

Idaho Falls School District #91

Financial Statements and Supplemental
Information

Year Ended June 30, 2023



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Idaho Falls School District #91

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June 30, 2023

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Idaho Falls School District #91

Management's Discussion & Analysis *Fiscal Year Ended June 30, 2023*

The discussion and analysis of Idaho Falls School District #91's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the notes to the basic financial statements and the financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 are as follows:

In total, net position decreased \$4,939,458 which represents a 6% decrease from 2022's adjusted balance of \$82,358,957.

General revenues accounted for \$77,952,148 in revenue or 70.40% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$32,790,454 or 29.61% of total revenues of \$110,742,602.

Total assets of governmental activities decreased by \$4,186,803, as cash and investments decreased by \$4,159,464, receivables and prepaids decreased by \$1,649,430, inventory increased by \$17,557, OPEB and pension related items decreased by \$3,210,017, and capital assets increased by \$4,814,521. Unrestricted net position, the part of net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements, of the District decreased by \$7,954,016.

The District had \$115,682,060 in expenses; only \$32,790,454 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily state support and local property taxes) of \$77,952,148 were adequate to provide for these programs.

Among major funds, the General Fund had \$77,670,208 in revenues, \$81,069,679 in expenditures, and \$410,928 in net transfers out. In addition, the General Fund showed proceeds from lease and SBITA liabilities of \$53,950. The General Fund's fund balance decreased \$3,756,449 from 2022.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Idaho Falls School District #91 as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole school District, presenting both an aggregate view of the District's finances, and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term, as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Idaho Falls School District #91, the General Fund is by far the most significant fund.

Idaho Falls School District #91

Management's Discussion & Analysis *Fiscal Year Ended June 30, 2023*

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in its net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Nonfinancial factors include the District's property tax base, current property tax laws in Idaho restricting revenue growth, facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the District reports governmental activities. Governmental activities are the activities where most of the District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil, transportation, and extracurricular activities. The District does not have any business type activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the District's major funds begins on page 13. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General, Debt Service, Capital Projects, ESSER II and ESSER III Funds.

Governmental Funds

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

Idaho Falls School District #91

Management's Discussion & Analysis Fiscal Year Ended June 30, 2023

THE DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the District as a whole. The following table provides a summary of the District's net position for 2023 compared to 2022, as restated:

	2023	2022 (as restated)
Assets		
Current and other assets	39,470,510	48,471,864
Capital assets	81,422,764	76,608,213
Total assets	120,893,274	125,080,077
Deferred outflows of resources	34,869,662	20,514,394
Current and other liabilities	13,216,894	13,290,218
Long-term liabilities	61,995,544	13,072,205
Total liabilities	75,212,438	26,362,423
Deferred inflows of resources	3,130,999	36,873,091
Net position		
Net investment in capital assets	75,007,564	68,762,307
Restricted	11,768,154	14,672,945
Unrestricted	(9,356,219)	(1,076,295)
Total net position	77,419,499	82,358,957

Total assets of governmental activities decreased by \$4,186,803, as cash and investments decreased by \$4,159,464, receivables and prepaid expenses decreased by \$1,649,430, inventory increased by \$17,557, OPEB and pension related items decreased by \$3,210,017, and capital assets increased by \$4,814,551. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$77,419,499 at the close of the most recent fiscal year. Unrestricted net position, the part of net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements, of the District decreased by \$7,954,016 from 2022, as adjusted.

Idaho Falls School District #91

Management's Discussion & Analysis Fiscal Year Ended June 30, 2023

The following table shows the changes in net position for fiscal years 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Revenues		
Program revenues		
Charges for services	3,654,752	1,833,775
Operating grants and contributions	29,135,702	29,202,789
General revenues		
Property taxes	14,732,901	16,485,861
State aid	61,713,799	56,869,385
Federal aid	11,171	264,402
Other	1,494,277	2,263,959
Total revenues	<u>110,742,602</u>	<u>106,920,171</u>
Program expenses		
Instruction	69,291,587	53,503,080
Support services	14,769,266	11,730,313
Administration	8,563,435	6,247,532
Business admin services	1,148,202	1,973,902
Operations	7,520,372	6,531,937
Transportation	5,664,210	3,996,260
Non-instructional	4,564,291	4,401,388
Interest and fiscal charges	49,739	160,533
Capital improvements	4,110,958	1,651,343
Total expenses	<u>115,682,060</u>	<u>90,196,288</u>
Increase (decrease) in net position	<u>(4,939,458)</u>	<u>16,723,883</u>

GOVERNMENTAL ACTIVITIES

Governmental revenues come primarily from three sources. State aid of \$70,324,036 consists of the state apportionment, other state grants, and revenue in lieu of taxes, and makes up 63.54% of revenues from governmental activities. Property taxes of \$14,732,901 make up 13.31% of total revenues from governmental activities. Federal contracts and grants of \$21,225,099 make up 19.18% of total revenues from governmental activities.

Instruction expenditures including the support activities of support services, administrative, business admin services, operations, and transportation comprise 92.46% of District expenses.

Idaho Falls School District #91

Management's Discussion & Analysis Fiscal Year Ended June 30, 2023

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state entitlements.

	Total cost of services 2023	Net cost of services 2023
Instruction	69,291,587	53,522,794
Support services	14,769,266	9,309,169
Administration	8,563,435	8,181,885
Business admin services	1,148,202	1,114,044
Operations	7,520,372	6,318,878
Transportation	5,664,210	2,782,210
Non-instructional	4,564,291	384,906
Interest	49,739	(1,698,861)
Capital improvements	4,110,958	2,976,581
Total expenses	115,682,060	82,891,606

Instruction: Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Support Services: Support Services provide personnel services, activities, and programs for the administration, management, technical, and logistical support to facilitate and enhance the function of instruction and shall provide for the general operation of the schools.

Administration: The personnel, activities, and services for directing and managing the operation of the schools in the District. (Principals, assistant principals, secretaries, and clerks charged with responsibility for a school's administration) Board of Education, Administration, includes expenses associated with administrative supervision of the District.

Business Admin Services: The program concerned with the fiscal operations of the District. This program may include budgeting, fiscal and business expenditures, receiving and disbursing, purchasing, financial and property accounting, payroll, internal auditing, and activities that support other administrative and instructional functions including fiscal services, human resources, planning, and administrative information technology.

Operations: Operations and maintenance includes the personnel, activities, and programs concerned with keeping the physical plant operational and keeping the grounds, buildings, and equipment in effective working condition and in an adequate and safe state of repair.

Transportation: Transportation includes the personnel, activities, and services for providing student transportation to school and to activities and to provide for the general administrative and maintenance needs of District vehicles.

Non-instructional: Non-instructional services include the preparation, delivery, and servicing of lunches, snacks, and other incidental meals to students and school staff in connection with school activities.

Interest and Fiscal Charges: Interest and Fiscal Charges involve the transactions associated with the payment of interest and other related charges to the debt of the District.

Capital Improvements: Capital improvements consist of the costs associated with building, replacing, or purchasing fixed assets and other capital items of the District.

Idaho Falls School District #91

Management's Discussion & Analysis Fiscal Year Ended June 30, 2023

THE DISTRICT'S FUNDS

Information about the District's major funds starts on page 13. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$110,683,580 and expenditures of \$117,279,198. The net change in fund balance for the year in the General Fund, Debt Service Fund, Capital Projects Fund, ESSER II Fund, and ESSER III Fund, was a decrease of \$3,756,449, an increase of \$2,710,518, a decrease of \$4,146,039, no change for ESSER II, and an increase of \$1,622 for ESSER III.

GENERAL FUND BUDGETING HIGHLIGHTS

During the course of fiscal 2023 year, the District did not amend its budget.

For the General Fund, the budgeted revenue was \$71,993,192 and budgeted expenses were \$76,617,302. Actual revenue was \$77,670,208 which includes \$81,321 for master educator premiums to qualifying personnel, and \$330,415 in professional development funds. Actual expenditures were \$81,015,729, which include expenditures related to the master educator premiums, and professional development.

CAPITAL ASSETS

At the end of the fiscal year 2023, the District had \$81,422,764 invested in land, buildings, furniture and equipment, and vehicles (net of accumulated depreciation and amortization).

	2023	2022
Capital assets not being depreciated	8,213,554	5,856,676
Buildings and improvements	68,803,408	66,972,714
Equipment	840,702	950,783
Vehicles	1,320,662	1,173,626
Right of use assets, net – leases	1,479,418	1,257,101
Right of use assets, net - SBITAs	765,020	397,313
Total capital assets, net	81,422,764	76,608,213

Overall capital assets increased \$4,814,551 from fiscal year 2022 to fiscal year 2023. The increase in capital assets, primarily buildings and vehicles was mostly due to the construction projects and replacement vehicles, and the adoption of GASB 96, which added a right-of-use SBITA asset to the financial statements.

DEBT ADMINISTRATION

At June 30, 2023, the District had two general obligation bond issues outstanding. The current portion of debt due in one year is \$2,775,000.

At June 30, 2023, the District's overall legal debt margin was \$563,774,686.

CURRENT FINANCIAL ISSUES AND CONCERNS

Idaho Falls School District 91 continues to be financially stable. The Idaho Legislature continued to increase funding for Idaho schools. With lower statewide attendance rates, due to COVID-19 and other illnesses, schools were again funded on enrollment in FY23. Starting in FY24, the Idaho Legislature has chosen not to fund based on enrollment but will revert back to average daily attendance (ADA). We anticipate a decrease in funding based on the ADA funding formula. Part of our loss in funding may be offset by an increase in enrollment.

Idaho Falls School District #91

Management's Discussion & Analysis *Fiscal Year Ended June 30, 2023*

With continued enrollment growth, along with all day kindergarten that began in the FY23 school year, District administration continues to plan and work with the school board in an effort to provide adequate facilities for our students.

For the third year in a row the District was able to use the federal funding awarded in FY21 to help with capital projects including a centralized IDEA center for special needs students and staff. Federal funds also continue to provide funding for items such as technology, and intervention services. The District feels that these funds can help offset the lost instruction that impacted students during the worst parts of the pandemic, as well as allow the District to emerge from the pandemic stronger and better prepared for the types of instruction needed for students being educated today.

The District has not only been able to meet all its debt obligations, but the board also voted to redeem the final bond early. This early redemption will save the District \$86,000 in interest costs. This will leave the District with no bond debt obligations in early fiscal year 2024.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Lanell Farmer at Idaho Falls School District #91, 690 John Adams Parkway, Idaho Falls, ID 83401, (208) 525-7500, farmlane@sd91.org.



INDEPENDENT AUDITOR’S REPORT

Board of Trustees
Idaho Falls School District #91
690 John Adams Parkway
Idaho Falls, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Idaho Falls School District #91 (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’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 the Idaho Falls School District #91, 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 the Idaho Falls School District #91, 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.

Change in Accounting Principle

As described in Note A to the financial statements, in 2023, the District adopted new accounting guidance, GASB Statement No. 96, Subscription Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Idaho Falls School District #91’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Idaho Falls School District #91 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 Idaho Falls School District #91 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, budgetary comparison information, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net OPEB asset PERSI-Sick Leave plan last 10 fiscal years, schedule of employer contribution PERSI-Sick Leave Plan last 10 fiscal years, schedule of employer's share of net pension liability for PERSI-Base plan last 10 fiscal years and schedule of employer contributions PERSI-Base plan for last 10 fiscal years on pages 1-7 and 44-51 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Idaho Falls School District #91 basic financial statements. The combining nonmajor fund financial statements, schedule of taxes receivable, schedule of liquidity analysis of the general fund balance, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules referred to above 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 November 6, 2023, on our consideration of the Idaho Falls School District #91's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control over financial reporting and compliance.



Wipfli LLP
CPAs and Consultants
Idaho Falls, Idaho
November 6, 2023

BASIC FINANCIAL STATEMENTS

Idaho Falls School District #91

Statement of Net Position June 30, 2023

	Governmental Activities
ASSETS	
Cash and investments	21,353,324
Property tax receivable, net	5,215,732
Other receivables	10,075,749
Prepaid expenses	0
Supplies inventory	419,739
PERSI SL	2,405,966
Land and construction in progress	8,213,554
Depreciable buildings, equipment, and vehicles, net	70,964,772
Right of use assets, net - Lease	1,479,418
Right of use assets, net - SBITAs	765,020
Total assets	<u>120,893,274</u>
DEFERRED OUTFLOWS OF RESOURCES	
Changes of assumptions or other inputs - OPEB	315,358
Changes of assumptions or other inputs - PERSI SL	2,052,923
Related to pensions	32,501,381
Total deferred outflows of resources	<u>34,869,662</u>
LIABILITIES	
Accounts payable	1,718,199
Accrued wages	5,306,373
Accrued employee benefits	6,128,878
Other payables	10,050
Interest payable	53,394
Long-term liabilities	
Portion due or payable within one year	
General obligation bonds/premium	5,277,061
Contracts payable (SBITAs)	345,074
Lease payable	158,131
Compensated absences	218,029
Portion due or payable after one year	
Net pension liability	52,660,516
OPEB liability	2,701,799
Contracts payable (SBITAs)	179,187
Lease payable	455,747
Total liabilities	<u>75,212,438</u>
DEFERRED INFLOWS OF RESOURCES	
Unearned lease rental income	760,466
Differences between expected and actual experience - OPEB	1,054,738
Differences between expected and actual experience - PERSI SL	1,080,753
Related to pensions	235,042
Total deferred inflows of resources	<u>3,130,999</u>
NET POSITION	
Net investment in capital assets	75,007,564
Restricted for	
Child nutrition	1,272,213
Capital improvements	1,835,705
Debt service	6,614,172
Other purposes	2,046,064
Unrestricted	<u>(9,356,219)</u>
Total net position	<u><u>77,419,499</u></u>

The accompanying notes are an integral part of these statements.

Idaho Falls School District #91

Statement of Activities Fiscal Year Ended June 30, 2023

Functions / Programs	Expenses	Program Revenues		Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Total governmental activities
Governmental activities				
Instruction	69,291,587	2,298,817	13,469,976	(53,522,794)
Support services	14,769,266	200,434	5,259,663	(9,309,169)
Administrative	8,563,435	69,029	312,521	(8,181,885)
Business admin services	1,148,202		34,158	(1,114,044)
Operations	7,520,372	13,559	1,187,935	(6,318,878)
Transportation	5,664,210	129,880	2,752,120	(2,782,210)
Noninstructional	4,564,291	943,033	3,236,352	(384,906)
Interest on long-term debt	49,739		1,748,600	1,698,861
Capital improvements	4,110,958		1,134,377	(2,976,581)
Total governmental activities	<u>115,682,060</u>	<u>3,654,752</u>	<u>29,135,702</u>	<u>(82,891,606)</u>
General revenues				
Taxes				
Property taxes				14,373,193
Property tax replacement				359,708
Investment earnings				770,339
State apportionment				
Base				54,275,666
Benefits				7,060,432
Federal grants				11,171
Other state revenues				377,701
Other local				723,938
Total general revenues				<u>77,952,148</u>
Change in net position				(4,939,458)
Net position - beginning				84,143,640
Prior period adjustments				<u>(1,784,683)</u>
Net position - beginning, as restated				<u>82,358,957</u>
Net position - ending				<u>77,419,499</u>

The accompanying notes are an integral part of these statements.

Idaho Falls School District #91

Balance Sheet Governmental Funds June 30, 2023

	General	Debt Service	Capital Projects	ESSER II	ESSER III	All Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and investments	11,993,614	4,664,560	973,693			3,721,457	21,353,324
Receivables							
Taxes - current	2,134,869	1,699,034	786,411				4,620,314
Taxes - delinquent	269,510	227,125	98,783				595,418
State apportionment	1,356,179						1,356,179
Federal grants				1,665,270	2,212,301	3,065,542	6,943,113
State agencies	32,212	24,003					56,215
Lease receivable	764,673						764,673
Other	59,953					895,616	955,569
Interfund receivable	7,368,571						7,368,571
Supplies inventory	291,415					128,324	419,739
Total assets	<u>24,270,996</u>	<u>6,614,722</u>	<u>1,858,887</u>	<u>1,665,270</u>	<u>2,212,301</u>	<u>7,810,939</u>	<u>44,433,115</u>
LIABILITIES							
Accounts payable	1,573,607	550	23,182			120,860	1,718,199
Accrued wages	4,513,503			13,560	42,521	736,789	5,306,373
Accrued employee benefits	5,644,741			9,186	12,942	462,009	6,128,878
Other payables	10,050						10,050
Interfund payable				1,642,524	2,155,216	3,570,831	7,368,571
Total liabilities	<u>11,741,901</u>	<u>550</u>	<u>23,182</u>	<u>1,665,270</u>	<u>2,210,679</u>	<u>4,890,489</u>	<u>20,532,071</u>
DEFERRED INFLOWS OF RESOURCES							
Unearned lease revenue	760,466						760,466
Unavailable revenue	269,510	227,125	98,783				595,418
Total deferred inflows of resources	<u>1,029,976</u>	<u>227,125</u>	<u>98,783</u>				<u>1,355,884</u>
FUND BALANCES							
Nonspendable							
Inventory	291,415					128,324	419,739
Restricted for							
Debt service		6,387,047					6,387,047
Capital projects			1,736,922				1,736,922
Child nutrition						1,143,889	1,143,889
Other fund activities					1,622	2,044,442	2,046,064
Assigned	3,271,694						3,271,694
Unassigned	7,936,010					(396,205)	7,539,805
Total fund balances	<u>11,499,119</u>	<u>6,387,047</u>	<u>1,736,922</u>		<u>1,622</u>	<u>2,920,450</u>	<u>22,545,160</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>24,270,996</u>	<u>6,614,722</u>	<u>1,858,887</u>	<u>1,665,270</u>	<u>2,212,301</u>	<u>7,810,939</u>	<u>44,433,115</u>

The accompanying notes are an integral part of these statements.

Idaho Falls School District #91

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2023

Total fund balances - governmental funds	22,545,160
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is reflected net of depreciation.	81,422,764
Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures, and therefore are unearned in the funds.	595,418
The deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the Statement of Net Position: Deferred inflows of resources related to pensions is \$235,042 and deferred outflows of resources related to pensions is \$32,501,381.	32,266,339
The net PERSI sick leave asset and the deferred outflows of resources and deferred inflows of resources related to PERSI sick leave are only reported in the Statement of Net Position: Net PERSI sick leave asset is \$2,405,966, deferred inflows of resources related to PERSI sick leave is (\$1,080,753) and deferred outflows of resources related to PERSI sick leave is \$2,052,923.	3,378,136
Governmental funds report the effect of premiums, discounts, and similar items when the bonds are first issued by the District whereas these amounts are deferred and amortized in the Statement of Activities.	(352,061)
Deferred outflows of resources and deferred inflows of resources related to OPEB are only reported in the governmental activities of the Statement of Net Position: Deferred inflows of resources related to OPEB is (\$1,054,738) and deferred outflows of resources related to OPEB is \$315,358.	(739,380)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Long-term liabilities at year end consisted of:	
Bonds payable	(4,925,000)
Lease payable	(613,878)
Contracts payable (SBITAs)	(524,261)
Accrued interest on the bonds	(53,394)
Compensated absences	(218,029)
Pension obligation	(52,660,516)
OPEB obligation	(2,701,799)
	<u>(61,696,877)</u>
Total net position - governmental activities	<u>77,419,499</u>

The accompanying notes are an integral part of these statements.

Idaho Falls School District #91

Governmental Fund Types Statement of Revenues, Expenditures, and Changes in Fund Balances Fiscal Year Ended June 30, 2023

	GF	MAJ1	MAJ2	MAJ3	MAJ4		
	General	Debt Service	Capital Projects	ESSER II	ESSER III	All Nonmajor Funds	Total Governmental Funds
REVENUES							
Property taxes	6,599,946	5,285,569	2,428,655				14,314,170
Penalties & interest on delinquent taxes:		1					1
Earnings (loss) on investments	737,636	29,394				3,309	770,339
Transportation fees	129,880						129,880
Rental	13,559						13,559
Food service						915,602	915,602
Tuition	25,270						25,270
Contributions	167,230						167,230
Other local	686,374		289,076			778,733	1,754,183
State apportionment							
Base	54,275,666						54,275,666
Transportation	2,748,787						2,748,787
Exceptional child	99,140						99,140
Benefits	7,060,432						7,060,432
Other school support	1,018,866						1,018,866
Property tax replacement	359,708						359,708
Other state revenue	3,722,369	609,981				1,447,953	5,780,303
Vocational education	25,345						25,345
Federal contracts and grants				3,010,327	5,158,463	13,056,309	21,225,099
Total revenues	77,670,208	5,924,945	2,717,731	3,010,327	5,158,463	16,201,906	110,683,580
EXPENDITURES							
Current							
Instruction	50,997,659		14,847	1,363,756	2,516,724	9,194,253	64,087,239
Support services	8,391,396			1,540,673	557,871	2,837,976	13,327,916
Administration	7,241,299			12,792	107,756	261,354	7,623,201
Business administrative services	1,114,044			18,997	15,161		1,148,202
Operations	8,227,464		21,443		8,762	100,000	8,357,669
Transportation	4,995,867				3,333		4,999,200
Noninstructional	2,010				1,133	4,402,512	4,405,655
Debt service							
Principal	76,822	2,990,000	146,929		1,127,422	10,135	4,351,308
Interest	11,475	222,827	14,605		11,194	680	260,781
Fees		1,600					1,600
Facility acquisition	11,643		7,823,190	74,109	807,485		8,716,427
Total expenditures	81,069,679	3,214,427	8,021,014	3,010,327	5,156,841	16,806,910	117,279,198
Revenues over (under) expenditures	(3,399,471)	2,710,518	(5,303,283)	0	1,622	(605,004)	(6,595,618)

The accompanying notes are an integral part of these statements.

Idaho Falls School District #91

Governmental Fund Types Combined Statement of Revenues, Expenditures, and Changes in Fund Balances Fiscal Year Ended June 30, 2023

	GF	MAJ1	MAJ2	MAJ3	MAJ4	OGF	
	General	Debt Service	Capital Projects	ESSER II	ESSER III	All Nonmajor Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)							
Operating transfers in	84,595		388,069			107,454	580,118
Operating transfers out	(495,523)					(84,595)	(580,118)
Proceeds of long-term obligations	53,950		769,175			31,378	854,503
Total other financing sources (uses)	(356,978)	0	1,157,244	0	0	54,237	854,503
Net change in fund balances	(3,756,449)	2,710,518	(4,146,039)	0	1,622	(550,767)	(5,741,115)
Fund balance - July 1, 2022, as originally reported	15,255,568	3,676,529	5,882,961			4,285,902	29,100,960
Prior period adjustment						(814,685)	(814,685)
Restated Fund balance - July 1, 2022	15,255,568	3,676,529	5,882,961			3,471,217	28,286,275
Fund balance - June 30, 2023	11,499,119	6,387,047	1,736,922	0	1,622	2,920,450	22,545,160

The accompanying notes are an integral part of these statements.

Idaho Falls School District #91

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities *For Fiscal Year Ended June 30, 2023*

Total net change in fund balances - governmental funds:	(5,741,115)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceed depreciation and amortization and assets disposed.	3,977,054
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Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered 'available' revenues in the governmental funds. Unearned tax revenues increased by \$59,022 this year.	59,022
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The issuance of long-term debt (e.g., bonds, leases) 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.	4,351,308
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Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the fund when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in interest expense reported in the Statement of Activities is the net result of the decrease in accrued interest on bonds of \$6,327. Also, governmental funds report the effect of premiums 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.	212,651
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Vested employee benefits are reported in the governmental funds when amounts are paid. The Statement of Activities reports the value of benefits earned during the year. The change in the OPEB obligation, PERSI SL asset, net pension liability and the related deferred outflows and inflows in addition to the change in compensated absences are all differences.	<u>(7,798,378)</u>
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Change in net position of governmental activities	<u><u>(4,939,458)</u></u>
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The accompanying notes are an integral part of these statements.

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. General. The basic financial statements listed in the table of contents have been prepared in accordance with the American Institute of Certified Public Accountants' Industry Audit Guide for Audits of State and Local Government Units.
2. Reporting Entity. The Idaho Falls School District #91 (the District) is the basic level of government, which has financial accountability and control over all activities related to the public-school education in the area served. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The District is not included in any other governmental "reporting entity" as defined by GASB pronouncement, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units as defined by the Governmental Accounting Standards Board that are required to be included in the District's reporting entity.
3. Government-wide and Fund Financial Statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

4. Fund Accounting. The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and custodial. The emphasis of fund financial statements is on major governmental funds, each reported in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund - The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Idaho Falls School District #91

Notes to Financial Statements

June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Capital Projects Fund - The Capital Projects Fund is used to account for the financial resources used to acquire school facilities, renovate existing facilities, or as otherwise provided in the Idaho Code.

ESSER II Fund - The ESSER II Fund is used to account for the financial resources used to support the District through the COVID19 pandemic timeframe and the resulting additional costs of operations.

ESSER III Fund - The ESSER III Fund is used to account for the financial resources used to support the District through the COVID19 pandemic timeframe and the resulting additional costs of operations.

Additionally, the District reports the following fund types:

Special Revenue Fund - The purpose of the Special Revenue Fund is to account for federal, state, and locally funded grants and activities. These grants are awarded to the District with the purpose of accomplishing specific educational tasks as defined in the Grant Awards. The Special Revenue Fund types include the Child Nutrition Fund and School Activity Funds. The purpose of the Child Nutrition Fund is to account for all federal support and student charges which are received by the District for the purpose of providing students with a nutritional, inexpensive meal. The School Activity Funds are monies collected principally through fund raising efforts of the individual schools or school sponsored groups. The school principal is responsible, under the authority of the Board of Trustees, for collecting, controlling, disbursing, and accounting for all School Activity Funds.

Basis of Accounting. The District applies the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. This statement is meant to present the information in a format more closely resembling that of the private sector and to provide the user with more managerial analysis regarding the financial results and the District's financial outlook.

Government-wide Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for its fiduciary funds. Generally, the effect of material interfund activity has been removed from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of given functions are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other internally directed revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

Idaho Falls School District #91

Notes to Financial Statements

June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. Depreciation has been allocated specifically to functional areas with the majority of it being allocated to instructional. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus, and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

5. Budgets. Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, and Capital Projects funds. All annual appropriations lapse at fiscal year end. The District did not amend its budgets in 2023.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances outstanding at year end are reported as assigned fund balance to indicate an obligation to the District.

The District budgets transfers from the General Fund to other funds to cover the costs incurred by these funds in excess of the revenues generated. Certain indirect costs are charged to several Special Revenue Funds through budgeted transfers from the Special Revenue Funds to the General Fund.

6. Cash and Investments. Cash includes amounts in demand as well as short-term investments with a maturity date within three months of the date acquired by the District. The District pools cash of all funds into common bank accounts except the bond proceeds, which are kept in a separate account. The accounting records of each fund reflect its interest in the pooled cash. Any deficiencies in cash of individual funds represent liabilities to other funds for cash borrowed. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Idaho law, and national banks having their principal offices in Idaho.

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

State statutes authorize the District to invest in obligations of the U.S. treasury, commercial paper, corporate bonds, and repurchase agreements. The District has elected to deposit cash in excess of immediate needs into the Local Government Investment Pool (LGIP) and State of Idaho Diversified Bond Fund. The Local Government Investment Pool and the Diversified Bond Fund are managed by the State of Idaho Treasurer's office.

The funds of the pool are invested in certificates of deposit, repurchase agreements, commercial paper, corporate debt instruments, and U.S. government securities. The certificates of deposit are federally insured. The LGIP is recorded at amortized costs due the LGIP's tight restrictions on the types of investments that can be held in the fund to limit the District's exposure to losses from credit risk, market, and liquidity risk. The District has a portion of the governmental activities invested in the Treasurer's DBF fund. The DBF fund is recorded using the net asset value per share based on the District's pro-rata share of the pool's net position. The District values these investments based on the information provided by the State of Idaho Treasurer's Office and classifies these amounts as an investment in the Statement of Net Position. An annual audit of the LGIP is conducted by the State Legislative Auditors Office. The Legislative Auditor of the State of Idaho has full access to the records of the LGIP. All other cash is deposited with local banks in checking or savings accounts.

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk outside of the deposit and investment agreements. The District is authorized to invest in the State of Idaho Local Government Investment Pool and Diversified Bond Fund. This pooling is intended to improve administrative efficiency and increase investment yield.

Credit risk, is the risk that an issuer of debt securities, or another counterparty to an investment, will not fulfill its obligation and is commonly expressed in terms of the credit quality rating issued by nationally recognized statistical rating organization such as Moody's, Standard & Poor's, and Fitch's. The investments of the District are not rated and the District's policy does not restrict them to rated investments.

7. Short-term Interfund Receivables / Payables. During the course of operations, numerous transactions occur between individual funds and the General Fund for goods provided, or services rendered. These receivables and payables are classified as 'interfund receivable' or 'interfund payable' on the balance sheet.
8. Inventories. Supplies inventory consists of paper and other supplies and equipment received at the end of the fiscal year, which had not yet been consumed. The cost is recorded as an expenditure at the time the item is consumed. Inventories are stated at cost on a first-in, first-out basis, which approximates market. Other supplies inventory on hand at year end has not been recorded as inventory and was treated as expended when purchased.
9. Capital Assets. Capital assets, including land, buildings, improvements, and equipment assets, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$10,000 and an initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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

Buildings, improvements, and equipment assets are depreciated using the straight-line depreciation method over the following estimated useful lives:

Assets	Years
Buildings	50
Equipment	3-15
Vehicles	3-5

10. Lease Accounting. The District is a lessee in multiple noncancelable operating and financing leases. If the contract provides the District the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the present value when the underlying rate or index is fixed and predictable for the life of the lease. Variable costs that depend on an unpredictable index are accounted for as expenses as they are incurred. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the District's incremental borrowing rate. The implicit rates of the District's leases are not readily determinable and accordingly, the District has elected to use the State's Diversified Bond Fund (DBF) portfolio rate. This rate is used to calculate the present value of future lease payments. This rate is an alternative investment rate for other than short-term investments and is materially the same as the rate the District might incur from an external lender.

The ROU asset for operating leases is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. The ROU asset for finance leases is amortized on a straight-line basis over the lease term. For all underlying classes of assets, the District has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the District is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The District recognizes short-term lease cost on a straight-line basis over the lease term.

In addition, under the standard, the District has adopted a policy which evaluates the material nature of long-term leases as a group. For group calculations which fall below the policy threshold for recording, the District will not recognize the lease liability and ROU and will instead expense these costs as incurred. Copier leases is one such group.

The District is a lessor in multiple noncancelable leases. The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the District's incremental borrowing rate. The District uses the incremental borrowing rate based on the information available at the commencement date for all leases. The District's incremental borrowing rate is determined using the same methodology for lessor agreements as is used for lessee agreements as noted above.

Idaho Falls School District #91

Notes to Financial Statements

June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

11. Subscription Based Information Technology Arrangements. This District is a party to multiple noncancelable subscription based information technology arrangements (SBITAs). If the contract provides the District the right to use the present service capacity and the right to direct the use of the identified asset, it is considered to be or contain a SBITA. Subscription-based assets and liabilities are recognized at the agreement commencement date based on the present value of the future payments over the expected contract term. The SBITA asset is also adjusted for any prepayments made and capitalizable initial implementation costs as incurred.

The SBITA liability is initially and subsequently recognized based on the present value of its future payments. Variable payments are included in the present value when the underlying rate or index is fixed and predictable for the life of the lease. Variable costs that depend on an unpredictable index are accounted for as expenses as they are incurred. Increases (decreases) to variable payments due to subsequent changes in an index or rate are recorded as an adjustment to expense in the period in which they are incurred.

The discount rate used is the implicit rate in the SBITA contract, if it is readily determinable, or the District's incremental borrowing rate. The District has elected to use the State's Diversified Bond Fund (DBF) portfolio rate for their incremental borrowing rate. This rate is an alternative investment rate for other than short-term investments and is materially the same as the rate the District might incur from an external lender.

For all underlying classes of assets, the District does not recognize SBITA assets and liabilities for short-term agreements that have a contract term of 12 months or less at contract commencement. Contracts containing termination clauses in which either party may terminate without cause and the notice period is less than 12 months are deemed short-term agreements with costs included in expense.

12. Compensated Absences. Employees are entitled to certain compensated absences based on their length of employment. The entire compensated absences owed are reported in the government-wide financial statements.
13. Other Post-Employment Benefits. PERSI employees who retire and have not yet become eligible for Federal Medicare coverage are eligible to purchase insurance through the District's healthcare plan. Although retirees pay their own premium, there is an implicit cost due to increased group premiums when retirees are included in District insurance plans. For the purpose of measuring the net other post-employment benefit liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, and other post-employment benefit expenses, information about fiduciary net position of the implicit medical benefit Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. Benefit payments are recognized when due and payable in accordance with the benefit terms.

For purposes of measuring the net OPEB asset, which includes the District's allocated share of PERSI sick leave payments contributed over the service of their employees, deferred outflows of resources and deferred inflows of resources related to sick leave, and the related expense; (expense offset), information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI or System) Sick Leave Insurance Reserve fund and additions to/deductions from Sick Leave Insurance Reserve Fund's fiduciary net position have been determined on the basis as they are reported by the Sick Leave Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Idaho Falls School District #91

Notes to Financial Statements

June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

14. 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 (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.
15. Long-term Obligations. Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable, available, financial resources is reported as a fund liability of a governmental fund. The entire portion of such obligations is reported in the government-wide financial statements.
16. Deferred Outflows / Inflows of Resources. In addition to assets, the statement of net position and the governmental funds balance sheet 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 (expense/expenditure) until then. The District has three items that qualify for reporting in this category and they occur on the government-wide statement of net position. The District reports deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and District contributions to pension plans subsequent to the measurement date of the collective net pension liability (asset). The last two deferred outflow result from changes of assumptions or other inputs on the OPEB obligations and PERSI SL asset.

In addition to liabilities, the statement of net position and the governmental funds balance sheet 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 (revenue) until that time. The District has five types of items, two of which arise only under a modified accrual basis of accounting, that qualifies for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is lease-related amounts recognized at the inception of leases in which the District is the lessor in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that related to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

The District also reports deferred inflows of resources for its proportionate share of the collective deferred inflows of resources related to pensions, and difference between expected and actual experience – OPEB and PERSI SL on the government wide financial statements.

17. Net Position Flow Assumption. Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to be depleted before unrestricted net position is applied.

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

18. Fund Balance Flow Assumptions. Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balances).

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 District'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.

19. Fund Balance. In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributions, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can be used only be for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The School Board is the highest level of decision-making authority for the District that can, by board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the board resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance: This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes but do not meet the criteria to be classified as restricted or committed. The School Board has by resolution authorized management to assign fund balance. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriation in the subsequent year's appropriated budget. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

20. Risk Management. The District is exposed to a considerable number of risks of loss, including: (a) damage to and loss of property and contents; (b) employee torts; (c) professional liability, i.e. errors and omissions; (d) environmental damage; (e) workers' compensation, i.e. employee injuries; and (f) medical insurance costs of employees.

Commercial policies, transferring the risks of loss, except for relatively small deductible amounts, are purchased for property and content damage, employee torts, and professional liabilities. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

21. Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires the District to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
22. Recently Adopted Accounting Pronouncement. In May 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 96, Subscription Based Information Technology Arrangements (SBITAs). The statement will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The District adopted this guidance for the year ended June 30, 2023. The adoption of this guidance did not affect beginning net position and, accordingly, restatement of beginning July 1, 2022, net position was not necessary.

In March 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 94, Public/Private and Public/Public Partnership Arrangements (PPPs). The statement will enhance the reporting related to PPP agreements. The District adopted this guidance for the year ended June 30, 2023. There were no relevant agreements at the time of adoption.

In May 2019, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 91, Conduit Debt Obligations. The objective of this statement was to provide for a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. The District adopted this guidance for the year ended June 30, 2023. There were no relevant agreements at the time of adoption.

NOTE B CASH AND INVESTMENTS

At June 30, 2023, the carrying amount of the District's deposits was \$8,420,789 and the bank balance was as follows:

	Bank Balance
Insured by Federal Depository Insurance	750,000
Uninsured and uncollateralized	8,639,913
Total	9,389,913

At June 30, 2023, the cost and fair market value of the District's investments were as follows:

	Cost	Fair Market Value	Average Maturity
Local Government Investment Pool at NAV	7,330,775	7,340,305	101 days
Diversified Bond Fund at NAV	5,923,351	5,592,230	2.63 years
Total investments	13,254,126	12,932,535	

Interest rate risk - The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE B CASH AND INVESTMENTS, continued

Credit risk - The District invests in accordance with Idaho code, Title 67, chapter 12. The District's deposits and investments at year end are limited to the Local Government Investment Pool (LGIP), the State Diversified Bond Fund (DBF), bank deposits, and certificates of deposits with various banks located in Idaho. The District has reduced its concentration of credit risk by using several financial institutions.

Custodial credit risk - In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2023, \$8,639,911 of the District's deposits and certificates of deposit was exposed to custodial credit risk because it was uninsured and uncollateralized. Of the investments, \$7,343,971 was held in two accounts in the State Treasurer's Investment Pool, and \$5,592,230 was held in the Diversified Bond Fund which are not insured or guaranteed by the FDIC.

Amounts held by the LGIP and DBF were held in the following investments: government agency notes, corporate bonds, Idaho bank deposits, commercial paper, U.S. treasury notes, commercial mortgages, repurchase agreements, and purchased accrued interest. All investments for the LGIP and DBF are collateralized with securities held by the pool's agent in the pool's name. The investments held by the pools are carried at fair value (determined by the Idaho State Treasurer's Office). Information necessary to determine the level of collateralization for the pools was unavailable.

The LGIP and the DBF are audited annually, and the related financial statements and note disclosures are included in the State of Idaho's Annual Comprehensive Financial Report, a copy of which can be downloaded from www.sco.idaho.gov.

NOTE C PROPERTY TAXES

In accordance with Idaho State Law, ad valorem property tax is levied in dollars in September for each calendar year. Taxes are recorded by the District using the modified accrual basis of accounting. Levies are certified on the second Monday of September. All of the personal property tax, and one-half of the real property tax are due on or before December 20. The remaining one-half of the real property tax is due on or before June 20 of the following year.

Property taxes attach as an enforceable lien on property as of January 1 of the following year. Notice of foreclosure is filed with the county clerk on property three years from the date of delinquency. The property tax revenue is budgeted for the ensuing fiscal year.

Bonneville County acts as an agent for the District in both the assessment and collection areas. The County remits tax revenues to the District periodically, with the majority of the collections being remitted in January and July.

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE D INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

During the course of its operations, the District had numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds had not been paid or received as of June 30, 2023, balances of interfund amounts receivable or payable have been recorded as follows:

	Receivable	Payable
General Fund	7,368,571	
ESSER II		1,642,524
ESSER III		2,155,216
Nonmajor Funds		3,570,831
Total	7,368,571	7,368,571

The General Fund transferred \$107,454 to Child Nutrition as required by state law to cover FICA costs. The Child Nutrition fund transferred \$60,901 to the General Funds for indirect costs. The General Fund transferred \$113,069 to Capital Projects for bus depreciation. The General Fund transferred \$275,000 to Capital Projects for the development of Tiger Athletic Complex on 49th street. The Student Activities transferred \$23,694 to the General Fund to close out the athletics fund previously held at the school level.

NOTE E CONSTRUCTION COMMITMENTS

During the year ended June 30, 2023, the District contracted with various contractors to do certain projects, revisions, and additions. The following construction contracts were in progress at June 30, 2023:

Project	Original bid plus changes	Average percent complete	Expenditures Recorded Currently	Remaining construction obligation
Admin office project	1,627,294	90.5%	1,433,604	154,028
CTE remodel	2,370,588	36.2%	0	1,513,183
IDEA Center	1,375,000	77.1%	1,056,662	318,338
Compass Bathroom	60,750	67.0%	40,703	20,047
Ravsten Bleachers	2,370,000	6.01%	142,450	2,227,550
TAC – Phase 1	2,600,000	62.6%	1,381,531	1,218,469
Total	10,403,632		4,054,950	5,451,615

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE F CAPITAL ASSETS

Following is a summary of the capital assets at June 30, 2023:

	Balance July 1, 2022	Additions	Deductions	Transfers	Balance June 30, 2023
Capital assets, not being depreciated					
Land					
Elementary	1,216,258				1,216,258
Secondary	1,955,897				1,955,897
Administration	89,382				89,382
Construction in progress	2,595,139	4,054,950		(1,698,072)	4,952,017
Total capital assets, not being depreciated	5,856,676	4,054,950	0	(1,698,072)	8,213,554
Capital assets, being depreciated					
Buildings					
Elementary	67,983,572	23,000			68,006,572
Secondary	42,189,704	2,337,886		1,834,933	46,362,523
Administration	6,880,254				6,880,254
Total buildings	117,053,530	2,360,886	0	1,834,933	121,249,349
Equipment					
Elementary	757,061				757,061
Secondary	1,863,616	156,078		(136,861)	1,882,833
Administration	1,587,125				1,587,125
Total equipment	4,207,802	156,078	0	(136,861)	4,227,019
Vehicles	6,067,418	497,871	0	0	6,565,289
Total capital assets, being depreciated	127,328,750	3,014,835	0	1,698,072	132,041,657
Less accumulated depreciation for:					
Buildings	(50,080,816)	(2,365,125)			(52,445,941)
Equipment	(3,257,019)	(133,410)		4,113	(3,386,316)
Vehicles	(4,893,792)	(346,721)		(4,113)	(5,244,626)
Total accumulated depreciation	(58,231,627)	(2,845,256)	0	0	(61,076,883)
Total capital assets being depreciated, net	69,097,123	169,579	0	1,698,072	70,964,774
Right of use assets - Leases:					
Leased equipment	1,418,414	620,225	(18,600)		2,020,039
Less amortization	(161,313)	(379,308)			(540,621)
Total right of use asset, net	1,257,101	240,917	(18,600)	0	1,479,418

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE F CAPITAL ASSETS, continued

	Balance (As restated) July 1, 2022	Additions	Deductions	Transfers	Balance June 30, 2023
Right of Use Asset - Subscription based information technology agreement (SBITAs):					
Contract asset	397,313	644,498			1,041,811
Less amortization		(276,791)			(276,791)
Total right of use asset, net - SBITAs	397,313	367,707			765,020
Governmental activities capital assets, net	76,608,213	4,833,153	(18,600)	0	81,422,766

Depreciation and amortization expense was charged to the functions of the primary government as follows:

Governmental activities	
Instruction	1,827,996
Support services	372,877
Administration	224,353
Transportation	506,569
Noninstructional	123,139
Facilities acquisition	446,421
Total depreciation and amortization expense	3,501,355

NOTE G PAYROLL EXPENDITURES AND RELATED LIABILITIES

Teacher contracts were signed for the nine-month period September 1, 2023, through May 31, 2023, to be paid over the twelve months of September 1, 2023, through August 31, 2023. The financial statements reflect the salary expense for this period. The accrued payroll reflects the final two months of these contracts.

NOTE H OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description. Idaho Falls School District #91's Employee Group Benefits Plan is a single-employer defined benefit healthcare plan administered by Blue Cross of Idaho. Blue Cross provides medical and prescription drug insurance benefits to eligible retirees and their eligible dependents. Delta Dental and Willamette Dental provide dental insurance benefits to eligible retirees and their eligible dependents. A retiree who retires with the Public Employee Retirement System of Idaho (PERSI) is eligible to keep the District's health insurance as a retiree until age 65, or until the retiree is eligible for coverage under Medicare. Retirement eligibility is determined based on a minimum of reaching age 55 with at least 5 years of membership with a PERSI employer. The retiree is on the same medical plan as the District's active employees.

Funding Policy. The contribution requirement of plan members is established by the District's insurance committee in conjunction with our insurance provider. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2023, the District contributed approximately \$218,400 of the annual required contribution of \$205,352. Retirees are required to pay 100% of the premiums for both the retiree and the dependent coverage.

Net Other Post-Employment Benefit Liability. The Net other post-employment benefit liability (NOL) was measured as of June 30, 2023, and the total other post-employment benefit liability was determined by an actuarial valuation as of June 30, 2021.

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE H OTHER POST-EMPLOYMENT BENEFITS (OPEB), continued

Actuarial Methods and Assumptions. The District does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-basis and there is not a trust for accumulating plan assets. The following actuarial methods and assumptions were used in the June 30, 2021, accounting valuation:

Valuation Timing	Actuarial valuations are performed biennially as of June 30 for accounting purposes only. The most recent valuation was performed as of June 30, 2021.
Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Discount Rate	4.25%
Health Cost Trend Rates	6.5% decreasing by 0.10% per year down to 5.00% and level thereafter.
Municipal Bond Rate Source	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions	Based on an experience study conducted in 2021 using Public Employee Retirement System of Idaho (PERSI) experience from July 1, 2015 through June 20, 2020.
Mortality	General and Teacher Pub-2010 Mortality Tables adjusted for future mortality improvements using the fully generational MP-2022 projection scale from a base year of 2010.

Total OPEB Liability	June 30, 2023
Total OPEB liability	2,701,799
Covered employee payroll	46,391,289
Total OPEB liability as a % of covered employee payroll	5.82%

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. There have been no significant changes between the valuation date and the fiscal year end. Any significant changes during this period must be reflected as prescribed by GASB 75.

Other Key Actuarial Assumptions

None

	Increase (Decrease) Total OPEB Liability
Changes in total OPEB liability	
Balance as of June 30, 2022	2,758,530
Changes for the year:	
Service cost	205,352
Interest on total OPEB liability	96,320
Differences between expected and actual experience	
Effect of assumptions, changes, or inputs	(140,003)
Expected benefit payments	(218,400)
Net changes	(56,731)
Balance as of June 30, 2023	2,701,799

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE H OTHER POST-EMPLOYMENT BENEFITS (OPEB), continued

Sensitivity Analysis

The following presents the total OPEB liability of the school district, calculated using the discount rate of 3.50%, as well as what the school district's total OPEB 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 3.25%	Discount Rate 4.25%	1% Increase 5.25%
Total June 30, 2023, OPEB liability	2,889,812	2,701,799	2,524,987

The following presents the total OPEB liability of the school district, calculated using the current healthcare cost trend rates as well as what the school district's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease (5.5% Decreasing to 4%)	Healthcare cost trend rates (6.5% decreasing to 5.0%)	1% Increase (7.5% decreasing to 6.0%)
Total June 30, 2023, OPEB liability	2,388,486	2,701,799	3,074,223

OPEB Expense

Service cost	205,352
Interest on total OPEB liability	96,320
Changes	
Recognition of assumption changes	26,016
Recognition of experience gains and losses	(155,421)
OPEB expense	172,267

Other Post-employment Benefits Expense and Deferred Outflows of Resources and Deferred Inflows for Resources Related to Other Post-employment Benefits

Schedule of Deferred Inflow/Outflows of Resources

	Original Amount	Date Established	Original Recognition Period	Amount Recognized	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected & actual experience	(139,951)	June 30, 2018	14.34	(9,760)		(91,151)
Changes of assumptions or other inputs	96,445	June 30, 2018	14.34	6,726	62,815	
Changes of assumptions or other inputs	91,322	June 30, 2019	13.56	6,735	64,382	
Difference between expected & actual experience	(812,206)	June 30, 2020	9.00	(90,245)		(451,226)
Changes of assumptions or other inputs	38,790	June 30, 2020	9.00	4,310	21,550	
Difference between expected & actual experience	(498,746)	June 30, 2022	9.00	(55,416)		(387,914)
Changes of assumptions or other inputs	214,213	June 30, 2022	9.00	23,801	166,611	
Changes of assumptions or other inputs	(140,003)	June 30, 2023	9.00	(15,556)		(124,447)
Total	(1,150,136)			(129,405)	315,358	(1,054,738)

Idaho Falls School District #91

Notes to Financial Statements

June 30, 2023

NOTE H OTHER POST-EMPLOYMENT BENEFITS (OPEB), continued

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other post-employment benefits will be recognized in OPEB expense as follows:

Year Ending June 30:	
2024	(129,405)
2025	(129,405)
2026	(129,405)
2027	(129,405)
2028	(129,406)
Thereafter	(92,354)

*Note that additional future deferred inflows and outflows of resources may impact these numbers.

NOTE I PERSI SICK LEAVE INSURANCE RESERVE FUND

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

Responsibility for administration of the Sick Leave Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active 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.

OPEB Benefits

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

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave, then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. PERSI did not require any District contributions after December of 2019. The District had no contributions for the year ended June 30, 2023. Contribution requirements are set to continue in fiscal year 2024.

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

At June 30, 2023, the District reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2022, the District's proportion was 3.1604601 percent.

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE I PERSI SICK LEAVE INSURANCE RESERVE FUND, continued

For the year ended June 30, 2023, the District recognized an OPEB expense offset of \$309,041. There were no amounts reported as deferred outflows of resources related to OPEBs resulting from Employer contributions subsequent to the measurement date.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	581,161	
Changes in assumptions or other inputs	469,645	1,080,753
Net difference between projected and actual earnings on OPEB plan investments	1,002,117	
Total	<u>2,052,923</u>	<u>1,080,753</u>

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. The Sick Leave Plan amortizes any net OPEB asset based on a level percentage of payroll. The maximum amortization period for the Sick Leave Plan permitted under Section 59-1322, Idaho Code, is 25 years. The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	5.45%

The long-term expected rate of return on OPEB plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The health care trend rate is not applicable as the benefit amount a participant will receive is established with a set amount upon retirement thus would have no impact.

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.

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE I PERSI SICK LEAVE INSURANCE RESERVE FUND, continued

Capital Market Assumptions

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

Discount Rate

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

Sensitivity of the net OPEB asset to changes in the discount rate.

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

	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's proportionate share of the net OPEB liability (asset)	(1,697,529)	(2,405,966)	(3,053,719)

OPEB Plan Fiduciary Net Position

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

Payables to the OPEB plan

At June 30, 2023, the District reported no payables to the defined benefit OPEB plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Idaho Falls School District #91

Notes to Financial Statements

June 30, 2023

NOTE J PENSION PLAN

Plan Description

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

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

Pension Benefits

The Base Plan provides retirement, disability, death, and survivor benefits for 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 and earnings from investments. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2022, it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The District's contributions were \$6,859,680 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 District 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 District proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the District's proportion was 1.3369828 percent.

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE J PENSION PLAN, continued

For the year ended June 30, 2023, the District recognized pension expense offset of \$14,118,938. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	5,790,734	235,042
Changes in assumptions or other inputs	8,585,243	
Net difference between projected and actual earnings on pension plan investments	12,116,562	
Changes in the employer's proportion and differences between the employer's contribution and the employer's proportionate contributions	(850,838)	
District contributions subsequent to the measurement date	6,859,680	
Total	32,501,381	235,042

\$6,859,680 reported as deferred outflows of resources related to pensions resulting from Employer 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, 2021, is 4.6 years and 4.6 years for the measurement period ended June 30, 2022.

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

Year ended June 30:	
2024	6,000,268
2025	6,535,168
2026	2,931,690
2027	9,939,533

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 50-1322, Idaho Code, is 25 years.

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

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	6.35%, net investment expenses
Cost-of-living adjustments	1%

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE J PENSION PLAN, continued

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 General Tables, increased 12%.
- Teachers – Females Pub-2010 General Tables, increased 21%.
- Fire & Police – Males Pub-2010 Safety Tables, increased 21%.
- Fire & Police – Females Pub-2010 Safety Tables, increased 26%.
- 5% of Fire and Police active member deaths are assumed to be duty related.
- Disabled Members – Males Pub-2010 Disabled Tables, increased 38%.
- Disabled Members – Females Pub-2010 Disabled Tables, increased 36%.

Assumption used to calculate the enclosed figures are described in our 2021 Experience study. The total pension liability as of June 30, 2022 is based on the results of an actuarial valuation date July 1, 2022.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate rates or 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 2022.

Capital Market Assumptions

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0%
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%

Idaho Falls School District #91

Notes to Financial Statements
June 30, 2023

NOTE J PENSION PLAN, continued

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 period 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 employer's proportionate share of the net pension liability to changes in the discount rate.

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	92,940,653	52,660,516	19,692,266

Pension Plan Fiduciary Net Position

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

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

Payables to the pension plan

At June 30, 2023, the District reported no payables to the defined benefit pension plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE K POST-RETIREMENT BENEFITS

The District funds post-retirement benefits on a current basis through PERSI. At January 1, 2020, the required contribution rate went to 0.0% which lasted through 2023. Contribution requirements are set to resume in fiscal year 2023. At the time of retirement, a sum equal to one-half of the monetary value of unused sick leave, calculated at the rate of pay at that time, is transferred from the sick leave account to the employee's retirement account. This money shall then be used to pay premiums for health, accident, dental, and life insurance.

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE L LONG-TERM DEBT

Following is a summary of the changes the general long-term debt for the year ended June 30, 2023:

	(As adjusted) Balance				Balance	Current
	June 30, 2023	Additions	Reductions	Refunding	June 30, 2023	Portion
Bonds payable*	7,915,000		2,990,000		4,925,000	4,925,000
Premium	503,591		151,530		352,061	352,061
Total bonds/premium	8,418,591		3,141,530		5,277,061	5,277,061
Lease liability**	1,264,560	620,225	1,270,907		613,878	158,131
Contracts (SBITAs)***	397,313	234,278	107,330		524,261	345,074
Compensated absences	233,211		15,182		218,029	218,029
Net pension liability		52,660,516			52,660,516	
OPEB	2,758,530		56,731		2,701,799	
Total	13,072,205	53,515,019	4,591,680	0	61,995,544	5,998,295

* See Note M for additional information on bond obligations

** See Note O for additional information on lease agreements and liabilities

*** See Note P for additional information on SBITA agreements and liabilities

Payment on the general obligation bonds are made by the debt service fund from property taxes and state bond levy equalization funds. Payment on the employment benefits is from the fund in which the employee works.

On August 6, 2020, the District issued \$5,430,000 in general obligation refunding bonds. The District completed the advanced refunding in 2021 and again in 2022. The 2022 refunding was completed to reduce its total debt service payments over the next 8 years.

NOTE M GENERAL OBLIGATION BOND ISSUES

The District had two general obligation bond issues (2012B Series, and 2020 refunding Series) outstanding at the end of the year. The 2020 general refunding bonds were originally \$5,430,000 due in principal payments of \$710,000 to \$720,000 through September 15, 2023, interest at .84%. The 2012B general obligation bond was originally \$29,670,000 and is due in annual installments of \$1,080,000 to \$1,685,000 through September 15, 2028, interest from 3.0% to 4.0%, including a net unamortized bond premium of \$503,593. This bond was paid off in August 2023. See subsequent events footnote.

Payments on the general obligation bonds are made by the debt service fund from property taxes and state bond levy equalization support.

Future debt service requirements are as follows:

Fiscal Year Ended June 30,	Total	Interest	Principal
2024	5,098,124	173,124	4,925,000

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE M GENERAL OBLIGATION BOND ISSUES, continued

Changes to bond principal payable and interest payable are summarized as follows:

Principal	2012B	2020	Total
Balances at July 1, 2022	6,485,000	1,430,000	7,915,000
Bonds issued			
Bonds retired during fiscal year	(2,280,000)	(710,000)	(2,990,000)
Bonds refunded			
Balances at June 30, 2023	<u>4,205,000</u>	<u>720,000</u>	<u>4,925,000</u>
Interest to be provided	2012B	2020	Total
Balances at July 1, 2022	383,900	12,054	395,954
Interest paid on bonds during fiscal year	(213,800)	(9,030)	(222,830)
Change in interest due to refunding			
Balances at June 30, 2023	<u>170,100</u>	<u>3,024</u>	<u>173,124</u>

NOTE N LEGAL DEBT MARGIN

The District is subject to a statutory limitation by the Idaho Code for bonded indebtedness payable principally from property taxes. The limit of bonded indebtedness is 5% of property market value for assessment purposes, less the aggregate outstanding debt. The debt limit for the District is \$11,246,241,776 x 5%, or \$562,312,089. The Debt Service fund had \$6,387,597 available and the general obligation debt was \$4,925,000 leaving a debt margin of \$563,774,686.

NOTE O LEASES

The District has the following leases outstanding at year end.

Yost/Pacific Office – This agreement is made of 1 master lease agreement with several addendums. Lease agreements are dated between September 2020 through May 2022 with combined monthly installments of \$3,745, including imputed interest at 1.38%. The agreements expire between May and September 2025. These leases are for office equipment.	83,090
Enterprise – Lease agreements for 20 vehicles dated October 2022 with monthly installments of \$10,955 and including imputed interest at 2.39%, through September 2027.	<u>530,788</u>
Total	<u>613,878</u>

Future minimum lease payments as of June 30, 2023 are:

Fiscal Year Ended June 30,	Total	Interest	Principal
2024	170,414	12,283	158,131
2025	170,414	8,853	161,561
2026	137,958	5,514	132,444
2027	131,466	2,459	129,007
2028	32,865	130	32,735
Total	<u>643,117</u>	<u>29,239</u>	<u>613,878</u>

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE O LEASES, continued

District as Lessor

The District, as a lessor, has entered into lease agreements with Verizon for space on 3 of their buildings for cell towers. The leases commenced in July of 2016 with an initial annual payment of \$36,000 and an annual increase set at 2% for each year thereafter. The lease term is for 5 years with 4 renewal options, which the District is reasonably certain will be exercised. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows recognized during the fiscal year was \$39,747.

The future minimum lease payments to be received under these leases are as follows:

<u>Fiscal Year Ended June 30, 2023</u>	<u>Total</u>	<u>Interest</u>	<u>Principal</u>
2024	40,793	10,552	30,241
2025	41,763	10,135	31,628
2026	42,588	9,699	32,889
2027	43,431	9,245	34,186
2028	44,290	8,773	35,517
2029-2033	234,957	36,128	198,829
2034-2038	259,163	21,361	237,802
2039-2041	168,147	4,566	163,581
Total	<u>875,132</u>	<u>110,459</u>	<u>764,673</u>

NOTE P SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The District is has contracts with the following companies and terms:

BorderLan – Two agreements dated July 2020 and amended July 2022. These agreements have annual payments of \$21,630 and \$18,968, respectively, and an interest rate of 3.12%. The agreements expire In June 2025 and 2026, respectively. These agreements cover Secure Cloud and Behavior monitoring.

Tyler Technologies – Several agreements dated May 2022. These agreements have varying payments on a set schedule and paid annually, and an interest rate of 3.12%. The agreements expire in April 2025 to April 2026. These agreements cover transportation and other cloud services.

Compunet – An agreement dated March 2022. This agreement has annual payments of \$23,618 and an interest rate of 3.12%. The agreement expires in February 2027. The agreement covers Smart License services.

Blackboard – Several agreements dated July 2022. These agreements have combined annual payments of \$39,440 and an interest rate of 3.12%. The agreements expire in June 2025. These agreements cover student cloud services.

Idaho Falls School District #91

Notes to Financial Statements June 30, 2023

NOTE P SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS, continued

The following represents the subscription-based liabilities for the District and liability outstanding at June 30:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion
BorderLan - Linewize		62,756	20,270	42,486	20,912
Tyler Technologies - Transportation	65,594		29,105	36,489	17,501
Tyler Technologies - Other	257,348	8,146		265,494	229,688
BorderLan Schoolmanager		53,950	18,743	35,207	17,163
Compunent CiscoFlex 3	74,371		7,254	67,117	21,679
Blackboard Community		69,318	22,491	46,827	23,049
Blackboard Website		48,253	17,612	30,641	15,082
Total	397,313	242,423	115,475	524,261	345,074

Future minimum lease payments as of June 30, 2023 are:

Fiscal Year Ended June 30,	Total	Interest	Principal
2024	356,244	11,170	345,074
2025	140,743	3,286	137,457
2026	42,519	789	41,730
Total	539,506	15,245	524,261

NOTE Q NON-MONETARY TRANSACTIONS

The District received \$306,159 in USDA Commodities during the 2022-2023 fiscal year. The commodities received are valued at the average wholesale price as determined by the distributing agency. All commodities received by the District were treated as revenue and expense of the fund receiving the commodities.

NOTE R PRIOR YEAR RESTATEMENT

During a review of cash balances belonging to student activities, the District noted an overstatement of cash and fund balance in the prior fiscal year. In addition, the prior year debt refunding showed a gain on refunding, but should have shown a slight loss. The beginning fund balance and net position related to these items was restated as follows:

	Government-wide	Student Activities
Beginning balance as originally stated	84,143,640	2,006,800
Overstatement of cash balances	(814,685)	(814,685)
Correction for debt refunding	(969,998)	
Total	82,358,957	1,192,115

NOTE S SUBSEQUENT EVENTS

Management of the District evaluated subsequent events through November 6, 2023, which was the date the financial statements were available to be issued. In August 2023, the District used excess funds in the debt service account to pay off their bond balances for the 2012B and 2020 series bonds. The impact of these items will be shown in the June 30, 2024, financial statements. There were no other subsequent type events, identified by management of the District, that are required to be disclosed.

REQUIRED FINANCIAL INFORMATION

Idaho Falls School District #91

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget to Actual-
Fiscal Year Ended June 30, 2023

	Original & Final Budget	Actual	Favorable (Unfavorable) Variance
REVENUES			
Property taxes	6,800,000	6,599,946	(200,054)
Earnings on investments	50,000	737,636	687,636
Transportation fees	237,800	129,880	(107,920)
Tuition		25,270	25,270
Rental	5,000	13,559	8,559
Contributions	25,000	167,230	142,230
Other local	350,000	686,374	336,374
State apportionment			
Base	53,714,070	54,275,666	561,596
Transportation	2,225,000	2,748,787	523,787
Exceptional child	150,000	99,140	(50,860)
Benefits	7,395,631	7,060,432	(335,199)
Other school support	605,865	1,018,866	413,001
Property tax replacement	151,500	359,708	208,208
Other state revenue		3,722,369	3,722,369
Vocational education	283,326	25,345	(257,981)
Federal Grants and assistance			
Total revenues	<u>71,993,192</u>	<u>77,670,208</u>	<u>5,677,016</u>
EXPENDITURES			
Instruction			
Elementary	21,424,225	22,003,868	(579,643)
Secondary	18,531,461	19,387,060	(855,599)
Alternative school	867,265	798,633	68,632
Professional technical education	1,867,119	1,535,847	331,272
Exceptional child	5,367,812	5,120,826	246,986
Special education preschool program	386,230	343,210	43,020
Gifted and talented	260,210	280,171	(19,961)
Interscholastic program	1,258,464	1,207,611	50,853
School activity	154,616	103,201	51,415
Summer school	50,880	140,630	(89,750)
Detention center	113,116	115,549	(2,433)
Total instruction	<u>50,281,398</u>	<u>51,036,606</u>	<u>(755,208)</u>
Support services			
Attendance, guidance, and health	3,645,523	3,783,907	(138,384)
Special education support services	1,077,471	849,859	227,612
Instructional improvement	1,536,250	1,129,456	406,794
Educational media	744,902	608,165	136,737
Instruction related technology	1,292,420	1,537,140	(244,720)
Other support services		482,869	(482,869)
Total support services	<u>8,296,566</u>	<u>8,391,396</u>	<u>(94,830)</u>

See Independent Auditor's Report.

Idaho Falls School District #91

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget to Actual-
Fiscal Year Ended June 30, 2023

	Original & Final Budget	Actual	Favorable (Unfavorable) Variance
EXPENDITURES, continued			
Administration			
Board of Education	292,500	361,314	(68,814)
District administration	1,493,339	1,600,675	(107,336)
School administration	4,843,453	5,279,310	(435,857)
Total administration	<u>6,629,292</u>	<u>7,241,299</u>	<u>(612,007)</u>
Business administrative services			
Business operations	849,339	519,166	330,173
Central services	123,150	132,965	(9,815)
Administrative technology services	365,106	461,913	(96,807)
Total business administrative services	<u>1,337,595</u>	<u>1,114,044</u>	<u>223,551</u>
Operations			
Building care (custodial)	3,095,010	4,385,057	(1,290,047)
Maintenance	2,946,762	3,657,533	(710,771)
Security	168,000	199,242	(31,242)
Total operations	<u>6,209,772</u>	<u>8,241,832</u>	<u>(2,032,060)</u>
Transportation	<u>3,862,679</u>	<u>4,976,899</u>	<u>(1,114,220)</u>
Noninstructional	<u> </u>	<u>2,010</u>	<u>(2,010)</u>
Facility acquisition services	<u> </u>	<u>11,643</u>	<u>(11,643)</u>
Total expenditures	<u>76,617,302</u>	<u>81,015,729</u>	<u>(4,398,427)</u>
Revenues over (under) expenditures	(4,624,110)	(3,345,521)	1,278,589
OTHER FINANCING SOURCES (USES)			
Operating transfers, net	<u> </u>	<u>(410,928)</u>	<u>(410,928)</u>
Revenues and other financing sources over (under) expenditures	<u>(4,624,110)</u>	<u>(3,756,449)</u>	<u>867,661</u>
Fund balance - July 1, 2022		<u>15,255,568</u>	
Fund balance - June 30, 2023		<u>11,499,119</u>	

See Independent Auditor's Report.

Idaho Falls School District #91

ESSER II Statement of Revenues, Expenditures, and Changes in Fund Balance -Budget to Actual- *Fiscal Year Ended June 30, 2023*

	Original & Final Budget	Actual	Favorable (Unfavorable) Variance
REVENUES			
Federal grants and assistance	1,799,049	3,010,327	1,211,278
Total revenues	<u>1,799,049</u>	<u>3,010,327</u>	<u>1,211,278</u>
EXPENDITURES			
Instruction			
Elementary		7,697	(7,697)
Secondary		43,454	(43,454)
Professional technical education		282,110	(282,110)
Exceptional child		1,030,495	(1,030,495)
Total instruction	<u>0</u>	<u>1,363,756</u>	<u>(1,363,756)</u>
Support services			
Instructional improvement	122,635	756,672	(634,037)
Instruction related technology	426,414	737,046	(310,632)
Total support services	<u>549,049</u>	<u>1,540,673</u>	<u>(991,624)</u>
Administration			
District administration		3,967	(3,967)
School administration		8,825	(8,825)
Total administration	<u>0</u>	<u>12,792</u>	<u>(12,792)</u>
Business administrative services			
Business operations		12,964	(12,964)
Central services		10,000	(10,000)
Total business administrative services	<u>0</u>	<u>18,997</u>	<u>(18,997)</u>
Facility acquisition services	<u>1,250,000</u>	<u>74,109</u>	<u>1,175,891</u>
Total expenditures	<u>1,799,049</u>	<u>3,010,327</u>	<u>(1,211,278)</u>
Revenues over (under) expenditures		0	0
OTHER FINANCING SOURCES (USES)			
Operating transfers, net			<u>0</u>
Revenues and other financing sources over (under) expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance - July 1, 2022		<u>0</u>	
Fund balance - June 30, 2023		<u>0</u>	

See Independent Auditor's Report.

Idaho Falls School District #91

ESSER III Statement of Revenues, Expenditures, and Changes in Fund Balance -Budget to Actual- Fiscal Year Ended June 30, 2023

	Original & Final Budget	Actual	Favorable (Unfavorable) Variance
REVENUES			
Federal grants and assistance	5,819,669	5,158,463	(661,206)
Total revenues	<u>5,819,669</u>	<u>5,158,463</u>	<u>(661,206)</u>
EXPENDITURES			
Instruction			
Elementary	1,004,545	1,566,445	(561,900)
Secondary	1,003,544	743,048	260,496
Total instruction	<u>2,008,089</u>	<u>2,516,724</u>	<u>(508,635)</u>
Support services			
Attendance, guidance, and health		210,354	(210,354)
Special education support services		449	(449)
Educational media		10,704	(10,704)
Instructional improvement		3,909	(3,909)
Support services		65,109	(65,109)
Instruction related technology	59,763	267,346	(207,583)
Total support services	<u>59,763</u>	<u>557,871</u>	<u>(498,108)</u>
Administration			
District administration		31,908	(31,908)
School administration		75,848	(75,848)
Total administration	<u>0</u>	<u>107,756</u>	<u>(107,756)</u>
Business administrative services	<u>0</u>	<u>13,281</u>	<u>(13,281)</u>
Operations			
Building care (custodial)		18,995	(18,995)
Maintenance		(10,233)	10,233
Total operations	<u>0</u>	<u>8,762</u>	<u>(8,762)</u>
Facility acquisition services	<u>3,752,816</u>	<u>1,946,101</u>	<u>1,806,715</u>
Total expenditures	<u>5,820,668</u>	<u>5,156,841</u>	<u>663,827</u>
Revenues over (under) expenditures	(999)	1,622	2,621
OTHER FINANCING SOURCES (USES)			
Operating transfers, net			0
Revenues and other financing sources over (under) expenditures	<u>(999)</u>	<u>1,622</u>	<u>2,621</u>
Fund balance - July 1, 2022		<u>0</u>	
Fund balance - June 30, 2023		<u>1,622</u>	

See Independent Auditor's Report.

Idaho Falls School District #91

Required Supplementary Information
Fiscal Year Ended June 30, 2023

Schedule of Changes in Total OPEB Liability and Related Ratios

As of the measurement date of June 30, 2022

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	205,352	271,412	265,440	293,486	293,108	272,179
Interest on total OPEB liability	96,320	66,780	65,251	123,575	120,091	128,384
Changes of benefit terms						
Differences between expected and actual experience		(498,746)		(812,206)		(139,951)
Effect of assumption changes or inputs	(140,003)	214,213		38,790	91,322	96,445
Expected benefit payments	(218,400)	(254,822)	(276,608)	(243,990)	(284,458)	(253,787)
Net change in total OPEB liability	(56,731)	(201,163)	54,083	(600,345)	220,063	103,270
 Total OPEB liability, beginning	 2,758,530	 2,959,693	 2,905,610	 3,505,955	 3,285,892	 3,182,622
 Total OPEB liability, ending	 <u>2,701,799</u>	 <u>2,758,530</u>	 <u>2,959,693</u>	 <u>2,905,610</u>	 <u>3,505,955</u>	 <u>3,285,892</u>
 Covered valuation payroll	 46,391,289	 46,391,289	 40,366,648	 40,366,648	 33,378,450	 32,172,000
 Total OPEB liability as a % of covered valuation payroll	 5.82%	 5.95%	 7.33%	 7.20%	 10.50%	 10.21%

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

See Independent Auditor's Report.

Idaho Falls School District #91

Required Supplementary Information
Fiscal Year Ended June 30, 2023

Schedule of Employer's Share of Net OPEB Asset PERSI-OPEB Plan Last 10-Fiscal Years *

	2022	2021	2020	2019	2018	2017
Employer's portion of net OPEB asset	3.1604601%	3.1604601%	3.1604601%	3.2767099%	3.2956631%	3.33184485%
Employer proportionate share of the net OPEB asset	2,405,966	4,589,634	3,891,493	3,138,446	2,733,586	2,547,338
Employer's covered-employee valuation payroll	52,655,460	48,427,157	44,699,028	42,708,247	40,806,676	38,949,285
Employer's proportional share of the net OPEB asset as a percentage of its covered-employee payroll	4.569%	9.477%	8.706%	7.349%	6.699%	6.540%
Plan fiduciary net position as a percentage of the total OPEB asset	127.21%	152.61%	152.87%	138.51%	135.69%	136.78%

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

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

Schedule of Employer Contributions PERSI-OPEB Plan Last 10-Fiscal Years *

	2023	2022	2021	2020	2019	2018
Statutorily required contribution				(281,604)	(538,124)	(514,005)
Contributions in relation to the statutorily required contribution				283,929	538,124	514,005
Contribution (deficiency) excess				2,325		
Employer's covered-employee payroll	57,451,258	52,655,460	48,427,157	44,699,028	42,708,247	40,806,676
Contributions as a percentage of covered-employee payroll	0.000%	0.000%	0.000%	0.630%	1.260%	1.260%

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

Data reported is measured as of June 30, 2023 (reporting date).

See Independent Auditor's Report.

Idaho Falls School District #91

Required Supplementary Information
Fiscal Year Ended June 30, 2023

Schedule of Employer's Share of Net Pension Liability PERSI-Base Plan Last 10-Fiscal Years *

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's portion of net pension liability	1.3369828%	1.2995385%	1.2574123%	1.2617045%	1.2610880%	1.2540293%	1.2689501%	1.2747356%	1.3247276%
Employers proportionate share of the net pension liability	(2,052,698)	(1,026,349)	29,198,776	14,402,005	18,601,268	19,711,186	25,723,567	16,786,194	9,752,068
Employer's covered payroll	52,655,460	48,427,157	44,699,028	42,708,247	40,806,676	38,949,285	36,883,746	35,429,127	35,623,545
Employer's proportional share of the net pension liability as a percentage of its covered payroll	-3.90%	-2.12%	65.32%	33.72%	45.58%	50.61%	69.74%	47.38%	27.38%
Plan fiduciary net position as a percentage of the total pension liability	83.09%	100.36%	88.22%	93.79%	91.68%	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 District will present information for those years for which information is available.

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

Schedule of Employer Contributions PERSI-Base Plan Last 10-Fiscal Years *

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	6,859,680	6,287,062	5,782,203	5,337,064	4,834,574	4,619,316	4,409,059	4,175,240	4,010,577
Contributions in relation to the statutorily required contribution	6,859,680	6,287,062	5,782,203	5,337,064	4,834,574	4,619,316	4,409,059	4,175,240	4,010,577
Contribution (deficiency) excess	0	0	0	0	0	0	0	0	0
Employer's covered payroll	57,451,258	52,655,460	48,427,157	44,699,028	42,708,247	40,806,676	38,949,285	36,883,746	35,429,127
Contributions as a percentage of covered payroll	11.9400%	11.9400%	11.9400%	11.9400%	11.3200%	11.3200%	11.3200%	11.3200%	11.3200%

* 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 District will present information for those years for which information is available.

Data reported is measured as of June 30, 2023 (reporting date).

See Independent Auditor's Report.

Idaho Falls School District #91

Notes to Required Supplementary Information

Fiscal Year Ended June 30, 2023

NOTE A BUDGET ADOPTION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund, Debt Service Fund, Capital Projects Fund, ESSER II Fund, and ESSER III Fund. All annual appropriations lapse at year end.

NOTE B EXCESS OF ACTUAL EXPENDITURES OVER BUDGET

Actual expenditures exceeded budget for the General and ESSER II Funds.

NOTE C OPEB NOTES

Changes of benefit terms - There are no changes of benefit terms.

Changes of assumptions - Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period.

OTHER FINANCIAL INFORMATION

Idaho Falls School District #91

All Nonmajor Funds
Combining Balance Sheet
June 30, 2023

	Forest Reserve Fund	E-rate	School Activities	State Professional Technical	Public School Technology	Idaho Substance Abuse	Title I Fund	ESSER I	Migrant Education	Title I - Delinquent	IDEA School-age	IDEA - Preschool	IDEA - ARPA	Medicaid	Title IVA - Student Support &	Perkins III Professional Technical	Title III	Supporting Effective Instruction	21st Century Schools	Premium Pay	Child Nutrition Fund	Expendable Foundation	All Major Funds
ASSETS																							
Cash and investments	168,676		915,865		786,359	146,845							-	230,565			46,175				1,403,830	23,142	3,721,457
Receivables																							
Federal grants receivable							963,272		49,810	68,730	686,690	111,973	208,393		241,974	263,783	61,942	388,477			20,498		3,065,542
Other receivables														895,650								(34)	895,616
Supplies inventory	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	128,324		128,324
Total assets	168,676	0	915,865	0	786,359	146,845	963,272	0	49,810	68,730	686,690	111,973	208,393	1,126,215	241,974	263,783	108,117	388,477	0	0	1,552,652	23,108	7,810,939
LIABILITIES AND FUND BALANCE																							
LIABILITIES																							
Accounts payable			46,962	311	1,710		41,137			89	7,917	45			9,238		28	7,320			5,987	116	120,860
Accrued wages				77,673	39		191,554		3,545	5,920	224,086	12,542		39,446	9,216	2,482	11,787	8,239			150,260		736,789
Accrued employee benefits				48,647	5,157		82,937		4,153	9,229	134,685	5,916		25,020	4,989	2,791	9,221	5,072			124,192		462,009
Interfund payable		40,305		229,269			647,644		42,112	53,492	320,002	93,470	208,393	1,061,749	218,531	251,380	36,638	367,846					3,570,831
Total liabilities	0	40,305	46,962	355,900	6,906	0	963,272	0	49,810	68,730	686,690	111,973	208,393	1,126,215	241,974	256,653	57,674	388,477	0	0	280,439	116	4,890,489
FUND BALANCE																							
Nonspendable																					128,324		128,324
Restricted	168,676		868,903		779,453	146,845										7,130	50,443				1,143,889	22,992	3,188,331
Unassigned		(40,305)		(355,900)																			(396,205)
Total fund balance	168,676	(40,305)	868,903	(355,900)	779,453	146,845	0	0	0	0	0	0	0	0	0	7,130	50,443	0	0	0	1,272,213	22,992	2,920,450
Total liabilities and fund balance	168,676	0	915,865	0	786,359	146,845	963,272	0	49,810	68,730	686,690	111,973	208,393	1,126,215	241,974	263,783	108,117	388,477	0	0	1,552,652	23,108	7,810,939

See Independent Auditor's Report.

Idaho Falls School District #91

All Nonmajor Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance

Fiscal Year Ended June 30, 2023

	Forest Reserve Fund	E-rate	School Activities	State Professional Technical	Public School Technology	Idaho Substance Abuse	Title I Fund	ESSER I	Migrant Education	Title I - Delinquent	IDEA School- age	IDEA - Preschool	IDEA - ARPA	Medicaid	Title IVA - Student Support &	Perkins III Profession	Title III	Supporting Effective Instruction	21st Century Schools	Premium Pay	Child Nutrition Fund	Expendable Foundation	All Major Funds
REVENUES																							
Earnings on investments																					3,309		3,309
Food service																					915,602		915,602
Other local			751,302																		27,431		778,733
Other state revenue				479,060	842,445	126,448																	1,447,953
Federal contracts and grants	31,118						2,489,701	6,193	63,599	129,654	2,111,286	111,974	208,393	2,543,011	289,420	246,631	61,122	409,189	162	1,058,736	3,296,120		13,056,309
Total revenues	31,118	0	751,302	479,060	842,445	126,448	2,489,701	6,193	63,599	129,654	2,111,286	111,974	208,393	2,543,011	289,420	246,631	61,122	409,189	162	1,058,736	4,242,462	0	16,201,906
EXPENDITURES																							
Instruction																							
Elementary	13,137						1,787,377	1,698	4,292					0	147,063		28,075	155,619	162	0			2,137,423
Secondary	8,440				41,853		346,679		131		0	0	0	0	88,305		33,047	89,928		0		(3,824)	604,559
Alternative school														0									
Exceptional child													1,849,256	208,393	2,273,548					17,944			4,349,141
Special ed preschool program												111,974											111,974
Gifted and talented																							
School activity			998,382																				998,382
Summer school							(18,276)				30												(18,246)
Vocational				718,762												196,104							914,866
Detention center program										96,154													96,154
Support services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Attendance, guidance, and health						139				33,500	120,897			200,434	11,081								366,051
Instructional improvement				121,588	6,046	27,445	255,011	384	41,223		141,103							159,057		1,040,792			1,792,649
Instructional related technology		40,305			571,326			4,111							63,534								679,276
School administration				350			118,910		17,953					69,029		50,527		4,585					261,354
Business administration service																							
Security						100,000																	100,000
Transportation																							
Noninstructional services																					4,350,074		4,350,074
Student Activities			52,438																				52,438
Debt Service															10,815								10,815
Total expenditures	21,577	40,305	1,050,820	840,700	619,225	127,584	2,489,701	6,193	63,599	129,654	2,111,286	111,974	208,393	2,543,011	320,798	246,631	61,122	409,189	162	1,058,736	4,350,074	(3,824)	16,806,910
Revenues over (under) expenditures	9,541	(40,305)	(299,518)	(361,640)	223,220	(1,136)									(31,378)						(107,612)	3,824	(605,004)
OTHER FINANCING SOURCES (USES)																							
Net transfers			(23,694)																		46,553		22,859
Proceeds from long-term obligations															31,378								31,378
Total other financing sources	0	0	(23,694)	0	0	0	0	0	0	0	0	0	0	0	31,378	0	0	0	0	0	46,553	0	54,237
Revenues and other financing sources over (under) expenditures and other financing sources (uses)																							
Fund balance - July 1, 2022 as originally stated	159,135	0	2,006,800	5,740	556,233	147,981	0	0	0	0	0	0	0	0	0	7,130	50,443	0	0	0	1,333,272	19,168	4,285,902
Prior period adjustment			(814,685)																				(814,685)
Restated Fund balance - July 1, 2022	159,135	0	1,192,115	5,740	556,233	147,981	0	0	0	0	0	0	0	0	0	7,130	50,443	0	0	0	1,333,272	19,168	3,471,217
Fund balance - June 30, 2023	168,676	(40,305)	868,903	(355,900)	779,453	146,845	0	0	0	0	0	0	0	0	0	7,130	50,443	0	0	0	1,272,213	22,992	2,920,450

Idaho Falls School District #91

Schedule of Taxes Receivable Fiscal Year Ended June 30, 2023

	General Fund		
	Total	2022	2021 and prior
Unearned balance at July 1, 2022	222,940	0	222,940
ADDITIONS			
Roll charges applicable to 2022	6,656,772	6,656,772	
Subsequent additions and cancellations	(10,256)	(10,062)	(194)
Total additions	6,646,516	6,646,710	(194)
DEDUCTIONS			
Collections received	4,465,079	4,308,439	156,640
Current amount due on taxes collected by the county	2,134,867	2,124,420	10,447
Total deductions	6,599,946	6,432,859	167,087
Unearned balance at June 30, 2023	269,510	213,851	55,659

See Independent Auditor's Report.

Idaho Falls School District #91

Schedule of Taxes Receivable Fiscal Year Ended June 30, 2023

Debt Service Fund			Capital Projects Fund		
Total	2022	2021 and prior	Total	2022	2021 and prior
233,369	0	233,369	80,087	0	80,087
5,287,514	5,287,514		2,451,127	2,451,127	
(8,192)	(7,997)	(195)	(3,777)	(3,707)	(70)
5,279,322	5,279,517	(195)	2,447,350	2,447,420	(70)
3,586,533	3,421,231	165,302	1,642,243	1,585,972	56,271
1,699,033	1,688,333	10,700	786,411	782,658	3,753
5,285,566	5,109,564	176,002	2,428,654	2,368,630	60,024
227,125	169,953	57,172	98,783	78,790	19,993

See Independent Auditor's Report.

Idaho Falls School District #91

Schedule of Liquidity Analysis of the General Fund Balance *June 30, 2023*

Fund balance of the General Fund at June 30, 2023	11,499,119
Less nonspendable-inventories	(291,415)
Less assigned for encumbrances	(654,487)
Less assigned for budget purposes	<u>(2,617,207)</u>
Remaining unrestricted balance	<u><u>7,936,010</u></u>

See Independent Auditor's Report.

Annual Federal Compliance Section

Idaho Falls School District #91

June 30, 2023

Idaho Falls School District #91

Schedule of Expenditures of Federal Awards Fiscal Year Ended June 30, 2023

Federal Grantor / Pass-Through Grantor / Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Disbursements / Expenditures
United States Department of Agriculture			
Passed through Idaho State Department of Education:			
Child Nutrition Cluster			
School Breakfast Program	10.553	202222N109947	437,684
National School Lunch Program-cash	10.555	202323N119947	2,132,809
COVID19 -Supply Chain Assistance	10.555	202222IN890347	169,600
COVID19 -Supply Chain Assistance	10.555	202323IN890347	82,220
Fresh Fruit and Vegetable Program	10.582	202222LI60347	95,901
Summer Food Service Program for Children	10.559	202121N109947	67,770
			2,985,984
Non-Cash Assistance (Commodities)			
National School Lunch Program-commodities	10.555		306,159
Total Child Nutrition Cluster			3,292,143
COVID-19 – 2021 NSLP Emergency Operating	10.579	217IDIDH1703	2,762
Passed through Bonneville County:			
Schools and Roads – Grant to States	10.665		21,576
Total U.S. Department of Agriculture			3,316,481
United States Department of Education			
Passed through Idaho State Department of Education:			
Title I			
Title I Grants to Local Educational Agencies	84.010	S010A210012	1,661,211
		S010A220012	780,361
Title I-A School Improvement 1003A	84.010	S010A220012	48,130
Title I-D Neglected & Delinquent	84.010	S010A210012	16,956
		S010A220012	112,697
Total Title I			2,619,355
Migrant Education	84.011	S011A210012	20,340
		S011A220012	43,260
Total Migrant Education			63,600
COVID19–ESSER I	84.425D		6,193
COVID19–ESSER II	84.425R		3,010,327
COVID19–ESSER III	84.425U		5,156,748
Total ESSER Funds			8,173,268

See Notes to Schedule of Expenditures of Federal Awards

Idaho Falls School District #91

Schedule of Expenditures of Federal Awards Fiscal Year Ended June 30, 2023

Federal Grantor / Pass-Through Grantor / Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Disbursements / Expenditures
United States Department of Education			
Passed through Idaho State Department of Education:			
Special Education Cluster			
Special Education – School-age	84.027	H027A210088	20,166
		H027A220088	2,086,621
COVID19 – Special Education – School-age		H027X210088	186,159
Special Education - Preschool	84.173	H173A210030	1
		H173A220030	111,973
COVID19 – Special Education – Preschool		H173X210030	26,733
Total Special Education Cluster			<u>2,431,653</u>
21 st Century Community Learning Centers	84.287	S287C220012	<u>162</u>
English Language Acquisition	84.365	S365A220012	<u>61,122</u>
Supporting Effective Instruction	84.367	S367A200011	20,712
		S367A210011	388,477
Total Supporting Effective Instruction			<u>409,189</u>
Title IV – Student Support and Academic Enrichment	84.424	S424A210013	47,447
		S424A220013	241,974
Total Student Support and Academic Enrichment			<u>289,421</u>
Total Passed through Idaho Department of Education			<u>14,047,770</u>
Passed through Idaho State Division of Professional Technical:			
Vocational Education	84.048	V048A210012	<u>246,631</u>
Total U.S. Department of Education			<u>14,294,401</u>
United States Department of Treasury			
Passed Through Idaho State Department of Education			
COVID19 – CSLFRF	21.027	SLFRP0142	<u>1,058,736</u>
Total U.S. Department of Education			<u>1,058,736</u>
Total Expenditures of Federal Awards			<u><u>18,669,618</u></u>

See Notes to Schedule of Expenditures of Federal Awards

Idaho Falls School District #91

Notes to Schedule of Expenditures of Federal Awards *Fiscal Year Ended June 30, 2023*

NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance issued by the Office of Management and Budget (OMB). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net assets of the District.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as described in Note A to the District's financial statements. Such expenditures are recognized following the cost principles contained in OMB Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE C NONMONETARY TRANSACTIONS

Nonmonetary assistance is reported for the Food Distribution Program at fair market value of commodities received which is established by the State Department of Education. The District held an undetermined amount of those commodities in inventory at June 30, 2023.

NOTE D INDIRECT COST RATE

The District has elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE E SUBRECIPIENTS

The District had no subrecipients or subrecipient expenditures.

**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
Idaho Falls School District #91
Idaho Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in the *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 Idaho Falls School District #91 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Idaho Falls School District #91's basic financial statements, and have issued our report thereon dated November 6, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Idaho Falls School District #91'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 Idaho Falls School District #91's internal control. Accordingly, we do not express an opinion on the effectiveness of Idaho Falls School District #91's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Idaho Falls School District #91's financial statements are free of 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*.

District's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

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Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
November 6, 2023

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

Board of Trustees
Idaho Falls School District #91
Idaho Falls, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Programs

We have audited Idaho Falls School District #91's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Idaho Falls School District #91's major federal programs for the year ended June 30, 2023. Idaho Falls School District #91's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Idaho Falls School District #91 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Idaho Falls School District #91 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Idaho Falls School District #91's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Idaho Falls School District #91's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Idaho Falls School District #91's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Idaho Falls School District #91's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Idaho Falls School District #91's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Idaho Falls School District #91's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Idaho Falls School District #91's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-003 to be a material weakness.

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

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style. The letters "Wipfli" are connected together, and "LLP" is written separately to the right.

Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
November 6, 2023

Idaho Falls School District #91

Schedule of Findings and Questioned Costs Fiscal Year Ended June 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified.

Internal control over financial reporting:

- | | | | | |
|---|------------------|-----|------------------|---------------|
| • Material weakness(es) identified? | <u> X </u> | Yes | <u> </u> | No |
| • Significant deficiency(ies) identified that are not considered to be material weaknesses? | <u> </u> | Yes | <u> X </u> | None reported |

Noncompliance material to financial statements noted?	<u> </u>	Yes	<u> X </u>	No
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Federal Awards

Internal control over major programs:

- | | | | | |
|---|------------------|-----|------------------|---------------|
| • Material weakness(es) identified? | <u> X </u> | Yes | <u> </u> | No |
| • Significant deficiency(ies) identified that are not considered to be material weakness? | <u> </u> | Yes | <u> X </u> | None reported |

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

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirement for Federal Awards (Uniform Guidance)?

<u> </u>	Yes	<u> X </u>	No
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Identification of major programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I
21.027	CSLFRF
84.425D/84.425R/84.425U	Education Stabilization Funds

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

 \$750,000

Auditee qualified as low-risk auditee?	<u> X </u>	Yes	<u> </u>	No
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Idaho Falls School District #91

Summary Schedule of Prior Audit Findings *Fiscal Year Ended June 30, 2023*

SECTION II - FINDINGS - FINANCIAL STATEMENT FINDINGS

Section I - Audit Findings in Relation to Financial Statements

2023-001 Financial Statement Preparation

Criteria or Specific Requirement: Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements including the related disclosures, in conformity with U.S. generally accepted accounting principles (GAAP).

Condition: The District made significant and sudden changes in the financial leadership near the fiscal year end. This led to a gap in transitioning normal processes and left significant responsibility on the shoulders of new employees and employees who were not fully trained for the role. The remaining leadership has worked hard to fill that gap, and the new HR Director stepped in with experience at a smaller district in the business manager role. Despite this additional assistance the gap in internal controls still exists. The internal controls in place over annual financial reporting that would enable management to prepare its annual financial statements and ensure related footnote disclosures are complete and presented in accordance with GAAP were insufficient due to these gaps. A few of the difficulties faced included big-picture adjustments and management of expenditure coding, the impact of those changes and the underlying cause of the issues, and research into past history on a significant number of accounts to figure out the 'true' balance, which also led to discussions with the state for layered corrections in reimbursements. See also finding 2023-003.

Context: The District made significant changes in leadership right at the fiscal year end of the District leaving remaining staff with an incomplete understanding of the Financial Director's responsibilities; tasks that she often handled without her staff's awareness; and the high level reconciliation and knowledge of GAAP requirements and the Government Auditing Standards (GAS). The Comptroller has worked in an assistant role with delegated responsibilities. As she tried to fulfill all of these unexpected requirements, she was assisted by the new Director over HR who had business manager experience with a different software and a smaller district, but the HR Director's responsibilities did not allow enough time for the assistance the Comptroller needed. With their experience levels, the software differences, and the timing of the change, the closing process and reconciliations of the financials did not happen as it should.

Effect: The completeness of the financial statement disclosures and the accuracy of the overall financial presentation was negatively impacted as external auditors do not have the same comprehensive understanding of the District as its internal staff. Significant additional time was required by audit staff, and by the Districts remaining financial staff. Financial staff were put into a position of trying to understand and make changes without appropriate experience and training with District software and GAAP and GAS requirements. Overall this led to adjustments and missing details throughout the audit process.

Cause: Historically, Director of Finance completed a significant amount of cleanup after year end and prior to the audit. This process included material cleanup and adjustments as well as a high level review of the financial position of the District as a whole, and fund-level review and adjustment where necessary. With the Finance Director's absence, these missing steps became apparent when the balances provided for the audit were not fairly presented with standards and audit requirements. The remaining financial staff did not have adequate time and training to know what had and had not been done.

Idaho Falls School District #91

Summary Schedule of Prior Audit Findings *Fiscal Year Ended June 30, 2023*

Significant reliance was placed on the audit firm to catch issues and prepare the annual financial statements and related footnote disclosures. The auditors often help to assemble information and assist in drafting the financial statements, however the nuances, decisions, closing procedures, reconciliations, and details should be handled by the Finance Director and District staff.

Auditor's Recommendation: The board must provide adequate time and training for the financial staff so they can become familiar with the District, with the new software, as well as the old, and with GAAP and GAS requirements necessary to complete an appropriate and complete closing process. As noted in finding 2023-002, reconciliations must be completed monthly to ensure fund level spending is appropriate and matches with available funding, and that funds are presented accurately for both internal and external review. Management should continue to review and approve the annual financial statements and related footnote disclosures, and receive any necessary training to feel confident and comfortable with their role in overseeing these services.

View of Responsible Official: The District intends to grant time for training financial staff to become familiar with the District, the software, as well as GAAP and GAS requirements necessary to complete the closing process.

2023-002 Account Reconciliations

Criteria or Specific Requirement: An accounting system should provide timely and accurate information for management. The reconciliation of account balances is an integral internal control activity to determine that stated account balances are accurate and fairly reported. District management and accounting personnel should reconcile general ledger accounts to subsidiary ledgers and other supporting documents in a timely and effective manner.

Condition: Improperly implemented internal controls and account reconciliation procedures allowed for the District to perform inadequate or no reconciliation of the following accounts: cash, accounts receivables, old/stale balances, debt balances, budget to actual comparisons and spending limits, and accounts payable as explained below.

- Cash - The student activities account in FY22 was not appropriately reconciled and tracked. During the transition of the District's bank accounts into a consolidated pool, it was discovered that the cash and activities presented in the financial statements was overstated, resulting in a prior period adjustment of \$814,685 in FY23.
- Accounts receivable - Historically, the Director of Finance would have the special revenue funds closed out so any audit adjustments were minor and all current activity was well within allowable grant awards. In the current year, it came to auditor's attention that previous accounts receivable balances had not been requested causing several funds to be overspent compared to available grant funds. District staff spent significant time resolving these issues with the state, and had to go back at least three years in one case.
- Budget to actual comparisons and spending limits - The information received for the audit showed significant overspending in at least seven special revenue funds. The financial staff were unaware of these overages until they were pointed out during the audit, and grant/state funding available was insufficient to cover several of these funds. It does not appear that the District leadership are using the budget to drive expenditures.
- Debt balances - The District has had several refundings in the last few years. The presentation of debt and outstanding liabilities generally only happens during the financial audit timeframe, but the presentation of the FY22 refunded debt was inaccurately presented in the financial statements resulting in a prior period adjustment of \$969,998 in debt.

Idaho Falls School District #91

Summary Schedule of Prior Audit Findings *Fiscal Year Ended June 30, 2023*

- Old/Stale balances - Each year there are thousands of accounts that need to be reviewed and reconciled at the District level. From an audit perspective, we focus our attention on significant and material account balances, but the District should monitor all balances, regardless of materiality, to verify that the financial software is functioning correctly, and that the financial position of the District is adequately presented. In this case, Wipfli questioned a handful of accounts which had not changed in several years and have not been reconciled or reviewed in at least two years as balances appeared to stem from 2021 or older. One such adjustment was \$347,580 in the general fund.
- Accounts payable - According to GAAP requirements, only items which are liabilities of the District should be shown in accounts payable, and all amounts owed as of the financial statement date should be included. We have had minor issues each year with this cutoff process, but this year, adjustments totaled \$428,266, or 20% of the unadjusted accounts payable balance that was overstated.

Context: In planning and performing our audit procedures, we obtained an understanding of the design and implementation of internal controls for significant audit risk and performed audit procedures assessing the effectiveness of internal controls. Additionally, we performed substantive audit procedures to obtain audit evidence verifying the completeness, validity and accuracy of the financial records. In many cases, issues came to light due to the management turnover that should have been addressed previously, and in other cases, issues were caused by the lack of sufficient internal controls and responsibilities assigned to staff that did not have sufficient time and training to handle them.

Effect: Without performing adequate account reconciliations, information provided to management is inaccurate. Also, the probability that fraud or material errors will occur and go undetected generally increases. Lost funding from the state or federal level is possible, and overspending in special revenue funds must be covered by the general fund, which depletes available resources for the District beyond budgeted expectations.

Cause: The District did not perform adequate reconciliations of cash, accounts receivables, old/stale balances, debt balances, budget to actual comparisons and spending limits, and accounts payable to verify the completeness, validity, and accuracy of their financial records. Variances between the subsidiary ledger and the general ledger were left unexplained throughout the year and some funds were over recorded on the District's books during the period under audit.

Auditor's Recommendations: District management should implement policies and procedures requiring accountability to monitor the accuracy of monthly reconciliations. This would allow the District to ensure completeness and accuracy, enhancing the control system in the accounting department. Management personnel involved in the reconciliation process should sign supporting documentation to attest that not only the process was complete, but it also had been reviewed.

View of Responsible Official: The District will perform complete and timely reconciliations of all accounts to ensure accuracy and availability of funds.

Idaho Falls School District #91

Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2023

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2023-003 Schedule of Expenditures of Federal Awards (SEFA) Preparation

Federal Program Information:

Funding agency: All

Title: All

CFDA number: All

Award year and number: 2021-2022 and 2022-2023

Criteria or Specific Requirement: In accordance with the Uniform Guidance (2 CFR Section 200.510(b)), the auditee should identify all federal awards received and prepare a SEFA for the period under audit. The information contained in the SEFA shall be derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. Expenditures should include only those which are both allowable and within the grant award. Grant reimbursement requests should be done monthly.

Condition: The initial information provided for the audit was unreconciled and contained overspending in several grant funds that could not be requested due to grant limitations. Many funds included in the SEFA had to be adjusted, some by material amounts to bring expenditures down to requestable levels, and during the process, it was noted that at least one fund carried an accounts receivable balance which had not been requested. Layered in that balance was at least three years' worth of unrequested funds causing District staff to have to work with the state to shift expenditures into the appropriate grant years to recover all amounts owed and spent by the District.

Context: As part of our review of the SEFA, and during our testing over accounts receivable and revenues, Wipfli found that grant requests were often done once or twice a year rather than monthly, and amounts requested did not line up with accounts receivable as shown in the financial statements. Although there was no evidence of unallowable expenditures being charged to the funds, the fact that funds were over-expended and in excess of budget suggests that the budget is not driving expenditures and regular reconciliation and review is not happening.

Questioned Costs: None

Effect: The District staff and auditors had to spend additional time reviewing historical information and adjusting the classification of expenditures, often to the general fund, to keep grant funds in line with available grant amounts. This resulted in significant adjustments to the general fund for expenditures that were not likely budgeted in the current year.

Cause: The District was not reconciling federal spending with available funding, requests for reimbursement were not timely, and the internal controls over review and spending do not appear to be functioning adequately. See also finding 2023-002.

Repeat: No

Auditor's Recommendation: Wipfli recommends continued training and timely requests for reimbursement for all applicable federal funds. In addition, regular review of budget and actual, district needs, and changes since the budget was set are integral to having an awareness of the funds and potential issues before they arise. By resetting the procedures of the District and completing these tasks, the reporting of the District will improve, and forward planning and preparation will improve.

View of Responsible Official: The District will strive for monthly requests for reimbursement for all applicable federal funds, thus creating awareness of the funds and potential issues before they arise.

Idaho Falls School District #91

Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2023

SECTION IV - PRIOR YEAR AUDIT FINDINGS:

None