

MACKAY SCHOOL DISTRICT #182

**Report on Audit of Basic Financial Statements,
Required Supplemental Information,
And Supplemental Information**

For The Year Ended June 30, 2023

MACKAY SCHOOL DISTRICT #182
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Mackay School District #182
Mackay, Idaho

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mackay School District #182 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Mackay School District #182'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 Mackay School District #182, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Mackay School District #182, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Mackay School District #182'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 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, 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 Mackay School District #182's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Mackay School District #182's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 Mackay School District #182's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Jensen Poulsen & Company, PLLC

JENSEN POULSEN & COMPANY, PLLC
Certified Public Accountants

Idaho Falls, ID
October 9, 2023

MACKAY SCHOOL DISTRICT #182
STATEMENT OF NET POSITION
June 30, 2023

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash	\$ 4,297,072
State and federal receivables (net)	416,547
Property taxes receivable	53,239
Capital assets, net of depreciation	4,044,690
Total assets	\$ 8,811,548
DEFERRED OUTFLOWS OF RESOURCES	
Pension deferred outflows	\$ 837,064
Unspent grant allocation	68,095
Total deferred outflows of resources	\$ 905,159
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 9,716,707
LIABILITIES	
Accounts payable	\$ 21,146
Salaries and benefits payable	205,944
Net pension liability	1,343,946
Compensated absences	513
Total liabilities	\$ 1,571,549
DEFERRED INFLOWS OF RESOURCES	
Pension deferred inflows	\$ 5,998
Unspent grant allocation	68,095
Total deferred inflows of resources	\$ 74,093
NET POSITION	
Investment in capital assets	\$ 4,044,690
Restricted for:	
Special programs	2,858,885
Capital projects	893,797
Unrestricted	273,693
Total net position	\$ 8,071,065
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 9,716,707

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
STATEMENT OF ACTIVITIES
For Year Ended June 30, 2023

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>					
Instructions:					
Elementary programs	\$ 904,220	\$ -	\$ 346,548	\$ 141,416	\$ (416,256)
Secondary/alternative programs	1,071,774	-	267,648	-	(804,127)
Exceptional/preschool programs	118,624	-	65,925	-	(52,699)
Other instructional programs	33,611	-	-	-	(33,611)
Support services:					
Student services	18,151	-	-	-	(18,151)
Educational media	18,235	-	-	-	(18,235)
School administration	174,968	-	-	-	(174,968)
Administration	153,579	-	-	-	(153,579)
Plant services	376,298	-	7,047	-	(369,251)
Pupil transportation	232,157	-	-	-	(232,157)
Food services	94,669	24,029	50,104	-	(20,536)
 Total Governmental Activities	 \$ 3,196,286	 \$ 24,029	 \$ 737,271	 \$ 141,416	 \$ (2,293,570)
 General revenues:					
Taxes:					
Property taxes, levied for general purposes					94,109
Property taxes, levied for capital projects					156,971
State revenue in lieu of taxes					4,323
Grants and contributions not restricted to specific programs					
Foundation program					2,136,827
Federal forest lands					173,763
Other state revenue					164,257
Interest and investment earnings					21,690
Miscellaneous revenue					13,775
Net pension revenue(expense)					187,950
Total general revenues and special items					\$ 2,953,665
Changes in net position					660,096
Net position - beginning					7,410,969
Net position - ending					\$ 8,071,065

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2023

				Federal		Total
		Food	Plant	Forest	Non Major	Governmental
ASSETS	General	Service	Facilities	Reserve	Funds	Funds
Cash.....	\$ 769,340	\$ 26,042	\$ 866,805	\$ 2,142,061	\$ 492,824	\$ 4,297,072
Tax receivable.....	20,527	-	32,712	-	-	53,239
Other receivable.....	218,317	3,856	-	-	194,374	416,547
Interfund receivable.....	1,365	-	-	-	-	1,365
Total assets.....	<u>\$ 1,009,549</u>	<u>\$ 29,898</u>	<u>\$ 899,517</u>	<u>\$ 2,142,061</u>	<u>\$ 687,198</u>	<u>\$ 4,768,223</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable.....	\$ 299	\$ 5,505	\$ 5,720	\$ -	\$ 9,622	\$ 21,146
Salaries payable.....	158,286	-	-	-	-	158,286
Benefits payable.....	47,658	-	-	-	-	47,658
Interfund payable.....	-	-	-	-	1,365	1,365
Deferred tax revenues.....	18,080	-	25,138	-	-	43,218
Total liabilities.....	<u>\$ 224,323</u>	<u>\$ 5,505</u>	<u>\$ 30,858</u>	<u>\$ -</u>	<u>\$ 10,987</u>	<u>\$ 271,673</u>

FUND BALANCE

Nonspendable.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted.....	16,220	24,393	868,659	2,142,061	676,211	3,727,544
Committed.....	-	-	-	-	-	-
Assigned.....	-	-	-	-	-	-
Unassigned.....	769,006	-	-	-	-	769,006
Total fund balance.....	<u>\$ 785,226</u>	<u>\$ 24,393</u>	<u>\$ 868,659</u>	<u>\$ 2,142,061</u>	<u>\$ 676,211</u>	<u>\$ 4,496,550</u>
Total liabilities and fund balance.....	<u>\$ 1,009,549</u>	<u>\$ 29,898</u>	<u>\$ 899,517</u>	<u>\$ 2,142,061</u>	<u>\$ 687,198</u>	<u>\$ 4,768,223</u>

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2023

Total fund balances - governmental funds			\$ 4,496,550
The cost of capital assets (land, buildings, furniture, and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in government funds.			
Cost of capital assets	9,171,849		
Depreciation expense to date	<u>(5,127,159)</u>		4,044,690
Property taxes received that are not available to pay for current period expenditures are deferred in the funds.			43,218
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Compensated absences - 2023			(513)
GASB 68 requires the accrual of net pension assets and liabilities and the deferred inflows and outflows of resources related thereto.			
Deferred outflows of resources	837,064		
Deferred inflows of resources	(5,998)		
Current change in net pension liability	<u>(1,343,946)</u>		<u>(512,880)</u>
Net Position of Governmental Activities			<u>\$ 8,071,065</u>

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For Year Ended June 30, 2023

Governmental Fund Types

	Governmental Fund Types					
	General	Food Service	Plant Facilities	Federal Reserve	Non Major Funds	Total Gov't Funds
REVENUES:						
Local revenues:						
Property taxes.....	\$ 81,147	\$ -	\$ 139,848	\$ -	\$ -	\$ 220,995
Earnings on investments.....	18,025	-	-	3,665	-	21,690
Other.....	19,775	24,029	7,047	-	267,320	318,171
State revenue.....	2,279,138	-	35,269	-	163,318	2,477,725
Federal revenue.....	-	50,104	-	173,763	633,873	857,740
Total revenue.....	\$ 2,398,085	\$ 74,133	\$ 182,164	\$ 177,428	\$ 1,064,511	\$ 3,896,321
EXPENDITURES:						
Instructional:						
Elementary school program.....	\$ 575,976	\$ -	\$ -	\$ -	\$ 414,451	\$ 990,427
Secondary school program.....	636,816	-	-	-	344,010	980,826
Exceptional school program.....	84,084	-	-	-	-	84,084
Preschool school program.....	34,540	-	-	-	-	34,540
School activity program.....	33,611	-	-	-	-	33,611
Total instructional.....	\$ 1,365,027	\$ -	\$ -	\$ -	\$ 758,461	\$ 2,123,488
Support Services:						
Attendance and guidance.....	\$ 18,151	\$ -	\$ -	\$ -	\$ -	\$ 18,151.00
Instructional improvement program.....	-	-	-	-	-	-
Educational media program.....	18,235	-	-	-	-	18,235
School administration program.....	156,234	-	-	-	-	156,234
Administration.....	143,511	-	-	-	10,068	153,579
Maintenance and improvements:						
buildings, grounds, and equipment.....	287,371	-	91,056	-	-	378,427
Pupil transportation.....	186,086	-	-	-	-	186,086
Total support services.....	\$ 809,588	\$ -	\$ 91,056	\$ -	\$ 10,068	\$ 910,712
Food service program.....	\$ 16,007	\$ 78,662	\$ -	\$ -	\$ -	\$ 94,669
Community Services Program.....	-	-	-	-	253,618	253,618
Capital assets.....	33,806	-	293,975	-	23,550	351,331
Total expenditures.....	\$ 2,224,428	\$ 78,662	\$ 385,031	\$ -	\$ 1,045,697	\$ 3,733,818
Excess (deficiency) of revenues over (under) expenditures.....	\$ 173,657	\$ (4,529)	\$ (202,867)	\$ 177,428	\$ 18,814	\$ 162,503
OTHER FINANCING SOURCES (USES):						
Net transfer in (out).....	(22,796)	-	22,796	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses).....	\$ 150,861	\$ (4,529)	\$ (180,071)	\$ 177,428	\$ 18,814	\$ 162,503
FUND BALANCE:						
Beginning balance.....	634,365	28,922	1,048,730	1,964,633	657,397	4,334,047
Ending balance.....	\$ 785,226	\$ 24,393	\$ 868,659	\$ 2,142,061	\$ 676,211	\$ 4,496,550

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Net Change in Fund Balances - Total Governmental Funds		\$ 162,503
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is excess of capital outlays over (under) depreciation expense in the current period.		
Capitalized assets	867,418	
Depreciation expense	<u>(233,415)</u>	634,003
Property tax revenues are deferred and not recognized in the funds until they are available to pay for current period expenditures. In the statement of activities, however, they are recognized when levied. This is the difference between the amount deferred at the beginning and end of the current period.		
Deferred revenue - 2023	43,218	
Deferred revenue - 2022	<u>(13,133)</u>	30,085
Change in long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		1,226
GASB 68 requires the calculation of net pension revenue/(expense), and the deferral of current contributions		
Current contributions (measurement deferral)	156,594	
Net pension income (expense)	<u>(324,315)</u>	<u>(167,721)</u>
Change in Net Position of Governmental Activities		<u>\$ 660,096</u>

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182

Notes to the Basic Financial Statements For the Year Ended June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Mackay School District #182 have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to school districts. The significant accounting policies of the District are described below.

A. Reporting Entity

Mackay School District #182 provides public school educational services as authorized by Section 33 of the Idaho Code. The District's boundaries for taxing and school enrollment purposes are located within Butte and Custer Counties.

Factors used in defining the reporting entity are as follows: Mackay School District #182 was established under the laws of the State of Idaho which designates the Board of Trustees as the governing authority. Members of the Board of Trustees are elected by the public. The Board of Trustees has control over the superintendent and management, and also has the authority to purchase equipment and other capital assets, and to levy taxes. The Board of Trustees has the power to establish annual budgets subject to public input from patrons, is responsible for funding deficits and operating deficiencies, and has the authority to borrow funds or issue bonded indebtedness.

The conclusion formed based on the above criteria is that Mackay School District #182 is an independent school district in the State of Idaho, operating under an autonomous Board of Trustees constituting a Local Educational Agency form of government.

In the evaluation of how to define the District for the financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made using criteria set forth in the accounting principles generally accepted in the United States of America. All funds and activities of Mackay School District #182 are included in the basic financial statements. Using the above criteria, the District has no component units.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the school district. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double-counting of internal balances and transfers. These statements distinguish between the *governmental* and *business-type activities* of the District. Governmental activities are generally financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. All of the districts activities are classified as governmental activities. No fiduciary funds are included in the *government-wide statements*.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation, Basis of Accounting, continued

Basis of Presentation, continued

Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Programs revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—*governmental* and *fiduciary*—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

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

The district reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Thus, it is always considered a major governmental fund.

Food Service Fund

The Food Service Fund accounts for all revenues and expenditures related to child nutrition within the district.

Plant Facilities Fund

The Plant Facilities Fund accounts for capital acquisitions and improvements to the School District. It is always considered a major governmental fund.

Federal Forest Fund

The Federal Forest Fund accounts for all federal forest revenues and any expenditures made out of this fund.

MACKAY SCHOOL DISTRICT #182

Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation, Basis of Accounting, continued

Measurement Focus, Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements. The government-wide and fiduciary fund financial statements are reported using the economic resources management focus. The government-wide fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to such programs, followed by general revenues.

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation, Basis of Accounting, continued

Measurement Focus, Basis of Accounting, continued

The District reports deferred revenue on its governmental funds balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the revenue is recognized. Additionally, for both government-wide and fund financial statements, certain grant revenues are only recognized to the extent they have been used for qualifying expenditures; any excess revenues are thus reported as deferred revenue.

All governmental, business-type, and enterprise funds of the Mackay School District #182 follow FASB Statements and Interpretations issued on or after November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

The District does not maintain an encumbrance system, but exercises control, in lieu of encumbrance, through the administration of the budget process.

C. Cash and Investments

The District pools cash of all governmental fund types into a common bank account. The accounting records of each fund reflect the equity in pooled cash. The District considers cash and cash equivalents to be all checking and savings accounts held in their name.

D. Property Taxes

In accordance with Idaho law, ad valorem property taxes are levied in September for each calendar year. Levies are made on or before the 2nd Monday of September. One-half of the property taxes are due on or before the 20th of December. The remaining one-half is due on or before June 20th of the following year. A lien is filed on real property three years from the date of delinquency. Butte and Custer Counties bill and collect property taxes for the District.

E. Inventories

The District normally has unused janitorial and food service supplies including food stock on hand at year end. The remaining janitorial supplies, food service supplies, and food stock are deemed immaterial in dollar amount and therefore are not valued or accounted for in the financial statements.

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Capital Assets and Depreciation

Capital assets purchased or acquired with an original cost of \$3,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Mackay School District # 182 is a Phase III government meaning that they are not required to report infrastructure. Depreciation on all assets (exclusive of land) is provided on the straight-line (SL) method over the following estimated useful lives:

Computer equipment (SL method)	5 years
Equipment, furniture and fixtures (SL method)	10-20 years
Buildings (SL method)	50-99 years

G. Net Position

Net position is the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, are capital assets, less accumulated depreciation and any outstanding debt related to the acquisition and construction of improvements of those assets. Net assets are reported as restricted when there are legal limitations that are imposed on their use by the District, or external restrictions by other governments, creditors, grantors or enabling legislation. In Mackay School District there are restrictions of \$868,659 in the capital projects fund and \$2,852,091 in the Other Special Program funds. When expenses are incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

H. Fund Balance Reserves

The five categories of fund balance are nonspendable, restricted, committed, assigned, and unassigned. For the year ended June 30, 2023, the District had fund balances which were restricted and unassigned of \$3,727,544 and \$769,006 respectively. Restricted funds are those which are constrained to being used for a specific purpose by external parties, constitutional provisions, or enabling legislation. Unassigned funds are those which are available for any purpose.

I. Teachers Contracts

Contracts for teachers' salaries are payable in twelve monthly installments beginning in September. At June 30, the liability for the remaining two months of the current contracts and associated contracted benefits is accrued.

J. Nonmonetary Transactions

Items received via federal Food Commodities Program are recognized at their stated fair market value of \$5,307.

MACKAY SCHOOL DISTRICT #182

Notes to the Basic Financial Statements For the Year Ended June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

K. Risk Management

The district is exposed to a considerable number of risks of loss including but not limited to a) damage to and loss of property and contents, b) employee torts, c) professional liabilities, i.e. errors and omissions, d) environmental damage, e) workers compensation, i.e. employee injuries, and f) medical insurance costs of its employees. Commercial insurance policies transferring the risk of loss, but for a relatively small deductible amount, are purchased for property and content damage, employee's torts and professional liabilities. Settlement claims resulting from these risks have not exceeded the insurance deductible provided for in the last three years.

L. 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, the 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.

M. 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.

NOTE 2 CASH AND INVESTMENTS

Cash and investments for all funds consist of the following at year end:

<u>Financial Institution</u>	<u>Bank Balance</u>	<u>Book Balance</u>	<u>FDIC/NCUA Insured</u>	<u>Uninsured</u>
Ireland Bank				
Checking	\$ 420,595	\$ 344,864	\$ -	\$ 420,595
Savings	2,943,234	2,943,234	250,000	2,693,234
High School	130,235	121,153	-	130,235
Mackay Elementary School	13,600	13,600	-	13,600
Mackay Surplus Property Savings	2,622	2,622	-	2,622
Mackay Surplus Property Checking	48,856	39,868	-	48,856
Total Ireland Bank	\$ 3,559,142	\$ 3,465,341	\$ 250,000	\$ 3,309,142
US Bank:				
CD's	\$ 16,219	\$ 16,219	\$ 16,219	\$ -
Mountain America Credit Union				
CD's	\$ 815,262	\$ 815,262	\$ 250,000	\$ 565,262
Petty Cash	-	250	-	250
Grand Total	\$ 4,390,622	\$ 4,297,072	\$ 516,218	\$ 3,874,654

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 2 CASH AND INVESTMENTS, continued

Custodial credit risk 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, \$3,874,654 of the district's bank balance of \$4,390,622 was exposed to custodial credit risk.

Investments

Idaho statutes authorize school districts to invest in obligations of the United States Treasury, agencies and instrumentalities of the United States, repurchase agreements, interest-bearing bonds of any city, county, school district or municipality in Idaho, tax anticipation notes, time deposit accounts in state depositories, accounts in financial institutions, and the State of Idaho's Local Government Investment Pool. The District's investment policy complies with state statutes.

The Local Government Investment Pool is managed by the State of Idaho Treasurer's office. The funds of the pool are invested in certificates of deposit, repurchase agreements, and U. S. government securities. The certificates of deposits are federally insured. The U. S. government securities and the collateral for the repurchase agreement are held in trust by a safekeeping bank. Interest income earned on pooled investments is allocated to the various funds of the District in proportion to each fund's respective investment balances. At June 30, 2023, the District did not hold any funds at the Local Government Investment Pool.

Statement 40 of the Government Accounting Standards Board requires government entities to disclose the level of credit risk, concentration of credit risk, interest rate risk, and foreign currency risk assumed on deposit and investment balances. All of the District's deposits were held in checking and savings accounts at banking institutions. They had no investments which require disclosure under GASB No. 40.

NOTE 3 RECEIVABLES

Receivables at year end consist of the following:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Plant Facilities Fund</u>
Local Sources			
Local Taxes	\$ 20,527		\$ 32,712
State Sources			
Foundation Program	\$ 203,317	\$ -	
Special Programs	15,000	198,230	
Total State	<u>\$ 238,844</u>	<u>\$ 198,230</u>	

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 4 INTERFUND TRANSACTIONS

Interfund Receivables/Payables

There were the following interfund receivable and payable balances at the fiscal year end:

Major Funds	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	1,365	
Non Major Funds		1,365

The interfund receivables and payables are the result of individual fund cash overdrafts.

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 is as follows:

	<u>Balance 7-1-22</u>	<u>Capital Acquisitions</u>	<u>Sales & Other Dispositions</u>	<u>Balance 06-30-23</u>
Non-depreciable Assets				
Land	\$ 1,000	\$ -	\$ -	\$ 1,000
Depreciable Assets				
Buildings/Sites	5,421,751	688,832	-	6,110,583
Equip, Furniture, & Fixtures	2,028,094	146,586	1,000	2,173,680
Transportation Equipment	854,587	32,000	-	886,587
Total depreciable assets	<u>\$ 8,305,432</u>	<u>\$ 867,418</u>	<u>\$ -</u>	<u>\$ 9,171,850</u>
Accumulated Depreciation				
Buildings/Sites	\$ 2,570,665	\$ 118,348	\$ -	\$ 2,689,013
Equip, Furniture, & Fixtures	1,709,988	68,996	-	1,777,984
Transportation Equipment	614,090	46,071	-	660,162
Total	<u>4,894,743</u>	<u>233,415</u>	<u>-</u>	<u>5,127,159</u>
Net Capital Assets	<u>\$ 3,410,689</u>	<u>\$ 634,003</u>	<u>\$ -</u>	<u>\$ 4,044,690</u>

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 5 CAPITAL ASSETS, continued

Depreciation expense was charged to functions as follows:

Elementary	\$ 74,938
Secondary	74,938
Plant Services	18,734
Transportation	46,071
School Administration	18,734
Total	<u>\$233,415</u>

NOTE 6 PENSION PLAN

Plan Description

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

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

Pension Benefits

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

MACKAY SCHOOL DISTRICT #182

Notes to the Basic Financial Statements For the Year Ended June 30, 2023

NOTE 6 PENSION PLAN (continued)

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) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% (72%) of the employer rate. As of June 30, 2023 it was 7.16% (9.13%). The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% (12.28%). The Mackay School District's contributions were \$187,950 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 Mackay School 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 Mackay School District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the District's proportion was .03412105%.

For the year ended June 30, 2023, the Mackay School District recognized pension expense of \$350,985. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 147,785	\$ 5,998
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	-
Contributions subsequent to the measurement date	<u>160,950</u>	<u>-</u>
TOTAL	\$ 308,735	\$ 5,998

\$160,950 reported as deferred outflows of resources related to pensions resulting from Mackay School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

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, 2020 the beginning of the measurement period ended June 30, 2022 is 4.7 years.

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 6 PENSION PLAN (continued)

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, 2023:

2023	\$ 160,249
2024	\$ 173,966
2025	\$ 80,459
2026	\$ 255,442

Actuarial Assumptions

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

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

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

Contributing Member, Service Retirement Member, and Beneficiaries

- General Employees and All Beneficiaries –
- Males Pub-2010 General Tables, increased 11%
- General Employees and All Beneficiaries –
- Females Pub-2010 General Tables, increased 21%
- Teachers – Males Pub-2010 Teacher Tables, increased 12%
- Teachers – Females Pub-2010 Teacher Tables, increased 21%
- Fire & Police – Males Pub-2010 Safety Tables, increased 26%
- 5% of Fire and Police active member deaths are assumed to be duty
- Disabled Members – Males Pub-2010 Disabled Tables, increased 38%
- Disabled Members – Females Pub-2010 Disabled Tables, Increased 36%

Assumptions used to calculate the enclosed figures are described in the 2022 Experience Study. The Total Pension Liability as of June 30, 2022 is based on the results of an actuarial valuation date July 1, 2021.

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

MACKAY SCHOOL DISTRICT #182

Notes to the Basic Financial Statements For the Year Ended June 30, 2023

NOTE 6 PENSION PLAN (continued)

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat conservative than the current allocation of PERSI's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2021.

Asset Class		Target Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Core Fixed Income	Barclays Aggregate	30.00%	1.80%	(.20%)
Broad US Equities	Wilshire 5000/ Russell 3000	55.00%	8.00%	6.00%
Developed Foreign Equities	MSCI EAFE/World ex US	15.00%	8.25%	6.25%
Assumed Inflation - Mean			2.00%	2.00%
Assumed Inflation - Standard Deviation			1.50%	1.50%
Portfolio Arithmetic Mean Return			6.18%	4.18%
Portfolio Standard Deviation			12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return			5.55%	3.46%
Assumed Investment Expenses			0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses			5.15%	3.06%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses				4.14%
Portfolio Standard Deviation				14.16%
<u>Investment Policy Assumptions from PERSI November 2019</u>				
Long-Term Expected Real Rate of Return, Net of Investment Expenses				4.14%
Portfolio Standard Deviation				14.16%
<u>Economic/Demographic Assumptions from Milliman 2021</u>				
Valuation Assumptions chosen by PERSI Board				
Long-Term Expected Real Rate of Return, Net of Investment Expenses				4.05%
Assumed Inflation				2.30%
Long-Term Expected Nominal Rate of Return, Net of Investment Expenses				6.35%

Discount Rate

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

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 6 PENSION PLAN (continued)

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Proportionate share of the net pension liability (asset)	2,371,932	1,343,946	502,565

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.

NOTE 7 COMPENSATED ABSENCES

The District provides personal and sick leave to its employees, as well as paid vacations depending on job classifications, lengths of service, and other factors. The estimated amount of compensation for future amounts totaled \$513 and has been recorded as a liability in the Statement of Net Position.

NOTE 8 DEFERRED REVENUES – FUND FINANCIAL STATEMENTS

Revenues are recognized when they become available to the District. Taxes and other receivables not received soon enough after year end to pay current liabilities do not represent available expendable resources and recognition of revenue is deferred until collection. Deferred revenues at year end consist of the following:

Property taxes – General Fund	\$ 18,080
Property taxes – Plant Facilities	<u>25,138</u>
Total Deferred Revenue	<u>\$ 43,218</u>

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 9 CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment. The amount, if any of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amount, if any, to be immaterial.

NOTE 10 SUBSEQUENT EVENTS

Subsequent events were reviewed through the date of the report, October 10, 2023. As of the date of the report there are no known subsequent events that will have a material effect on the operation of the District.

NOTE 11 RELATED PARTY TRANSACTIONS

The District has not been involved in any related party transactions that would violate the Idaho Code or applicable federal regulations.

NOTE 12 LEASE—PURCHASE COMMITMENTS

The District has not entered into any lease-purchase commitments.

NOTE 13 DEFICIT FUND BALANCES

The District has the following negative fund balances:

Drivers Education	\$ 1,365
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NOTE 14 ECONOMIC DEPENDENCY

The District is economically dependent on the State of Idaho from which it receives approximately 80% of its revenues.

NOTE 15 POST RETIREMENT BENEFITS

Mackay School District #182 funds post-retirement benefits through PERSI. During the school year ended June 30, 2023, the district paid 1.16% of the wages covered by PERSI to the State of Idaho. Upon retirement, one-half of the employee's accumulated sick leave is transferred from the sick leave pool established by PERSI to the individual employee's retirement account. These funds are used to pay post-retirement health insurance premiums.

MACKAY SCHOOL DISTRICT #182

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 16 RETIREMENT HEALTHCARE PLAN

GASB Statement 45, is an accounting and financial reporting requirement for employers to measure and report the cost and liabilities associated with other (than pension) postemployment benefits (OPEB).

Mackay School District #182's Employee Group Benefits Plan is a single-employer defined benefit healthcare plan administered by Blue Cross of Idaho. Blue Cross provides medical, prescription drug insurance and dental benefits to eligible retirees and their eligible dependents.

A retiree who retires with the Public Employee Retirements 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 five years of membership with a PERSI employer. The retiree is on the same medical plan as the District's active employees. The District's required contribution is based on projected pay-as-you-go financing requirements.

The District has not implemented the requirements of GASB Statement 45 and as a result has not determined in annual OPEB cost and net OPEB obligation. The District's plan is considered to be unfunded since there are no assets and retiree benefits are paid annually on a cash basis.

REQUIRED SUPPLEMENTAL INFORMATION

MACKAY SCHOOL DISTRICT #182
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
For Year Ended June 30, 2023

GENERAL M & O FUND	Budget Amount Original	Budget Amount Final	Actual Amounts	Final Budget Variance - Positive (Negative)
REVENUES:				
Local revenues:				
Property taxes.....	\$ 91,760	\$ 91,760	\$ 81,147	\$ (10,613)
Earnings on investments.....	14,500	14,500	18,025	3,525
Other.....	21,500	(82,015)	19,775	101,790
State revenue.....	2,287,202	2,239,416	2,279,138	39,722
Federal revenue.....	26,000	26,000	-	(26,000)
Total revenue.....	<u>\$ 2,440,962</u>	<u>\$ 2,289,661</u>	<u>\$ 2,398,085</u>	<u>\$ 108,424</u>
EXPENDITURES:				
Instructional:				
Elementary school program.....	\$ 603,734	\$ 608,991	\$ 575,976	\$ 33,015
Secondary school program.....	595,807	627,234	636,816	(9,582)
Exceptional school program.....	86,541	86,541	84,084	2,457
Preschool school program.....	30,640	30,640	34,540	(3,900)
School activity program.....	45,751	52,751	33,611	19,140
Total instructional.....	<u>1,296,803</u>	<u>1,406,157</u>	<u>1,365,027</u>	<u>41,130</u>
Support Services:				
Attendance and guidance.....	\$ 31,632	\$ 31,632	\$ 18,151	\$ 13,481
Instructional improvement program.....	-	70,989	-	
Educational media program.....	22,014	22,014	18,235	3,779
School administration program.....	153,160	153,160	156,234	(3,074)
Administration.....	150,216	150,216	143,511	6,705
Maintenance and improvements: buildings, grounds, and equipment.....	491,880	491,880	287,371	204,509
Pupil transportation.....	248,034	242,599	186,086	56,513
Total support services.....	<u>\$ 1,096,936</u>	<u>\$ 1,162,490</u>	<u>\$ 809,588</u>	<u>\$ 281,913</u>
Food service program.....	11,042	11,042	16,007	(4,965)
Capital assets.....	70,416	110,728	33,806	76,922
Total expenditures.....	<u>\$ 2,267,845</u>	<u>\$ 2,690,417</u>	<u>\$ 2,224,428</u>	<u>\$ 395,000</u>
Excess (deficiency) of revenues over (under) expenditures.....	<u>\$ (356,865)</u>	<u>\$ (400,756)</u>	<u>\$ 173,657</u>	<u>\$ 574,413</u>
OTHER FINANCING SOURCES (USES):				
Net transfer in (out).....	68,960	68,960	(22,796)	(91,756)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses).....	<u>\$ (396,865)</u>	<u>\$ (331,796)</u>	<u>\$ 150,861</u>	<u>\$ 482,657</u>
FUND BALANCE:				
Beginning balance.....	649,767	815,229	634,365	(180,864)
Ending balance.....	<u>\$ 290,866</u>	<u>\$ 483,433</u>	<u>\$ 785,226</u>	<u>\$ 301,793</u>

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE FUND
For Year Ended June 30, 2023

	Budget Amount Original/Final	Actual Amounts	Final Budget Variance - Positive (Negative)
<u>FOOD SERVICE FUND</u>			
REVENUES:			
Other local revenue.....	\$ 3,350	\$ 24,029	\$ 20,679
Federal revenue.....	55,100	50,104	(4,996)
Total revenue.....	\$ 58,450	\$ 74,133	\$ 15,683
EXPENDITURES:			
Non-Instructional Programs			
Food service program.....	\$ 70,200	\$ 78,662	\$ (8,462)
Total expenditures.....	\$ 70,200	\$ 78,662	\$ (8,462)
Excess (deficiency) of revenues over (under) expenditures.....	\$ (11,750)	\$ (4,529)	\$ 7,221
OTHER FINANCING SOURCES (USES):			
Net transfer in (out).....	20,000	-	(20,000)
FUND BALANCE:			
Beginning balance.....	28,922	28,922	-
Ending balance.....	\$ 37,172	\$ 24,393	\$ (12,779)

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE FUND
For Year Ended June 30, 2023

	Budget Amount Original/Final	Actual Amounts	Final Budget Variance - Positive (Negative)
<u>FEDERAL FOREST RESERVE</u>			
REVENUES:			
Other local revenue.....	\$ 4,500	\$ 3,665	\$ (835)
Federal revenue.....	148,357	173,763	25,406
Total revenue.....	152,857	177,428	24,571
EXPENDITURES:			
Instructional:			
Elementary school capital outlay.....	\$ -	\$ -	\$ -
Secondary school capital outlay.....	-	-	-
Support Services:			
Administration.....	-	-	-
Maintenance and improvements:			
buildings, grounds, and equipment.....	-	-	-
Total expenditures.....	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over (under) expenditures.....	\$ 152,857	\$ 177,428	\$ 24,571
OTHER FINANCING SOURCES (USES):			
Net transfer in (out).....	-	-	-
FUND BALANCE:			
Beginning balance.....	1,964,633	1,964,633	-
Ending balance.....	\$ 2,117,490	\$ 2,142,061	\$ 24,571

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE FUND
For Year Ended June 30, 2023

	Budget Amount Original/Final	Actual Amounts	Final Budget Variance - Positive (Negative)
<u>PLANT FACILITIES</u>			
REVENUES:			
Other local revenue.....	\$ 132,920	\$ 146,895	\$ 13,975
State revenue.....	33,000	35,269	-
Federal revenue.....	-	-	-
Total revenue.....	<u>165,920</u>	<u>182,164</u>	<u>13,975</u>
EXPENDITURES:			
Instructional:			
Elementary school program.....	\$ -	\$ -	\$ -
Secondary school program.....	-	-	-
Other Instructional Programs.....	-	-	-
Support Services:			
Educational Media.....	-	-	-
Maintenance and improvements:			
buildings, grounds, and equipment.....	161,500	91,056	70,444
Transportation.....	-	-	-
Capital Assets.....	-	293,975	(293,975)
Total expenditures.....	<u>\$ 161,500</u>	<u>\$ 385,031</u>	<u>\$ (223,531)</u>
Excess (deficiency) of revenues over (under) expenditures.....	\$ 4,420	\$ (202,867)	\$ (207,287)
OTHER FINANCING SOURCES (USES):			
Net transfer in (out).....	34,450	22,796	(11,654)
FUND BALANCE:			
Beginning balance.....	1,048,730	1,048,730	-
Ending balance.....	<u>\$ 1,087,600</u>	<u>\$ 868,659</u>	<u>\$ (218,941)</u>

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - Base Plan
Last 10 Fiscal Years*

	<u>2023</u>
Mackay School District's portion of the net pension liability	0.0341211%
Mackay School District's proportionate share of the net pension liability/(asset)	\$ 1,343,946
Mackay School District's covered-employee payroll	\$ 1,349,033
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	99.62%
Plan fiduciary net position as a percentage of the total pension liability	83.09%
- Data reported is measured as of July 1, 2022	
	<u>2022</u>
Mackay School District's portion of the net pension liability	0.0358204%
Mackay School District's proportionate share of the net pension liability/(asset)	\$ (28,290)
Mackay School District's covered-employee payroll	\$ 1,346,704
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	-2.10%
Plan fiduciary net position as a percentage of the total pension liability	100.36%
- Data reported is measured as of July 1, 2021	
	<u>2021</u>
Mackay School District's portion of the net pension liability	0.0326943%
Mackay School District's proportionate share of the net pension liability	\$ 759,205
Mackay School District's covered-employee payroll	\$ 1,336,987
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	56.78%
Plan fiduciary net position as a percentage of the total pension liability	88.22%
- Data reported is measured as of July 1, 2020	
	<u>2020</u>
Mackay School District's portion of the net pension liability	0.0354140%
Mackay School District's proportionate share of the net pension liability	\$ 404,241
Mackay School District's covered-employee payroll	\$ 1,164,571
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	34.71%
Plan fiduciary net position as a percentage of the total pension liability	93.79%
- Data reported is measured as of July 1, 2019	
	<u>2019</u>
Mackay School District's portion of the net pension liability	0.0338370%
Mackay School District's proportionate share of the net pension liability	\$ 449,102
Mackay School District's covered-employee payroll	\$ 1,203,225
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	37.32%
Plan fiduciary net position as a percentage of the total pension liability	91.69%
- Data reported is measured as of July 1, 2018	
	<u>2018</u>
Mackay School District's portion of the net pension liability	0.0351789%
Mackay School District's proportionate share of the net pension liability	\$ 552,952
Mackay School District's covered-employee payroll	\$ 1,091,903
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	50.64%
Plan fiduciary net position as a percentage of the total pension liability	90.68%
- Data reported is measured as of July 1, 2017	
	<u>2017</u>
Mackay School District's portion of the net pension liability	0.0346165%
Mackay School District's proportionate share of the net pension liability	\$ 701,730
Mackay School District's covered-employee payroll	\$ 1,095,077
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	64.08%
Plan fiduciary net position as a percentage of the total pension liability	87.26%
- Data reported is measured as of July 1, 2016	
	<u>2016</u>
Mackay School District's portion of the net pension liability	0.0354114%
Mackay School District's proportionate share of the net pension liability	\$ 466,311
Mackay School District's covered-employee payroll	\$ 1,057,863
Mackay School District's proportional share of the net pension liability as a percentage of its covered-employee payroll	44.08%
Plan fiduciary net position as a percentage of the total pension liability	91.38%
- Data reported is measured as of July 1, 2015	

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, Mackay School District will only present those years for which information is available.

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - Base Plan
Last 10 Fiscal Years*

	<u>2023</u>
Statutorily required contribution	\$ 158,003
Contributions in relation to the statutorily required contribution	\$ 162,558
Contribution (deficiency) excess	\$ 4,555
Employer's covered-employee payroll	\$ 1,339,777
Contributions as a percentage of covered-employee payroll	12.13%

- Data reported is measured as of June 30, 2022

	<u>2022</u>
Statutorily required contribution	\$ 141,429
Contributions in relation to the statutorily required contribution	\$ 161,532
Contribution (deficiency) excess	\$ 20,103
Employer's covered-employee payroll	\$ 1,331,344
Contributions as a percentage of covered-employee payroll	12.13%

- Data reported is measured as of June 30, 2021

	<u>2021</u>
Statutorily required contribution	\$ 128,273
Contributions in relation to the statutorily required contribution	\$ 140,794
Contribution (deficiency) excess	\$ 12,521
Employer's covered-employee payroll	\$ 1,159,351
Contributions as a percentage of covered-employee payroll	12.14%

- Data reported is measured as of June 30, 2020

	<u>2020</u>
Statutorily required contribution	\$ 135,508
Contributions in relation to the statutorily required contribution	\$ 138,143
Contribution (deficiency) excess	\$ 2,635
Employer's covered-employee payroll	\$ 1,197,720
Contributions as a percentage of covered-employee payroll	11.53%

- Data reported is measured as of June 30, 2019

	<u>2019</u>
Statutorily required contribution	\$ 131,403
Contributions in relation to the statutorily required contribution	\$ 124,906
Contribution (deficiency) excess	\$ (6,498)
Employer's covered-employee payroll	\$ 1,082,918
Contributions as a percentage of covered-employee payroll	11.53%

- Data reported is measured as of June 30, 2018

	<u>2018</u>
Statutorily required contribution	\$ 118,628
Contributions in relation to the statutorily required contribution	\$ 125,366
Contribution (deficiency) excess	\$ 6,739
Employer's covered-employee payroll	\$ 1,086,872
Contributions as a percentage of covered-employee payroll	11.53%

- Data reported is measured as of June 30, 2017

	<u>2017</u>
Statutorily required contribution	\$ 102,902
Contributions in relation to the statutorily required contribution	\$ 115,631
Contribution (deficiency) excess	\$ 12,729
Employer's covered-employee payroll	\$ 1,002,297
Contributions as a percentage of covered-employee payroll	11.54%

- Data reported is measured as of June 30, 2016

	<u>2016</u>
Statutorily required contribution	\$ 115,831
Contributions in relation to the statutorily required contribution	\$ 118,844
Contribution (deficiency) excess	\$ 3,013
Employer's covered-employee payroll	\$ 988,371
Contributions as a percentage of covered-employee payroll	12.02%

- Data reported is measured as of June 30, 2015

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, Mackay School District will only present those years for which information is available.

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182

**Notes to the Required Supplemental Information
For the Year Ended June 30, 2023**

NOTE 1 BUDGETS

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for all governmental funds types.

NOTE 2 LEGAL COMPLIANCE – BUDGETS

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The District annually prepares a budget by estimating the probable amount of money necessary for all purposes for which an appropriation is to be made (including interest and principal due on the bonded debt) and by itemizing and classifying the proposed expenditures as nearly as may be practicable. To support such proposed expenditures, the District prepares an estimate of the total revenue anticipated during the ensuing fiscal year for which a budget is being prepared and classifies such receipts by source as nearly as may be possible and practicable.
2. The proposed budget is published.
3. A public hearing is conducted to obtain citizen comments.
4. The budget is formally adopted through approval by the board of trustees.
5. The District may, after school starts and actual enrollment figures are known, amend the budget using the same procedures which were used in adopting the original budget. A budget may be amended downward in any instance. However, amendment to a greater amount than adopted can only happen if the District receives additional revenues in that fiscal year as a result of an increase in non-property tax related receipts. Once the change is justified, the process for formal adoption is as described above.
6. Budgetary integration is employed as a management control device during the year for all funds. Legal budgetary control is established based upon total revenues and expenditures.
7. The level of control (level at which expenditures may not exceed budget) is the fund.
8. All annual appropriations lapse at fiscal year end.

MACKAY SCHOOL DISTRICT #182

**Notes to the Required Supplemental Information
For the Year Ended June 30, 2023**

NOTE 3 PENSION

The Mackay School District contributes to 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.

During the fiscal year ended June 30, 2023, there were no changes of benefit terms, neither was there any significant change in the composition of the population covered by the benefit terms. All assumptions used in actuarial calculations were not significantly different from those used in the past.

SUPPLEMENTAL INFORMATION

MACKAY SCHOOL DISTRICT #182
COMBINING BALANCE SHEET - NON MAJOR GOVERNMENTAL (SPECIAL REVENUE) FUNDS
For the Year Ended June 30, 2023

ASSETS	School Building Maintenance	Grant Funds	Drivers Education- State	Professional Technical- State	Technology- State	Substance Abuse State	Learning Loss	ARPA SLRF	CRRSA ESSER II	Student Activity Funds
Cash.....	\$ 202,768	\$ 189,210	\$ (2,667)	\$ 7,635	\$ 76,067	\$ 14,125	\$ (2,108)	\$ (37,006)	\$ (41,917)	\$ 177,244
Other Receivable.....	-	-	2,667	-	-	-	2,108	37,006	41,917	-
Total Assets.....	\$ 202,768	\$ 189,210	\$ -	\$ 7,635	\$ 76,067	\$ 14,125	\$ -	\$ -	\$ -	\$ 177,244
LIABILITIES AND FUND BALANCE										
LIABILITIES										
Accounts Payable.....	\$ -	\$ 9,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable.....	-	-	1,365	-	-	-	-	-	-	-
Salaries Payable.....	-	-	-	-	-	-	-	-	-	-
Benefits Payable.....	-	-	-	-	-	-	-	-	-	-
Total Liabilities	\$ -	\$ 9,622	\$ 1,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCE										
Restricted.....	202,768	179,588	(1,365)	7,635	76,067	14,125	-	-	-	177,244
Total Liabilities and Fund Balance.....	\$ 202,768	\$ 189,210	\$ -	\$ 7,635	\$ 76,067	\$ 14,125	\$ -	\$ -	\$ -	\$ 177,244

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
COMBINING BALANCE SHEET - NON MAJOR GOVERNMENTAL (SPECIAL REVENUE) FUNDS
For the Year Ended June 30, 2023

	Title I-A		Title VI-B		Title VI-B		Title VI-A		Title II-A		Non-ESSERF	
	Basic	ARPA	Cares ACT	IDEA	IDEA	Pre-school	State Based	Student Support	Imp. Teacher	Idaho	Rebound	Totals
ASSETS	Programs	ESSER III	ESSERF	School-Age			Medicaid	& Academic Enrich	Quality			
Cash.....	\$ (25,087)	\$ (16,781)	\$ 8,859	\$ (52,459)	\$ (5,299)	\$ 7,625	\$ (1,269)	\$ (7,061)	\$ 945	\$ 492,824		
Other Receivable.....	25,087	16,781	-	55,179	5,300	-	1,269	7,060	-	194,374		
Total Assets.....	\$ -	\$ -	\$ 8,859	\$ 2,720	\$ 1	\$ 7,625	\$ -	\$ (1)	\$ 945	\$ 687,198		

LIABILITIES AND FUND BALANCE

LIABILITIES												
Accounts Payable.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,622
Interfund Payable.....	-	-	-	-	-	-	-	-	-	-	-	1,365
Salaries Payable.....	-	-	-	-	-	-	-	-	-	-	-	-
Benefits Payable.....	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,987

FUND BALANCE

Restricted.....	-	-	8,859	2,720	1	7,625	-	(1)	-	945	-	676,211
Total Liabilities and Fund Balance.....	\$ -	\$ -	\$ 8,859	\$ 2,720	\$ 1	\$ 7,625	\$ -	\$ (1)	\$ 945	\$ -	\$ -	\$ 687,198

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCES - NON MAJOR GOVERNMENTAL (SPECIAL REVENUE) FUNDS
For the Year Ended June 30, 2023

	School Building Maintenance	Grant Funds	Drivers Education- State	Professional Technical- State	Technology- State	Substance Abuse- State	Learning Loss	ARPA SLRF	CRRSA ESSER II	Student Activity Funds
REVENUES:										
Other local revenues.....	\$ -	\$ 21,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,784
State sources.....	-	-	-	109,325	49,178	4,815	-	-	-	-
Federal sources.....	-	-	-	-	-	-	2,108	69,370	124,520	-
Total Revenues.....	\$ -	\$ 21,536	\$ -	\$ 109,325	\$ 49,178	\$ 4,815	\$ 2,108	\$ 69,370	\$ 124,520	\$ 245,784
EXPENDITURES:										
Elementary.....	\$ -	\$ -	\$ -	\$ -	\$ 1,135	\$ 936	\$ 2,108	\$ 69,370	\$ -	\$ -
Secondary.....	-	-	-	102,602	39,240	1,409	-	-	124,520	-
Administration - district.....	-	-	-	-	-	-	-	-	-	-
Administration - school.....	-	-	-	-	-	-	-	-	-	-
Community Services Program.....	-	-	-	-	-	-	-	-	-	253,618
Capital outlay.....	-	23,550	-	-	-	-	-	-	-	-
Total Expenditures.....	\$ -	\$ 23,550	\$ -	\$ 102,602	\$ 40,375	\$ 2,345	\$ 2,108	\$ 69,370	\$ 124,520	\$ 253,618
Excess Revenues over Expenditures.....	\$ -	\$ (2,014)	\$ -	\$ 6,723	\$ 8,803	\$ 2,470	\$ -	\$ -	\$ -	\$ (7,834)
OTHER FINANCING SOURCES (USES):										
Net transfer in (out).....	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses).....	\$ -	\$ (2,014)	\$ -	\$ 6,723	\$ 8,803	\$ 2,470	\$ -	\$ -	\$ -	\$ (7,834)
FUND BALANCE:										
Beginning Balance.....	202,768	181,602	(1,365)	912	67,264	11,655	-	-	-	185,078
Ending Balance.....	\$ 202,768	\$ 179,588	\$ (1,365)	\$ 7,635	\$ 76,067	\$ 14,125	\$ -	\$ -	\$ -	\$ 177,244

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCES - NON MAJOR GOVERNMENTAL (SPECIAL REVENUE) FUNDS
For the Year Ended June 30, 2023

	Title I-A		Title VI-B		Title VI-B		Title VI-B		Title VI-A		Title II-A		Non-ESSERF	
	Basic Programs	ARPA	ESSER III	Cares ACT	IDEA	School-Age	IDEA	Pre-school	State Based Medicaid	Student Support & Academic Enrich	Imp. Teacher Quality	Rebound	Idaho	
REVENUES:														
Other local revenues.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	
State sources.....	-	-	-	-	-	-	-	-	-	-	-	-	-	
Federal sources.....	24,663	254,680	30,970	54,578	5,300	50,433	10,192	7,059	7,059	7,059	7,059	-	-	
Total Revenues.....	\$ 24,663	\$ 254,680	\$ 30,970	\$ 54,578	\$ 5,300	\$ 50,433	\$ 10,192	\$ 7,059	\$ 7,059	\$ 7,059	\$ -	\$ -	\$ -	
EXPENDITURES:														
Elementary.....	\$ 21,655	\$ 253,933	\$ -	\$ -	\$ 5,300	\$ 52,839	\$ 7,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Secondary.....	-	747	22,111	51,858	-	-	1,523	-	-	-	-	-	-	
Administration - district.....	3,008	-	-	-	-	-	-	-	-	7,060	-	-	-	
Administration - school.....	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community Services Program.....	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital outlay.....	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures.....	\$ 24,663	\$ 254,680	\$ 22,111	\$ 51,858	\$ 5,300	\$ 52,839	\$ 8,698	\$ 7,060	\$ 7,060	\$ -	\$ -	\$ -	\$ -	
Excess Revenues over Expenditures.....	\$ -	\$ -	\$ 8,859	\$ 2,720	\$ -	\$ (2,406)	\$ 1,494	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ -	
OTHER FINANCING SOURCES (USES):														
Net transfer in (out).....	-	-	-	-	-	-	-	-	-	-	-	-	-	
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses).....	\$ -	\$ -	\$ 8,859	\$ 2,720.00	\$ -	\$ (2,406)	\$ 1,494	\$ (1)	\$ -	\$ (1)	\$ -	\$ -	\$ -	
FUND BALANCE:														
Beginning Balance.....	-	-	-	-	1	10,031	(1,494)	-	-	-	-	945	-	
Ending Balance.....	\$ -	\$ -	\$ 8,859	\$ 2,720	\$ 1	\$ 7,625	\$ -	\$ (1)	\$ -	\$ (1)	\$ -	\$ 945	\$ -	

The notes to the financial statements are an integral part of this statement.

MACKAY SCHOOL DISTRICT #182
STUDENT ACTIVITY FUNDS
June 30, 2023

ASSETS

Cash in Bank	\$ 177,244
Total assets	<u>\$ 177,244</u>

LIABILITIES AND NET POSITION

Liabilities

Total liabilities	<u>\$ -</u>
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Total Net Position	<u>\$ 177,244</u>
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The notes to the financial statements are an integral part of this statement.

JENSEN POULSEN & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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185 S. CAPITAL

IDAHO FALLS, IDAHO 83405-0700

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

Board of Trustees
Mackay School District #182
Mackay, ID 83251

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governments Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major funds, and the aggregate remaining fund information of Mackay School District #182, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Mackay School District #182's basic financial statements and have issued our report thereon dated October 10, 2023.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Mackay School District #182's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mackay School District #182's internal control. Accordingly, we do not express an opinion on the effectiveness of Mackay School District #182'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 misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Board of Trustees
Mackay School District #182
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mackay School District #182'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The Purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion of 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.

Jensen Poulsen & Company, PLLC

JENSEN POULSEN & COMPANY, PLLC
Certified Public Accountants

Idaho Falls, ID
October 10, 2023