

**COEUR D'ALENE CHARTER ACADEMY, INC.**

AUDITED FINANCIAL STATEMENTS

Year Ended June 30, 2023

*Prepared By*

**ANDERSON**BROS.CPA

TAX, ASSURANCE, ACCOUNTING, ADVISORY

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## INDEPENDENT AUDITORS' REPORT

# ANDERSONBROS.CPA

TAX, ASSURANCE, ACCOUNTING, ADVISORY

Office (208) 777-1099 Fax (202) 773-5108  
1810 E. Schneidmiller Ave, Ste 310  
Post Falls, ID 83854

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Coeur d'Alene Charter Academy, Inc.  
Coeur d'Alene, ID 83814

### 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 Coeur d'Alene Charter Academy, Inc. as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Coeur d'Alene Charter Academy, Inc.'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 Coeur d'Alene Charter Academy, Inc., as of June 30, 2023, and the respective changes in financial position 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 Coeur d'Alene Charter Academy Inc. 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 Coeur d'Alene Charter Academy Inc.'s 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 Coeur d'Alene Charter Academy Inc.'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 Coeur d'Alene Charter Academy Inc.'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, schedule of Academy's share of net pension liability, schedule of Academy's contributions and the budgetary comparison information listed in the table of contents 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 Coeur d'Alene Charter Academy, Inc.'s basic financial statements. The accompanying combining nonmajor fund financial statements and schedule of changes in deposit balances of associated student body activity funds 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 nonmajor fund financial statements and the schedule of changes in deposit balances of student activity funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2023, on our consideration of Coeur d'Alene Charter Academy'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 Coeur d'Alene Charter Academy's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards in considering Coeur d'Alene Charter Academy Inc.'s internal control over financial reporting and compliance.



Anderson Bros. CPAs  
Post Falls, Idaho  
October 30, 2023

## MANAGEMENTS DISCUSSION AND ANALYSIS

**Coeur d'Alene Charter Academy, Inc.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2023**

The following discussion and analysis provides an overview of Coeur d'Alene Charter Academy's (the "Academy") financial performance for activities during the fiscal year ended June 30, 2023.

**FINANCIAL HIGHLIGHTS**

- Federal pandemic relief funds continue to supplement State revenues and were utilized to supplement learning loss programs and employee attraction and retention.
- Although general fund expenditures increased by 4%, we had an overall increase in the general fund balance of \$99,076.
- The current year change in net position was \$475,456 less than the prior year change, which was mainly due to increased state and local revenues and an increase in the defined benefit plan expense.

**OVERVIEW OF FINANCIAL STATEMENTS**

The Academy's annual financial statements are comprised of four parts: management's discussion and analysis, basic financial statements, required supplementary information, and other supplementary information.

- The basic financial statements include two accounting formats and related notes that provide further details to the information presented in those statements.
- Government-wide statements report a compilation of the Academy's financial information.
- Fund financial statements focus on individual parts of the Academy's financial activities and provide more details on operations.
- Notes to the financial statements provide explanations and disclosures to some of the information in the statements so that readers have a deeper understanding of the Academy's financial picture.
- Required supplementary information contains the general fund budgetary comparison schedule. This statement shows a condensed version of the budget planning for the fiscal year and how the actual results varied from the plan.
- The statements conclude with other supplementary information on non-major and fiduciary funds that are utilized by the Academy for special purposes or held in trust for other organizations. This section provides more detail on the funds reported in aggregate in the previous fund financial statements.



**Coeur d'Alene Charter Academy, Inc.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2023**

**OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)**

**Government-wide Statements**

The government-wide statements report information in an accounting method similar to statements provided by private sector companies. The statement of net position indicates the financial position of the Academy at a given point in time (in this case the last day of the fiscal year). The statement of activities reports programmatic expenses and revenues that result in the change in net position over a period in time (fiscal year).

- The bottom line on these statements, net position, is one measure of the overall financial position of the Academy. An increase or decrease from a prior year may indicate improvement or decline of the financial position.
- To gain a complete picture of the overall financial condition of the Academy the reader should consider additional factors that include student enrollment, community growth, legislative appropriations, and State economic conditions.
- In the government-wide financial statements, the Academy's activities are all classified as governmental activities. These activities are largely supported by Idaho State general fund revenue derived from income and sales tax. The Academy does not receive funding from local property tax revenues.

**Fund Financial Statements**

The fund financial statements provide detailed information about the general fund, a compilation of the non-major funds (other governmental), and fiduciary funds. Funds are accounting devices used to track the source of funding and spending on particular programs. This enables the Academy to demonstrate compliance with various regulatory requirements. A balance sheet and statement of revenues, expenditures and changes in fund balances is provided along with reconciliation to the government-wide statements. The reconciliation statements provide a tie between fund statements and government-wide statements that allow the user to connect the overall financial picture with the more detailed one.

**Fund Types**

Governmental Funds - Most of the Academy's basic services are included in governmental funds. They generally focus on the sources and the uses of cash and other financial assets that provide the basic programmatic services of the Academy. The governmental funds statements provide a more detailed view as to whether there were sufficient resources to finance the Academy's programs. It can also indicate the availability of resources for future use. Governmental fund information does not report on long-term commitments as is reported on the government-wide statements. Therefore, an explanation of the differences between the governmental funds and the government-wide statements is included as a separate statement.

Fiduciary/Agency Funds - The Academy is responsible as a trustee, or fiduciary, for student organizations and the scholarship and a building trust fund. These funds may only be used for their intended purpose and only by those to whom the assets belong.

**Coeur d'Alene Charter Academy, Inc.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2023**

**FINANCIAL ANALYSIS**

**Net Position**

One indicator of the Academy's financial state is net position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,509,695 as of June 30, 2023. This represented an 3% change in total net position over last year. Table 1 provides a summary of the Academy's net position.

**Table 1**  
**Statements of Net Position**  
**June 30, 2023 and 2022**

	<b>2023</b>	<b>2022</b>	<b>Change</b>
<b>ASSETS</b>			
Current and other assets	\$ 2,985,851	\$ 2,567,309	\$ 418,542
Net pension asset	-	59,967	(59,967)
Capital assets, net of accumulated depreciation	5,218,266	5,218,530	(264)
Right to use assets, net of accumulated amortization	8,147	13,579	(5,432)
Total assets	<u>8,212,264</u>	<u>7,859,385</u>	<u>352,879</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>1,872,593</u>	<u>1,153,159</u>	<u>719,434</u>
<b>LIABILITIES</b>			
Long-term liabilities outstanding	968,962	1,166,030	(197,068)
Net pension liability	2,971,264	-	2,971,264
Other liabilities	570,443	533,406	37,037
Total liabilities	<u>4,510,669</u>	<u>1,699,436</u>	<u>2,811,233</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	<u>64,493</u>	<u>1,985,712</u>	<u>(1,921,219)</u>
<b>NET POSITION</b>			
Net investment in capital assets	4,257,074	4,065,648	191,426
Restricted	520,906	238,477	282,429
Unrestricted	731,715	1,023,271	(291,556)
Total net position	<u>\$ 5,509,695</u>	<u>\$ 5,327,396</u>	<u>\$ 182,299</u>

**Coeur d'Alene Charter Academy, Inc.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2023**

**FINANCIAL ANALYSIS (CONTINUED)**

**Changes in Net Position**

Table 2 shows the changes in net position for the fiscal year ended 2023. Total revenues exceeded expenses by \$182,299. This was a significant decrease in the change in net position compared to the prior year amount of \$657,755. This is largely due to the increase in defined benefit plan expenses in the current year.

**Table 2**  
**Changes in Net Position**  
**For the Years Ending June 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>	<u>Change</u>
<b>REVENUES</b>			
Program revenues:			
Charges for services	\$ 130,235	\$ 133,464	\$ (3,229)
Operating & capital grants and contributions	994,192	497,145	497,047
General revenues:			
State revenues	4,761,234	4,705,036	56,198
Other local support	153,191	157,433	(4,242)
Interest and investment earnings	19,216	6,263	12,953
Total revenues	<u>6,058,068</u>	<u>5,499,341</u>	<u>558,727</u>
<b>EXPENSES</b>			
Instructional services	3,513,300	3,391,587	121,713
Support services	1,492,817	1,393,862	98,955
Non-instruction	60,264	64,483	(4,219)
Interest on long-term debt	33,236	39,566	(6,330)
Defined benefit plan (revenue) expense	761,884	(48,833)	810,717
Loss on asset disposal	14,268	921	13,347
Total expenses	<u>5,875,769</u>	<u>4,841,586</u>	<u>1,034,183</u>
<b>CHANGES IN NET POSITION</b>	<u>\$ 182,299</u>	<u>\$ 657,755</u>	<u>\$ (475,456)</u>

**Coeur d'Alene Charter Academy, Inc.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2023**

**FINANCIAL ANALYSIS (CONCLUDED)**

**Governmental Funds**

The Academy completed the year with a total governmental fund balance of \$2,415,408 which is an increase from the prior year fund balance by \$381,505 or 18.76%.

**Table 3**  
**Statements of Revenues, Expenditures**  
**and Changes in Fund Balance-Governmental Funds**  
**For the Years Ending June 30, 2023 and 2022**

	<b>2023</b>	<b>2022</b>	<b>Total % Change</b>
<b>REVENUES</b>			
Interest	\$ 19,216	\$ 6,263	207%
Other local revenue	518,290	379,430	37%
State support	5,139,723	4,833,529	6%
Title programs and other federal revenues	380,839	280,119	36%
Total revenues	6,058,068	5,499,341	10%
<b>EXPENDITURES</b>			
Instructional services	3,473,707	3,356,277	3%
Support services	1,574,600	1,476,965	7%
Non-instruction	60,264	64,483	-7%
Capital asset program	337,688	314,226	7%
Debt service (P&I)	230,304	230,730	0%
Total expenditures	5,676,563	5,442,681	4%
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	62,050	109,331	-43%
Transfers out	(62,050)	(109,331)	43%
Total other financing sources (uses)	-	-	100%
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 381,505</b>	<b>\$ 56,660</b>	<b>-573%</b>

**General Fund Budgetary Highlights**

The beginning budget for the Academy is presented to the public and adopted in June of the preceding year. Typically, an amended budget is considered in February of the fiscal year based on attendance and employment figures that are not available earlier. That amendment occurred in May 2023. Revenue received by the State is largely based on those figures.

The Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund located in the Financial Section shows the changes in the budget and a comparison with actual results. The net change in the general fund balance at year-end shows stable revenues and lower expenditures in comparison to budgeted amounts.

**Coeur d'Alene Charter Academy, Inc.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2023**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

An overview of capital asset changes for the fiscal year is contained in note 4 (notes to financial statements). The changes are a result of the net effect of depreciation and the purchase of equipment, furniture and building/land improvements. Total capital assets, after accumulated depreciation, at the end of the fiscal year are \$5,218,266.

**Intangible Assets**

The Academy has right-to-use assets, net of accumulated amortization of \$8,147. More information on these assets and related leases can be found in note 8 to the basic financial statements.

**Long-Term Debt**

Six notes are currently held by bankcda on Academy real property (notes 6 and 7 to the financial statements). The six notes were renegotiated in January 2021 which resulted in reduced interest rates to 3.10%, with all balances due in January 2028. The notes are now amortized over 7 years. All other terms were unchanged. No prepayment penalty applies to the six notes.

In addition, the Academy added a five-year copier lease for 3 copiers through TIAA Financial that will mature in 2025 (note 8).

We will continue to use debt with prudence and maintain it at a level that meets the capital needs of the institution and is not detrimental to our overall financial health.

**FACTORS BEARING ON THE ACADEMY'S FUTURE**

Currently known circumstances that will impact the Academy's financial status in the future:

- The economy continues to be the primary driver in determining future state tax revenues which continue to come in at higher levels than projected. We will continue to operate in a manner that is conservative in relation to expenditures and the known sources of revenue.
- Enrollment for the coming year is projected to increase slightly. State funding budgets have increased and additional funding has been made available by the federal government to address the pandemic and new legislative directives.
- The State legislature continues to deliberate on changing the formula for funding public K-12 education. This has been a multi-year project that involves funding by enrollment vs attendance and per student funding. It may be voted on in the 2024 legislative session.

**CONTACTING THE ACADEMY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens with a general overview of the Academy's finances and to demonstrate our accountability for the resources we receive from all sources. If you have questions about this report or need additional information, contact the Coeur d'Alene Charter Academy, 4904 N. Duncan Dr., Coeur d'Alene, ID 83815 or email [adurick@cdacharter.org](mailto:adurick@cdacharter.org).

## BASIC FINANCIAL STATEMENTS

**Coeur d'Alene Charter Academy, Inc.**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

**ASSETS**

Cash and cash equivalents	\$ 2,791,907
Receivables	193,944
Capital assets not being depreciated	759,788
Capital assets, net of accumulated depreciation	4,458,478
Right to use assets, net of accumulated amortization	8,147
Total assets	8,212,264

**DEFERRED OUTFLOWS OF RESOURCES**

PERSI pension plan	1,872,593
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**LIABILITIES**

Accounts Payable	51,098
Accrued payroll and benefits	473,911
Accrued interest	827
Deposits	44,607
Noncurrent liabilities:	
Due within one year	198,152
Due within one year, lease liability	5,476
Due in more than one year	763,040
Due in more than one year, lease liability	2,294
Net pension liability	2,971,264
Total liabilities	4,510,669

**DEFERRED INFLOWS OF RESOURCES**

PERSI pension plan	64,493
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**NET POSITION**

Net investment in capital assets	4,257,074
Restricted	520,906
Unrestricted	731,715
Total Net Position	\$ 5,509,695

**Coeur d'Alene Charter Academy, Inc.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2023**

		Program Revenues			Net (Expense)
FUNCTIONS/PROGRAMS:	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Revenue and Changes in Net Position
Governmental Activities					Governmental Activities
Instruction programs:					
Secondary programs	\$ 3,228,738	\$ 130,235	\$ 616,622	\$ 211,135	\$ (2,270,746)
Special education programs	49,871	-	-	-	(49,871)
Interscholastic & school activity programs	234,691	-	-	-	(234,691)
Support services programs:					
Attendance-guidance-health program	141,385	-	-	-	(141,385)
Special education support services program	6,758	-	16,758	-	10,000
Instructional improvement program	40,885	-	-	-	(40,885)
Instructional related technology program	10,440	-	40,529	35,325	65,414
School administration program	568,387	-	21,617	-	(546,770)
Business operations program	300,161	-	21,617	-	(278,544)
Custodial and maintenance program	414,708	-	21,616	-	(393,092)
Security and safety program	9,147	-	-	8,973	(174)
Transportation program	946	-	-	-	(946)
Non-instruction enterprise operations	60,264	-	-	-	(60,264)
Interest on long-term debt	33,236	-	-	-	(33,236)
Defined benefit plan (revenue) expense	761,884	-	-	-	(761,884)
Total Governmental Activities	\$ 5,861,501	\$ 130,235	\$ 738,759	\$ 255,433	(4,737,074)
General revenues:					
State revenue					4,761,234
Other local support					153,191
Interest and investment earnings					19,216
Gain / loss on sale of capital assets					(14,268)
Total general revenues					4,919,373
Change in Net Position					182,299
Net position - July 1, 2022					5,327,396
Net position - June 30, 2023					\$ 5,509,695

See accompanying notes to the financial statements and independent auditors' report



**Coeur d'Alene Charter Academy, Inc.**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2023**

	*	*	*		
	* Capital Projects Fund	Plant Facilities Lottery Fund	Non-Major Special Revenue Funds	Total	
	General Fund				
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,234,001	\$ -	\$ 288,550	\$ 269,356	\$ 2,791,907
Receivables	193,944	-	-	-	193,944
Total assets	<u>\$ 2,427,945</u>	<u>\$ -</u>	<u>\$ 288,550</u>	<u>\$ 269,356</u>	<u>\$ 2,985,851</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 14,098	\$ -	\$ 29,641	\$ 7,359	\$ 51,098
Accrued payroll and benefits	473,911	-	-	-	473,911
Accrued interest	827	-	-	-	827
Deposits	44,607	-	-	-	44,607
Total liabilities	<u>533,443</u>	<u>-</u>	<u>29,641</u>	<u>7,359</u>	<u>570,443</u>
<b>FUND BALANCES</b>					
Restricted	-	-	258,909	261,997	520,906
Unassigned	1,894,502	-	-	-	1,894,502
Total fund balances	<u>1,894,502</u>	<u>-</u>	<u>258,909</u>	<u>261,997</u>	<u>2,415,408</u>
Total liabilities and fund balances	<u>\$ 2,427,945</u>	<u>\$ -</u>	<u>\$ 288,550</u>	<u>\$ 269,356</u>	<u>\$ 2,985,851</u>

\* Not a major fund

**Coeur d'Alene Charter Academy, Inc.**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2023**

Total fund balances at June 30, 2023 - Governmental Funds		\$ 2,415,408
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		5,218,266
Intangible assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		8,147
Deferred outflows of resources represent a consumption of fund equity that will be reported as an outflow of resources in a future period and therefore, are not reported in the funds:		
Deferred outflows of resources-pension plan		1,872,593
Deferred inflows of resources represent an acquisition of fund equity that will be recognized as an inflow of resources in a future period and therefore, are not reported in the funds:		
Deferred inflows of resources-pension plan		(64,493)
Net pension liability		(2,971,264)
Some liabilities are not due and payable in the current period and therefore, are not reported in the funds. Those liabilities consist of:		
Long-term debt	(961,192)	
Long-term leases payable	(7,770)	(968,962)
Net position of governmental activities at June 30, 2023		\$ 5,509,695

**Coeur d'Alene Charter Academy, Inc.**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

	*	*	*	*	
	General Fund	Capital Projects Fund	Plant Facilities Lottery Fund	Non-Major Special Revenue Funds	Total
<b>REVENUES</b>					
Interest income	\$ 19,216	\$ -	\$ -	\$ -	\$ 19,216
Other local revenue	227,384	-	139,120	151,786	518,290
State assistance and reimbursements	4,761,234	-	293,662	84,827	5,139,723
Title programs and other federal revenues	-	-	-	380,839	380,839
Total revenues	<u>5,007,834</u>	<u>-</u>	<u>432,782</u>	<u>617,452</u>	<u>6,058,068</u>
<b>EXPENDITURES</b>					
Instruction programs:					
Secondary programs	2,947,992	-	-	228,692	3,176,684
Special education programs	47,068	-	-	7,192	54,260
Interscholastic & school activity programs	99,806	-	-	142,957	242,763
Total instruction programs	<u>3,094,866</u>	<u>-</u>	<u>-</u>	<u>378,841</u>	<u>3,473,707</u>
Support services programs:					
Attendance, guidance and health program	119,601	-	-	33,152	152,753
Special education support services program	-	-	-	9,566	9,566
Instructional improvement program	40,885	-	-	-	40,885
Instructional related technology program	-	-	-	10,440	10,440
School administration program	574,685	-	-	24,014	598,699
General administrative services programs	-	-	-	-	-
Business operations program	310,026	-	-	16,743	326,769
Custodial and maintenance program	392,152	16,500	-	16,743	425,395
Security and safety program	8,583	-	-	564	9,147
Transportation program	946	-	-	-	946
Total support services programs	<u>1,446,878</u>	<u>16,500</u>	<u>-</u>	<u>111,222</u>	<u>1,574,600</u>
Non-instruction enterprise operations	60,264	-	-	-	60,264
Capital asset program	38,806	28,615	178,603	91,664	337,688
Debt service program:					
Principal retirement	197,068	-	-	-	197,068
Interest	33,236	-	-	-	33,236
Total debt service program	<u>230,304</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,304</u>
Total expenditures	<u>4,871,118</u>	<u>45,115</u>	<u>178,603</u>	<u>581,727</u>	<u>5,676,563</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	136,716	(45,115)	254,179	35,725	381,505
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from sale of capital assets	-	-	-	-	-
Transfers in	12,205	45,115	4,730	-	62,050
Transfers out	(49,845)	-	-	(12,205)	(62,050)
Total other financing sources (uses)	<u>(37,640)</u>	<u>45,115</u>	<u>4,730</u>	<u>(12,205)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>					
	99,076	-	258,909	23,520	381,505
<b>FUND BALANCES, beginning</b>	1,795,426	-	-	238,477	2,033,903
<b>FUND BALANCES, ending</b>	<u>\$ 1,894,502</u>	<u>\$ -</u>	<u>\$ 258,909</u>	<u>\$ 261,997</u>	<u>\$ 2,415,408</u>

\* Not a major fund

**Coeur d'Alene Charter Academy, Inc.**  
**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**

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

Net Change in Fund Balances - total governmental funds	\$ 381,508
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expenses. This is the amount by which capital outlays exceeded depreciation expense in the current period.</p>	
Capital Outlay	337,688
Depreciation	(323,684)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net assets.</p>	
Loss on Sale of Assets	(14,268)
<p>Amortization of intangible assets is recognized as an expense in the statement of activities</p>	
	(5,432)
<p>The issuance of long-term debt (e.g., bonds, leased) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Loan payments considered as an expenditure	197,068
<p>The net pension effect related to the pension expense recognized for the year.</p>	
Current year PERSI contributions	371,306
Defined benefit plan expense (income)	(761,884)
Change in net position of governmental activities	\$ 182,299

**Coeur d'Alene Charter Academy, Inc.**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2023**

	<b>Expendable Building Trust Fund</b>	<b>Expendable Scholarship Trust Fund</b>
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 124,171	\$ 43,201
Total assets	<u>124,171</u>	<u>43,201</u>
<b>LIABILITIES</b>		
	<u>-</u>	<u>-</u>
<b>NET POSITION</b>		
Restricted for:		
Building improvements	124,171	-
Student scholarships	-	43,201
Total net position	<u>\$ 124,171</u>	<u>\$ 43,201</u>

**Coeur d'Alene Charter Academy, Inc.**  
**STATEMENT OF CHANGES IN NET POSITION**  
**FIDUCIARY FUNDS**  
**For the Year Ended June 30, 2023**

	<b>Expendable Building Trust Fund</b>	<b>Expendable Scholarship Trust Fund</b>
	<u>          </u>	<u>          </u>
<b>ADDITIONS</b>		
Contributions	\$ 159,583	\$ 5,383
Interest earnings	1,023	242
Total additions	<u>160,606</u>	<u>5,625</u>
<b>DEDUCTIONS</b>		
Contribution expense	139,120	-
Auction expenses	35,598	-
Scholarships	-	15,000
Supplies and materials	3,908	-
Total deductions	<u>178,626</u>	<u>15,000</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	-	10,000
Transfers out	(10,000)	-
Total other financing sources (uses)	<u>(10,000)</u>	<u>10,000</u>
<b>NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION</b>	(28,020)	625
<b>NET POSITION, beginning of year</b>	<u>152,191</u>	<u>42,576</u>
<b>NET POSITION, end of year</b>	<u>\$ 124,171</u>	<u>\$ 43,201</u>

**Coeur d’Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Coeur d’Alene Charter Academy, Inc. (the “Academy”) operates under the direction of a Board of Directors, who oversees the operation of the Academy and governs the decisions made by the principal. The Academy is engaged in the education of students on the secondary level. Coeur d’Alene Charter Academy, Inc. does not exercise sufficient control over other governmental agencies and authorities to warrant including them as a part of the Academy’s entity.

**Reporting Entity**

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the Academy consists of all funds, departments, boards, and agencies that are not legally separate from Coeur d’Alene Charter Academy Inc. For the Academy this includes general operations, debt service, and student and supportive service activities.

Component units are legally separate organizations for which the Academy is financially accountable. Component units may also include organizations that are fiscally dependent on the Academy, that is, the Academy approves their budget, the issuance of their debt, or the levying of taxes. The Academy has no component units.

The financial statements of the Academy have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the Academy’s accounting policies are described below:

**Fund Accounting**

The Academy uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Academy functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Academy are grouped into the categories governmental and fiduciary.

**Governmental Funds** – Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Academy’s major governmental funds:

**General Fund** – The *general fund* is used to account for all financial resources except those required to be accounted for in another fund. The general fund is available for any purpose provided it is expended or transferred according to the laws of the state of Idaho.

Additionally, the Academy reports the following nonmajor governmental funds:

**Special Revenue Funds** – *Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.*

**Technology Fund** – The *technology fund* is used to account for financial resources provided to the Academy through the State of Idaho for technology related functions.

**Substance Abuse Fund** – The *substance abuse fund* is used to account for financial resources provided to the Academy through the State of Idaho for substance abuse.

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*ESSER III (ARPA) Fund* – American Rescue Plan Act fund is used to account for financial resources provided to the Academy from the Federal Government passed through the State of Idaho.

*ESSER II (CRRSA) Fund* – The coronavirus response and relief supplemental appropriations fund is used to account for financial resources provided to the Academy from the Federal Government passed through the State of Idaho.

*IDEA Part B Fund* – The IDEA part B fund is used to account for financial resources provided to the academy, which are Federal funds passed through the State of Idaho for special educations services.

*Covid Fund* – The coronavirus (covid) fund is used to account for financial resources provided to the Academy from the Federal Government passed through the State of Idaho.

*Associated Student Body Activity Fund* – The associated student body activity fund is used to account for financial resources related to associated student body fundraising and other related activities of the associated student body.

*Capital Projects Fund* – The capital projects fund is used to account for financial resources used to construct or acquire capital improvements/additions.

*Plant Facilities Lottery Fund* – The plant facilities lottery fund is used to account for financial resources used for Plant Facilities capital outlay.

*Fiduciary Funds*– Fiduciary fund reporting focuses on net position and changes in net position. The funds accounted for in this category by the Academy are the custodial and trust funds. The trust funds are an expendable building fund and a scholarship fund maintained and distributed by the Academy. The custodial fund accounts for assets held by the Academy as an agent for school organizations.

During the course of operations, the Academy has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities' column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column.

**Basis of Presentation**

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the Academy as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The Academy has activities that are considered to be governmental as opposed to business-type activity.

The government-wide statements are prepared using the economic resources measurement focus. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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See accompanying independent auditors' report



**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Academy's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and 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 are presented as general revenues of the Academy, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Academy.

Fund Financial Statements – Fund financial statements report detailed information about the Academy. The focus of governmental fund statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are also reported on the fund statements and noted with an asterisk to indicate that they are non-major funds.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Fiduciary funds are reported using the economic resources measurement focus.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Academy, available means expected to be received within 60 days of the fiscal year-end.

Non-exchange transactions, in which the Academy receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Academy must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Academy on a reimbursement basis. On a modified accrual basis, revenues from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: interest, tuition, grants, student fees, and rentals.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

**Coeur d’Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

**Cash and Cash Equivalents**

On the financial statements, cash received by the Academy is pooled for investment purposes and is presented as “Cash and Cash Equivalents” for the following funds: General fund and non-major funds. Interest earned in the pooled accounts is allocated to the general fund.

For presentation on the financial statements, investments with an original maturity of three months or less at the time they are purchased by the Academy are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments. It also includes certificates of deposit with a maturity beyond three months as the entity is able to access the funds at any time with minimal penalty.

**Capital Assets**

General capital assets usually result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The Academy maintains a capitalization threshold of \$500 to \$50,000 depending on the nature of the item (i.e. buildings with a cost of \$50,000 or more are capitalized and equipment with a cost of \$500 or more are capitalized). The Academy does not possess any infrastructure. Improvements and interest incurred during the construction of capital assets are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	40 yrs
Buildings/improvements	40 yrs
Modular equipment	10 yrs
Improvements	10 yrs
Furniture	7 yrs
Equipment	5 yrs

**Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of notes, which will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources.

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

In general, payments made within 60 days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations paid from governmental funds are not recognized as a liability in the fund financial statements until due.

**Pensions**

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho (Base Plan) 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.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The government does have items that qualify for reporting in this category. Note 9 outlines the outflows of resources associated with the pension base plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The government has one type of items for this category.

The item is associated with the pension base plan. See Note 9 for details on the pension plan. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Net Position Flow Assumption**

Net position represents the difference between assets and liabilities. Net position invested in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Academy, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position includes the remaining net position that is not included in the categories above.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance Flow Assumptions**

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

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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. The Board of Directors is the highest level of decision-making authority for the government that can, by adoption of a policy prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the policy remains in place until a similar action is taken to remove or revise the limitation.

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 committed. The Board of Directors has by policy authorized the finance committee to assign fund balance. The Board of Directors may also assign fund balance as it does with appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenses/expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenses/expenditures to the funds that initially paid for them are not presented on the financial statements.

The current year transfers included a transfer from the technology fund to the general fund for technology expenditures within the general fund and a transfer from the general fund to the capital construction projects fund for a capital project.

**Estimates**

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

**Income Taxes**

Coeur d'Alene Charter Academy, Inc. is a nonprofit organization exempt from federal income tax under Internal Revenue Code Section 501(c)(3). In accordance with generally accepted accounting principles, the organization is required to disclose certain information regarding potential liabilities regarding its tax positions it currently takes or has taken in prior years. Currently, there are no unrecognized tax benefits or liabilities that need to be recognized during current year or due to a tax position taken in a prior year. Therefore, the cumulative effect of the change on net position of applying provisions of the requirement in this first year of adoption is none. If the organization were to have a potential liability for such taxes, it would also accrue interest and penalties as a liability in the financial statements. The organization expects no unrecognized tax benefits that will be incurred within the next year of the date of these financial statements. There are no tax years that are currently under examination by federal or state tax authorities.

**Coeur d’Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)**

**Implementation of GASB Statement No. 96**

As of July 1, 2022, the Academy adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The implementation of this standard establishes that a SBITA results in a right-to-use subscription IT asset -an intangible asset - and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. The Academy completed an analysis of ongoing and outstanding subscription-based arrangement, where there were no material subscriptions identified and capitalized during the current year.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

**General**

State statutes authorize the Academy’s investments. The Academy is authorized to invest in demand deposits, savings accounts, U.S. Government obligations and its agencies, obligations of Idaho and its agencies, fully collateralized repurchase agreements, prime domestic commercial paper, prime domestic bankers acceptances, bonds, debentures or notes of any corporation organized, controlled, and operating in the U.S. which have at their purchase an “A” rating or higher, government pools, and money market funds consisting of any of these securities listed. No violations of these categories have occurred during the year.

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a failure of a financial institution, the Academy’s deposits and investments may not be returned to it. The Academy does not have a deposit policy for custodial credit risk as it deposits funds in financial institutions that are members of the U.S. Federal Deposit Insurance Corporation (FDIC) and has never experienced such a loss. As of June 30, 2023, the Academy’s deposits were exposed to custodial credit risk as follows:

<i>Deposits without exposure to custodial credit risk:</i>	
Amount insured by FDIC or other agencies	\$ 565,506
<i>Deposits with exposure to custodial credit risk:</i>	
Amount collateralized with securities held in trust, but not in the Academy's name	2,420,397
Total bank balance (deposits)	<u>\$ 2,985,903</u>
The carrying amount is displayed as follows in the financial statements	
Statement of net position (page 10)	\$ 2,791,907
Statement of net position - fiduciary funds (page 16)	
Expendable building trust	124,171
Expendable scholarship trust	43,201
Total carrying amount	<u>\$ 2,959,279</u>
Cash and cash equivalents at June 30, 2023 consist of the following:	
Deposits with financial institutions and cash on hand	\$ 52,708
Short-term certificates of deposit	480,984
Money markets and savings	2,420,447
Idaho State Investment Pool	5,140
Total carrying amount	<u>\$ 2,959,279</u>

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 2 - CASH AND CASH EQUIVALENTS (CONCLUDED)**

**Credit Risk**

Credit risk is the risk that a debtor will not fulfill its obligations. All of the above securities registered in the Academy's name carry a rating of AAA from Moody's and Standard and Poor's. The Idaho State Investment Pool does not have an established credit rating but invests in entities with a minimum credit rating of "A" as stipulated by Idaho code.

**State Investment Pool**

Investments in 2a7-like pools are valued based upon the value of pool shares. The Academy invests in one 2a7-like pool, the Idaho State Investment Pool. The advisory board of the Idaho State Investment Pool is composed of members appointed pursuant to the requirements of the Public Funds Investment Act. The State Investment Pool is duly chartered and administered by the State Treasurer's Office and consists of US Treasury bills and notes, collateralized certificates of deposit and repurchase agreements. The pool does not include any involuntary participants.

The balance that the Academy has in the State Investment Pool are carried at fair value and calculated on a monthly basis. The Academy's portion of the State Investment Pool had an unrealized gain of \$7 as of June 30, 2023. As the difference between fair market value and cost is immaterial, this unrealized gain has not been recorded in the Academy's books. The unrealized gain was based on a fair market value adjustment factor of 1.0013 that was calculated by the State of Idaho's Treasurer's Office. GASB Statement No. 40 requires the Academy to assign risk categories for its investments, except those in which securities are not used as evidence of the investment. The Pool has not been assigned a risk category since the Academy is not issued securities, but rather it owns an undivided beneficial interest in the assets of the Pool. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body nor is any balances insured by the Federal Deposit Insurance Corporation. Financial reports are available from the Idaho State Treasurer's Office upon request.

**NOTE 3 - ACCOUNTS RECEIVABLE**

State of Idaho - The amount due from the state represents unreceived distributions and reimbursements from state administered funds applicable to the year ended June 30, 2023.

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 4 - CAPITAL ASSETS**

Following is a recap of capital assets for the fiscal year ended June 30, 2023:

	Balance 6/30/2022	Increases	Decreases	Transfers	Balance 6/30/2023
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 621,646	\$ -	\$ -	\$ -	\$ 621,646
Construction in progress	26,338	111,804	-	-	138,142
Total capital assets, not being depreciated	<u>647,984</u>	<u>111,804</u>	<u>-</u>	<u>-</u>	<u>759,788</u>
Capital assets being depreciated:					
Land improvements	432,371	-	5,030	-	427,341
Buildings and improvements	6,076,556	57,824	-	-	6,134,380
Equipment and furniture	1,698,796	168,060	310,037	-	1,556,819
Total capital assets being depreciated	<u>8,207,723</u>	<u>225,884</u>	<u>315,067</u>	<u>-</u>	<u>8,118,540</u>
Less accumulated depreciation for:					
Land improvements	182,926	19,407	2,185	-	200,148
Buildings and improvements	2,068,292	182,604	-	-	2,250,896
Equipment and furniture	1,385,959	121,673	298,614	-	1,209,018
Total accumulated depreciation	<u>3,637,177</u>	<u>323,684</u>	<u>300,799</u>	<u>-</u>	<u>3,660,062</u>
Total capital assets being depreciated, net	<u>4,570,546</u>	<u>(97,800)</u>	<u>14,268</u>	<u>-</u>	<u>4,458,478</u>
Total governmental activities capital assets, net	<u>\$ 5,218,530</u>	<u>\$ 14,004</u>	<u>\$ 14,268</u>	<u>\$ -</u>	<u>\$ 5,218,266</u>

Depreciation and amortization expense of \$323,684 for the year ended June 30, 2023 was charged to the following governmental functions:

Secondary	\$ 301,294
Custodial and maintenance	9,670
Security program	12,720
	<u>\$ 323,684</u>

Following is a recap of the June 30, 2023 balances by generic location:

	Secondary Programs	Custodial & Maintenance	School Administration & Business Operations	Security Program	Total
Land	\$ 621,646	\$ -	\$ -	\$ -	\$ 621,646
Construction in progress	138,142	-	-	-	138,142
Land improvements	427,340	-	-	-	427,340
Buildings and improvements	6,122,062	12,317	-	-	6,134,379
Equipment and furniture	1,239,715	78,668	27,486	210,952	1,556,821
	<u>\$ 8,548,905</u>	<u>\$ 90,985</u>	<u>\$ 27,486</u>	<u>\$ 210,952</u>	<u>\$ 8,878,328</u>

**NOTE 5 - ACCRUED PAYROLL AND BENEFITS**

Accrued payroll includes amounts due contracted teachers and other employees at June 30, 2023, which were not paid until July and August 2023, in conformity with contractual stipulations.

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 6 - CHANGES IN LONG-TERM DEBT AND CURRENT MATURITIES**

A summary of long-term debt is as follows:

	Beginning Balance	Issued	Retired	Ending Balance	Amount Due Within One Year	Due in More Than One Year
bankcda 9001	\$ 232,331	\$ -	\$ 38,636	\$ 193,695	\$ 39,938	\$ 153,757
bankcda 9002	22,850	-	3,800	19,050	3,928	15,122
bankcda 9003	334,184	-	55,528	278,656	57,400	221,256
bankcda 8001	70,980	-	11,804	59,176	12,202	46,974
bankcda 8002	127,598	-	21,219	106,379	21,934	84,445
bankcda 8003	364,939	-	60,703	304,236	62,750	241,486
	<u>\$ 1,152,882</u>	<u>\$ -</u>	<u>\$ 191,690</u>	<u>\$ 961,192</u>	<u>\$ 198,152</u>	<u>\$ 763,040</u>

**NOTE 7 - LONG-TERM DEBT**

<u>Payee</u>	<u>Terms</u>	<u>Security</u>	<u>Balance June 30, 2023</u>
bankcda	\$3,782.61 per month including an interest rate of 3.10% until January 2028.	Real property located at: 4904 N. Duncan Drive 711 W. Kathleen Ave. Coeur d'Alene, ID 83815	\$193,695
bankcda	\$371.99 per month including an interest rate of 3.10% until January 2028.	Real property located at: 4904 N. Duncan Drive Coeur d'Alene, ID 83815	\$19,050
bankcda	\$5,436.69 per month including an interest rate of 3.10% until January 2028.	Real property located at: 4921 N. Duncan Drive 4904 N. Duncan Drive 711 W. Kathleen Ave. Coeur d'Alene, ID 83815	\$278,656
bankcda	\$1,155.53 per month including an interest rate of 3.10% until January 2028.	Real property located at: 4921 N. Duncan Drive 4904 N. Duncan Drive Coeur d'Alene, ID 83815	\$59,176
bankcda	\$2,077.25 per month including an interest rate of 3.10% until January 2028.	Real property located at: 4921 N. Duncan Drive 4904 N. Duncan Drive Coeur d'Alene, ID 83815	\$106,379
bankcda	\$5,942.35 per month including an interest rate of 3.10% until January 2028.	Real property located at: 4921 N. Duncan Drive 4904 N. Duncan Drive Coeur d'Alene, ID 83815	\$304,236



**Coeur d’Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 7 – LONG-TERM DEBT (CONCLUDED)**

Long-term debt maturities are as follows:

Year	Principal	Interest	Payments
2024	198,152	27,028	225,180
2025	204,453	20,727	225,180
2026	210,883	14,297	225,180
2027	217,511	7,669	225,180
2028	130,193	1,341	131,535
	961,192	71,062	1,032,255

**NOTE 8 – LONG-TERM LEASES PAYABLE – RIGHT-TO-USE ASSETS**

The Academy entered into an agreement to lease copiers for 60 months, beginning January 29, 2020. The lease terminates December 2024. Under the terms of the lease, the Academy pays a monthly base fee of \$465.07. All lease payments are made by the general fund.

At June 30, 2022, the Academy has recognized right-to-use assets of \$27,158 and a lease liability of \$13,148 related to the right-to-use assets. During the fiscal year, the Academy recorded \$5,432 in amortization expense for the right-to-use assets. The amortization expense is allocated to secondary programs on the statement of activities. The Academy used an interest rate of 1.82% for the assets.

	Balance 6/30/2022	Increases	Decreases	Balance 6/30/2023
Governmental activities:				
Right-to-use assets:				
Copiers	\$ 27,158	\$ -	\$ -	\$ 27,158
Less accumulated amortization for:				
Copiers	13,579	5,432	-	19,011
Total right-to-use assets, net	\$ 13,579	\$ (5,432)	\$ -	\$ 8,147

Future payments on the lease agreements are as follows:

Year	Principal	Interest	Payments
2024	\$ 5,476	\$ 105	\$ 5,581
2025	2,294	15	2,309
	\$ 7,770	\$ 120	\$ 7,890

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 9 - DEFINED BENEFIT PENSION PLAN**

**Plan Description**

The Coeur d'Alene Charter Academy 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](http://www.persi.idaho.gov).

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

**Pension Benefits**

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

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. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2023, it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The Academy's contributions were \$371,307 for the year ended June 30, 2023.

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

At June 30, 2023, the Academy reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportion of the net pension liability was based on the Academy'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, 2023, the Academy's proportion was 0.07543657%.

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)**

For the year ended June 30, 2023, the Academy recognized pension expense of \$761,884. At June 30, 2023, the Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 326,730	\$ 13,262
Changes in assumptions or other inputs	484,405	-
Net difference between projected and actual earnings on pension plan investments	683,653	-
Changes in the Academy's proportion and differences between the Academy's contributions and the Academy's proportionate contributions	6,498	51,231
Academy's contributions subsequent to the measurement date	371,307	-
Total	\$ 1,872,593	\$ 64,493

\$371,307 reported as deferred outflows of resources related to pensions resulting from Academy's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2021 the beginning of the measurement period ended June 30, 2022 is 4.6 and 4.6 for the measurement period June 30, 2021.

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

Year ended June 30:	
2024	400,934
2025	198,110
2026	575,757
2027	913

**Actuarial Assumptions**

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

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)**

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases**	3.05%
Investment rate of return*	6.35%
Cost-of-living (COLA) adjustments	1.00%

\*net of pension plan investment expense

\*\*there is an individual additional component of assumed salary grown (on top of the 3.05%) that varies for each individual member based on the years of service.

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries, as well as for the Judicial members. 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%.

Economic assumptions were studied in an experience study performed for the period 2015 through 2020. Demographic assumptions, including mortality were studied for the period 2011 through 2017.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0.00%	0.00%
Large Cap	18.00%	4.50%
Small/Mid Cap	11.00%	4.70%
International Equity	15.00%	4.50%
Emerging Markets Equity	10.00%	4.90%
Domestic Fixed	20.00%	-0.25%
TIPS	10.00%	-0.30%
Real Estate	8.00%	3.75%
Private Equity	8.00%	6.00%

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2021.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension 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 Academy's proportionate share of the net pension liability to changes in the discount rate**

The following presents the Academy's proportionate share of the net pension liability calculated using the discount rate of 6.35%, as well as what the Academy's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Academy's proportionate share of the net pension liability (asset)			
Total Plan	\$ 5,243,990	\$ 2,971,264	\$ 1,111,097

**Pension plan fiduciary net position**

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

**Coeur d’Alene Charter Academy, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023**

**NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONCLUDED)**

**Pension plan fiduciary net position (continued)**

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

**Payables to the pension plan**

At June 30, 2023, Coeur d’Alene Charter Academy reported a payable to the defined benefit pension plan of \$44,828 for legally required employer contributions on the accrued July and August payroll for certified staff.

**NOTE 10 - FUND BALANCE ITEMS**

Non-spendable items – balances in permanent funds and inventories that are precluded from conversion to cash. There are no non-spendable items.

Restricted items – resources restricted to a specific purpose by enabling legislation, external parties or constitutional provisions. The restrictions are as follows:

Restricted for technology	\$ 71,408
Restricted for substance abuse	11,088
Restricted for student activities	179,501
Restricted for plant facilities	258,909
Total restricted fund balances	\$ 520,906

Committed items – balances with constraints imposed by the Board of Directors that can only be changed by Board action. There are no committed items.

Assigned items – amounts intended for a specific purpose by the Board of Directors and are appropriations of existing fund balances. There are no assigned items.

Unassigned items – amounts available for any purpose. These items represent the remaining balances in governmental funds after other reservations.

**NOTE 11 - RISK MANAGEMENT**

The Academy pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The Academy is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Academy contracts with an insurance company for property insurance (including boiler and machinery) and general liability insurance.

An outside insurance company protects professional liability with a \$3,000,000 liability per occurrence and a \$5,000,000 aggregate umbrella. Vehicles are also covered by the same insurance company with no deductible for comprehensive or collision. Automobile liability has a \$3,000,000 single limit of liability.

The Academy provides life, with accidental death and dismemberment insurance, as well as medical, dental and vision insurance to most employees through an insurance company.

*See accompanying independent auditors’ report*

REQUIRED SUPPLEMENTARY INFORMATION

**Coeur d'Alene Charter Academy, Inc.**  
**SCHEDULE OF ACADEMY'S SHARE OF NET PENSION LIABILITY**  
**PERSI - Base Plan**  
**Last 10 - Fiscal Years \***

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Academy's portion of the net pension liability (asset)	0.0754366%	0.0759288%	0.0797332%	0.0785743%	0.0804339%	0.0761426%	0.0806130%	0.0804288%	0.0813738%
Academy's proportionate share of the net pension liability (asset)	\$ 2,971,264	\$ (59,967)	\$ 1,851,510	\$ 896,904	\$ 1,186,414	\$ 1,196,831	\$ 1,634,149	\$ 1,059,116	\$ 599,039
Academy's covered-employee payroll	\$ 3,109,770	\$ 2,974,799	\$ 2,839,264	\$ 2,853,743	\$ 2,668,702	\$ 2,587,850	\$ 2,406,489	\$ 2,357,683	\$ 2,252,790
Academy's proportional share of the net pension liability (asset) as a percentage of its covered-employee payroll	95.55%	-2.02%	65.21%	31.43%	44.46%	46.25%	67.91%	44.92%	26.59%
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Coeur d'Alene Charter Academy will present information for those to use for which information is available.

Data reported is measured as of June 30, 2022 (measurement date)

**SCHEDULE OF ACADEMY'S CONTRIBUTIONS**  
**Last 10 - Fiscal Years \***

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Statutorily required contribution	\$ 349,322	\$ 299,789	\$ 312,826	\$ 300,657	\$ 312,358	\$ 256,762	\$ 239,632	\$ 263,084	\$ 264,499
Contributions in relation to the statutorily required contribution	\$ (359,392)	\$ (342,402)	\$ (343,362)	\$ (306,503)	\$ (296,913)	\$ (271,347)	\$ (269,275)	\$ (269,927)	\$ (253,061)
Contribution (deficiency) excess	\$ (10,071)	\$ (42,613)	\$ (30,536)	\$ (5,846)	\$ 15,445	\$ (14,585)	\$ (29,643)	\$ (6,843)	\$ 11,437
Academy's covered-employee payroll	\$ 3,109,770	\$ 2,974,799	\$ 2,839,264	\$ 2,853,743	\$ 2,668,702	\$ 2,587,850	\$ 2,406,489	\$ 2,357,683	\$ 2,252,790
Contributions as a percentage of covered-employee payroll	11.56%	11.51%	12.09%	10.74%	11.13%	10.49%	11.19%	11.45%	11.23%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Coeur d'Alene Charter Academy will present information for those to use for which information is available.

Data reported is measured as of June 30, 2022 (measurement date)



**Coeur d'Alene Charter Academy, Inc.**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>With Final Budget</b>
<b>REVENUES:</b>				
Interest income	\$ 5,500	\$ 5,500	\$ 19,216	\$ 13,716
Other local revenue	190,500	190,500	227,384	36,884
State assistance and reimbursements	4,960,810	5,014,376	4,761,234	(253,142)
Total revenues	<u>5,156,810</u>	<u>5,210,376</u>	<u>5,007,834</u>	<u>(202,542)</u>
<b>EXPENDITURES:</b>				
Instruction programs:				
Secondary programs	3,070,425	3,070,425	2,947,992	(122,433)
Exceptional Child Programs	55,179	55,179	47,068	(8,111)
Interscholastic & school activity programs	121,335	121,335	99,806	(21,529)
Total instruction programs	<u>3,246,939</u>	<u>3,246,939</u>	<u>3,094,866</u>	<u>(152,073)</u>
Support services programs:				
Attendance, guidance and health program	147,232	147,232	119,601	(27,631)
Special education support services program	15,000	15,000	-	(15,000)
Instructional improvement program	70,000	-	40,885	40,885
Instructional related technology program	-	-	-	-
School administration program	617,860	617,860	574,685	(43,175)
General administrative services	-	-	-	-
Business operations program	351,988	351,988	310,026	(41,962)
Custodial and maintenance program	402,706	402,706	392,152	(10,554)
Security and safety program	6,000	6,000	8,583	2,583
Transportation program	5,000	5,000	946	(4,054)
Total support services programs	<u>1,615,786</u>	<u>1,545,786</u>	<u>1,446,878</u>	<u>(98,908)</u>
Non-instruction enterprise operations	64,000	64,000	60,264	(3,736)
Capital asset program	20,000	20,000	38,806	18,806
Debt service program:				
Principal retirement	187,000	187,000	197,068	10,068
Interest	43,000	43,000	33,236	(9,764)
Total debt service program	<u>230,000</u>	<u>230,000</u>	<u>230,304</u>	<u>304</u>
Total expenditures	<u>5,176,725</u>	<u>5,106,725</u>	<u>4,871,118</u>	<u>(235,607)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(19,915)	103,651	136,716	33,065
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	12,233	25,290	12,205	(13,085)
Transfers out	(1,340,531)	(1,372,774)	(49,845)	1,322,929
Contingency reserve	(250,000)	(250,000)	-	250,000
Total other financing sources (uses)	<u>(1,578,298)</u>	<u>(1,597,484)</u>	<u>(37,640)</u>	<u>1,559,844</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(1,598,213)</u>	<u>(1,493,833)</u>	<u>99,076</u>	<u>1,592,909</u>
<b>FUND BALANCES, beginning</b>	<u>1,600,659</u>	<u>1,493,833</u>	<u>1,795,426</u>	<u>(301,593)</u>
<b>FUND BALANCES, ending</b>	<u>\$ 2,446</u>	<u>\$ -</u>	<u>\$ 1,894,502</u>	<u>\$ 1,291,316</u>

**Coeur d'Alene Charter Academy, Inc.**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2023**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for the general, special revenue, debt services, and capital project funds. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the general fund, special revenue funds, and debt service funds. This is in conformance with Idaho State Statutes which require that appropriations lapse at the end of a fiscal year and are not available to be carried forward to be used in addition to the succeeding year's appropriation.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- The Academy publishes a proposed budget for public review.
- Public hearings are set for comments.
- Prior to July 1, the budget is adopted by resolution of the Board of Directors and published.
- The final budget is then filed with the State Department of Education. Expenditures may not legally exceed budgeted appropriations at the fund level.

During the fiscal year ended June 30, 2023, the budget was amended to reflect revised revenue and expense estimates. The amendment was properly approved by the Board of Directors.

*Lapsing of Appropriations* – At the close of each year all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriation.

FINANCIAL SECTION  
OTHER SUPPLEMENTARY INFORMATION

**Coeur d'Alene Charter Academy, Inc.**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**June 30, 2023**

	<u>Technology Fund</u>	<u>Substance Abuse Fund</u>	<u>ESSER III (ARPA) Fund</u>	<u>ESSER II (CRRSA) Fund</u>	<u>IDEA Part B Fund</u>	<u>IDEA Mini Grants Part B Fund</u>	<u>COVID Fund</u>	<u>Associated Student Body Activity Fund</u>	<u>Total</u>
<b>ASSETS</b>									
Cash and cash equivalents	\$ 71,920	\$ 11,088	\$ 6,055	\$ -	\$ -	\$ -	\$ -	\$ 180,293	\$ 269,356
Receivables	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 71,920</u>	<u>\$ 11,088</u>	<u>\$ 6,055</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,293</u>	<u>\$ 269,356</u>
<b>LIABILITIES</b>									
Accounts payable	\$ 512	\$ -	\$ 6,055	\$ -	\$ -	\$ -	\$ -	\$ 792	\$ 7,359
Due to other funds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>512</u>	<u>-</u>	<u>6,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>792</u>	<u>7,359</u>
<b>FUND BALANCES</b>									
Restricted	71,408	11,088	-	-	-	-	-	179,501	261,997
Total fund balances	<u>71,408</u>	<u>11,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,501</u>	<u>261,997</u>
Total liabilities and fund balances	<u>\$ 71,920</u>	<u>\$ 11,088</u>	<u>\$ 6,055</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,293</u>	<u>\$ 269,356</u>

**Coeur d'Alene Charter Academy, Inc.**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR SPECIAL**  
**REVENUE FUNDS**  
**For the Year Ended June 30, 2023**

	Technology Fund	Substance Abuse Fund	ESSER III (ARPA) Fund	ESSER II (CRRSA) Fund	IDEA Part B Fund	IDEA Mini Grants Fund	COVID Fund	Associated Student Body Activity Fund	Total
<b>REVENUES</b>									
Other local revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 151,786	\$ 151,786
State assistance and reimbursements	75,854	8,973	-	-	-	-	-	-	84,827
Federal funds	-	-	240,352	64,850	16,559	199	58,879	-	380,839
Total revenues	<u>75,854</u>	<u>8,973</u>	<u>240,352</u>	<u>64,850</u>	<u>16,559</u>	<u>199</u>	<u>58,879</u>	<u>151,786</u>	<u>617,452</u>
<b>EXPENDITURES</b>									
Instruction programs:									
Secondary program	-	-	167,913	1,900	-	-	58,879	-	228,692
Special education programs	-	-	-	-	6,993	199	-	-	7,192
Interscholastic and school activity programs	-	-	-	-	-	-	-	142,957	142,957
Total instruction programs	<u>-</u>	<u>-</u>	<u>167,913</u>	<u>1,900</u>	<u>6,993</u>	<u>199</u>	<u>58,879</u>	<u>142,957</u>	<u>378,841</u>
Support services programs:									
Attendance, guidance and health programs	-	-	25,881	7,271	-	-	-	-	33,152
Special education support services program	-	-	-	-	9,566	-	-	-	9,566
Instructional related technology program	10,440	-	-	-	-	-	-	-	10,440
School administrative program	-	-	3,378	20,636	-	-	-	-	24,014
Business operations program	-	-	-	16,743	-	-	-	-	16,743
Custodial and maintenance program	-	-	-	16,743	-	-	-	-	16,743
Security and safety program	-	564	-	-	-	-	-	-	564
Total support services programs	<u>10,440</u>	<u>564</u>	<u>29,259</u>	<u>61,393</u>	<u>9,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,222</u>
Capital asset program	<u>35,325</u>	<u>23,807</u>	<u>32,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,664</u>
Total expenditures	<u>45,765</u>	<u>24,371</u>	<u>229,704</u>	<u>63,293</u>	<u>16,559</u>	<u>199</u>	<u>58,879</u>	<u>142,957</u>	<u>581,727</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	30,089	(15,398)	10,648	1,557	-	-	-	8,829	35,725
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(10,648)	(1,557)	-	-	-	-	(12,205)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(10,648)</u>	<u>(1,557)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,205)</u>
<b>NET CHANGE IN FUND BALANCES</b>	30,089	(15,398)	-	-	-	-	-	8,829	23,520
<b>FUND BALANCES, beginning</b>	41,319	26,486	-	-	-	-	-	170,672	238,477
<b>FUND BALANCES, ending</b>	<u>\$ 71,408</u>	<u>\$ 11,088</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,501</u>	<u>\$ 261,997</u>

**Coeur d'Alene Charter Academy, Inc.**  
**SCHEDULE OF CHANGES IN FUND BALANCES**  
**OF ASSOCIATED STUDENT BODY ACTIVITIES**  
**For the Year Ended June 30, 2023**

<b>Activity</b>	<b>Fund Balance June 30, 2022</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Transfers</b>	<b>Fund Balance June 30, 2023</b>
Academic team	\$ 2,270	\$ 252	\$ 75	\$ -	\$ 2,447
Ant'oqmi'wes	-	423	423	-	-
Archery Club	1,652	-	-	-	1,652
Art club	606	-	-	4,152	4,758
Associated student body	3,517	3,750	4,955	-	2,312
Band	24,853	34,871	35,650	-	24,074
Basketball	1,000	-	-	-	1,000
Bookstore	4,443	28	-	-	4,471
Boys soccer	5,977	4,805	4,616	-	6,166
Chess club	405	-	-	-	405
Choir	5,978	6,862	8,377	-	4,463
Drama	17,453	13,487	10,318	-	20,622
French/SFS	733	-	-	-	733
Girls soccer	9,540	17,625	15,530	-	11,635
International travel	4,152	-	-	(4,152)	-
Journalism/Yearbook	40,300	20,889	16,226	-	44,963
Latin	46	-	-	-	46
Math counts	-	1,148	1,148	-	-
Miscellaneous	19,271	-	-	(82)	19,189
Model UN	1,542	2,550	3,124	-	968
NHS	503	558	282	-	779
NJHS	926	-	654	-	272
Outdoor Club	890	-	-	(890)	-
Positivity club	-	837	456	-	381
Science club	582	-	67	-	515
Ski club	1,574	11,160	9,160	890	4,464
Spanish	816	-	-	-	816
Speech and debate	1,549	3,475	3,000	-	2,024
Staff sunshine	365	306	322	-	349
Tennis	783	5,915	6,780	82	-
Track	7,204	3,395	3,719	-	6,880
Trail creek	4,073	13,170	13,004	-	4,239
Volleyball	2,393	540	-	-	2,933
Washington DC trips	-	-	-	-	-
X-Country	2,382	835	363	-	2,854
Prom	2,511	2,867	3,178	-	2,200
Junior Class	166	-	-	-	166
Sophomore Class	12	-	-	-	12
Freshman Class	-	-	-	-	-
8th Grade	170	-	-	-	170
7th Grade	18	510	-	-	528
6th Grade	17	1,528	1,530	-	15
	<b>\$ 170,672</b>	<b>\$ 151,786</b>	<b>\$ 142,957</b>	<b>\$ -</b>	<b>\$ 179,501</b>

REPORT REQUIRED BY GAO

# ANDERSONBROS.CPA

TAX, ASSURANCE, ACCOUNTING, ADVISORY

Office (208) 777-1099 Fax (202) 773-5108  
1810 E. Schneidmiller Ave, Ste 310  
Post Falls, ID 83854

## 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 Directors  
Coeur d'Alene Charter Academy, Inc.  
Coeur d'Alene, ID 83814

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coeur d'Alene Charter Academy, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Coeur d'Alene Charter Academy, Inc.'s basic financial statements and have issued our report thereon dated October 30, 2023.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Coeur d'Alene Charter Academy, Inc.'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 Coeur d'Alene Charter Academy, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Coeur d'Alene Charter Academy, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coeur d'Alene Charter Academy, Inc.'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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Anderson Bros". The signature is written in a cursive, flowing style.

Anderson Bros. CPAs  
Post Falls, Idaho  
October 30, 2023