, since there are no “business-type activities” within the school district.

The statement of activities presents a comparison between direct expenses and program revenues for each different function of the District’s governmental activities.

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

Fund Financial Statements: The fund financial statements provide information about the District’s funds.

The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

NOTE 1 Summary of Accounting Policies (Continued)

The District reports the following major governmental funds:

- General Fund – This is the District’s primary operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.
- Plant Facilities Fund – This fund is used to account for financial resources that are legally restricted for the acquisition, construction, or major repair of school property.

Basis of Accounting - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. State support for grant revenues are susceptible to accrual.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under right-of-use assets are reported as other financing sources.

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

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

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

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

1. At least 14 days prior to the public hearing the District publishes a proposed budget for public review.

NOTE 1 Summary of Accounting Policies (Continued)

2. A public hearing is set to obtain taxpayers comments.
3. Prior to July 1, the final budget is adopted by resolution of the Board at the regular June meeting of the Board of Trustees.
4. Prior to July 15, the final budget is filed with the State Department of Education.

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

Management may amend the budget without seeking the approval of the trustees for revisions which do not increase the total budget.

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

Interest income is defined as non-operating revenue.

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

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

Inventory - The Districts inventory is valued at the lower of cost, using the first-in, first-out (FIFO) method, or net realizable value, or, if donated, at fair value when received. The District does not follow the practice of capitalizing expendable supplies at year-end in the General Fund. All supplies are recorded as expenditures in the period in which they were purchased.

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

The Board has set a capitalization threshold of \$2,500. All purchases and improvements to facilities, which are not considered repairs, are capitalized and depreciated using the straight-line method in the government-wide statements and proprietary funds. Lives for buildings and improvements range from 15–40 years. Lives for equipment range from 5–10 years. Vehicles and school buses have estimated lives of 5-10 years.

NOTE 1 Summary of Accounting Policies (Continued)

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

Leases - The District leases various personal property. The District evaluates the term of the lease at inception. Leases that met the definition of a right-of-use (ROU) lease are included as ROU lease assets and ROU lease liabilities on the government wide financial statements.

ROU assets represent the District's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the District's incremental borrowing rate, based on the information available at commencement date, is used to determine the present value of lease payments. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the option(s) will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Leases with a maximum term of 12 months or less are excluded from the ROU asset and liability amounts.

Accumulated Unpaid Vacation and Sick Pay - Under the terms of the "St. Maries School District Board Policies" District employees are granted vacation and sick leave in varying amounts. Unused sick leave can be accumulated from year to year. Unused vacation leave cannot be accumulated.

In accordance with the provisions of Governmental Accounting Standards Board Statement 16, Accounting for Compensated Absences, no liability is recorded for non-vesting on accumulating right to receive sick pay benefits.

Long Term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

Deferred Compensation - The Sick Leave Bank represents a type of long-term payroll protection insurance for absences beyond the employee's accumulated sick leave. Participation is optional for all employees eligible for the Idaho Public Employees Retirement System, with all new participants contributing one sick leave day for membership.

The Bank is administered by an in-district four-member committee as provided in the School District Board Policies.

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

NOTE 1 Summary of Accounting Policies (Continued)

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at fiscal year-end are reported as fund balance since they do not constitute expenditures or liabilities. An appropriation equal to the outstanding year-end encumbrance is made in the succeeding year. Unspent appropriations lapse at year-end.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Balance - The *nonspendable* fund balance category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants), or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, *assigned* fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amount not contained in the other classifications. The District applies committed resources, then assigned resources, then unassigned resources when an expense is incurred for purposes for which all fund balance classifications are available.

Restricted balances are as follows:

- **Capital Projects** - The capital projects accounts for the acquisition of capital assets or construction of major capital projects in various schools and grounds.
- **Specific Programs** - Special revenue funds restricted for amounts that can only be spent for specific purposes.

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

- **FY2024** - The Board of Trustees has assigned \$73,253 of the FY2023 fund balance to fiscal year 2024 expenditures.

Nonspendable balances are as follows:

- **Inventory** - food supplies
- **Prepaid items** - software and communication subscriptions

NOTE 1 Summary of Accounting Policies (Continued)

Deferred Revenue - Deferred revenue in the General Fund represents property taxes recorded but not estimated to be collected within 60 days of the end of the accounting period.

Unavailable Property Tax Revenue - Unavailable property tax revenue in the General Fund represents the property taxes levied for 2023 that is measurable but unavailable to the District, and therefore recorded as a deferred inflow of resources in both the governmental fund and the government-wide financial statements.

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

NOTE 2 Recently Adopted Accounting Guidance

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

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

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

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* - The District is not involved in any agreements that meet the definition of a SBITA. This Statement did not have an effect on the financial reporting of the District.

GASB Statement No. 99, *Omnibus 2022* - The Statement provides updates to various previously issued GASB Statements. As a result of the adoption of this Statement, the District has reviewed the accounting applied to the right-of-use lease/SBITA assets and liabilities. The adoption did not have an effect on the financial reporting of the District.

NOTE 3 Property Tax

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

NOTE 3 Property Tax (Continued)

Tax Year 2022 Levy (FY2023 Revenue)

The market value upon which the 2022 levy was based was \$986,972,070. The property tax was levied in October 2022 and was due in two equal installments on December 20th and June 20th.

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

	Percentage	Amount
Supplemental	21.01%	\$2,086,584
Tort	0.24%	\$23,691
Total	21.25%	\$2,110,275

Tax Year 2023 Levy (FY2023 Asset)

The property tax levy for 2023 has been recorded as an asset in the general fund in the amount of \$1,747,896. This levy is for the FY2024 operations and has been presented as unavailable property tax revenue.

Deferred Revenue

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

Total taxes receivable at June 30, 2023	137,596
Less: Taxes collected by the County Treasurer by August 31, 2023	(33,254)
Deferred Revenue	<u>\$ 104,342</u>

NOTE 4 Cash and Investments

<u>Cash</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Checking Accounts	<u>\$555,675</u>	<u>\$894,841</u>

Deposits are held at three separate banking institutions - two of which have balances less than \$250,000 of interest bearing accounts and non-interest bearing accounts and were covered by Federal Deposit Insurance. The remaining balance of \$355,930 at US Bank is in excess of the FDIC insured limit and uncollateralized.

NOTE 4 Cash and Investments (Continued)

Investments

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

	<u>Rate</u>	<u>General Fund</u>	<u>Child Nutrition</u>	<u>Plant Facilities</u>	<u>Student Activity</u>	<u>Scholarship Fund</u>	<u>Total</u>
General Motors Stock Investment in State Treasurer's Pool		-	-	-	-	30,330	30,330
	Variable	<u>1,398,043</u>	<u>887</u>	<u>1,428,338</u>	<u>24,375</u>	<u>58,565</u>	<u>2,910,208</u>
		<u>\$ 1,398,043</u>	<u>\$ 887</u>	<u>\$ 1,428,338</u>	<u>\$ 24,375</u>	<u>\$ 88,895</u>	<u>\$ 2,940,538</u>

<u>Investment Maturities Investments</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Less than 1 Year</u>	<u>1-8 Years</u>
General Motors Stock	30,330	30,330	30,330	-
State Investment Pool	<u>2,910,208</u>	<u>2,910,208</u>	<u>2,910,208</u>	-
Total	<u>\$2,940,358</u>	<u>\$2,940,358</u>	<u>\$2,940,358</u>	<u>\$ -</u>

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

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

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

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

NOTE 4 Cash and Investments (Continued)

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

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

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

The Scholarship Fund is composed of GM Stock and LGIP investments. The GM Stock is registered and held in the District's name. The market price as of June 30, 2023 is \$30,330.

NOTE 5 Capital Assets

A summary of changes in capital assets as of June 30, 2023 is as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Non-depreciated assets					
Land	92,884	-	-	-	92,884
Construction in progress	-	41,564	-	-	41,564
Total non-depreciated assets	<u>92,884</u>	<u>41,564</u>	<u>-</u>	<u>-</u>	<u>134,448</u>
Depreciated assets					
Site improvement	1,618,030	-	-	-	1,618,030
Building	8,318,876	1,470,261	-	-	9,789,137
Equipment	2,158,489	57,293	(7,500)	-	2,208,282
Transportation	1,807,864	-	-	-	1,807,864
Total depreciated assets	<u>13,903,259</u>	<u>1,527,554</u>	<u>(7,500)</u>	<u>-</u>	<u>15,423,313</u>
Total assets	<u>13,996,143</u>	<u>1,569,118</u>	<u>(7,500)</u>	<u>-</u>	<u>15,557,761</u>
Accumulated Depreciation					
Function					
Elementary	(1,787,958)	(135,357)	-	-	(1,923,315)
Secondary	(6,772,994)	(103,058)	125	-	(6,875,927)
Administration	(318,104)	(21,236)	-	-	(339,340)
Maintenance	(23,712)	(1,437)	-	-	(25,149)
Transportation	(1,392,805)	(98,088)	-	-	(1,490,893)
Child nutrition	(152,900)	(9,262)	-	-	(162,162)
Total accumulated depreciation	<u>(10,448,473)</u>	<u>(368,438)</u>	<u>125</u>	<u>-</u>	<u>(10,816,786)</u>
Governmental Activities					
Assets (Net)	<u>\$ 3,547,670</u>	<u>\$1,200,680</u>	<u>\$ (7,375)</u>	<u>\$ -</u>	<u>\$ 4,740,975</u>

NOTE 6 Right-of-use Lease Asset/Liability

The District entered into a lease agreement to lease two copiers on January 1, 2019 for 60 months ending on December 31, 2023 with a discount rate of 2.49% based on the estimated incremental borrowing rate determined by the District. The lease requires monthly payments of \$478.

During the year ended June 30, 2023, the following changes occurred in right-of-use lease assets:

	Beginning Balance	Additions	Modications & Remeasurements	Subtractions	Ending Balance
Right-of-Use Lease Assets					
Copiers	13,931	-	-	-	13,931
Less: Accumulated Amortization					
Copiers	(5,572)	(5,572)	-	-	(11,144)
Total Right-of-Use Lease Assets, net	<u>\$ 8,359</u>	<u>\$ (5,572)</u>	<u>-</u>	<u>-</u>	<u>\$ 2,787</u>

Total lease expense for the year ended June 30, 2023 is as follows:

Lease expense	
Amortiation expense by class of underlying asset	
Copier	5,572
Total amortizaiton expense	5,572
Interest on lease liabilities	135
Total	<u>\$ 5,707</u>

During the year ended June 30, 2023, the following changes occurred in the right-of-use lease liability:

	Beginning Balance	Additions	Modications & Remeasurements	Subtractions	Ending Balance	Amounts Due Within One Year
Right-of-Use Lease Liabilities						
Copiers	\$ 8,445	-	-	\$ (5,595)	\$ 2,850	\$ 2,850

Future minimum annual payments as of June 30, 2023 are as follows:

FY Ending June 30,	Principal	Interest	Total Payments
2024	2,850	21	2,871
Total Furture Payments	<u>\$ 2,850</u>	<u>\$ 21</u>	<u>\$ 2,871</u>

NOTE 7 Long-term Debt

On May 15, 2020 the District entered into a loan agreement with Mercedes-Benz Financial Services USA, LLC. The District purchased four 2021 Freightliner Buses for a total of \$402,634 with an interest rate of 2.382%. The terms of the loan provide annual payments of \$86,372 for five years.

NOTE 7 Long-term Debt (Continued)

The following is a summary of changes in long-term debt obligations of the District for the year ended June 30, 2023:

	<u>Long-Term Obligations July 1, 2022</u>	<u>Long-Term Obligations Incurred</u>	<u>Long-Term Obligations Paid</u>	<u>Long-Term Obligations June 30, 2023</u>	<u>Due Within One Year</u>	<u>Remaining Balance</u>
Bus	\$ 247,244	\$ -	\$ (80,482)	\$ 166,762	\$ 82,400	\$ 84,362

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

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	82,400	3,972	86,372
2025	84,362	2,010	86,372
Total	\$ 166,762	\$ 5,982	\$ 172,744

NOTE 8 Pension Plan

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

Plan Description

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

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

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average

NOTE 8 Pension Plan (Continued)

salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months. Amounts in parenthesis represent police/firefighters.

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% (72%) of the employer rate. As of June 30, 2023 it was 7.16% (9.13%). The employer contribution rate is set by the Retirement Board and was 11.94% (12.28%) of covered compensation. The District's employer contributions required and paid were \$698,344 for the year ended June 30, 2023.

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

At June 30, 2023, the District reported an asset for its proportionate share of the net pension (asset) liability as of June 30, 2022. The net pension (asset) liability was measured as of June 30, 2021, and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension (asset) liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the District's proportion was 0.14452374%.

The District's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. PERSI's audit for the year ended June 30, 2023 has not been completed at the time of issuance. The pension expense (revenue) for the year ending June 30, 2022 was calculated at \$1,475,632.

NOTE 8 Pension Plan (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	625,961	25,407
Changes in assumptions or other inputs	928,038	-
Net difference between projected and actual earning on pension plan investments	1,309,763	-
Change in proportionate share	24,082	74,773
Employer contributions subsequent to the measurement date	<u>698,344</u>	<u>-</u>
Total	<u>\$3,586,188</u>	<u>\$100,180</u>

\$698,344 reported as deferred outflow of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension (asset) liability in the year ended June 30, 2024.

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

<u>For the Year Ending June 30:</u>	<u>Amount to be Recognized</u>
2024	678,755
2025	736,853
2026	340,794
2027	1,081,954
2028	(50,692)

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

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

NOTE 8 Pension Plan (Continued)

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

Contributing Members, Service Retirement Members, and Beneficiaries

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

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of PERSI's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</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%

Discount Rate

The discount rate used to measure the total pension (asset) liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan

NOTE 8 Pension Plan (Continued)

members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension (asset) liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	\$10,046,600	\$5,692,440	\$2,128,674

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.

Payables to the pension plan

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

NOTE 9 Contingent Liabilities

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

NOTE 10 Excess of Actual Expenditures over Budget in Individual Funds

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

<u>Fund</u>	<u>Excess</u>
Driver Education – State	7,826
Professional Technical - State	3,110
Title I-A, ESSA - Improving Basic Programs	39,537
School-Based Medicaid	91,847
Perkins IV - Professional Technical Act	7,500
Child Nutrition	90,049

These over-expenditures arose due to an increase in Local, State and Federal funding. To meet the student's education needs, the Board of Trustees approved the additional expenditures when additional funding became available. Idaho Code Section 33-701 allows the District to make budget adjustments to reflect the availability of funds and the requirements of the school district.

NOTE 11 Interfund Receivables, Payables and Transfers

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

Interfund Transfers - Transfers to support the operations of other funds are recorded as "Transfers In/(Out)" and are classified with "Other financing sources or uses." Idaho Code and State Department of Education Regulations mandate transfers into the Plant Facilities – Bus Acquisition Fund to cover the depreciation reimbursement. Total transfers are as follows:

	<u>Out</u>	<u>In</u>
General	718,967	-
School-Based Medicaid	-	53,297
Child Nutrition	-	13,206
Plant Facilities	-	466,300
Plant Facilities - Bus Acquisition	-	186,164
Total	<u>\$ 718,967</u>	<u>\$718,967</u>

NOTE 11 Interfund Receivables, Payables and Transfers (Continued)

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

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	-	534,210
Special Revenue Funds:		
Federal Forest Reserve	10,940	-
KIC Heyburn Playground	4,346	-
Student Utility Building	3,593	-
Donations	47,607	-
Driver Education - State	6,136	-
Technology - State	152,554	-
Substance Abuse - State	15,364	-
ESSER III (ARPA) - American Rescue Plan Act	-	11,324
Title I-A, ESEA - Improving Basic Programs	-	108,881
IDEA Part B (611 School Age 3-21)	-	52,805
IDEA Part B (619 Pre-School 3-5)	-	1,425
IDEA Part B (ARPA) American Rescue Plan Act	-	15,228
School-Based Medicaid	-	27,859
Title IV-A, ESSA – Student Support and Academic Enrichment	-	4,844
Perkins IV – Professional Technical Act	1,700	-
Title II-A, ESEA - Supporting Effective Instruction	-	9,909
Title IV-B, ESEA - 21st Century Community Learning Centers		41,312
Summer Recreation Program	920	-
Cultivating Leaders	-	6,150
Child Nutrition	-	414
Capital Project Funds:		
Plant Facilities	317,329	-
Plant Facilities – Bus Acquisition	180,476	-
Plant Facilities – Lottery	73,396	-
Total	<u>\$ 814,361</u>	<u>\$ 814,361</u>

NOTE 12 Risk Management

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

NOTE 13 Other Post-Employment Benefits

Summary of Significant Accounting Policies

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense,

NOTE 13 Other Post-Employment Benefits (Continued)

information about St. Maries School District Employee Group Benefit Plan have been determined based the requirements of GASB 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. The Plan has been calculated using the entry age normal funding method.

General Information about the OPEB Plan

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

Retirement and Dependent Medical Benefit Eligibility

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

Eligibility for Retirement

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

Medicare Retirees

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

Funding

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

OPEB Benefits

The health care benefits are contracted by the District through group medical and dental plans. The medical and dental plans includes an annual deductible, coinsurance payment

NOTE 13 Other Post-Employment Benefits (Continued)

requirements, and an annual out-of-pocket maximum for the member/family. The prescription drug benefit is provided through a tiered system comprising of the type of prescription (generic, preferred brand, and non-preferred brand).

Census Data

As of June 30, 2023, the valuation date, the District had 141 active (future retirees) participants and 61 inactive (current retirees) participants.

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

At June 30, 2023, the Employer reported a liability of \$476,628 of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

For the year ended June 30, 2023, the Employer recognized OPEB expense of \$78,144. At June 30, 2023, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	140,940	-
Changes in assumptions or other inputs	<u>28,785</u>	<u>47,231</u>
Total	<u>\$169,725</u>	<u>\$47,231</u>

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

Year ended June 30:	
2024	\$14,244
2025	\$14,244
2026	\$14,244
2027	\$14,244
2028	\$14,244
Thereafter	\$51,274

NOTE 13 Other Post-Employment Benefits (Continued)

Actuarial assumptions

Valuation Date June 30, 2022

Measurement Date June 30, 2023

Interest/Discount Rate 4.11%

Projected Payroll Increases 3.75%

Health Care Cost Trend Rate Medical: between 3.8% and 7.5%
Dental: between 1.7% and 3.2%
Prescription Drugs: between 3.8% and 7.5%

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

Participation

For future retirees, participation rates were assumed to be 40% for medical coverage and 48% for dental coverage. Future retired members who elect to participate in the plan are assumed to be married. 70.0% of the future retirees who elect medical or dental coverage and married are assumed to elect spousal coverage. Males are assumed to be three years older than females. Actual spouse information is used for current retirees.

Mortality

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

Interest/Discount rate

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

Sensitivity Disclosures

The following presents the net OPEB liability of the Plan as of June 30, 2023, calculated using the discount rate of 4.11%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.02%) or 1-percentage-point higher (5.02%) than the current rate:

	1% Decrease <u>(3.11%)</u>	Current Discount Rate <u>(4.11%)</u>	1% Increase <u>(5.11%)</u>
Net OPEB liability	\$505,093	\$476,628	\$450,106

NOTE 13 Other Post-Employment Benefits (Continued)

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$436,688	\$476,628	\$522,742

Summary of the Change in OPEB Liability

Total OPEB Liability – Beginning of Year	\$457,889
Service Cost	44,216
Interest	19,354
Plan Design Changes	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	(3,118)
Benefit Payments (Estimated)	(41,713)
Total OPEB Liability – End of Year	<u>\$476,628</u>

NOTE 14 Other Post-Employment Benefit Plan – Sick Leave Plan

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

Plan Description

The District contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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

NOTE 14 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

OPEB Benefits

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

Employer Contributions

The contribution rate for employees are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. Beginning January 1, 2020 PERSI approved an 18-month rate holiday. During the rate holiday, all sick leave contribution rates are 0%. The holiday was extended to June 30, 2026, therefore the District's contributions required and paid were \$0 for the year ended June 30, 2023.

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

At June 30, 2023, the District reported an asset for its proportionate share of the net OPEB liability (asset) as of June 30, 2022. The net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability (asset) was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2022, the District's proportion was 0.3895689%.

The District's OPEB expense (expense offset) is calculated and made available as part of PERSI's annual audit. PERSI's audit for the year ended June 30, 2023 has not been completed at the time of issuance. The OPEB expense (expense offset) for the year ending June 30, 2022 was calculated at \$38,085.

NOTE 14 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	71,636	-
Changes in assumptions or other inputs	57,890	133,217
Net difference between projected and actual earning on pension plan investments	123,524	-
Change in proportionate share	<u>-</u>	<u>24,763</u>
Total	<u>\$253,050</u>	<u>\$157,980</u>

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

<u>For the Year Ending June 30:</u>	<u>Amount to be Recognized</u>
2023	25,363
2024	27,156
2025	16,046
2026	55,017
2027	(3,567)
Thereafter	(24,945)

Actuarial Assumptions

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

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

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

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

NOTE 14 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

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

Even though history provides a valuable perspective for setting the investment return assumption, the approach used builds upon the latest capital market assumptions. The assumptions and the System’s formal policy for asset allocation are shown below. The formal asset allocation policy is more conservative than the current allocation of the System’s assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

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

Discount Rate

Discount rate – The discount rate used to measure the total OPEB liability (asset) was 5.45%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the Fund’s net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Fund investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset). The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

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

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

	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer’s proportionate share of the net OPEB liability (asset)	\$ (209,243)	\$ (296,567)	\$ (376,412)

NOTE 14 Other Post-Employment Benefit Plan – Sick Leave Plan (Continued)

OPEB plan fiduciary net position

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

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

Payable to the OPEB plan

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

REQUIRED SUPPLEMENTARY INFORMATION



ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Local:					
Taxes	2,116,391	2,116,925	2,133,658	17,267	16,733
Earnings on investments	9,600	64,000	116,562	106,962	52,562
Tuition from individuals	23,000	28,000	33,387	10,387	5,387
Other	86,400	87,400	86,946	546	(454)
Total local	<u>2,235,391</u>	<u>2,296,325</u>	<u>2,370,553</u>	<u>135,162</u>	<u>74,228</u>
State:					
Base support	5,731,657	5,755,395	5,773,460	41,803	18,065
Transportation	531,937	513,502	523,032	(8,905)	9,530
Tuition equivalency	-	-	931	931	931
Benefit apportionment	742,806	747,456	746,280	3,474	(1,176)
Other state support	248,529	301,506	327,194	78,665	25,688
Revenue in lieu of taxes	46,332	46,332	52,340	6,008	6,008
Other state revenue	11,520	11,520	11,520	-	-
Total state	<u>7,312,781</u>	<u>7,375,711</u>	<u>7,434,757</u>	<u>121,976</u>	<u>59,046</u>
Total revenues	<u>9,548,172</u>	<u>9,672,036</u>	<u>9,805,310</u>	<u>257,138</u>	<u>133,274</u>
EXPENDITURES					
Instruction:					
Salaries	3,842,285	3,882,239	3,724,753	117,532	157,486
Benefits	1,701,263	1,676,442	1,554,928	146,335	121,514
Purchased services	35,218	133,518	87,655	(52,437)	45,863
Supplies/materials	235,077	245,777	184,025	51,052	61,752
Total instruction	<u>5,813,843</u>	<u>5,937,976</u>	<u>5,551,361</u>	<u>262,482</u>	<u>386,615</u>
Support:					
Salaries	1,654,432	1,630,420	1,639,820	14,612	(9,400)
Benefits	751,961	724,344	696,405	55,556	27,939
Purchased services	659,379	619,379	715,582	(56,203)	(96,203)
Supplies/materials	354,639	429,040	364,791	(10,152)	64,249
Capital objects	30,000	30,000	18,610	11,390	11,390
Insurance	86,148	86,148	86,481	(333)	(333)
Total support	<u>3,536,559</u>	<u>3,519,331</u>	<u>3,521,689</u>	<u>14,870</u>	<u>(2,358)</u>
Debt service:					
Principal	-	-	5,595	(5,595)	(5,595)
Interest	-	-	146	(146)	(146)
Total debt services	<u>-</u>	<u>-</u>	<u>5,741</u>	<u>(5,741)</u>	<u>(5,741)</u>
Total expenditures	<u>9,350,402</u>	<u>9,457,307</u>	<u>9,078,791</u>	<u>271,611</u>	<u>378,516</u>
Excess (deficiency) of revenues over (under) expenditures	<u>197,770</u>	<u>214,729</u>	<u>726,519</u>	<u>528,749</u>	<u>511,790</u>
Other financing sources (uses)					
Transfers out	<u>(237,464)</u>	<u>(257,464)</u>	<u>(718,967)</u>	<u>(481,503)</u>	<u>(461,503)</u>
Net change in fund balance	<u>\$ (39,694)</u>	<u>\$ (42,735)</u>	<u>7,552</u>	<u>\$ 47,246</u>	<u>\$ 50,287</u>
Fund balance-beginning of year			<u>974,623</u>		
Fund balance-end of year			<u>\$ 982,175</u>		

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

PLANT FACILITIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variances Favorable (Unfavorable)</u>	
				<u>Original to Actual</u>	<u>Final to Actual</u>
REVENUES					
Local:					
Earnings on investments	-	-	217	217	217
Taxes	-	-	555,999	555,999	555,999
Total local	-	-	556,216	556,216	556,216
Total revenues	-	-	556,216	556,216	556,216
EXPENDITURES					
Capital asset programs:					
Capital objects	350,000	300,000	32,672	317,328	267,328
Total expenditures	350,000	300,000	32,672	317,328	267,328
Excess (deficiency) of revenues over (under) expenditures	(350,000)	(300,000)	523,544	873,544	823,544
Other financing sources (uses)					
Transfer in	116,300	116,300	466,300	350,000	350,000
Net change in fund balance	<u>\$ (233,700)</u>	<u>\$ (183,700)</u>	989,844	<u>\$ 1,223,544</u>	<u>\$ 1,173,544</u>
Fund balance - beginning of year			793,124		
Fund balance - end of year			<u>\$ 1,782,968</u>		

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

NET PENSION (ASSET) LIABILITY RELATED SCHEDULES

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

PERSI - Base Plan
As of June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's portion of the net pension (asset) liability	Unavailable	0.14452374%	0.14240796%	0.1487777%	0.1486866%	0.1510857%	0.1445448%	0.1492027%	0.1466438%	0.1512820%
Employer's proportionate share of the net pension (asset) liability	Unavailable	5,692,440	(112,471)	3,454,815	1,697,216	2,228,540	2,271,996	3,024,568	1,931,060	1,113,672
Employer's covered payroll	5,484,176	5,714,791	5,314,472	5,297,797	5,050,000	4,860,972	4,489,461	4,364,067	4,107,451	4,098,428
Employer's proportional share of the net pension (asset) liability as a percentage of its covered payroll	Unavailable	99.61%	-2.12%	65.21%	33.61%	45.85%	50.61%	69.31%	47.01%	27.17%
Plan fiduciary net position as a percentage of the total	Unavailable	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

Schedule of the District's Contributions*

PERSI - Base Plan
As of June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	698,344	682,346	634,548	632,557	571,660	550,262	508,207	493,974	464,963	463,942
Contributions in relation to the statutorily required contributor	(698,344)	(682,346)	(634,548)	(632,557)	(571,660)	(550,262)	(508,207)	(493,974)	(464,963)	(463,942)
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll	5,484,176	5,714,791	5,314,472	5,297,797	5,050,000	4,860,972	4,489,461	4,364,067	4,107,451	4,098,428
Contributions as a percentage of covered payroll	11.94%	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%	11.32%	11.32%	11.32%

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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

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

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

OTHER POST EMPLOYMENT BENEFIT LIABILITY SCHEDULE

As of June 30,

	2023	2022	2021	2020		2018	2017
Service Cost	44,216	31,546	32,295	23,167	Unavailable	54,074	51,066
Interest	19,354	7,120	6,980	8,318	Unavailable	22,484	22,468
Changes of benefit terms	-	-	-	-	Unavailable	-	-
Differences between expected and actual experience	-	196,681	-	(9,164)	Unavailable	-	(18,397)
Changes of assumptions or other inputs	(3,118)	(49,886)	5,134	30,808	Unavailable	438	(9,445)
Benefit payments	(41,713)	(19,291)	(12,552)	(19,434)	Unavailable	(36,666)	(46,756)
Net change in total OPEB Liability	18,739	166,170	31,857	33,695	-	40,330	(1,064)
Total OPEB liability - beginning	457,889	291,719	259,862	226,167	594,544	554,214	555,278
Total OPEB liability-ending	<u>\$ 476,628</u>	<u>\$ 457,889</u>	<u>\$ 291,719</u>	<u>\$ 259,862</u>	<u>\$ 226,167</u>	<u>\$ 594,544</u>	<u>\$ 554,214</u>
Covered-employee payroll	5,484,176	5,196,884	5,194,062	5,006,325	Unavailable	4,529,922	4,366,190
Total OPEB liability as a percentage of covered-employee payroll	8.69%	8.81%	5.62%	5.19%	Unavailable	13.12%	12.69%

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

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

As of June 30, 2023

Change of Assumptions. Change of assumptions include aging factors, trend, interest rate, and participation.

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

NET OPEB ASSET - SICK LEAVE PLAN RELATED SCHEDULES

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

PERSI - OPEB Plan

As of June 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Employer's portion of the net OPEB asset	Unavailable	0.3895689%	0.3895689%	0.3895689%	0.3571315%	0.3615406%	0.3524528%
Employer's proportionate share of the net OPEB asset	Unavailable	296,567	565,734	479,678	342,062	299,880	270,553
Employer's covered payroll	5,484,176	5,714,791	5,314,472	5,297,797	5,050,000	4,860,972	4,489,461
Employer's proportional share of the net OPEB asset as a percentage of its covered payroll	Unavailable	5.19%	10.65%	9.05%	6.77%	6.17%	6.03%
Plan fiduciary net position as a percentage of the total OPEB asset	Unavailable	127.21%	152.61%	152.87%	138.51%	135.69%	136.78%

Schedule of the District's Contributions*

PERSI - OPEB Plan

As of June 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Statutorily required contribution	-	-	-	34,930	58,581	56,387	52,078
Contributions in relation to the statutorily required contribution	-	-	-	(34,930)	(58,581)	(56,387)	(52,078)
Contribution (deficiency) excess	-	-	-	-	-	-	-
Employer's covered payroll	5,484,176	5,714,791	5,314,472	5,297,797	5,050,000	4,860,972	4,489,461
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.66%	1.16%	1.16%	1.16%

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

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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

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

SUPPLEMENTARY INFORMATION



ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION			
Elementary school program:			
Salaries	1,592,635	1,643,534	50,899
Benefits	685,271	709,671	24,400
Purchased services	454	1,150	696
Supplies/materials	86,595	116,351	29,756
Total elementary school program	<u>2,364,955</u>	<u>2,470,706</u>	<u>105,751</u>
Secondary school program:			
Salaries	1,417,590	1,445,185	27,595
Benefits	547,519	592,704	45,185
Purchased services	5,696	12,100	6,404
Supplies/materials	52,855	90,937	38,082
Total secondary school program	<u>2,023,660</u>	<u>2,140,926</u>	<u>117,266</u>
Alternative school program:			
Salaries	39,882	57,885	18,003
Benefits	19,485	26,755	7,270
Purchased services	234	580	346
Supplies/materials	-	2,989	2,989
Total alternative school program	<u>59,601</u>	<u>88,209</u>	<u>28,608</u>
Special education program:			
Salaries	490,057	548,135	58,078
Benefits	257,508	301,573	44,065
Purchased services	64,497	105,500	41,003
Supplies/materials	2,444	3,000	556
Total special education program	<u>814,506</u>	<u>958,208</u>	<u>143,702</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION (Continued)			
Special education preschool program:			
Salaries	60,724	58,500	(2,224)
Benefits	26,646	25,646	(1,000)
Supplies/materials	1,245	2,500	1,255
Total special education preschool program	<u>88,615</u>	<u>86,646</u>	<u>(1,969)</u>
School activity program:			
Salaries	123,865	129,000	5,135
Benefits	18,499	20,093	1,594
Purchased services	16,774	14,188	(2,586)
Supplies/materials	40,886	30,000	(10,886)
Total school activity program	<u>200,024</u>	<u>193,281</u>	<u>(6,743)</u>
TOTAL INSTRUCTION			
Salaries	3,724,753	3,882,239	157,486
Benefits	1,554,928	1,676,442	121,514
Purchased services	87,655	133,518	45,863
Supplies/materials	184,025	245,777	61,752
Total instruction	<u>\$ 5,551,361</u>	<u>\$ 5,937,976</u>	<u>\$ 386,615</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT			
Attendance-guidance-health program:			
Salaries	134,909	134,800	(109)
Benefits	45,913	47,610	1,697
Purchased services	300	1,246	946
Supplies/materials	1,974	2,350	376
Total attendance-guidance-health program	<u>183,096</u>	<u>186,006</u>	<u>2,910</u>
Special education support services program:			
Salaries	167,755	167,510	(245)
Benefits	65,874	66,907	1,033
Purchased services	36,275	83,865	47,590
Supplies/materials	2,327	2,000	(327)
Total special education support services program	<u>272,231</u>	<u>320,282</u>	<u>48,051</u>
Instruction improvement program:			
Salaries	4,051	4,000	(51)
Benefits	844	345	(499)
Purchased services	25,734	10,368	(15,366)
Supplies/materials	14,851	24,155	9,304
Total instruction improvement program	<u>45,480</u>	<u>38,868</u>	<u>(6,612)</u>
Educational media program:			
Salaries	12,909	15,550	2,641
Benefits	12,413	12,699	286
Supplies/materials	2,555	3,300	745
Total educational media program	<u>27,877</u>	<u>31,549</u>	<u>3,672</u>
Instruction-related technology program:			
Salaries	4,210	4,210	-
Benefits	794	849	55
Purchased services	-	2,500	2,500
Total instruction-related technology program	<u>5,004</u>	<u>7,559</u>	<u>2,555</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT (Continued)			
Board of education program:			
Salaries	58,390	51,475	(6,915)
Benefits	25,877	25,058	(819)
Purchased services	64,368	42,676	(21,692)
Supplies/materials	1,974	2,379	405
Insurance	24,686	25,251	565
Total board of education program	<u>175,295</u>	<u>146,839</u>	<u>(28,456)</u>
District administration program:			
Salaries	171,541	172,075	534
Benefits	55,098	55,865	767
Purchased services	18,576	14,813	(3,763)
Supplies/materials	17,009	11,923	(5,086)
Total district administration program	<u>262,224</u>	<u>254,676</u>	<u>(7,548)</u>
School administration program:			
Salaries	429,998	417,775	(12,223)
Benefits	193,645	191,713	(1,932)
Purchased services	25,127	22,511	(2,616)
Supplies/materials	7,958	7,500	(458)
Total school administration program	<u>656,728</u>	<u>639,499</u>	<u>(17,229)</u>
Business operation program:			
Salaries	74,685	74,125	(560)
Benefits	26,974	26,982	8
Purchased services	6,949	7,101	152
Supplies/materials	1,813	810	(1,003)
Total business operation program	<u>110,421</u>	<u>109,018</u>	<u>(1,403)</u>
Administrative technology service:			
Purchased services	58,850	57,600	(1,250)
Supplies/materials	39,192	41,000	1,808
Total administrative technology service	<u>98,042</u>	<u>98,600</u>	<u>558</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>Actual</u>	<u>Final Budget</u>	Variance Favorable (Unfavorable)
SUPPORT (Continued)			
Buildings - care program (custodial):			
Salaries	104,100	102,000	(2,100)
Benefits	57,318	59,117	1,799
Purchased services	310,481	271,000	(39,481)
Supplies/materials	31,427	30,660	(767)
Insurance	36,290	36,592	302
Total building - care program (custodial)	<u>539,616</u>	<u>499,369</u>	<u>(40,247)</u>
Maintenance - non-student occupied:			
Purchased services	4,407	1,000	(3,407)
Supplies/materials	9,287	3,350	(5,937)
Total maintenance - non-student occupied	<u>13,694</u>	<u>4,350</u>	<u>(9,344)</u>
Maintenance - student occupied buildings:			
Salaries	165,451	173,900	8,449
Benefits	69,971	70,808	837
Purchased services	29,441	33,223	3,782
Supplies/materials	62,350	88,730	26,380
Capital objects	8,800	30,000	21,200
Total maintenance - student occupied buildings	<u>336,013</u>	<u>396,661</u>	<u>60,648</u>
Maintenance - grounds:			
Purchased services	38,594	4,647	(33,947)
Supplies/materials	11,814	4,000	(7,814)
Total maintenance - grounds	<u>50,408</u>	<u>8,647</u>	<u>(41,761)</u>
Security program:			
Purchased services	4,248	3,806	(442)
Supplies/materials	26,053	1,500	(24,553)
Total security program	<u>30,301</u>	<u>5,306</u>	<u>(24,995)</u>
Pupil-to-school transportation program:			
Salaries	277,056	293,000	15,944
Benefits	133,617	161,435	27,818
Purchased services	68,097	49,927	(18,170)
Supplies/materials	126,586	195,882	69,296
Capital objects	1,965	-	(1,965)
Insurance	17,291	16,477	(814)
Total pupil-to-school transportation program	<u>624,612</u>	<u>716,721</u>	<u>92,109</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
SUPPORT (Continued)			
Pupil-activity transportation program:			
Salaries	34,189	20,000	(14,189)
Benefits	5,959	4,956	(1,003)
Purchased services	1,885	-	(1,885)
Total pupil-activity transportation program	<u>42,033</u>	<u>24,956</u>	<u>(17,077)</u>
General transportation program:			
Salaries	576	-	(576)
Benefits	113	-	(113)
Purchased services	9,186	1,000	(8,186)
Supplies/materials	7,621	9,501	1,880
Capital objects	7,845	-	(7,845)
Insurance	8,214	7,828	(386)
Total general transportation program	<u>33,555</u>	<u>18,329</u>	<u>(15,226)</u>
Other support services program:			
Benefits	1,995	-	(1,995)
Purchased services	13,064	12,096	(968)
Total other support services program	<u>15,059</u>	<u>12,096</u>	<u>(2,963)</u>
TOTAL SUPPORT			
Salaries	1,639,820	1,630,420	(9,400)
Benefits	696,405	724,344	27,939
Purchased services	715,582	619,379	(96,203)
Supplies/materials	364,791	429,040	64,249
Capital objects	18,610	30,000	11,390
Insurance	86,481	86,148	(333)
Total Support	<u>\$ 3,521,689</u>	<u>\$ 3,519,331</u>	<u>\$ (2,358)</u>
DEBT SERVICES PROGRAM			
Debt services program:			
Principal	5,595	-	(5,595)
Interest	146	-	(146)
Total Debt Services Program	<u>\$ 5,741</u>	<u>\$ -</u>	<u>\$ (5,741)</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash	313,548	-	313,548
Investments	114,157	-	114,157
Due from other funds	243,160	253,872	497,032
Other receivables:			
Due from other governments	384,100	-	384,100
Other receivables	334	-	334
Inventories	28,618	-	28,618
Total assets	<u>1,083,917</u>	<u>253,872</u>	<u>1,337,789</u>
Deferred outflows of resources	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,083,917</u>	<u>\$ 253,872</u>	<u>\$ 1,337,789</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Due to other funds	280,151	-	280,151
Accounts payable	8,089	17,751	25,840
Accrued payroll and benefits	127,039	-	127,039
Total liabilities	<u>415,279</u>	<u>17,751</u>	<u>433,030</u>
Deferred inflows of resources:	-	-	-
Fund balance:			
Nonspendable	28,618	-	28,618
Restricted	640,020	236,121	876,141
Total fund balance	<u>668,638</u>	<u>236,121</u>	<u>904,759</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 1,083,917</u>	<u>\$ 253,872</u>	<u>\$ 1,337,789</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Funds</u>
REVENUES			
Local	454,568	-	454,568
State	155,378	92,810	248,188
Federal	2,945,485	-	2,945,485
Total revenues	<u>3,555,431</u>	<u>92,810</u>	<u>3,648,241</u>
EXPENDITURES			
Instruction	854,514	-	854,514
Support	557,809	30,658	588,467
Non-instruction	2,270,826	-	2,270,826
Capital asset program	-	95,539	95,539
Debt service	-	86,372	86,372
Total expenditures	<u>3,683,149</u>	<u>212,569</u>	<u>3,895,718</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(127,718)</u>	<u>(119,759)</u>	<u>(247,477)</u>
Other financing sources (uses)			
Transfer in	<u>66,503</u>	<u>186,164</u>	<u>252,667</u>
Net change in fund balances	(61,215)	66,405	5,190
Fund balance - beginning of year	<u>729,853</u>	<u>169,716</u>	<u>899,569</u>
Fund balance - end of year	<u>\$ 668,638</u>	<u>\$ 236,121</u>	<u>\$ 904,759</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	Final Budgeted Revenue	Actual Revenue	Final Budgeted Expenditures	Actual Expenditures	Other Financing Sources (Uses)	Beginning Fund Balance	Ending Fund Balance
Nonmajor special revenue funds:							
Federal Forest Reserve	21,930	19,712	27,608	14,450	-	5,678	10,940
KIC Heyburn Playground	-	1,539	-	-	-	2,807	4,346
Student Utility Building	-	-	-	-	-	3,593	3,593
Donations	-	30,363	-	13,232	-	30,476	47,607
Student Activity	-	267,780	-	288,857	-	165,224	144,147
Driver Education - State	18,000	28,300	15,810	23,636	-	1,438	6,102
Professional Technical - State	21,777	24,887	21,777	24,887	-	-	-
Technology - State	125,583	118,408	172,295	140,822	-	185,771	163,357
Substance Abuse - State	12,046	12,689	20,500	20,268	-	22,231	14,652
ESSER III (ARPA) American Rescue Plan Act	-	864,192	-	864,192	-	-	-
Title I-A, ESSA - Improving Basic Programs	224,617	264,154	224,617	264,154	-	-	-
ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	-	30,766	-	30,766	-	-	-
ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations	-	530,595	-	530,595	-	-	-
IDEA Part B (611 School Age 3-21)	222,259	218,154	222,259	218,154	-	-	-
IDEA Part B (619 Pre-School Age 3-5)	9,818	9,818	9,818	9,818	-	-	-
IDEA Part B (ARPA) American Rescue Plan Act	-	40,153	-	40,153	-	-	-
School-Based Medicaid	120,000	158,550	120,000	211,847	53,297	-	-
Title IV-A ESSA - Student Support and Academic Enrichment	19,801	19,801	19,801	19,801	-	-	-
Perkins IV - Professional Technical Act	15,395	22,895	15,395	22,895	-	-	-
Title II-A, ESEA - Supporting Effective Instruction	41,466	38,094	41,466	38,094	-	-	-
Idaho Rebounds Coronavirus Relief	-	128,470	-	128,470	-	-	-
Title IV-B, ESEA - 21st Century Community Learning Centers	124,469	102,083	124,469	102,083	-	-	-
Summer Recreation Program	-	-	920	-	-	920	920
Cultivating Readers	-	27,504	-	27,504	-	-	-
Child Nutrition	432,000	581,895	552,412	642,461	13,206	199,464	152,104
Scholarship	-	14,629	-	6,010	-	112,251	120,870
Nonmajor capital projects funds:							
Plant Facilities - Bus Acquisition	96,164	-	86,372	86,372	186,164	80,684	180,476
Plant Facilities - Lottery	92,810	92,810	181,842	126,197	-	89,032	55,645
Total	\$ 1,598,135	\$ 3,648,241	\$ 1,857,361	\$ 3,895,718	\$ 252,667	\$ 899,569	\$ 904,759

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

NONMAJOR SPECIAL REVENUE FUNDS

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

KIC Heyburn Playground Fund - To account for local project revenue related to the Heyburn playground.

Student Utility Building Fund - To account for local project revenue related to the student utility building.

Donations Fund - To account for donations received.

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

Driver Education - State Fund - To account for costs of providing a driver education program. Financing for the program is provided through the Idaho State Department of Education.

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

Technology - State Fund - To account for restricted State revenue to be spent on the technology program.

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

ESSER III (ARPA) American Rescue Plan Act Fund - To account for restricted Federal revenue to be spent on COVID-19 related expenditures.

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

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

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

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

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

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

IDEA Part B (ARPA) American Rescue Plan Act Fund - To account for restricted Federal revenue to be spent on programs for students with disabilities.

School-Based Medicaid Fund - To account for Federal revenue reimbursement of qualified Medicaid expenditures.

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

Perkins IV – Professional Technical Act Fund - To account for restricted Federal revenue to be spent on equipment for the vocational program.

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

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

Title IV-B, ESEA - 21st Century Community Learning Centers Fund - To account for restricted Federal revenue to be spent on programs that help address the needs of rural school districts with a high percentage of student from low-income families.

Summer Recreation Program Fund - To account for restricted Federal revenue to be spent on summer activities for children.

Cultivating Readers Fund - To account for restricted Federal revenue to be spent on growing young readers.

Child Nutrition Fund - To account for restricted Federal revenue to be spent on child nutrition.

Scholarship Fund - To account for restricted donations to be spent on scholarships for students.

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2023

	Federal Forest Reserve	KIC Heyburn Playground	Student Utility Building	Donations	Student Activity	Driver Education - State	Professional Technical - State	Technology - State	Substance Abuse - State
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES									
Assets:									
Cash	-	-	-	-	119,964	-	-	-	-
Investments	-	-	-	-	24,375	-	-	-	-
Due from other funds	10,940	4,346	3,593	47,607	-	6,136	-	152,554	15,364
Other receivables:									
Due from other governments	-	-	-	-	-	3,450	-	11,592	-
Other receivable	-	-	-	-	97	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total assets	<u>10,940</u>	<u>4,346</u>	<u>3,593</u>	<u>47,607</u>	<u>144,436</u>	<u>9,586</u>	<u>-</u>	<u>164,146</u>	<u>15,364</u>
Deferred outflows of resources	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 10,940</u>	<u>\$ 4,346</u>	<u>\$ 3,593</u>	<u>\$ 47,607</u>	<u>\$ 144,436</u>	<u>\$ 9,586</u>	<u>\$ -</u>	<u>\$ 164,146</u>	<u>\$ 15,364</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE									
Liabilities:									
Due to other funds	-	-	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	289	105	-	-	712
Accrued payroll and benefits	-	-	-	-	-	3,379	-	789	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>289</u>	<u>3,484</u>	<u>-</u>	<u>789</u>	<u>712</u>
Deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	10,940	4,346	3,593	47,607	144,147	6,102	-	163,357	14,652
Total fund balance	<u>10,940</u>	<u>4,346</u>	<u>3,593</u>	<u>47,607</u>	<u>144,147</u>	<u>6,102</u>	<u>-</u>	<u>163,357</u>	<u>14,652</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 10,940</u>	<u>\$ 4,346</u>	<u>\$ 3,593</u>	<u>\$ 47,607</u>	<u>\$ 144,436</u>	<u>\$ 9,586</u>	<u>\$ -</u>	<u>\$ 164,146</u>	<u>\$ 15,364</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

	ESSER III (ARPA) American Rescue Plan Act	Title I-A, ESSA - Improving Basic Programs	ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations	IDEA Part B (611 School Age 3-21)	IDEA Part B (619 Pre-School Age 3-5)	IDEA Part B (ARPA) American Rescue Plan Act	School-Based Medicaid	Title IV-A ESSA - Student Support and Academic Enrichment
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES									
Assets:									
Cash	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Other receivables:									
Due from other governments	18,315	143,022	-	-	84,542	3,277	15,228	27,859	8,147
Other receivable	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total assets	18,315	143,022	-	-	84,542	3,277	15,228	27,859	8,147
Deferred outflows of resources	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 18,315	\$ 143,022	\$ -	\$ -	\$ 84,542	\$ 3,277	\$ 15,228	\$ 27,859	\$ 8,147
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE									
Liabilities:									
Due to other funds	11,324	108,881	-	-	52,805	1,425	15,228	27,859	4,844
Accounts payable	-	-	-	-	-	-	-	-	-
Accrued payroll and benefits	6,991	34,141	-	-	31,737	1,852	-	-	3,303
Total liabilities	18,315	143,022	-	-	84,542	3,277	15,228	27,859	8,147
Deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 18,315	\$ 143,022	\$ -	\$ -	\$ 84,542	\$ 3,277	\$ 15,228	\$ 27,859	\$ 8,147

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

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

	Perkins IV - Professional Technical Act	Title II-A, ESEA - Supporting Effective Instruction	Idaho Rebounds Coronavirus Relief	Title IV-B, ESEA - 21st Century Community Learning Centers	Summer Recreation Program	Cultivating Readers	Child Nutrition	Scholarship Fund	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES									
Assets:									
Cash	-	-	-	-	-	-	161,842	31,742	313,548
Investments	-	-	-	-	-	-	887	88,895	114,157
Due from other funds	1,700	-	-	-	920	-	-	-	243,160
Other receivables:									
Due from other governments	-	14,228	-	48,290	-	6,150	-	-	384,100
Other receivable	-	-	-	-	-	-	4	233	334
Inventory	-	-	-	-	-	-	28,618	-	28,618
Total assets	1,700	14,228	-	48,290	920	6,150	191,351	120,870	1,083,917
Deferred outflows of resources	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,700	\$ 14,228	\$ -	\$ 48,290	\$ 920	\$ 6,150	\$ 191,351	\$ 120,870	\$ 1,083,917
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE									
Liabilities:									
Due to other funds	-	9,909	-	41,312	-	6,150	414	-	280,151
Accounts payable	-	-	-	6,978	-	-	5	-	8,089
Accrued payroll and benefits	1,700	4,319	-	-	-	-	38,828	-	127,039
Total liabilities	1,700	14,228	-	48,290	-	6,150	39,247	-	415,279
Deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance:									
Nonspendable	-	-	-	-	-	-	28,618	-	28,618
Restricted	-	-	-	-	920	-	123,486	120,870	640,020
Total fund balance	-	-	-	-	920	-	152,104	120,870	668,638
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 1,700	\$ 14,228	\$ -	\$ 48,290	\$ 920	\$ 6,150	\$ 191,351	\$ 120,870	\$ 1,083,917

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

	Federal Forest Reserve	KIC Heyburn Playground	Student Utility Building	Donations	Student Activity	Driver Education - State	Professional Technical - State	Technology - State	Substance Abuse - State
REVENUES									
Local:									
Lunch sales	-	-	-	-	-	-	-	-	-
Earnings on investment	-	-	-	-	-	-	-	-	-
Other	-	1,539	-	30,363	267,780	13,450	-	15,456	-
Total local	-	1,539	-	30,363	267,780	13,450	-	15,456	-
State:									
Other state support	-	-	-	-	-	-	-	102,952	12,689
Driver education program	-	-	-	-	-	14,850	-	-	-
Professional technical program	-	-	-	-	-	-	24,887	-	-
Total state	-	-	-	-	-	14,850	24,887	102,952	12,689
Federal:									
Restricted	19,712	-	-	-	-	-	-	-	-
Total revenues	19,712	1,539	-	30,363	267,780	28,300	24,887	118,408	12,689
EXPENDITURES									
Instruction:									
Salaries	-	-	-	2,578	-	16,434	1,803	-	-
Benefits	-	-	-	502	-	3,250	342	-	-
Purchased services	-	-	-	-	-	1,773	3,401	-	-
Supplies/materials	-	-	-	10,072	-	2,179	19,341	-	-
Capital objects	-	-	-	-	-	-	-	-	-
Total instruction	-	-	-	13,152	-	23,636	24,887	-	-
Support:									
Salaries	-	-	-	-	-	-	-	38,900	196
Benefits	-	-	-	-	-	-	-	7,714	26
Purchased services	14,450	-	-	80	-	-	-	73,080	-
Supplies/materials	-	-	-	-	-	-	-	21,128	20,046
Total support	14,450	-	-	80	-	-	-	140,822	20,268
Non-instruction:									
Salaries	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	104,606	-	-	-	-
Supplies/materials	-	-	-	-	184,251	-	-	-	-
Capital objects	-	-	-	-	-	-	-	-	-
Total non-instruction	-	-	-	-	288,857	-	-	-	-
Total expenditures	14,450	-	-	13,232	288,857	23,636	24,887	140,822	20,268
Excess (deficiency) revenues over (under) expenditures	5,262	1,539	-	17,131	(21,077)	4,664	-	(22,414)	(7,579)
Other financing sources (uses)									
Transfer in	-	-	-	-	-	-	-	-	-
Net change in fund balance	5,262	1,539	-	17,131	(21,077)	4,664	-	(22,414)	(7,579)
Fund balance - beginning of year	5,678	2,807	3,593	30,476	165,224	1,438	-	185,771	22,231
Fund balance - end of year	\$ 10,940	\$ 4,346	\$ 3,593	\$ 47,607	\$ 144,147	\$ 6,102	\$ -	\$ 163,357	\$ 14,652

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

	ESSER III (ARPA) American Rescue Plan Act	Title I-A, ESSA - Improving Basic Programs	ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations	IDEA Part B (611 School Age 3-21)	IDEA Part B (619 Pre-School Age 3-5)	IDEA Part B (ARPA) American Rescue Plan Act	School-Based Medicaid	Title IV-A ESSA - Student Support and Academic Enrichment
REVENUES									
Local:									
Lunch sales	-	-	-	-	-	-	-	-	-
Earnings on investment	-	-	-	-	-	-	-	48	-
Other	-	-	-	-	-	-	-	-	-
Total local	-	-	-	-	-	-	-	48	-
State:									
Other state support	-	-	-	-	-	-	-	-	-
Driver education program	-	-	-	-	-	-	-	-	-
Professional technical program	-	-	-	-	-	-	-	-	-
Total state	-	-	-	-	-	-	-	-	-
Federal:									
Restricted	864,192	264,154	30,766	530,595	218,154	9,818	40,153	158,502	19,801
Total revenues	864,192	264,154	30,766	530,595	218,154	9,818	40,153	158,550	19,801
EXPENDITURES									
Instruction:									
Salaries	29,822	157,911	-	-	126,674	5,363	-	-	11,904
Benefits	12,238	56,206	-	-	89,246	4,455	-	-	7,897
Purchased services	-	7,938	-	-	-	-	-	56,280	-
Supplies/materials	-	42,099	1,362	-	-	-	18,549	-	-
Capital objects	-	-	-	-	-	-	21,604	-	-
Total instruction	42,060	264,154	1,362	-	215,920	9,818	40,153	56,280	19,801
Support:									
Salaries	-	-	-	-	930	-	-	-	-
Benefits	-	-	-	-	176	-	-	-	-
Purchased services	3,741	-	6,000	-	1,128	-	-	155,567	-
Supplies/materials	15,488	-	23,404	-	-	-	-	-	-
Total support	19,229	-	29,404	-	2,234	-	-	155,567	-
Non-instruction:									
Salaries	-	-	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-	-	-
Supplies/materials	-	-	-	-	-	-	-	-	-
Capital objects	802,903	-	-	530,595	-	-	-	-	-
Total non-instruction	802,903	-	-	530,595	-	-	-	-	-
Total expenditures	864,192	264,154	30,766	530,595	218,154	9,818	40,153	211,847	19,801
Excess (deficiency) revenues over (under) expenditures	-	-	-	-	-	-	-	(53,297)	-
Other financing sources (uses) Transfer in	-	-	-	-	-	-	-	53,297	-
Net change in fund balance	-	-	-	-	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

	Perkins IV - Professional Technical Act	Title II-A, ESEA - Supporting Effective Instruction	Idaho Rebounds Coronavirus Relief	Title IV-B, ESEA - 21st Century Community Learning	Summer Recreation Program	Cultivating Readers	Child Nutrition	Scholarship Fund	Total
REVENUES									
Local:									
Lunch sales	-	-	-	-	-	-	102,274	-	102,274
Earnings on investments	-	-	-	-	-	-	29	7,433	7,510
Other	7,500	-	-	-	-	-	1,500	7,196	344,784
Total local	7,500	-	-	-	-	-	103,803	14,629	454,568
State:									
Other state support	-	-	-	-	-	-	-	-	115,641
Driver education program	-	-	-	-	-	-	-	-	14,850
Professional technical program	-	-	-	-	-	-	-	-	24,887
Total state	-	-	-	-	-	-	-	-	155,378
Federal:									
Restricted	15,395	38,094	128,470	102,083	-	27,504	478,092	-	2,945,485
Total revenues	22,895	38,094	128,470	102,083	-	27,504	581,895	14,629	3,555,431
EXPENDITURES									
Instruction:									
Salaries	5,654	-	100,674	-	-	-	-	-	458,817
Benefits	4,567	-	19,722	-	-	-	-	-	198,425
Purchased services	-	-	-	-	-	-	-	-	69,392
Supplies/materials	825	-	-	-	-	-	-	-	94,427
Capital objects	11,849	-	-	-	-	-	-	-	33,453
Total instruction	22,895	-	120,396	-	-	-	-	-	854,514
Support:									
Salaries	-	22,429	6,768	66,286	-	19,230	-	-	154,739
Benefits	-	15,555	1,306	19,293	-	3,652	-	-	47,722
Purchased services	-	-	-	4,884	-	969	-	-	259,899
Supplies/materials	-	110	-	11,620	-	3,653	-	-	95,449
Total support	-	38,094	8,074	102,083	-	27,504	-	-	557,809
Non-instruction:									
Salaries	-	-	-	-	-	-	180,898	-	180,898
Benefits	-	-	-	-	-	-	116,806	-	116,806
Purchased services	-	-	-	-	-	-	5,132	6,010	115,748
Supplies/materials	-	-	-	-	-	-	310,721	-	494,972
Capital objects	-	-	-	-	-	-	28,904	-	1,362,402
Total non-instruction	-	-	-	-	-	-	642,461	6,010	2,270,826
Total expenditures	22,895	38,094	128,470	102,083	-	27,504	642,461	6,010	3,683,149
Excess (deficiency) revenues over (under) expenditures	-	-	-	-	-	-	(60,566)	8,619	(127,718)
Other financing sources (uses)									
Transfer in	-	-	-	-	-	-	13,206	-	66,503
Net change in fund balance	-	-	-	-	-	-	(47,360)	8,619	(61,215)
Fund balance - beginning of year	-	-	-	-	920	-	199,464	112,251	729,853
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ 920	\$ -	\$ 152,104	\$ 120,870	\$ 668,638

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

NONMAJOR CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET

June 30, 2023

	<u>Plant Facilities - Bus Acquisition</u>	<u>Plant Facilities - Lottery</u>	<u>Total</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Due from other funds	<u>180,476</u>	<u>73,396</u>	<u>253,872</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 180,476</u>	<u>\$ 73,396</u>	<u>\$ 253,872</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts payable	<u>-</u>	<u>17,751</u>	<u>17,751</u>
Deferred inflows of resources:	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:			
Restricted	<u>180,476</u>	<u>55,645</u>	<u>236,121</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF OF RESOURCES AND FUND BALANCE	<u>\$ 180,476</u>	<u>\$ 73,396</u>	<u>\$ 253,872</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41

St. Maries, Idaho

NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2023

	<u>Plant Facilities - Bus Acquisition</u>	<u>Plant Facilities - Lottery</u>	<u>Total</u>
REVENUES			
State:			
Lottery/additional state maintenance	<u>-</u>	<u>92,810</u>	<u>92,810</u>
Total revenues	<u>-</u>	<u>92,810</u>	<u>92,810</u>
EXPENDITURES			
Support:			
Supplies/materials	<u>-</u>	<u>2,145</u>	<u>2,145</u>
Capital objects	<u>-</u>	<u>28,513</u>	<u>28,513</u>
Total support	<u>-</u>	<u>30,658</u>	<u>30,658</u>
Debt service:			
Principal	<u>80,482</u>	<u>-</u>	<u>80,482</u>
Interest	<u>5,890</u>	<u>-</u>	<u>5,890</u>
Total debt service	<u>86,372</u>	<u>-</u>	<u>86,372</u>
Capital asset program:			
Capital objects	<u>-</u>	<u>95,539</u>	<u>95,539</u>
Total expenditures	<u>86,372</u>	<u>126,197</u>	<u>212,569</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(86,372)</u>	<u>(33,387)</u>	<u>(119,759)</u>
Other financing sources (uses)			
Transfer in	<u>186,164</u>	<u>-</u>	<u>186,164</u>
Net change in fund balance	<u>99,792</u>	<u>(33,387)</u>	<u>66,405</u>
Fund balance-beginning of year	<u>80,684</u>	<u>89,032</u>	<u>169,716</u>
Fund balance-end of year	<u>\$ 180,476</u>	<u>\$ 55,645</u>	<u>\$ 236,121</u>

SINGLE AUDIT SECTION



ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Grant Number	Expenditures
U. S. Department of Agriculture				
Passed through State Department of Education				
Child Nutrition Cluster:				
National School Lunch Program (NSLP)	10.555	41	202322N1109947	297,905
NSLP Donated Foods (non-cash)	10.555	41	202322N1109947	39,511
Total National School Lunch Program (NSLP)				<u>337,416</u>
School Breakfast Program (SBP)	10.553	41	202322N1109947	115,933
Fresh Fruit & Vegetable Program	10.582	41	202322L160347	24,743
Total Child Nutrition Cluster				<u>478,092</u>
Total Passed Through State Department of Education				<u>478,092</u>
Direct through U.S. Department of Agriculture				
Federal Forest	10.665	Not Available	Not Available	14,450
Total Direct through U.S. Department of Agriculture				<u>14,450</u>
Total U.S. Department of Agriculture				<u>492,542</u>
U. S. Department of Treasury				
Passed through State Department of Education				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	41	SLFRP0142	128,470
Total U. S. Department of Treasury				<u>128,470</u>
U.S. Department of Education				
Passed through State Department of Education				
Special Education Cluster				
Grants to States (IDEA, Part B)	84.027	41	H027A220088	218,154
COVID 19 - Grants to States (IDEA, Part B)	84.027X	41	H027X210088	40,153
Total Grants to States (IDEA, Part B)				<u>258,307</u>
Preschool Grants (IDEA Preschool)	84.173	41	H173A220030	9,818
Total Special Education Cluster				<u>268,125</u>
Passed through Plummer-Worley Joint School District #44				
Career and Technical Education	84.048	Not Available	Not Available	22,895
Education Stabilization Fund (ESF)				
COVID 19 - Elementary and Secondary School Emergency Relief (Esser) Fund	84.425D	41	S425D200043	30,766
COVID 19 - Elementary and Secondary School Emergency Relief (ARP Esser)	84.425U	41	S425U200043	864,192
COVID 19 - Elementary and Secondary School Emergency Relief (CRRSA Act-ESSER II F/T)	84.425R	41	S425U200043	530,595
Total Education Stabilization Fund (ESF)				<u>1,425,553</u>
Other Programs				
Title I, Part A of the ESEA	84.010	41	S010A220012	264,154
Twenty-First Century Community Learning Centers	84.287	41	S287C210012	102,083
State Personnel Development Grants (SPDG)	83.323	41	H323A200002	27,504
Supporting Effective Instruction State Grant	84.367	41	S367A220011	38,094
Student Support and Academic Enrichment Program	84.424	41	S424A220013	19,801
Total Other Programs				<u>451,636</u>
Total U.S. Department of Education				<u>2,168,209</u>
Total Expenditures of Federal Awards				<u>\$ 2,789,221</u>

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

NOTE 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of St. Maries Joint School District No. 41, under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of St. Maries Joint School District No. 41, it is not intended to and does not present the financial position, changes in fund balance, or cash flows of St. Maries Joint School District No. 41.

NOTE 2 Summary of Significant Accounting Policies

- (1) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Cost Principles for State, Local and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) St. Maries Joint School District No. 41 has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 Food Distribution

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. The value of the non-cash assistance for the year ended June 30, 2023 was \$39,511.

NOTE 4 Sub-Recipients

There were no awards passed through to subrecipients.



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

To the Board of Trustees
St. Maries Joint School District No. 41
St. Maries, Idaho 83861

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of governmental activities, each major fund, and the aggregate remaining fund information of St. Maries Joint School District No. 41, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise St. Maries Joint School District No. 41’s basic financial statements, and have issued our report thereon dated September 25, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. Maries Joint School District No. 41’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Maries Joint School District No. 41’s internal control. Accordingly, we do not express an opinion on the effectiveness of St. Maries Joint School District No. 41’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control



that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. Maries Joint School District No. 41's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Hayden Ross, PLLC

Moscow, Idaho
September 25, 2023



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

To the Board of Trustees
St. Maries Joint School District No. 41
St. Maries, Idaho 83861

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Maries Joint School District No. 41’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of St. Maries Joint School District No. 41’s major federal programs for the year ended June 30, 2023. St. Maries Joint School District No. 41’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, St. Maries Joint School District No. 41 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 St. Maries Joint School District No. 41 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 St. Maries Joint School District No. 41’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 St. Maries Joint School District No. 41's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on St. Maries Joint School District No. 41'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 St. Maries Joint School District No. 41'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 St. Maries Joint School District No. 41'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 St. Maries Joint School District No. 41'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 St. Maries Joint School District No. 41's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in*

internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hayden Ross, PLLC

Moscow, Idaho
September 25, 2023

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Opinion Unit

Governmental Activities	Unmodified
General Fund	Unmodified
Plant Facilities	Unmodified
Aggregate Remaining Fund Information	Unmodified

Internal control over financial reporting:

- material weakness(es) identified? yes x no
- significant deficiency(ies) identified? yes x none reported

Noncompliance material to financial statements noted?

 yes x no

Federal Awards

Internal control over major programs:

- material weakness(es) identified? yes x no
- significant deficiency(ies) identified? yes x none reported

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

unmodified

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

 yes x no

Identification of major programs:

Federal Assistance Listing Number
84.425

Name of Federal Program or Cluster
Education Stabilization Fund Under
The Coronavirus Aid, Relief, And
Economic Security Act

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

\$750,000

Auditee qualified as a low-risk auditee?

 x yes no

ST. MARIES JOINT SCHOOL DISTRICT NO. 41
St. Maries, Idaho

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

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.