Notus School District No. 135

Year Ended June 30, 2024

Audited Financial Statements



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Quest CPAs PLLC

NOTUS SCHOOL DISTRICT NO. 135
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Quest CPAs PLLC

Quality Expertise Service Timeliness

Independent Auditor's Report

Board of Trustees
Notus School District No. 135

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Notus School District No. 135 (the School) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Qualified Opinion on the Governmental Activities

In our opinion, except for the effects of the matter described in the Matter Giving Rise to the Qualified Opinion on the Governmental Activities section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the School, as of June 30, 2024, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Unmodified Opinions on All Other Opinion Units Described Below

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the School as of June 30, 2024, 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 Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School 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.

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Matter Giving Rise to the Qualified Opinion on the Governmental Activities

Management has elected not to adopt the provisions of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accounting principles generally accepted in the United States of America require recognition and measurement of an asset or liability, deferred outflows of resources, deferred inflows of resources, and expenses related to the other postemployment benefits as well as note disclosures and required supplementary information. The amount by which the departure would affect net position, assets, liabilities, deferred outflows of resources, deferred inflows of resources, expenses, note disclosures, and required supplementary information has not been determined.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School'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 budgetary comparison schedules and schedule of employer's share of net pension asset and liability and schedule of employer contributions listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not 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, and 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.

Management has not included the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not 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, and historical context. Our opinion on the basic financial statements is not affected by not including this information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying combining and individual nonmajor fund financial statements 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 the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 8, 2024, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Quest CPAs PLLC

Meridian, Idaho
October 8, 2024

NOTUS SCHOOL DISTRICT NO. 135

Statement of Net Position

June 30, 2024

	Governmental Activities
Assets	
Current Assets	
Cash & Investments	$2,420,881
Receivables:	
Local Sources	232,744
State Sources	215,545
Federal Sources	355,889
Total Current Assets	3,225,059
Noncurrent Assets	
Nondepreciable Capital Assets	10,000
Depreciable Net Capital Assets	5,109,742
Total Noncurrent Assets	5,119,742
Total Assets	8,344,801
Deferred Outflows of Resources	
Pension Items	962,124
Total Deferred Outflows of Resources	962,124
Total Assets and Deferred Outflows of Resources	$9,306,925
Liabilities	
Current Liabilities	
Accounts Payable	$920
Salaries & Benefits Payable	724,761
Unspent Grant Allocation	227,298
Accrued Interest	30,212
Long-Term Liabilities, Current	244,573
Total Current Liabilities	1,227,764
Noncurrent Liabilities	
Long-Term Liabilities, Noncurrent	5,122,798
Total Noncurrent Liabilities	5,122,798
Total Liabilities	6,350,562
Deferred Inflows of Resources	
Pension Items	0
Total Deferred Inflows of Resources	0
Total Liabilities and Deferred Inflows of Resources	6,350,562
Net Position	
Net Investment in Capital Assets	1,649,647
Restricted:	
Special Programs	389,351
Debt Service	400,101
Capital Projects	507,685
Unrestricted	9,579
Total Net Position	2,956,363
Total Liabilities and Deferred Inflows of Resources and Net Position	$9,306,925

NOTUS SCHOOL DISTRICT NO. 135

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants And Contributions	Program Revenues: Capital Grants And Contributions	Net (Expense) Revenue And Changes in Net Position: Governmental Activities
Governmental Activities					
Instructional Programs					
Elementary School	$828,526		$272,802		($555,724)
Secondary School	1,239,356	$4,725	368,415		(866,216)
Special Education	278,351				(278,351)
Special Education Preschool	43,298		69,347		26,049
Interscholastic	189		6,113		5,924
School Activity	87,364				(87,364)
Summer School	0				0
Support Service Programs					
Attendance - Guidance - Health	95,051				(95,051)
Instruction Improvement	197,298		213,966		16,668
Books and Periodicals	47,020		47,020		0
Board of Education	23,540				(23,540)
District Administration	367,737				(367,737)
School Administration	206,277				(206,277)
Business Operation	88,091				(88,091)
Buildings - Care	201,783				(201,783)
Maintenance - Student Occupied	278,203				(278,203)
Security	96,488		96,488		0
Pupil-To-School Transportation	246,811				(246,811)
Pupil-Activity Transportation	20,891				(20,891)
Non-Instructional Programs					
Child Nutrition	247,839	40,023	160,197		(47,619)
Community Services	0				0
Student Activity	142,775	132,359			(10,416)
Capital Assets - Student Occupied	227,455				(227,455)
Capital Assets - Non-Student Occupied	1,305				(1,305)
Debt Service - Principal	0				0
Debt Service - Interest	95,868				(95,868)
Total	$5,061,516	$177,107	$1,234,348	$0	(3,650,061)
General Revenues					
Local Taxes					807,819
Other Local Revenues					176,478
State Revenues					3,657,512
Federal Revenues					0
Pension Revenue (Expense)					(476,922)
Total					4,164,887
Change in Net Position					514,826
Net Position - Beginning					2,441,537
Net Position - Ending					$2,956,363

NOTUS SCHOOL DISTRICT NO. 135

Balance Sheet - Governmental Funds

June 30, 2024

	General Fund	Child Nutrition Fund	Bond R & I Fund	Plant Facilities Fund
Assets				
Cash & Investments	$1,215,253	$45,899	$369,100	$345,031
Receivables:				
Local Sources	87,201	829	40,939	103,775
State Sources	157,529			
Federal Sources		1,567		
Due From Other Funds	128,713			
Total Assets	$1,588,696	$48,295	$410,039	$448,806
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable	$646,431	$32,533		
Unspent Grant Allocation				
Total Liabilities	646,431	32,533	$0	$0
Deferred Inflows of Resources				
Unavailable Tax Revenues	17,861		9,938	22,740
Total Deferred Inflows of Resources	17,861	0	9,938	22,740
Fund Balances				
Restricted:				
Special Programs		15,762		
Debt Service			400,101	
Capital Projects				426,066
Unassigned	924,404			
Total Fund Balances	924,404	15,762	400,101	426,066
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$1,588,696	$48,295	$410,039	$448,806

NOTUS SCHOOL DISTRICT NO. 135
Balance Sheet - Governmental Funds
June 30, 2024

	Nonmajor Governmental Funds	Total Governmental Funds
Assets		
Cash & Investments	$445,598	$2,420,881
Receivables:		
Local Sources	0	232,744
State Sources	58,016	215,545
Federal Sources	354,322	355,889
Due From Other Funds	0	128,713
Total Assets	$857,936	$3,353,772
Liabilities		
Accounts Payable	$920	$920
Due To Other Funds	128,713	128,713
Salaries & Benefits Payable	45,797	724,761
Unspent Grant Allocation	227,298	227,298
Total Liabilities	402,728	1,081,692
Deferred Inflows of Resources		
Unavailable Tax Revenues	0	50,539
Total Deferred Inflows of Resources	0	50,539
Fund Balances		
Restricted:		
Special Programs	373,589	389,351
Debt Service	0	400,101
Capital Projects	81,619	507,685
Unassigned	0	924,404
Total Fund Balances	455,208	2,221,541
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$857,936	$3,353,772

NOTUS SCHOOL DISTRICT NO. 135
Balance Sheet - Governmental Funds
June 30, 2024

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

Total Governmental Fund Balances	$2,221,541
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,119,742
Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	50,539
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(5,397,583)
Pension deferred outflows/inflows are not due and payable in the current period and therefore are not reported in the funds.	962,124
Net Position of Governmental Activities	$2,956,363

NOTUS SCHOOL DISTRICT NO. 135

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2024

	General Fund	Child Nutrition Fund	Bond R & I Fund	Plant Facilities Fund
Revenues				
Local Taxes	$259,972		$128,347	$404,704
Other Local Revenue	160,851	$41,598	1,471	6,144
State Revenue	3,409,456		202,441	45,615
Federal Revenue		160,197		
Total Revenues	3,830,279	201,795	332,259	456,463
Expenditures				
Instructional Programs				
Elementary School	650,014			
Secondary School	1,182,139			
Special Education	278,351			
Special Education Preschool				
Interscholastic				
School Activity	87,364			
Summer School				
Support Service Programs				
Attendance - Guidance - Health	95,051			
Instruction Improvement				
Books and Periodicals				
Board of Education	23,540			
District Administration	367,737			
School Administration	206,277			
Business Operation	88,091			
Buildings - Care	201,783			
Maintenance - Student Occupied				278,203
Security				
Pupil-To-School Transportation	246,811			
Pupil-Activity Transportation	20,891			
Non-Instructional Programs				
Child Nutrition	6,202	241,637		
Community Services				
Student Activity				
Capital Assets - Student Occupied				32,983
Capital Assets - Non-Student Occupied				1,305
Debt Service - Principal			225,000	
Debt Service - Interest			107,410	
Total Expenditures	3,454,251	241,637	332,410	312,491
Excess (Deficiency) of Revenues Over Expenditures	376,028	(39,842)	(151)	143,972
Other Financing Sources (Uses)				
Transfers In				
Transfers Out	(8,644)			
Total Other Financing Sources (Uses)	(8,644)	0	0	0
Net Change in Fund Balances	367,384	(39,842)	(151)	143,972
Fund Balances - Beginning	557,020	55,604	400,252	282,094
Fund Balances - Ending	$924,404	$15,762	$400,101	$426,066

NOTUS SCHOOL DISTRICT NO. 135

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2024

	Nonmajor Governmental Funds	Total Governmental Funds
Revenues		
Local Taxes	$0	$793,023
Other Local Revenue	275,368	485,432
State Revenue	442,145	4,099,657
Federal Revenue	500,159	660,356
Total Revenues	1,217,672	6,038,468
Expenditures		
Instructional Programs		
Elementary School	275,733	925,747
Secondary School	367,400	1,549,539
Special Education	0	278,351
Special Education Preschool	43,298	43,298
Interscholastic	189	189
School Activity	0	87,364
Summer School	0	0
Support Service Programs		
Attendance - Guidance - Health	0	95,051
Instruction Improvement	197,298	197,298
Books and Periodicals	47,020	47,020
Board of Education	0	23,540
District Administration	0	367,737
School Administration	0	206,277
Business Operation	0	88,091
Buildings - Care	0	201,783
Maintenance - Student Occupied	0	278,203
Security	96,488	96,488
Pupil-To-School Transportation	0	246,811
Pupil-Activity Transportation	0	20,891
Non-Instructional Programs		
Child Nutrition	0	247,839
Community Services	0	0
Student Activity	142,775	142,775
Capital Assets - Student Occupied	0	32,983
Capital Assets - Non-Student Occupied	0	1,305
Debt Service - Principal	0	225,000
Debt Service - Interest	0	107,410
Total Expenditures	1,170,201	5,510,990
Excess (Deficiency) of Revenues Over Expenditures	47,471	527,478
Other Financing Sources (Uses)		
Transfers In	8,644	8,644
Transfers Out	0	(8,644)
Total Other Financing Sources (Uses)	8,644	0
Net Change in Fund Balances	56,115	527,478
Fund Balances - Beginning	399,093	1,694,063
Fund Balances - Ending	$455,208	$2,221,541

NOTUS SCHOOL DISTRICT NO. 135
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2024

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities

Net Change in Fund Balances - Total Governmental Funds	$527,478
Amounts reported for governmental activities in the statement of activities are different because:	
Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense or allocated over the appropriate term as amortization expense. This is the excess of capital outlays over (under) depreciation/amortization expense in the current period.	(47,021)
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds.	14,796
Repayment of long-term liability principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	234,573
In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds.	1,969
Changes in net pension asset/liability and related pension deferred outflows/inflows do not provide or require current financial resources and therefore are not reflected in the funds.	(216,969)
Change in Net Position of Governmental Activities	$514,826

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Notus School District No. 135 (the School) provides public school educational services as authorized by Section 33 of Idaho Code. The School's boundaries for taxing and school enrollment purposes are located within Canyon County.

These financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to school districts. The governmental accounting standards board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the School are discussed below.

Basic Financial Statements - Government-Wide Statements – The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. Currently, all the School's activities are categorized as governmental activities.

In the government-wide statement of net position, the activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The functions are also supported by general government revenues as reported in the statement of activities. The statement of activities reduces gross expenses (including depreciation when recorded) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function. Internal activity between funds (when two or more funds are involved) is eliminated in the government-wide statement of activities. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function) are normally covered by general revenues.

The School reports expenditures in accordance with the State Department of Education's "Idaho Financial Accounting Reporting Management System" (IFARMS). IFARMS categorizes all expenditures by function, program and object. Accordingly, there is no allocation of indirect costs.

The government-wide focus is more on the sustainability of the School as an entity and the change in the School's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

Basic Financial Statements - Fund Financial Statements – The financial transactions of the School are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the funds) for the determination of major funds.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Major governmental funds of the School include:

General Fund – The general fund is the School's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Major special revenue funds include the child nutrition fund, which serves to account for providing nutritional meals to students (including subsidized meals).

Debt Service Funds – Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on long term debt. Major debt service funds include the bond redemption and interest fund, which accounts for accumulation of funds for the periodic payment of principal and interest on long term debt.

Capital Projects Funds – Capital projects funds are used to account for the acquisition of capital assets. Major capital project funds include the plant facilities fund, used to account for the maintenance of facilities and other capital assets.

Basis of Accounting – Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Activities in the government-wide and fiduciary fund financial statements are presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within thirty days after year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which, if any, are recognized when due and payable.

Cash and Investments – Nearly all the cash and investment balances of the School's funds are pooled for investment purposes. The individual funds' portions of the pooled cash and investments are reported in each fund as cash and investments. Interest earned on pooled cash and investments is paid to the general fund unless Idaho Code specifies otherwise. Investments include the local government investment pool, reported and measured at amortized cost following the provisions of GASB 79 which provide for consistent measurement of investment value amongst pool participants.

Receivables – Receivables are reported net of any estimated uncollectible amounts.

Inventories – Material supplies on hand at year end are stated at the lower of cost or net realizable value using the first-in, first-out method.

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition

value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight line method.

Leases/SBITAs and Amortization – Material long-term leases and subscription-based information technology arrangements (SBITAs) are reported in accordance with the provisions of GASB 87 *Leases* and GASB 96 *SBITAs*. When incurred, amortization over the appropriate lease or SBITA term is recorded using the straight-line method.

Compensated Absences – The School provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is deemed to be immaterial and, accordingly, no liability is recorded. Compensated absences will be paid by the fund in which the employee works.

Other Post-Employment Benefits – The School does not provide benefits to retired employees other than retirement benefits funded through the Public Employees Retirement System of Idaho. However, certain retired employees can remain on the School insurance policy after retirement if the retired employee pays the average monthly cost. The difference between the age-adjusted monthly cost and the average monthly cost is referred to as an "implicit subsidy" since the medical insurance rate of a retired employee is generally higher than the medical insurance rate of a younger employee. GASB 75 requires that employers have actuarial calculations performed for these other post-employment benefits so that an asset or liability, deferred outflows of resources, deferred inflows of resources, and expenses can be recorded in the government-wide financial statements and related notes and required supplementary information can be prepared. Management believes the costs of implementing GASB 75 cannot be justified at this time. Accordingly, the School accounts for the other-post employment benefits for retirees on the pay-as-you-go basis. Other post-employment benefits will be paid by the fund in which the employee works.

Pensions – For purposes of measuring the net pension asset/liability and pension revenue/expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from the 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. Pension obligations will be paid by the fund in which the employee works.

Deferred Outflows/Inflows of Resources – The School's financial statements may report deferred outflows/inflows of resources. Deferred outflows of resources represent a consumption of net assets that apply to a future period. Deferred inflows of resources represent an acquisition of net assets that apply to a future period. Deferred outflows/inflows of resources generally represent amounts that are not available in the current period.

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

Fund Balance Classifications – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity's governing body. Assigned portions represent amounts that are constrained by the government's intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the School first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the School first utilizes committed resources then assigned resources before using unassigned resources.

Property Taxes – The School is responsible for levying property taxes, but the taxes are collected by the respective county. Taxes are levied by the second Monday in September for each calendar year. Taxes are due in two installments – December 20th and June 20th. A lien is filed on real property three years from the date of delinquency.

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

Interfund Activity – Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

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

Custodial Credit Risk – The School maintains its cash at insured financial institutions. Periodically, balances may exceed federally insured limits. The School does not have a formal policy concerning custodial credit risk.

Risk Management – The School is exposed to various risks related to its operations. Insurance is utilized to the extent practical to minimize these risks.

Nonmonetary Transactions – Items received via food commodities programs are recognized at their stated fair market value.

Subsequent Events – Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

Cash - Deposits	$32,650
Investments - Local Gov't Investment Pool	2,388,231
Total	$2,420,881

Deposits – At year end, the carrying amounts of the School's deposits were $32,650 and the bank balances were $256,961. Of the bank balances, $250,000 was insured, and the remainder was uninsured and uncollateralized.

Considerations for interest rate risk and credit rate risk relating to investments are shown below.

Interest rate risk:

	Investment Maturity Schedule (In Years)	
Investment Type	Less Than 1	Total
Local Gov't Invest Pool	$2,388,231	$2,388,231
Total	$2,388,231	$2,388,231

Credit rate risk:

	Investment Rating Schedule	
Investment Type	Not Rated	Total
Local Gov't Invest Pool	$2,388,231	$2,388,231
Total	$2,388,231	$2,388,231

Investments – State statutes authorize government entities to invest in certain bonds, notes, accounts, investment pools, and other obligations of the state, U.S. Government, and U.S. corporations pursuant to Idaho Code 67-1210 and 67-1210A. These statutes are designed to help minimize the custodial risk that deposits may not be returned in the event of the failure of the issuer or other counterparty, interest rate risk resulting from fair value losses arising from rising interest rates, or credit risks that an issuer or other counterparty will not fulfill its obligations. The School's investment policy complies with state statutes.

The local government investment pool is managed by the state treasurer's office and is invested in accordance with state statutes and regulations. The local government investment pool is not registered with the SEC and is a short-term investment pool. The state treasurer’s office investment policy for the local government investment pool includes the following three primary objectives in order of priority: safety, liquidity, and yield. Participants have overnight availability to their funds, up to $10 million. Withdrawals of $10 million or more require three business days’ notification. More information on the local governmental investment pool including regulatory information, ratings, and risk information can be found at www.sto.idaho.gov.

C. RECEIVABLES

Receivables consist of the following at year end:

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Local Sources					
Local Taxes	$87,201		$40,939	$103,775	$231,915
Other Local Sources		$829			829
Total	$87,201	$829	$40,939	$103,775	$232,744
State Sources					
Foundation Program	$152,672				$152,672
Special Programs	4,857	$58,016			62,873
Total	$157,529	$58,016			$215,545
Federal Sources					
Special Programs		$355,889			$355,889
Total		$355,889			$355,889

D. CAPITAL ASSETS

A summary of capital assets for the year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	$10,000			$10,000
Total	10,000	$0	$0	10,000
Depreciable Capital Assets				
Buildings	7,763,484			7,763,484
Equipment	647,722	147,451		795,173
Transportation	673,785			673,785
Subtotal	9,084,991	147,451	0	9,232,442
Accumulated Depreciation				
Buildings	2,762,586	155,270		2,917,856
Equipment	575,304	22,792		598,096
Transportation	590,338	16,410		606,748
Subtotal	3,928,228	194,472	0	4,122,700
Total	5,156,763	(47,021)	0	5,109,742
Net Capital Assets	$5,166,763	($47,021)	$0	$5,119,742

Depreciation expense of $194,472 was charged to the capital assets – student occupied program.

E. LONG-TERM LIABILITIES

Bonded Debt – At year end, the School's bonded debt was as follows:

	Outstanding
2015 - $4,705,000 - general obligation bonds for capital improvements due in annual principal installments and semiannual interest payments with interest at 2.00% - 3.30% through 2035/36, secured by future taxes, paid through the bond redemption and interest fund	$3,325,000
Total	$3,325,000

Maturities on the bonds are estimated as follows:

Year Ended	Principal	Interest
6/30/25	$235,000	$100,060
6/30/26	240,000	92,935
6/30/27	250,000	85,585
6/30/28	255,000	78,010
6/30/29	265,000	70,210
6/30/30-34	1,440,000	222,502
6/30/35-36	640,000	21,206
Total	$3,325,000	$670,508

Changes in long-term liabilities are as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
2015 G.O. Bonds	$3,550,000		$225,000	$3,325,000	$235,000
Bond Premium	124,456		9,573	114,883	9,573
Net Pension Liability	1,981,729		54,241	1,927,488	-
Total	$5,656,185	$0	$288,814	$5,367,371	$244,573

Interest and related costs during the year amounted to $95,868 and was charged to the debt service – interest program.

F. PENSION PLAN

Plan description

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

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

Pension benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or

appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

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 74% for police and firefighters. As of June 30, 2023 it was 7.16% for general employees and 9.13% 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 School's contributions were $259,953 for the year ended June 30, 2024.

Pension asset/liabilities, pension revenue (expense), and deferred outflows/inflows of resources related to pensions

At June 30, 2024, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School'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 School's proportion was 0.04829986%.

For the year ended June 30, 2024, the School recognized pension revenue (expense) of ($259,953). At June 30, 2024, the School 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	$330,386	
Changes in assumptions or other inputs	190,862	
Net difference between projected and actual earnings on pension plan investments	180,923	
Employer contributions subsequent to the measurement date	259,953	
Total	$962,124	$0

$259,953 reported as deferred outflows of resources related to pensions resulting from School contributions made subsequent to the measurement date will be recognized as an adjustment to the pension revenue (expense) in the year ending June 30, 2025.

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, 2023 the beginning of the measurement period ended June 30, 2022 is 4.6 and 4.4 for the measurement period June 30, 2023.

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

Year Ended	
6/30/25	($249,707)
6/30/26	(117,344)
6/30/27	(365,040)
6/30/28	29,921
Total	($702,170)

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.

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return, net of investment expenses	6.35%
Cost-of-living adjustments	1.00%

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%
	5% of Fire & Police active member deaths are assumed to be duty related. This assumption was adopted July 1, 2021.

Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions other than mortality. The total pension liability as of June 30, 2023 is based on the results of an actuarial valuation date of July 1, 2023.

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.

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 2023.

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

Discount rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for administrative expense.

Sensitivity of the School's proportionate share of the net pension liability to changes in the discount rate.

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
School's proportionate share of the net pension liability	$3,466,667	$1,927,488	$669,498

Pension plan fiduciary net position

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

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

Impact on the School's net position

Depending on the annual performance of the Base Plan and the various non-financial factors that affect the collective Base Plan net pension liability (as described above), the School may periodically experience a deficit in its net position. This can occur as a result of recording the School's allocable portion of the net pension liability which is an estimated liability that changes substantially from year to year depending on the factors described above but does not currently require cash outflows. As the net pension liability of the Base Plan is closely monitored by PERSI's board (who makes changes to the contribution rates and other terms of the Base Plan when deemed necessary), such deficits are not deemed to be of substantial concern.

G. INTERFUND BALANCES

Interfund balances at year end consist of the following:

	Due From Fund	
	Nonmajor Governmental	**Total**
Due To Fund		
General	$128,713	$128,713
Total	$128,713	$128,713

These interfund balances resulted from the time lag between when expenditures are incurred in a fund and when the fund is reimbursed for such expenditures.

Interfund transfers during the year consist of the following:

Fund	Transfer In	Transfer Out	Purpose
General		$8,644	Depreciation
Nonmajor Governmental	$8,644		Depreciation
Total	$8,644	$8,644	

H. CANYON OWYHEE SCHOOL SERVICE AGENCY

The School is involved in a cooperative effort with the Homedale, Marsing, Parma, and Wilder School Districts to provide special and vocational education to the School's students through the Canyon Owyhee School Service Agency (COSSA). During the year, the School paid COSSA $378,997 for instruction of School students served by COSSA.

I. TAX ABATEMENTS

Idaho counties are authorized by state statute to transact certain property tax activity with property owners in their respective taxing districts. The counties collect the property taxes, then allocate and remit those collections among the taxing districts within the counties. The counties are authorized to cancel or reduce property taxes due to various reasons, including the circuit breaker program, agricultural and other exemptions, and section 63-602NN exemptions under Idaho code for real property improvements.

NOTUS SCHOOL DISTRICT NO. 135

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2024

General Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Local Taxes	$332,815	$244,325	$259,972	$15,647	
Other Local Revenue	20,000	115,784	160,851	45,067	
State Revenue	3,049,342	3,270,605	3,409,456	138,851	
Federal Revenue	0	0	0	0	
Total Revenues	3,402,157	3,630,714	3,830,279	199,565	
Expenditures					
Instructional Programs					
Elementary School	701,286	635,876	650,014	(14,138)	
Secondary School	1,232,168	1,167,415	1,182,139	(14,724)	
Special Education	313,380	278,351	278,351	0	
Special Education Preschool	0	0	0	0	
Interscholastic	0	0	0	0	
School Activity	100,742	83,855	87,364	(3,509)	
Summer School	0	0	0	0	
Support Service Programs					
Attendance - Guidance - Health	98,449	101,419	95,051	6,368	
Instruction Improvement	0	0	0	0	
Books and Periodicals	0	0	0	0	
Board of Education	28,042	22,412	23,540	(1,128)	
District Administration	366,532	361,307	367,737	(6,430)	
School Administration	213,363	202,803	206,277	(3,474)	
Business Operation	85,724	83,994	88,091	(4,097)	
Buildings - Care	203,250	185,837	201,783	(15,946)	
Maintenance - Student Occupied	0	0	0	0	
Security	0	0	0	0	
Pupil-To-School Transportation	274,433	253,707	246,811	6,896	
Pupil-Activity Transportation	0	16,700	20,891	(4,191)	
Non-Instructional Programs					
Child Nutrition	6,368	6,474	6,202	272	
Community Services	0	0	0	0	
Student Activity	0	0	0	0	
Capital Assets - Student Occupied	151,215	0	0	0	
Capital Assets - Non-Student Occupied	0	0	0	0	
Debt Service - Principal	0	0	0	0	
Debt Service - Interest	0	0	0	0	
Total Expenditures	3,774,952	3,400,150	3,454,251	(54,101)	*
Excess (Deficiency) of Revenues Over Expenditures	(372,795)	230,564	376,028	145,464	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	(8,644)	(8,644)	*
Total Other Financing Sources (Uses)	0	0	(8,644)	(8,644)	
Net Change in Fund Balances	(372,795)	230,564	367,384	136,820	
Fund Balances - Beginning	372,795	557,020	557,020	0	
Fund Balances - Ending	$0	$787,584	$924,404	$136,820	

**Total expenditures (over) under appropriations are:* ($62,745)

NOTUS SCHOOL DISTRICT NO. 135

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2024

Child Nutrition Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Other Local Revenue	$35,500	$36,575	$41,598	$5,023	
Federal Revenue	168,000	146,220	160,197	13,977	
Total Revenues	203,500	182,795	201,795	19,000	
Expenditures					
Non-Instructional Programs					
Child Nutrition	251,500	209,682	241,637	(31,955)	
Total Expenditures	251,500	209,682	241,637	(31,955)	*
Excess (Deficiency) of Revenues Over Expenditures	(48,000)	(26,887)	(39,842)	(12,955)	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(48,000)	(26,887)	(39,842)	(12,955)	
Fund Balances - Beginning	48,000	55,604	55,604	0	
Fund Balances - Ending	$0	$28,717	$15,762	($12,955)	

**Total expenditures (over) under appropriations are:* ($31,955)

NOTUS SCHOOL DISTRICT NO. 135

Schedule of Employer's Share of Net Pension Asset and Liability
and Schedule of Employer Contributions
PERSI - Base Plan

Schedule of Employer's Share of Net Pension Asset and Liability*

Fiscal Year Ended June 30	Employer's Portion of the Net Pension (Asset) Liability	Employer's Proportionate Share of the Net Pension (Asset) Liability	Covered Payroll	Employer's Proportional Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset) Liability
2015	0.05732900%	$422,031	$1,553,118	27.17%	94.95%
2016	0.05693630%	$749,758	$1,559,664	48.07%	91.38%
2017	0.05948700%	$1,205,893	$1,705,936	70.69%	87.26%
2018	0.06319350%	$993,293	$1,942,853	51.13%	90.68%
2019	0.06241010%	$920,560	$1,962,633	46.90%	91.69%
2020	0.06078340%	$693,826	$2,064,443	33.61%	93.79%
2021	0.06168080%	$1,432,310	$2,170,494	65.99%	88.22%
2022	0.05955457%	($47,035)	$2,222,119	-2.12%	100.36%
2023	0.05031356%	$1,981,729	$2,120,821	93.44%	83.09%
2024	0.04829986%	$1,927,488	$2,053,668	93.86%	83.83%

*As of the measurement date of the net pension (asset) liability.

Schedule of Employer Contributions

Fiscal Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$176,554	$176,554	$0	$1,559,664	11.32%
2016	$193,112	$193,112	$0	$1,705,936	11.32%
2017	$219,931	$219,931	$0	$1,942,853	11.32%
2018	$222,170	$222,170	$0	$1,962,633	11.32%
2019	$233,695	$233,695	$0	$2,064,443	11.32%
2020	$259,157	$259,157	$0	$2,170,494	11.94%
2021	$265,321	$265,321	$0	$2,222,119	11.94%
2022	$253,226	$253,226	$0	$2,120,821	11.94%
2023	$245,208	$245,208	$0	$2,053,668	11.94%
2024	$259,953	$259,953	$0	$2,048,487	12.69%

Schedules above intended to show information for 10 years. Information for additional years will be presented as it becomes available.

NOTUS SCHOOL DISTRICT NO. 135

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds			
	PBIS Grant	**Preschool Grant**	**Albertsons**	**Community Schools Grant**
Assets				
Cash & Investments	$210	$53,890	$35,903	$23,174
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Due From Other Funds				
Total Assets	$210	$53,890	$35,903	$23,174
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable		$3,130		$4,967
Unspent Grant Allocation				
Total Liabilities	$0	3,130	$0	4,967
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	210	50,760	35,903	18,207
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	210	50,760	35,903	18,207
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$210	$53,890	$35,903	$23,174

NOTUS SCHOOL DISTRICT NO. 135

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds			
	Local Special Projects	Rural Arts Grant	Out Of School STEM	Student Activity
Assets				
Cash & Investments	$87,884		$195	$106,033
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Due From Other Funds				
Total Assets	$87,884	$0	$195	$106,033
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	$0	$0	$0	$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	87,884		195	106,033
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	87,884	0	195	106,033
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$87,884	$0	$195	$106,033

NOTUS SCHOOL DISTRICT NO. 135

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds			
	Driver Education	**Professional Technical**	**Securing Our Future**	**Technology**
Assets				
Cash & Investments	$1,747			$33,297
Receivables:				
Local Sources				
State Sources	3,275	$54,741		
Federal Sources				
Due From Other Funds				
Total Assets	$5,022	$54,741	$0	$33,297
Liabilities				
Accounts Payable	$64	$856		
Due To Other Funds		26,866		
Salaries & Benefits Payable	2,288	7,400		
Unspent Grant Allocation				
Total Liabilities	2,352	35,122	$0	$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	2,670	19,619		33,297
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	2,670	19,619	0	33,297
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$5,022	$54,741	$0	$33,297

NOTUS SCHOOL DISTRICT NO. 135

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds			
	Substance Abuse	**ESSER III**	**Title I-A ESSA IBP**	**Title I-C ESSA EMC**
Assets				
Cash & Investments	$18,811			
Receivables:				
Local Sources				
State Sources				
Federal Sources		$66,976	$37,276	$1,088
Due From Other Funds				
Total Assets	$18,811	$66,976	$37,276	$1,088
Liabilities				
Accounts Payable				
Due To Other Funds		$15,475	$7,879	$1,088
Salaries & Benefits Payable		6,959	7,850	
Unspent Grant Allocation		44,542	21,547	
Total Liabilities	$0	66,976	37,276	1,088
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	18,811			
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	18,811	0	0	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$18,811	$66,976	$37,276	$1,088

NOTUS SCHOOL DISTRICT NO. 135

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds			
	Title IV-A ESSA SS&AE	**Title V-B ESSA REI**	**Title II-A ESSA SEI**	**Gear Up**
Assets				
Cash & Investments	$2,835			
Receivables:				
Local Sources				
State Sources				
Federal Sources	12,382	$687	$15,556	$20,735
Due From Other Funds				
Total Assets	$15,217	$687	$15,556	$20,735
Liabilities				
Accounts Payable				
Due To Other Funds		$687	$8,715	
Salaries & Benefits Payable	$4,553			
Unspent Grant Allocation	10,664		6,841	$20,735
Total Liabilities	15,217	687	15,556	20,735
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	0	0	0	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$15,217	$687	$15,556	$20,735

NOTUS SCHOOL DISTRICT NO. 135

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds			Capital Projects
	Stronger Connections Grant	Title IV-B ESSA 21st CCLC	Title IX-A EH	Bus Depreciation
Assets				
Cash & Investments				$81,619
Receivables:				
Local Sources				
State Sources				
Federal Sources	$96,671	$89,810	$13,141	
Due From Other Funds				
Total Assets	$96,671	$89,810	$13,141	$81,619
Liabilities				
Accounts Payable				
Due To Other Funds	$3,159	$57,366	$7,478	
Salaries & Benefits Payable		$8,650		
Unspent Grant Allocation	93,512	23,794	5,663	
Total Liabilities	96,671	89,810	13,141	$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				81,619
Unassigned				
Total Fund Balances	0	0	0	81,619
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$96,671	$89,810	$13,141	$81,619

NOTUS SCHOOL DISTRICT NO. 135

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Total
Assets	
Cash & Investments	$445,598
Receivables:	
Local Sources	0
State Sources	58,016
Federal Sources	354,322
Due From Other Funds	0
Total Assets	$857,936
Liabilities	
Accounts Payable	$920
Due To Other Funds	128,713
Salaries & Benefits Payable	45,797
Unspent Grant Allocation	227,298
Total Liabilities	402,728
Deferred Inflows of Resources	
Unavailable Tax Revenues	0
Total Deferred Inflows of Resources	0
Fund Balances	
Restricted:	
Special Programs	373,589
Debt Service	0
Capital Projects	81,619
Unassigned	0
Total Fund Balances	455,208
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$857,936

NOTUS SCHOOL DISTRICT NO. 135

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	PBIS Grant	**Preschool Grant**	**Albertsons**	**Community Schools Grant**
Revenues				
Local Taxes				
Other Local Revenue	$34,000	$69,347		$7,500
State Revenue				
Federal Revenue				
Total Revenues	34,000	69,347	$0	7,500
Expenditures				
Instructional Programs				
Elementary School				30,000
Secondary School			2,000	
Special Education				
Special Education Preschool		43,298		
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Instruction Improvement	41,535			
Books and Periodicals				
Board of Education				
District Administration				
School Administration				
Business Operation				
Buildings - Care				
Maintenance - Student Occupied				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	41,535	43,298	2,000	30,000
Excess (Deficiency) of Revenues Over Expenditures	(7,535)	26,049	(2,000)	(22,500)
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(7,535)	26,049	(2,000)	(22,500)
Fund Balances - Beginning	7,745	24,711	37,903	40,707
Fund Balances - Ending	$210	$50,760	$35,903	$18,207

NOTUS SCHOOL DISTRICT NO. 135

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	Local Special Projects	Rural Arts Grant	Out Of School STEM	Student Activity
Revenues				
Local Taxes				
Other Local Revenue	$21,000		$4,499	$132,359
State Revenue				
Federal Revenue				
Total Revenues	21,000	$0	4,499	132,359
Expenditures				
Instructional Programs				
Elementary School	1,431			
Secondary School		8,704		
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Instruction Improvement			7,156	
Books and Periodicals				
Board of Education				
District Administration				
School Administration				
Business Operation				
Buildings - Care				
Maintenance - Student Occupied				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				142,775
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	1,431	8,704	7,156	142,775
Excess (Deficiency) of Revenues Over Expenditures	19,569	(8,704)	(2,657)	(10,416)
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	19,569	(8,704)	(2,657)	(10,416)
Fund Balances - Beginning	68,315	8,704	2,852	116,449
Fund Balances - Ending	$87,884	$0	$195	$106,033

NOTUS SCHOOL DISTRICT NO. 135

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	Driver Education	**Professional Technical**	**Securing Our Future**	**Technology**
Revenues				
Local Taxes				
Other Local Revenue	$4,725			$1,938
State Revenue	3,150	$321,603	$40,000	71,279
Federal Revenue				
Total Revenues	7,875	321,603	40,000	73,217
Expenditures				
Instructional Programs				
Elementary School				
Secondary School	8,859	304,175		
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Instruction Improvement				39,920
Books and Periodicals				
Board of Education				
District Administration				
School Administration				
Business Operation				
Buildings - Care				
Maintenance - Student Occupied				
Security			40,000	
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	8,859	304,175	40,000	39,920
Excess (Deficiency) of Revenues Over Expenditures	(984)	17,428	0	33,297
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(984)	17,428	0	33,297
Fund Balances - Beginning	3,654	2,191	0	0
Fund Balances - Ending	$2,670	$19,619	$0	$33,297

NOTUS SCHOOL DISTRICT NO. 135

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	Substance Abuse	ESSER III	Title I-A ESSA IBP	Title I-C ESSA EMC
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue	$6,113			
Federal Revenue		$147,370	$54,053	$13,102
Total Revenues	6,113	147,370	54,053	13,102
Expenditures				
Instructional Programs				
Elementary School			54,053	13,102
Secondary School				
Special Education				
Special Education Preschool				
Interscholastic	189			
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Instruction Improvement		100,350		
Books and Periodicals		47,020		
Board of Education				
District Administration				
School Administration				
Business Operation				
Buildings - Care				
Maintenance - Student Occupied				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	189	147,370	54,053	13,102
Excess (Deficiency) of Revenues Over Expenditures	5,924	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	5,924	0	0	0
Fund Balances - Beginning	12,887	0	0	0
Fund Balances - Ending	$18,811	$0	$0	$0

NOTUS SCHOOL DISTRICT NO. 135

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	Title IV-A ESSA SS&AE	Title V-B ESSA REI	Title II-A ESSA SEI	Gear Up
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	$9,670	$32,087	$14,521	$26,960
Total Revenues	9,670	32,087	14,521	26,960
Expenditures				
Instructional Programs				
Elementary School	9,670	15,385	14,521	
Secondary School		16,702		26,960
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Instruction Improvement				
Books and Periodicals				
Board of Education				
District Administration				
School Administration				
Business Operation				
Buildings - Care				
Maintenance - Student Occupied				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	9,670	32,087	14,521	26,960
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	$0	$0	$0	$0

NOTUS SCHOOL DISTRICT NO. 135

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			Capital Projects
	Stronger Connections Grant	Title IV-B ESSA 21st CCLC	Title IX-A EH	Bus Depreciation
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	$56,488	$137,571	$8,337	
Total Revenues	56,488	137,571	8,337	$0
Expenditures				
Instructional Programs				
Elementary School		137,571		
Secondary School				
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Instruction Improvement			8,337	
Books and Periodicals				
Board of Education				
District Administration				
School Administration				
Business Operation				
Buildings - Care				
Maintenance - Student Occupied				
Security	56,488			
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	56,488	137,571	8,337	0
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				8,644
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	8,644
Net Change in Fund Balances	0	0	0	8,644
Fund Balances - Beginning	0	0	0	72,975
Fund Balances - Ending	$0	$0	$0	$81,619

NOTUS SCHOOL DISTRICT NO. 135

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Total
Revenues	
Local Taxes	$0
Other Local Revenue	275,368
State Revenue	442,145
Federal Revenue	500,159
Total Revenues	1,217,672
Expenditures	
Instructional Programs	
Elementary School	275,733
Secondary School	367,400
Special Education	0
Special Education Preschool	43,298
Interscholastic	189
School Activity	0
Summer School	0
Support Service Programs	
Attendance - Guidance - Health	0
Instruction Improvement	197,298
Books and Periodicals	47,020
Board of Education	0
District Administration	0
School Administration	0
Business Operation	0
Buildings - Care	0
Maintenance - Student Occupied	0
Security	96,488
Pupil-To-School Transportation	0
Pupil-Activity Transportation	0
Non-Instructional Programs	
Child Nutrition	0
Community Services	0
Student Activity	142,775
Capital Assets - Student Occupied	0
Capital Assets - Non-Student Occupied	0
Debt Service - Principal	0
Debt Service - Interest	0
Total Expenditures	1,170,201
Excess (Deficiency) of Revenues Over Expenditures	47,471
Other Financing Sources (Uses)	
Transfers In	8,644
Transfers Out	0
Total Other Financing Sources (Uses)	8,644
Net Change in Fund Balances	56,115
Fund Balances - Beginning	399,093
Fund Balances - Ending	$455,208

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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*

Board of Trustees
Notus School District No. 135

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Notus School District No. 135 (the School), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 8, 2024. In our report, we expressed a qualified opinion on the governmental activities as management has elected not to adopt the provisions of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School'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 the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

Our consideration of internal control over financial reporting 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

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contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 School's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

Quest CPAs PLLC

Meridian, Idaho
October 8, 2024