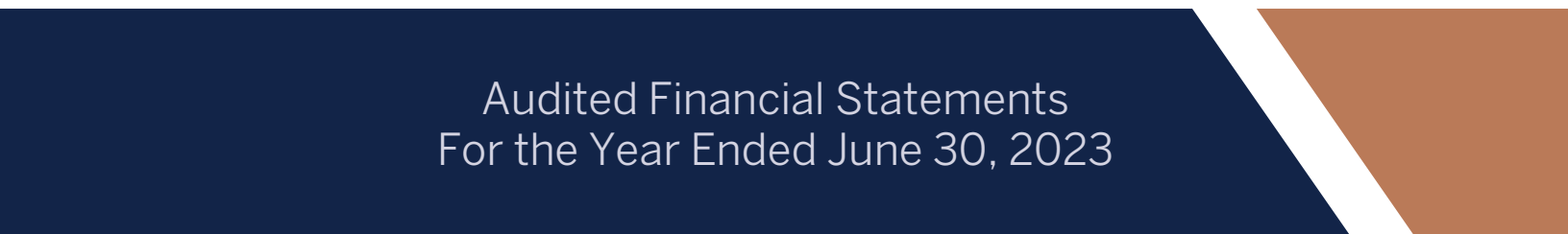




INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho



Audited Financial Statements
For the Year Ended June 30, 2023

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Independent School District No.1
Lewiston, Idaho 83501

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 Independent School District No. 1, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Independent School District No. 1'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 Independent School District No. 1 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 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 District 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 District'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 Independent School District No. 1'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 Independent School District No. 1's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 11, the budgetary comparison schedules on pages 52 through 54, the net pension (asset) liability related schedules on page 55, the other post-employment benefits liability schedule on page 56, and the net OPEB asset – sick leave plan related schedules on page 57 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 Independent School District No. 1's basis financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2023 on our consideration of Independent School District No. 1'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 Standard* in considering Independent School District No. 1's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
September 19, 2023

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

Our discussion and analysis of the financial performance of Independent School District No. 1 provides an overview of the District's financial activities for the fiscal year ended June 30, 2023. Please read this analysis in conjunction with the financial statements which immediately follow this section.

Continuous Improvement Plan

The Continuous Improvement Plan of the Lewiston School District is reviewed and approved annually by the Board of Directors. The plan lays the groundwork for a culture where decisions and actions that better serve our students and community are at its core.

Through the Continuous Improvement Plan, the District maintains and communicates a mission and vision committed to high expectations for learning as well as shared values and beliefs about teaching and learning. Components of the Continuous Improvement Plan are as follows:

Mission: *Ensuring high levels of learning for ALL students*

Vision: In collaboration with our community, we will empower students by providing an engaging and equitable education in a safe environment every day

Strategies

1. Design and implement a research-based, aligned, written, taught and assessed curriculum that is rich and rigorous.
2. Continuously improve organizational structures to result in improved student learning.
3. Focus professional development on research-based practices that lead to high student performance.
4. Define criteria that describes high performance of students and staff. Recognize when standards are met or exceeded.
5. Invite, celebrate and honor adaptations that increase student achievement.
6. Utilize a data-driven continuous improvement model to focus ongoing work throughout the organization.
7. Integrate technology to maximize learning.

The 2022-2023 Continuous Improvement Plan may be viewed on the District website at: <http://www.lewistonschools.net/superintendent-and-board/>

Enrollments

Student enrollment over the past several years has been relatively stable ranging from 4,782 students in October of 2022 to 4,765 in October of 2021.

Financial Highlights

- General Fund property tax revenue received in fiscal year 2023 increased by \$4,495,534 or 23.34% above fiscal year 2022.
- State base funding totaled \$30,548,794 in fiscal year 2022, which represents a 7.54% increase over the prior year.
- Total expenses in the general fund increased by \$3,756,415 or 7.93% in 2023.
- \$5,140,000 was levied for debt service on the 2017 construction bonds.
- The Board's five-year plan to construct outdoor athletic venues on the site of the new high school calls for selling real property and setting aside facilities funds each year was continued. Sales of property occurred in fiscal years 2020 and 2021. Fund transfers were carried out in fiscal years 2017 through 2023.

Overview of the Financial Statements

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

- 1) Government-wide Financial Statements,
- 2) Fund Financial Statements, and
- 3) Notes to the Financial Statements.

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

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

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

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. In the statements, the District's activities are all classified as governmental activities. Governmental activities include all regular and special education, all educational support activities, administration, transportation, and food services. Most of these activities are supported by property taxes and formula aid from the State of Idaho. Internal service activities, specifically those of the Medical Insurance Risk Fund and the Print Shop, are also incorporated into the government-wide statements.

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

Some funds are required by state law and bond covenants. The District establishes other funds to control and manage money for particular purposes (i.e. repaying long-term debt.) The District has three types of funds: Governmental, Proprietary and Fiduciary.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary funds. Also called internal service funds, these funds record transactions for print shop services and the medical insurance risk pool. Proprietary funds use the accrual basis of accounting and are consolidated with the governmental activities in the government-wide statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs.

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

Required supplementary information. The budgetary comparison schedules, the net pension (asset) liability related schedules, the other post-employment benefit schedules, and the net OPEB asset – sick leave plan related schedules provides additional information required by GASB.

Supplementary information. The supplementary information referred to earlier in connection with nonmajor governmental funds and student activity funds are presented following the notes to the financial statements.

**Government-Wide Financial Analysis
Statement of Net Position**

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Assets			
Current assets	64,149,629	58,024,641	6,124,988
Capital assets	71,156,600	71,335,761	(179,161)
Noncurrent assets	1,548,476	3,581,693	(2,033,217)
Total Assets	<u>136,854,705</u>	<u>132,942,095</u>	<u>3,912,610</u>
Deferred Outflows of Resources	<u>22,422,970</u>	<u>13,486,326</u>	<u>8,936,644</u>
Liabilities			
Current liabilities	9,829,405	9,086,321	743,084
Long-term liabilities	75,059,543	45,013,589	30,045,954
Total Liabilities	<u>84,888,948</u>	<u>54,099,910</u>	<u>30,789,038</u>
Deferred Inflows of Resources	<u>29,089,703</u>	<u>51,610,940</u>	<u>(22,521,237)</u>
Net Position			
Net investment in capital assets	28,166,600	26,415,761	1,750,839
Restricted	21,372,452	15,917,853	5,454,599
Unrestricted	(4,240,028)	(1,616,043)	(2,623,985)
Total Net Position	<u>\$45,299,024</u>	<u>\$40,717,571</u>	<u>\$ 4,581,453</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, net position as of June 30, 2023 was \$45,299,024.

The District uses capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Government-Wide Financial Analysis
Changes in Net Position

	<u>2022 - 2023</u>	<u>2021 - 2022</u>	<u>Change</u>
Revenues			
Program Revenues:			
Charges for services	830,949	36,933	794,016
Operating grants and contributions	6,682,133	8,033,339	(1,351,206)
Capital grants and contributions	-	52,213	(52,213)
Property taxes	28,957,078	23,885,125	5,071,953
Federal and state revenues	34,277,239	31,399,138	2,878,101
Proceeds from sale of capital asset	318,407	33,122	285,285
Interest and investment earnings	890,295	51,104	839,191
Other	1,758,439	6,660,289	(4,901,850)
Total Revenues	<u>73,714,540</u>	<u>70,151,263</u>	<u>3,563,277</u>
Expenses			
Program Expenses:			
Preschool - 12 Instruction	39,586,853	30,571,501	9,015,352
Support services			
Pupil support	2,900,177	2,333,393	566,784
Staff support	1,644,851	1,419,058	225,793
General administration	2,001,347	1,295,268	706,079
School/business administration	4,912,447	3,821,578	1,090,869
Maintenance/custodial	6,467,311	4,962,620	1,504,691
Transportation	2,797,059	1,945,282	851,777
Child Nutrition	2,555,943	2,196,838	359,105
Student Activities	1,359,213	1,147,893	211,320
Capital Asset Program	865,695	1,153,186	(287,491)
Debt Services	2,067,494	2,264,930	(197,436)
Depreciation, unallocated	1,974,697	1,931,949	42,748
Total Expenses	<u>69,133,087</u>	<u>55,043,496</u>	<u>14,046,843</u>
Change in Net Position	4,581,453	15,107,767	(10,526,314)
Net Position – Beginning	40,717,571	25,609,804	15,107,767
Net Position – Ending	<u>\$45,299,024</u>	<u>\$40,717,571</u>	<u>\$ 4,581,453</u>

District Funds

The General Fund is the chief operating fund of the District. At the end of the current fiscal year the ending fund balance was \$7,715,302. The fund balance increased by \$1,748,198 during the current fiscal year.

Proprietary Funds

The District has proprietary (or internal service) funds which account for the activities of the print shop and the medical risk fund. In fiscal year 2002, the Board established a medical risk fund to account for insurance premiums collected by the various funds of the District to recover the cost of claims paid. In previous years, the risk fund was used to manage the costs of a “mini-max” partial self-insurance plan. The mini-max plan was discontinued in fiscal year 2011. Fund transfers from the medical risk fund to the general fund have minimized the impact of the insurance rate increases during years of declining revenues during the economic recession. In 2023, administrators transferred \$0 from the medical risk fund to the general fund to be utilized for employee benefits in the future. Keeping the cost of health benefits low is a priority for the District and is integral to recruitment and retention of staff.

Capital Asset and Debt Administration

Capital Assets. The Capital Projects Fund is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District. At the end of fiscal year 2023, the District had \$71,156,600 in capital assets, net of accumulated depreciation.

Governmental Activities Capital Assets Net of Accumulated Depreciation

	<u>2022 - 2023</u>	<u>2021 - 2022</u>	<u>Change</u>
Land and site improvements	10,432,811	10,441,922	(9,111)
Construction in progress	249,321	155,342	93,979
Buildings	57,726,552	58,497,109	(770,557)
Equipment	1,370,743	1,425,066	(54,323)
Vehicles and buses	1,377,173	816,322	560,851
Total Net Capital Assets	<u>\$ 71,156,600</u>	<u>\$ 71,335,761</u>	<u>\$ (179,161)</u>

At year end, the capital projects fund has a total fund balance of \$12,719,732.

Long-term Debt. The Debt Service Fund has a total fund balance of \$6,019,576, all of which is reserved for the payment of debt service on general obligation bonds. The fund balance increased by \$1,288,738.

At year end the District had \$42,990,000 in general obligation bonds outstanding. The debt of the District is secured by an annual tax levy authorized in past years by the patrons.

Current Issues

State apportionment funding received by the District increased 7.54% compared to the previous year. The Legislature increased the funding per support unit from \$29,542 to \$35,924, increased the salary-based apportionment, and increased the Career Ladder rung movement. The District measured approximately 239.78 support units in fiscal year 2023 and 240.36 in fiscal year 2022, which is a decrease of 0.58 support units.

At the local level, the overall market value of property in the District rose by approximately 20.5% from December 2021 to December 2022, or approximately \$976 million. The market value of real and personal property rose approximately 24.0% from December 2021 to December 2022, or approximately \$863 million. Residential real estate values continued to strengthen but there was a decline in commercial property values. Construction activity in the community increased to meet the needs of the housing shortage resulting in an increase in new construction.

Older school facilities continue to require a significant investment of resources to keep them safe and useable for today's students. Capital projects include: roof at McSorley Elementary school, roof at Tammany High school, roof at Orchards Elementary school, roof at Camelot Elementary school, roof at Sacajawea Middle school, five copiers, three trailers, one lawn mower, one excavator, three maintenance cargo vans, five pickups, one car, and HVAC roofing units.

The Capital Projects Fund (School Plant Facilities Reserve or SPFR) net position increased \$767,658 in fiscal year 2022-2023. Lottery revenue of \$480,788 increased the SPFR fund and \$370,599 for three school bus purchases decreased the SPFR fund. The District was able to fund the foregoing list of maintenance projects largely with general fund dollars, which preserves SPFR reserves for future needs.

In March of 2018, the District authorized an election for renewal of the five-year supplemental levy at a slightly lower rate of .0042 (.42 of one percent) of taxable market value. The renewal was approved by 81% of voters. In March of 2023, the District authorized an election for renewal of the five-year supplemental levy at a lower rate of .00395 (.395 of one percent) of taxable market value. The renewal was approved by 63% of voters. Due to the increase in State support, for fiscal year 2024 the supplemental levy will be .00395 of the .0042 authorized rate which will provide taxpayer property tax relief. The District also has a permanent supplemental levy of .000884 of market value. The supplemental levy support general fund operations and the permanent levy supports both general fund operations and capital projects.

Requests for Information. This financial report is designed to provide a general overview of the Independent School District No. 1's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Leann L. Hubbard, CFE, CPA, Director of Business Services, Independent School District No. 1, 3317 12th Street, Lewiston, ID 83501, or telephone number 208-748-3040.

FINANCIAL STATEMENTS



INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

STATEMENT OF NET POSITION
June 30, 2023

Assets

Current assets:

Cash	1,394,471
Investments	22,141,404
Taxes receivable, net	11,881,387
Unbilled taxes receivable	27,084,580
Other receivables:	
Accounts receivable	480
Due from other governments	1,265,809
Prepaid expenses	54,978
Inventory	326,520
Total current assets	64,149,629

Noncurrent assets:

Non-depreciated capital assets	10,072,725
Depreciated capital assets	83,708,674
Less: accumulated depreciation	(22,624,799)
Net OPEB asset - sick leave	1,548,476
Total noncurrent assets	72,705,076

Total assets 136,854,705

Deferred outflows of resources

Pension related items	20,324,455
Net OPEB - sick leave related items	1,394,874
OPEB related items	703,641
	724,970

Total deferred outflows of resources 22,422,970

Liabilities

Current liabilities:

Accounts payable and other current liabilities	7,088,029
Accrued interest payable	721,376
Current portion of long-term debt	2,020,000
Total current liabilities	9,829,405

Noncurrent liabilities:

Noncurrent portion of long-term debt	40,970,000
Other post-employment benefits liability	1,698,180
Accrued compensated absences	356,552
Net pension liability	32,034,811
Total noncurrent liabilities	75,059,543

Total liabilities 84,888,948

Deferred inflows of resources

Deferred grant revenue	253,787
Unavailable property tax revenue	27,084,580
Pension related items	385,773
Net OPEB - sick leave related items	695,571
OPEB related items	669,992
	669,992

Total deferred inflows of resources 29,089,703

Net position

Net investment in capital assets	28,166,600
Restricted for:	
Debt service	6,126,881
Capital projects	12,719,732
Other specific purposes	2,525,839
Unrestricted	(4,240,028)
Total net position	\$ 45,299,024

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Functions/Programs					
Governmental activities:					
Preschool- grade K-12 instruction	39,586,853	-	5,077,963	-	(34,508,890)
Support services:					
Pupil support	2,900,177	-	-	-	(2,900,177)
Staff support	1,644,851	-	-	-	(1,644,851)
General administration	2,001,347	-	-	-	(2,001,347)
School/business administration	4,912,447	-	-	-	(4,912,447)
Maintenance/custodial	6,467,311	-	650	-	(6,466,661)
Transportation	2,797,059	-	-	-	(2,797,059)
Child nutrition	2,555,943	830,949	1,603,520	-	(121,474)
Student activities	1,359,213	-	-	-	(1,359,213)
Capital asset program	865,695	-	-	-	(865,695)
Debt service	2,067,494	-	-	-	(2,067,494)
Depreciation- unallocated	1,974,697	-	-	-	(1,974,697)
Total school district	\$ 69,133,087	\$ 830,949	\$ 6,682,133	\$ -	(61,620,005)
General revenues					
Taxes					
Property taxes levied for general purposes					23,890,579
Property taxes levied for debt service					5,066,499
Federal and State aid not restricted to specific purpose					34,277,239
Other local revenue					1,758,439
Earnings on investment					890,295
Gain (loss) on disposal of capital assets					318,407
Total general revenues					66,201,458
Change in net position					4,581,453
Net position - beginning					40,717,571
Net position - ending					\$ 45,299,024

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2023

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Cash	590,008	-	14,666	634,351	1,239,025
Investments	5,682,585	4,054,953	12,293,960	-	22,031,498
Due from other funds	-	-	369,530	2,281,105	2,650,635
Taxes receivable, net	9,825,417	2,055,970	-	-	11,881,387
Unbilled taxes receivable	23,698,570	3,386,010	-	-	27,084,580
Due from other governments	605,855	15,958	41,576	602,420	1,265,809
Prepaid items	54,978	-	-	-	54,978
Inventory	191,463	-	-	123,261	314,724
Total assets	<u>40,648,876</u>	<u>9,512,891</u>	<u>12,719,732</u>	<u>3,641,137</u>	<u>66,522,636</u>
Deferred outflows of resources	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 40,648,876</u>	<u>\$ 9,512,891</u>	<u>\$ 12,719,732</u>	<u>\$ 3,641,137</u>	<u>\$ 66,522,636</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities:					
Due to other funds	2,570,814	-	-	79,821	2,650,635
Accounts payable	1,559,136	-	-	114,920	1,674,056
Accrued payroll and benefits	4,613,030	-	-	797,237	5,410,267
Total liabilities	<u>8,742,980</u>	<u>-</u>	<u>-</u>	<u>991,978</u>	<u>9,734,958</u>
Deferred inflows of resources:					
Deferred revenue	471,874	107,305	-	-	579,179
Deferred grant revenue	20,150	-	-	233,637	253,787
Unavailable property tax revenue	23,698,570	3,386,010	-	-	27,084,580
Total deferred inflows of resources	<u>24,190,594</u>	<u>3,493,315</u>	<u>-</u>	<u>233,637</u>	<u>27,917,546</u>
Fund balances:					
Nonspendable	246,441	-	-	123,261	369,702
Assigned	679,088	-	-	-	679,088
Restricted for:					
Other specific purposes	-	-	-	2,292,261	2,292,261
Debt service	-	6,019,576	-	-	6,019,576
Capital projects	-	-	12,719,732	-	12,719,732
Unassigned	6,789,773	-	-	-	6,789,773
Total fund balances	<u>7,715,302</u>	<u>6,019,576</u>	<u>12,719,732</u>	<u>2,415,522</u>	<u>28,870,132</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 40,648,876</u>	<u>\$ 9,512,891</u>	<u>\$ 12,719,732</u>	<u>\$ 3,641,137</u>	<u>\$ 66,522,636</u>

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

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

Total fund balances- governmental funds	28,870,132
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	93,689,190
Accumulated depreciation	(22,538,826)
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	
	579,179
Total Net OPEB asset for PERSI sick leave is a long-term asset and is not available to pay current year expenditures, therefore is not reported as an asset in governmental funds.	
	1,548,476
Certain pension related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	20,324,455
Deferred inflow of resources	(385,773)
Certain OPEB related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	703,641
Deferred inflow of resources	(669,992)
Certain OPEB-Sick Leave related items are recorded as a deferred outflow or inflow of resources and recognized in future periods for governmental activities:	
Deferred outflow of resources	1,394,874
Deferred inflow of resources	(695,571)
Internal service funds are used by the District to charge the cost of the print shop and medical benefits to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities.	
	280,158
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the government fund financial statements, an interest expenditure is reported when paid.	
	(721,376)
Long term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of the following:	
General obligation bonds	(42,990,000)
Compensated absences, due after one year	(356,552)
Other post-employment benefits liability	(1,698,180)
Net pension liability	(32,034,811)
Total net position - governmental activities	<u>\$ 45,299,024</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Local	24,334,044	5,158,534	451,822	2,218,239	32,162,639
State	32,068,766	141,801	480,788	1,209,975	33,901,330
Federal	-	-	-	7,058,042	7,058,042
Total revenue	<u>56,402,810</u>	<u>5,300,335</u>	<u>932,610</u>	<u>10,486,256</u>	<u>73,122,011</u>
EXPENDITURES					
Instruction	30,355,602	-	-	6,586,129	36,941,731
Support	20,747,239	-	-	284,767	21,032,006
Non-instruction	-	-	-	3,917,170	3,917,170
Debt service	-	4,011,597	-	-	4,011,597
Capital asset program	-	-	370,599	-	370,599
Total expenditures	<u>51,102,841</u>	<u>4,011,597</u>	<u>370,599</u>	<u>10,788,066</u>	<u>66,273,103</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,299,969</u>	<u>1,288,738</u>	<u>562,011</u>	<u>(301,810)</u>	<u>6,848,908</u>
Other financing sources (uses)					
Proceeds from sale of capital asset	318,407	-	-	-	318,407
Transfers in	5,880	-	3,605,000	271,058	3,881,938
Transfers out	(3,876,058)	-	-	(5,880)	(3,881,938)
Total other financing sources (uses)	<u>(3,551,771)</u>	<u>-</u>	<u>3,605,000</u>	<u>265,178</u>	<u>318,407</u>
Net change in fund balances	1,748,198	1,288,738	4,167,011	(36,632)	7,167,315
Fund balances - beginning of year	<u>5,967,104</u>	<u>4,730,838</u>	<u>8,552,721</u>	<u>2,452,154</u>	<u>21,702,817</u>
Fund balances - end of year	<u>\$ 7,715,302</u>	<u>\$ 6,019,576</u>	<u>\$ 12,719,732</u>	<u>\$ 2,415,522</u>	<u>\$ 28,870,132</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

Net change in fund balances- total governmental funds		7,167,315
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.</p>		
Capital outlays	2,018,544	
Depreciation expense	<u>(2,188,335)</u>	(169,791)
<p>Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the government fund financial statements, an interest expenditure is reported when paid.</p>		
		14,103
<p>Net pension (asset) liability adjustments:</p>		
Fiscal year 2022 employer PERSI contributions recognized as pension expense in the current year	(3,829,508)	
Fiscal year 2023 employer PERSI contributions deferred to subsequent year	4,003,154	
Pension related amortization expense	<u>(4,457,367)</u>	(4,283,721)
<p>Net OPEB liability adjustment:</p>		
Current year change in liability and related amortization amounts		(7,957)
<p>Net OPEB asset - sick leave adjustment:</p>		
Fiscal year 2022 employer PERSI Sick Leave contributions recognized as OPEB expense in the current year	-	
Fiscal year 2023 employer PERSI Sick Leave contributions deferred to subsequent year	-	
OPEB related amortization expense	<u>(211,376)</u>	(211,376)
<p>Internal service funds are used by the District to charge the cost of medical benefits and print shop activities to the individual funds. The net income of the internal service fund is reported with governmental activities.</p>		
		8,010
<p>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. This is the amount by which compensated absences incurred exceeded the amount paid during the year.</p>		
		(14,337)
<p>Some property taxes will not be collected for several months after the District's fiscal year end and they are not considered as "available" revenues in the governmental funds. Instead they are counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities.</p>		
		149,207
<p>Repayment of long-term debt obligations is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statement of Net Position.</p>		
		<u>1,930,000</u>
Total change in net position - governmental activities		<u>\$ 4,581,453</u>

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

**INTERNAL SERVICE FUNDS
STATEMENT OF NET POSITION**

June 30, 2023

	Medical Insurance Risk Fund	Print Shop	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash	-	155,446	155,446
Investments	109,906	-	109,906
Accounts receivable	411	69	480
Inventory	-	11,796	11,796
Total assets	<u>110,317</u>	<u>167,311</u>	<u>277,628</u>
Noncurrent assets			
Furniture and equipment	-	92,209	92,209
Less: accumulated depreciation	-	(85,973)	(85,973)
Total noncurrent assets	-	<u>6,236</u>	<u>6,236</u>
Deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	<u>\$ 110,317</u>	<u>\$ 173,547</u>	<u>\$ 283,864</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts payable	-	3,673	3,673
Accrued payroll and benefits	-	33	33
Due to other funds	-	-	-
Deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	-	<u>3,706</u>	<u>3,706</u>
NET POSITION			
Net investment in capital assets	-	6,236	6,236
Restricted			
Benefit payments	110,317	-	110,317
Unrestricted	-	163,605	163,605
Total net position	<u>\$ 110,317</u>	<u>\$ 169,841</u>	<u>\$ 280,158</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

INTERNAL SERVICE FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2023

	Medical Insurance Risk Fund	Print Shop	Total
OPERATING REVENUES			
Local:			
Other local	14,189	107,388	121,577
Total operating revenue	14,189	107,388	121,577
OPERATING EXPENSES			
Support:			
Salaries	-	51,906	51,906
Benefits	-	15,748	15,748
Purchased services	-	16,226	16,226
Supplies-materials	-	33,025	33,025
Total operating expenses	-	116,905	116,905
Operating income (loss)	14,189	(9,517)	4,672
NON-OPERATING REVENUES (EXPENSES)			
Earnings on investments	3,338	-	3,338
Change in net position	17,527	(9,517)	8,010
Net position-beginning of year	92,790	179,358	272,148
Net position-end of year	\$ 110,317	\$ 169,841	\$ 280,158

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

**INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2023**

	Medical Insurance Risk Fund	Print Shop	Total
	<u> </u>	<u> </u>	<u> </u>
Cash Flows From Operating Activities			
Cash received from services or programs	13,846	107,388	121,234
Cash payments to suppliers for goods and services	-	(38,845)	(38,845)
Cash payments for employees for services	-	(67,654)	(67,654)
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by (used in) operating activities	13,846	889	14,735
Cash Flows From Noncapital Financing Activities	-	-	-
Cash Flows From Investing Activities			
Earnings on investments	3,338	-	3,338
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by (used in) investing activities	3,338	-	3,338
Net change in cash and cash equivalents	17,184	889	18,073
Cash and cash equivalents-beginning of year	92,722	154,557	247,279
	<u> </u>	<u> </u>	<u> </u>
Cash and cash equivalents-end of year	\$ 109,906	\$ 155,446	\$ 265,352
	<u> </u>	<u> </u>	<u> </u>
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income (loss)	14,189	(9,517)	4,672
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	9,370	9,370
(Increase) decrease in operating assets			
Accounts receivable	(343)	(69)	(412)
Inventory	-	(503)	(503)
Increase (decrease) in operating liabilities			
Accounts payable	-	1,608	1,608
	<u> </u>	<u> </u>	<u> </u>
Net cash provided by (used in) operating activities	\$ 13,846	\$ 889	\$ 14,735
	<u> </u>	<u> </u>	<u> </u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

PRIVATE PURPOSE TRUST FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2023

	Academic Endowment Fund	Activities Endowment Fund	Restricted Endowment Fund	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets:				
Cash and cash equivalents	182,872	77,599	45,872	306,343
Total assets	182,872	77,599	45,872	306,343
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 182,872</u>	<u>\$ 77,599</u>	<u>\$ 45,872</u>	<u>\$ 306,343</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Liabilities:				
Accounts payable	1,683	715	422	2,820
Total liabilities	1,683	715	422	2,820
Deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	<u>1,683</u>	<u>715</u>	<u>422</u>	<u>2,820</u>
Net position:				
Restricted for endowments	181,189	76,884	45,450	303,523
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 182,872</u>	<u>\$ 77,599</u>	<u>\$ 45,872</u>	<u>\$ 306,343</u>

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

**PRIVATE PURPOSE TRUST FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2023**

	Academic Endowment Fund	Activities Endowment Fund	Restricted Endowment Fund	Total
ADDITIONS				
Investment income	<u>1,683</u>	<u>715</u>	<u>422</u>	<u>2,820</u>
DEDUCTIONS				
Transfer to expendable fund	<u>1,683</u>	<u>715</u>	<u>422</u>	<u>2,820</u>
Excess of additions over deductions	-	-	-	-
Net position - beginning of year	<u>181,189</u>	<u>76,884</u>	<u>45,450</u>	<u>303,523</u>
Net position - end of year	<u>\$ 181,189</u>	<u>\$ 76,884</u>	<u>\$ 45,450</u>	<u>\$ 303,523</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 Summary of Significant Accounting Policies

Independent School District No. 1 is organized under a charter granted by the Eleventh Territorial Legislature and adopted in 1880. The charter was last amended in 1971.

The financial statements of Independent School District No. 1 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

Reporting Entity - Independent School District No. 1 is the basic level of government which has financial accountability and control over all activities related to public school education within the District. The Board receives funding from local, state and federal government sources and must comply with the requirements of those entities. The District is not included in any other governmental “reporting entity” as defined by GASB pronouncements. Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and have primary financial accountability for fiscal matters.

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the financial activities of the overall District, except for fiduciary activities. Eliminations of all activity in the internal service funds have been made to minimize the double counting of internal activities. Only governmental-type activities are shown, since there are no “business-type activities” within the school district. Fiduciary fund types are omitted from the government-wide statements.

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

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses – expenses of the District related to the administration and support of the District’s programs, such as personnel and accounting – are not allocated to programs.

NOTE 1 Summary of Significant Accounting Policies (Continued)

- Program revenues include (a) fees paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state foundation aid, are presented as general revenues.

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

The District reports the following major governmental funds:

- General Fund. This is the District's primary operating fund. It accounts for all financial resources, except those which are accounted for in another fund.
- Debt Service Fund. These restricted funds are used to make the principal and interest payments for outstanding general obligation bonds.
- Capital Projects Fund. This fund is used to account for financial resources that are legally restricted for the acquisition, construction, or major repair of school property. The three components in this fund are:
 1. Plant Facilities (SPFR)
 2. Capital Construction (LHS)
 3. Athletic Venues

The District reports the following fund types:

- Proprietary funds (internal service funds). The District has two internal service funds which are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. A Print Shop fund accounts for printing and binding services provided to all departments of the District. A Medical Insurance Risk fund was originally established to account for the activities related to partial self-insurance of medical benefits. The District has elected to minimize risk by offering employees a more traditional form of health insurance benefits, and the residual balances in the medical risk fund are used to subsidize premiums and pay plan expenses.
- Private-purpose trust funds. These funds report the trust arrangement under which contributions to endowments are maintained to support programs identified specifically by the donors.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting - The accounting and financial reporting treatment is determined by the measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-Wide and Fiduciary Fund Statements – The government-wide and fiduciary fund financial statements are presented using economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, 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 is 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, other than grant funds, reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Grant funds are considered available when program expenses have been incurred and if collection is expected in the upcoming fiscal year. Property taxes, state foundation payments and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred except for 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 are reported as other financing sources, if applicable.

Proprietary Funds utilize the accrual basis of accounting. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. The internal service funds distinguish operating revenues and expenses from non-operating items. Operating revenues are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Restricted Resources - 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 components of net position available to finance the program. It is the District's policy to first apply restricted cost reimbursement grant resources and then unrestricted general revenues.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Budgetary Data - Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for general, special revenue, and capital projects funds, within which expenditures may not exceed budget at the fund level.

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

1. At least 14 days prior to the public hearing the District publishes a proposed budget for public review.
2. A public hearing is set to obtain taxpayers comments.
3. The final budget is adopted by official action of the Board at the regular June meeting of the Board of Trustees. The 2022-2023 budget was adopted at its regular board meeting held June 2022.
4. Prior to July 15, the final budget is filed with the State Department of Education.
5. In June 2023, the District revised its annual budget to reflect more accurate revenue and expenditure projections. These amendments reflected updated market value information which was not available when the initial budget was set.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded, reserving that portion of the applicable appropriation, is employed as an extension of formal budgetary integration of the governmental funds. Encumbrances outstanding at year-end are recorded as reservations of net position in the funds, but do not constitute expenditures or liabilities.

Cash and Investments - The District's cash and investments consist of saving accounts and money market accounts held in local depositories, as well as deposits in the Idaho State Treasurer's local government investment pool. All investments are invested in FDIC and SLIC insured accounts or are securities held by the pool or its agent in the pool name. Deposits in the State pools are not insured or otherwise guaranteed by the State. Those investments held in local depositories which exceed the FDIC insured limits of \$250,000 are in authorized public funds accounts. Interest income is defined as non-operating revenue.

Deposits in State Treasurer's local government investment pool (LGIP) are stated at cost, which approximates market. The State Treasurer combines deposits from all governmental entities in the state participating in the pool, and purchases the following types of investments:

- a. Local Certificates of Deposit
- b. Repurchase Agreements
- c. U.S. Government Securities

NOTE 1 Summary of Significant Accounting Policies (Continued)

The entities participating in the pool own a percentage of each investment held. The percentage is calculated by dividing the individual entity's deposits by the total deposits held in the pool. The purpose of this is to:

- a. Increase the overall rate of return.
- b. Reduce the risk of default.
- c. Place each entity under the FCIC and SLIC limits of \$250,000.

The State Treasurer must operate and invest the funds in the investment pool for the benefit of participants, in accordance with Idaho Code Sections 67-1201 through 67-1222. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. A copy of the external investment pool's financial statements is available from: Office of State Controller, Bureau of Reporting and Review, PO Box 83720, Boise, Idaho 83720-0011, 208-334-3150 or at www.sco.idaho.gov/

Investments in time certificates of deposit and savings accounts are authorized by Board policy as permitted by Idaho Code 67-1210.

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

Inventory - Supplies are valued at the weighted average cost method of accounting. Expendable supplies are accounted for by the consumption method, which records the expenditure at the time the items are used. Ending governmental funds inventory was valued at \$326,520 and is equal to the supplies on hand at the end of the year. The value is reported in the nonspendable category of fund balance.

Property Taxes - The District's property tax is levied in September and is payable to Nez Perce County, Idaho, on December 20 and June 20 following the levy date. Taxes are remitted to the District by the County in the January and July. Taxes are delinquent the day following the due dates.

Property taxes levied for the year ended June 30 are recorded as revenue of the period. Delinquent property taxes are reflected as "taxes receivable." An allowance of \$15,000 has been provided as of June 30, 2023. Current tax collections for the year were 97.47% of the tax levy as of June 30, 2023.

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

NOTE 1 Summary of Significant Accounting Policies (Continued)

The Board has set a capitalization threshold of \$5,000. All purchases and improvements to facilities which are not considered repairs are capitalized and depreciated using the straight-line method in the government-wide statements and proprietary funds. Lives for buildings and improvements range from 20-50 years. Estimated useful lives for site improvements range from 9-25 years. Lives for equipment range from 5-10 years. Infrastructure consisting of the fiber optic network has a 20-year life.

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

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

Subscription-based Information Technology Arrangements (SBITA) - The District has various information technology (IT) contracts. The District evaluates the term of the IT contract at inception. SBITAs that met the definition of a right-of-use (ROU) agreement are included as SBITA ROU assets and SBITA ROU liabilities on the government-wide financial statements.

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

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

NOTE 1 Summary of Significant Accounting Policies (Continued)

Fund Balance - The *nonspendable* fund balance category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants), or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, *assigned* fund balance represents the remaining amount that is not restricted or committed. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in other classifications. The Board of Trustees adopted policy during fiscal year 2017, establishing a minimum unassigned General fund balance in the range of eight percent (8%) to twelve percent (12%) of the subsequent year's budgeted expenditures and outgoing transfers.

Cash Equivalents on the Statement of Cash Flows - The District considers all cash and investments with a maturity of less than 30 days to be cash or cash equivalents on the statement of cash flows.

Economic Dependence - The District's largest single source of tax revenue is generated from Clearwater Paper Corporation which comprises 10.1% of the District's net market value in 2023 (14.4% in 2022). The net market value is the District's total assessed market value less any exemptions.

Pensions - For purposes of measuring the net pension (asset) liability, deferred outflows of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI) 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.

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

NOTE 1 Summary of Significant Accounting Policies (Continued)

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

NOTE 2 Recently Adopted Accounting Guidance

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

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

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

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* - The District reviewed potential SBITAs and determined there were no subscriptions that required recognition under the standard. This statement did not have an effect on the financial reporting of the District.

GASB Statement No. 99, *Omnibus 2022* - The Statement provides updates to various previously issued GASB Statements. The adoption did not have an effect on the financial reporting of the District.

NOTE 3 Property Tax

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

Tax Year 2022 Levy (FY2023 Revenue)

The market value upon which the 2022 levy was based was \$4,559,867,950. The property tax was levied in October 2022 and was due in two equal installments on December 20th and June 20th.

NOTE 3 Property Tax (Continued)

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

	<u>Percentage</u>	<u>Amount</u>
Supplemental	50.84000	\$23,743,760
Bond	<u>10.93792</u>	<u>\$ 5,135,073</u>
Total	<u>61.77792</u>	<u>\$28,878,833</u>

Tax Year 2023 Levy (FY2023 Asset)

The property tax levy for 2023 has been recorded as an asset in the general fund in the amount of \$23,698,570 and in the debt service fund in the amount of \$3,386,010. This levy is for the FY2024 operations and has been presented as deferred revenue.

Deferred Revenue

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

	<u>General Fund</u>	<u>Debt Service</u>
Total taxes receivable as of June 30, 2023	9,825,417	2,055,970
Less: Taxes collected by August 31, 2023	<u>(9,353,543)</u>	<u>(1,948,665)</u>
Total deferred tax revenue	<u>\$ 471,874</u>	<u>\$ 107,305</u>

NOTE 4 Accounts Receivable

Details of accounts receivable in the funds statements for all governmental funds at June 30, 2023, are as follows:

State Apportionment Funds	539,033
Grant Reimbursements	483,516
Interest Receivable	103,399
Medicaid Match Receivable	110,254
Other	<u>29,607</u>
Total	<u>\$1,265,809</u>

NOTE 5 Cash and Investments

Cash

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned. The District currently does not have a formal policy regarding custodial risk for deposits. At June 30, 2023, the carrying amount of the District's deposits (including student activity funds) was \$1,394,471. The bank statements show a total of \$1,488,339 in local depository accounts insured by the FDIC or NCUA up to the limit of \$250,000 per institution. Umpqua bank has total deposits of \$437,640 of which \$187,640 was uninsured. Wells Fargo bank has total deposits in the checking account of \$779,722 of which \$529,722 was uninsured.

NOTE 5 Cash and Investments (Continued)

Investments

The District's investment policy was adopted by the Board of Trustees and provides the Director of Business Services with the authority to invest in any of the securities identified as eligible investments as defined by State statute with primary emphasis on safety of principal and liquidity. The total carrying amount of investments at year end is \$22,141,404.

Investments are classified into the following three categories of credit risk:

1. Insured or registered, or securities held by the District or its agent in the District's name.
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name.
3. Uninsured and unregistered, with securities held by the counterparty or by the counterparty's trust department or agent, but not in the District's name.

The District's investment statement balances at June 30, 2023, all held in the Local Governmental Investment Pool (LGIP) are as follows:

<u>Fund</u>	<u>Category</u>	<u>Amount</u>
General	1	5,682,585
Debt Service	1	4,054,953
Capital Construction (LHS)	1	291,770
Plant Facilities (SPFR)	1	2,087,184
Athletic Venues	1	9,915,006
Medical Insurance Risk	1	109,906
Total		<u>\$ 22,141,404</u>

The District participates in the Idaho State Treasurer's Local Governmental Investment Pool (LGIP), which is under the administrative control of the Idaho State Treasurer's Office. Participants have overnight availability to their funds, up to \$10 million. Withdrawals of \$10 million or more require three business days' notification.

All LGIP investments meet the requirements of Idaho Code § 67-1210 et seq. as allowable investments for government agencies. As of June 30, 2023, the LGIP investment portfolio consisted of 55.7% U.S. Government Agency Notes, 20.5% U.S. Treasuries, 16.4% in Commercial Paper, and the remainder in Corporate Bonds, Asset Backed and Money Market. As of June 30, 2023, the weighted average maturity of the LGIP portfolio was 101 days, and the yield to maturity was 4.913%.

The following schedule represents the District's portion of investments in the external investment pool and a distribution of the pool's maturities at June 30, 2023:

<u>External Investment Pool</u>	<u>Book Value</u>	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>1-8 Years</u>
State Investment Pool	<u>\$ 22,141,404</u>	<u>\$ 22,141,404</u>	<u>\$ 22,141,404</u>	<u>\$ -</u>

NOTE 5 Cash and Investments (Continued)

The investments are collateralized by securities held by Wells Fargo Bank in the form of bonds, treasury bills, interest-bearing notes or other obligations of the United States (or those for which the faith and credit of the United States are pledged for the payment of principal and interest) and/or general obligations or revenue bonds of the State of Idaho (or those for which the faith and credit of the State of Idaho are pledged for payment of principal and interest) in an amount not less than 101% of the value of the investment.

NOTE 6 Non-Current Liabilities

General Obligation Bonds

On March 14, 2017, voters authorized the District to issue General Obligation Bonds in the amount of \$59,800,000 to fund the construction of a new high school and career technical education center. The bonds were sold on May 31 and June 1, 2017 and the sale closed on June 20, 2017. The following is a summary of bond transactions for the year ended June 30, 2023.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Ending Balance</u>	<u>Current Portion</u>	<u>Noncurrent Portion</u>
Series 2017A	4,920,000	-	1,930,000	2,990,000	2,020,000	970,000
Series 2017B	40,000,000	-	-	40,000,000	-	40,000,000
Total	<u>\$ 44,920,000</u>	<u>\$ -</u>	<u>\$ 1,930,000</u>	<u>\$ 42,990,000</u>	<u>\$ 2,020,000</u>	<u>\$ 40,970,000</u>

Bonds payable at June 30, 2023 consisted of the following issue(s):

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Deb Service</u>
2024	2,020,000	1,987,450	4,007,450
2025	2,120,000	1,883,950	4,003,950
2026	2,230,000	1,775,200	4,005,200
2027	2,340,000	1,660,950	4,000,950
2028	2,455,000	1,543,475	3,998,475
2029	2,575,000	1,420,125	3,995,125
2030	2,700,000	1,288,250	3,988,250
2031	2,840,000	1,149,750	3,989,750
2032	2,980,000	1,019,150	3,999,150
2033	3,095,000	913,125	4,008,125
2034	3,190,000	786,950	3,976,950
2035	3,350,000	623,450	3,973,450
2036	3,520,000	451,700	3,971,700
2037	3,695,000	271,325	3,966,325
2038	3,880,000	89,475	3,969,475
	<u>\$ 42,990,000</u>	<u>\$ 16,864,325</u>	<u>\$ 59,854,325</u>

NOTE 6 Non-Current Liabilities (Continued)

The District's legal debt limit is calculated at 5% of the full market value of property located within the District, as follows:

Full Market Value (as of September 2022)	5,751,836,189
	X 5%
General Obligation Debt capacity	287,591,809
Less: Outstanding debt subject to limit	(42,990,000)
Legal debt margin at June 30, 2023	<u>\$ 244,601,809</u>

At June 30, 2023, the District had \$6,019,576 in the debt service fund to service the General Obligation Bond debt.

Compensated Absences

At June 30, 2023, the District is obligated to employees who work on a twelve-month basis, for vacation time earned but not yet used in the amount of \$356,552 which will be paid from general governmental fund types when used. Compensated absences are generally liquidated by the General Fund. The current portion is estimated to be paid out of expendable available financial resources and is included as payroll and taxes payable in the Funds Statements.

Employees are allowed to carry forward from year to year, a maximum number of days equal to one-half their annual number of days earned. Excess days not taken by one's anniversary date each year are lost. Generally speaking, unused vacation days are not paid in cash unless the employee terminates employment with the District.

During the year ended June 30, 2023, the following changes occurred to noncurrent liabilities:

<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>
\$ 342,215	\$ 300,091	\$ 285,754	\$ 356,552

Other Post-Employment Benefits-Sick Leave

The District's 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.

NOTE 6 Non-Current Liabilities (Continued)

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. Beginning January 1, 2020 PERSI approved an 18-month rate holiday. During the rate holiday, all sick leave contribution rates are 0%. The holiday was extended to June 30, 2026, therefore the District's contributions required and paid were \$0 for the year ended June 30, 2023.

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

At June 30, 2023, the District's reported an asset of \$1,548,476 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 2.0340673%.

For the year ended June 30, 2023, the District's recognized OPEB expense (revenue) of \$198,855. At June 30, 2023, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 6 Non-Current Liabilities (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	374,034	-
Changes in assumptions or other inputs	302,263	695,571
Change in proportionate share	73,616	-
Net difference between projected and actual earning on pension plan investments	<u>644,961</u>	<u>-</u>
Total	<u>\$1,394,874</u>	<u>\$695,571</u>

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

<u>Year ended June 30</u>	<u>Amount to be Recognized</u>
2024	132,428
2025	141,788
2026	83,782
2027	287,264
2028	(18,623)
Thereafter	72,664

Actuarial Assumptions

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

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

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

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

NOTE 6 Non-Current Liabilities (Continued)

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

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

Discount Rate

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 Fund's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Fund investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

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

The following presents the District's proportionate share of net OPEB liability (asset) calculated using the discount rate of 5.45 percent, as well as what the District's proportionate share of the net OPEB liability (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)	\$ (1,092,527)	\$ (1,548,476)	\$ (1,965,369)

OPEB Plan Fiduciary Net Position

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

NOTE 6 Non-Current Liabilities (Continued)

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

Other Post-Employment Benefits

For purposes of measuring the Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the Independent School District No. 1 Employee Group Benefit Plan have been determined based the requirements of GASB 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. The Plan has been calculated using the entry age normal funding method.

General Information About the OPEB Plan

The Independent School District No. 1 Employee Group Benefit Plan is a single-employer defined benefit OPEB plan that provides benefits to current and future retirees.

Retirement and Dependent Medical Benefit Eligibility

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

Eligibility for Retirement

Normal retirement eligibility is age 65 with five years of service, including six months of membership service. Early retirement eligibility is age 55 with five years of service, including twelve (12) months of membership coverage.

Medicare Retirees

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

Funding

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

NOTE 6 Non-Current Liabilities (Continued)

OPEB Benefits

The health care benefits are contracted by the District through group medical, dental and vision plans. The medical, dental and vision plans include an annual deductible, coinsurance payment requirements, and an annual out-of-pocket maximum for the member/family. The prescription drug benefit is provided through a tiered system comprising of the type of prescription (generic, formulary brand, and non-formulary).

Census Data

As of June 30, 2023, the valuation date, the District had 593 active (future retirees) participants and 61 inactive (current retirees) participants.

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

At June 30, 2023, the Employer reported a liability of \$1,698,180 of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

For the year ended June 30, 2023, the Employer recognized OPEB expense (revenue) of \$188,166. At June 30, 2023, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	502,616	237,689
Changes in assumptions or other inputs	<u>201,025</u>	<u>432,303</u>
Total	<u>\$703,641</u>	<u>\$669,992</u>

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

Year ended June 30:	
2024	5,810
2025	5,810
2026	5,810
2027	5,810
2028	5,810
2029	12,783
Thereafter	\$(8,184)

NOTE 6 Non-Current Liabilities (Continued)

Actuarial Assumptions

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Interest/Discount Rate	4.11%
Projected Payroll Increases	3.75%
Health Care Cost Trend Rate	Medical: between 3.9% and 6.8% Dental: between 2.0% and 3.5% Prescription Drugs: between 3.9% and 6.8% Vision: between 1.7% and 2.0%
Retiree Contributions	Retiree contributions are assumed to increase to match the health care cost trends.

Participation

For future retirees, participation rates were assumed to be 40.0% for medical, 40% for vision coverage and 40% for dental coverage. Future retired members who elect to participate in the plan are assumed to be married at a rate of 60.0%. 70.0% of the future retirees who elect medical or dental coverage and married are assumed to elect spousal coverage. Males are assumed to be three years older than females. Actual spouse information is used for current retirees.

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated June 30, 2023.

Contributing Members, Retired, Surviving Beneficiaries, and Disabled

Contributing PERSI Teachers - Males	Pub-2010 Teacher Tables, adjusted 112%.
Contributing PERSI Teachers - Females	Pub-2010 Teacher Tables, adjusted 121%.
Retired PERSI Teachers - Males	Pub-2010 General Tables, adjusted 112%.
Retired PERSI Teachers - Females	Pub-2010 General Tables, adjusted 121%.
Surviving Beneficiaries PERSI Teachers - Males	Pub-2010 Safety Tables, adjusted 112%.
Surviving Beneficiaries PERSI Teachers - Females	Pub-2010 Safety Tables, adjusted 121%.
Disabled PERSI Members - Males	Pub-2010 Disabled Tables, adjusted 138%.
Disabled PERSI Members - Females	Pub-2010 Disabled Tables, adjusted 136%.

Interest/Discount Rate

Interest/discount rate based on the average of multiple June 30, 2023 municipal bond rate sources.

NOTE 6 Non-Current Liabilities (Continued)

Sensitivity Disclosures

The following presents the net OPEB liability of the Plan as of June 30, 2023, calculated using the discount rate of 4.11%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.11%) or 1-percentage-point higher (5.11%) than the current rate:

	1% Decrease <u>(3.11%)</u>	Current Discount Rate <u>(4.11%)</u>	1% Increase <u>(5.11%)</u>
Net OPEB Liability	1,791,422	1,698,180	1,608,131

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

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net OPEB Liability	1,569,231	1,698,180	1,846,480

Summary of the Change in OPEB Liability

<i>Total OPEB Liability – Beginning of Year</i>	1,681,374
Service Cost	113,778
Interest	68,578
Plan Design Changes	-
Difference Between Expected and Actual Experience	148,812
Changes of Assumptions or Other Inputs	(134,131)
Benefit Payments (Estimated)	<u>(180,231)</u>
<i>Total OPEB Liability – End of Year</i>	<u>\$1,698,180</u>

NOTE 7 Capital Assets

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

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets, not depreciated					
Land	9,823,404	-	-	-	9,823,404
Construction in progress	155,342	93,979	-	-	249,321
Total capital assets, not depreciated	<u>9,978,746</u>	<u>93,979</u>	<u>-</u>	<u>-</u>	<u>10,072,725</u>
Capital assets, depreciated:					
Site (Land) Improvements	2,155,143	45,000	-	-	2,200,143
Building	71,168,249	669,327	-	-	71,837,576
Infrastructure	490,462	-	-	-	490,462
Equipment	4,295,608	435,749	(290,303)	-	4,441,054
School Buses	3,033,144	370,598	(71,057)	-	3,332,685
Vehicles	1,000,644	403,891	(89,990)	-	1,314,545
Printshop Equipment	96,008	-	(3,799)	-	92,209
Total capital assets, depreciated	<u>82,239,258</u>	<u>1,924,565</u>	<u>(455,149)</u>	<u>-</u>	<u>83,708,674</u>
Less: accumulated depreciation					
Site (Land) Improvements	(1,536,625)	(54,111)	-	-	(1,590,736)
Building	(12,694,036)	(1,438,052)	-	-	(14,132,088)
Infrastructure	(467,566)	(1,832)	-	-	(469,398)
Equipment	(2,886,148)	(480,702)	290,303	-	(3,076,547)
School Buses	(2,390,847)	(131,190)	71,057	-	(2,450,980)
Vehicles	(826,619)	(82,448)	89,990	-	(819,077)
Printshop Equipment	(80,402)	(9,370)	3,799	-	(85,973)
Total accumulated depreciation	<u>(20,882,243)</u>	<u>(2,197,705)</u>	<u>455,149</u>	<u>-</u>	<u>(22,624,799)</u>
Net capital assets, depreciated	<u>61,357,015</u>	<u>(273,140)</u>	<u>-</u>	<u>-</u>	<u>61,083,875</u>
Total capital assets, net	<u>\$ 71,335,761</u>	<u>\$ (179,161)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,156,600</u>

Depreciation expense of \$2,197,705 in governmental functions was charges as follows:

Transportation services	\$213,638
Unallocated	\$1,974,697
Print Shop	\$9,370

NOTE 8 Defined Benefit Pension Plan

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

NOTE 8 Defined Benefit Pension Plan (Continued)

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2023 it was 7.16% for general

NOTE 8 Defined Benefit Pension Plan (Continued)

employees and 9.13% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.94% of covered compensation for general employees and 12.28% for police and firefighters. The District's employer contributions required and paid were \$4,003,154, for the year ended June 30, 2023.

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

At June 30, 2023, the District reported an asset for its proportionate share of the net pension (asset) liability. The net pension (asset) liability was measured as of June 30, 2022, and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension (asset) liability was based on the District's share of contributions in the Base Plan relative to the total contributions of all participating PERSI employers. At June 30, 2022, the District's proportional share of the total was 0.81332265%.

The District's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. PERSI's audit for the year ended June 30, 2023 has not been completed at the time of issuance. The pension expense (revenue) for the year ending June 30, 2022 was calculated at \$8,304,275.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	3,522,660	142,982
Changes in assumptions or other inputs	5,222,635	-
Net difference between projected and actual earning on pension plan investments	7,370,831	-
Change in proportionate share	205,175	242,791
Employer contributions subsequent to the measurement date	<u>4,003,154</u>	<u>-</u>
Total	<u>\$20,324,455</u>	<u>\$385,773</u>

\$4,003,154 is reported as deferred outflow of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension (asset) liability in the year ended June 30, 2023.

NOTE 8 Defined Benefit 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:

<u>For the Year</u> <u>Ending June 30:</u>	<u>Amount to be</u> <u>Recognized</u>
2024	3,819,763
2025	4,146,716
2026	1,917,852
2027	6,088,813
Thereafter	3,965,538

Actuarial Assumptions

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

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

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

Contributing Members, Service Retirement Members, and Beneficiaries

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

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

NOTE 8 Defined Benefit Pension Plan (Continued)

asset allocation policy is somewhat more conservative than the current allocation of PERSI's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

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

Discount Rate

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

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

The following presents the net pension (asset) liability of PERSI employer's calculated using the discount rate of 6.35% as well as what the employer's (asset) 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 <u>(5.35%)</u>	Current Discount Rate <u>(6.35%)</u>	1% Increase <u>(7.35%)</u>
District's proportionate share of the net pension (asset) liability	56,538,305	32,034,811	11,979,336

Pension plan fiduciary net position

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

NOTE 8 Defined Benefit Pension Plan (Continued)

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

Payables to the pension plan

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

NOTE 9 Other Required Individual Fund Disclosures

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

Assigned Assets

As of June 30, 2023, the District has budgeted and approved to utilize \$679,088 of the ending General Fund fund balance to balance the FY2024 budget.

Restricted Assets

In accordance with Idaho Code, payments distributed to School Districts by the State of Idaho as reimbursement for bus depreciation are deposited into the School Plant Facility Reserve (SPFR) Fund to be used exclusively for the purchase of school buses. Other deposits into the SPFR Fund are restricted by Idaho Code 33-1019(3) to be used exclusively for the maintenance and repair of school buildings. Further, the statute requires unexpended funds to be carried over from year to year and to remain allocated for the purposes specified. At June 30, 2023, restricted SPFR fund balance totaled \$2,115,420. Restricted for athletic venues totaled \$10,312,001. Restricted for high school construction totaled \$292,311. Restricted for debt service in **Debt Service Fund** the amount of \$6,019,576. Restricted in **Other Governmental Funds** represent funds restricted by funding agencies for specific uses in the amount of \$2,292,261. Non-spendable fund balance in the **Other Governmental Funds** represent supplies in inventory and other prepaid expenses in the amount of \$123,261. Non-spendable fund balance in the **General Fund** represent supplies in inventory and other prepaid expenses in the amount of \$246,441.

NOTE 9 Other Required Individual Fund Disclosures (Continued)

Interfund Receivables and Payables

Loans between funds represent temporary cash advances from various funds to finance operating cash deficits of other funds. Individual fund interfund receivable and payable balances at June 30, 2023 were:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	-	2,570,814
Capital Projects	369,530	-
ESSER III (ARPA) American Rescue Plan Act	215,241	-
IDEA Part B (611 School Age 3-21)	-	3,174
Perkins IV - Professional Technical Act	-	56,647
Title VII-A Indian Education	29	-
Johnson O'Malley	48,871	-
Title II-A, ESEA Supporting Effective Instruction	-	20,000
SLFRF Stipends from HB793	75,158	-
Child Nutrition	1,651,670	-
Other Local Grants	53,984	-
Literacy	69,645	-
Expendable Trust	5,936	-
State Mini Grants	5,711	-
Local Technology	120,332	-
Medicaid	31,338	-
Other Federal Projects	3,190	-
	<u>\$ 2,650,635</u>	<u>\$ 2,650,635</u>

Interfund Transfers

Transfers to support the operations of other funds are recorded as "Operating Transfers" and are classified with "Other financing sources or uses." Idaho Code and State Department of Education Regulations mandate transfers into the Capital Projects (SPFR) Fund of the school bus depreciation reimbursement, and a transfer into the Child Nutrition Fund from the General Fund pursuant to Idaho Code 33-1015 for the payment of federal social security payroll taxes. Uncollectible school lunch accounts are unallowable costs in the Child Nutrition Program and \$5,856 was transferred from the General Fund to compensate for uncollectible accounts. Planned transfers were made from the Capital Projects (SPFR) Fund to the fund designated for the construction of Athletic Venues as outlined in the Board's five-year plan. Infrastructure costs in connection with off-site improvements required in connection with the new high school are not included in bond financing and a transfer from the General Fund to the Capital Projects (SPFR) Fund was made for that purpose.

NOTE 9 Other Required Individual Fund Disclosures (Continued)

The schedule of interfund transfers is as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Medicaid	200,000	Medicaid Match
General Fund	Child Nutrition	5,856	Uncollectible meal accounts
General Fund	Child Nutrition	65,202	Employee FICA taxes
General Fund	Athletic Venues	3,025,000	Five-year plan
General Fund	Capital Projects Fund (SPFR)	580,000	Bus and bus depreciation
ECFunds	General Fund	5,880	ECF program expenses

Expenditures Over Budget

The excess of actual expenditures over budget occurred in the following funds:

<u>Program</u>	<u>Amount Over Budget</u>
Literacy	100
Local Life/Trust Grants	2,671
Student Activities	413,213
Other Local Grants	50,987

Termination Benefits

The District sponsors an Early Retirement Incentive Program. Under this program, long-term certificated employees who elect for the program agree to retire prior to reaching age 65 in exchange for a lump sum payment made following retirement. At June 30, 2023, the District was obligated to make payments totaling \$300,528 on behalf of retiring employees. One payment will be made in September 2023.

NOTE 10 Risk Management

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

NOTE 11 Loss Contingency

The District has evaluated its exposure to potential losses that could arise as a result of pending legal matters as of the date of the audit report.

A suit was filed in U.S. District Court in May, 2018 by Mike Zeyen, Rachel Booth and Kim W. Wood, as patrons of Pocatello/Chubbuck School District #25 vs. Boise District #1 et al, seeking declaratory and monetary relief arising under 42. U.S.C. § 1983, under the Fifth and Fourteenth Amendments to the U.S. Constitution. At issue are fees the plaintiff alleges were charged by public schools attended by his children in violation of Idaho's constitutional mandate to provide

NOTE 11 Loss Contingency (Continued)

free public schools. The plaintiff seeks to have this suit declared a class action and to hold every public school and public charter school in the state accountable. The District is represented by legal counsel retained by its liability insurance carrier, the Idaho Counties Risk Management Program (ICRMP). While ICRMP has provided legal representation, in a letter dated June 5, 2018, it explained that if a monetary judgement is returned against the District, no coverage for that judgment exists. It is the opinion of the District that any potential losses with regard to this suit would not be material.

NOTE 12 Contingent Liabilities

Grant Programs

The District participates in a number of state and federally assisted grant programs, mainly Title I, IDEA Part B grants, COVID-19 related programs, and the National Child Nutrition Program. These programs were subjected to financial and compliance audits as outlined in 2 C.F.R. § 200 et seq. during the course of the annual audit of the District's records, and are subject to additional audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time; although the District expects such amount, if any, to be immaterial.

NOTE 13 Tax Abatement

Nez Perce County enters into property tax abatements with local businesses under Idaho Code § 63-602NN. Under the Code, the County may grant property tax abatements of up to 100 percent of plant investments that meet all tax incentive criteria as defined in I.C. § 63-602NN (2).

The County has entered into agreements as follows:

- a 75% reduction in assessed value to a pulp and paper product manufacturer for specified plant improvements not to exceed \$61 million of assessed value in the first year and \$81 million of assessed value for the next four (4) years starting in tax year 2018. The abatement amounted to \$500,401 for the District's fiscal year.
- a 50% reduction in additional assessed value in the first year and 75% in the next four years to a bullet manufacturer for plant improvements effective for five (5) years starting in tax year 2018. The abatement amounted to \$255,695 for the District's fiscal year.
- a 75% reduction in assessed value to a lumber manufacturer for specified plant improvements not to exceed \$15 million of assessed value for the next five (5) years started in tax year 2020. The abatement amounted to \$85,630 for the District's fiscal year.

NOTE 13 Tax Abatement (Continued)

The three tax abatements described above do not reduce the property tax levied by the District below the levels in previous years, but do delay the increases that could result from the expansion of three large manufacturing firms in the community. Overall increases in the market value of the District should have a positive effect in the future.

REQUIRED SUPPLEMENTARY INFORMATION



INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

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

	Original Budget	Final Budget	Actual	Variances	
				Original to Actual	Final to Actual
REVENUES					
Local:					
Taxes	24,838,207	23,846,895	23,759,327	(1,078,880)	(87,568)
Earnings on investments	24,000	400,000	416,615	392,615	16,615
Other	32,340	43,340	158,102	125,762	114,762
Total local	<u>24,894,547</u>	<u>24,290,235</u>	<u>24,334,044</u>	<u>(560,503)</u>	<u>43,809</u>
State:					
Base support program	25,468,125	25,858,523	25,785,978	317,853	(72,545)
Transportation	1,177,927	1,224,872	1,266,580	88,653	41,708
Exceptional child support	102,042	72,734	132,217	30,175	59,483
Benefit apportionment	3,335,390	3,365,633	3,364,019	28,629	(1,614)
Other state support	1,021,503	1,185,857	1,190,193	168,690	4,336
Revenue in lieu of/ag equip. tax	222,981	222,981	329,779	106,798	106,798
Total State	<u>31,327,968</u>	<u>31,930,600</u>	<u>32,068,766</u>	<u>740,798</u>	<u>138,166</u>
Total revenue	<u>56,222,515</u>	<u>56,220,835</u>	<u>56,402,810</u>	<u>180,295</u>	<u>181,975</u>
EXPENDITURES					
Instruction:					
Salaries	21,903,200	20,776,442	20,384,515	1,518,685	391,927
Benefits	8,326,509	7,653,230	7,911,626	414,883	(258,396)
Purchased services	253,272	867,172	903,172	(649,900)	(36,000)
Supplies-materials	1,442,912	1,365,764	939,739	503,173	426,025
Capital objects	101,425	104,352	216,550	(115,125)	(112,198)
Total instruction	<u>32,027,318</u>	<u>30,766,960</u>	<u>30,355,602</u>	<u>1,671,716</u>	<u>411,358</u>
Support:					
Salaries	10,159,691	9,917,122	9,912,813	246,878	4,309
Benefits	3,930,414	3,853,091	3,930,364	50	(77,273)
Purchased services	2,891,177	3,897,327	3,347,966	(456,789)	549,361
Supplies-materials	996,252	1,453,187	1,322,488	(326,236)	130,699
Capital objects	1,438,750	2,318,998	1,996,441	(557,691)	322,557
Insurance - judgment	243,454	243,454	237,167	6,287	6,287
Total support	<u>19,659,738</u>	<u>21,683,179</u>	<u>20,747,239</u>	<u>(1,087,501)</u>	<u>935,940</u>
Contingency reserve	<u>2,400,000</u>	<u>950,000</u>	<u>-</u>	<u>2,400,000</u>	<u>950,000</u>
Total expenditures	<u>54,087,056</u>	<u>53,400,139</u>	<u>51,102,841</u>	<u>2,984,215</u>	<u>2,297,298</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,135,459</u>	<u>2,820,696</u>	<u>5,299,969</u>	<u>3,164,510</u>	<u>2,479,273</u>
Other financing sources (uses)					
Proceeds from sale of capital asset	-	345,045	318,407	318,407	(26,638)
Transfers in	-	12,570	5,880	5,880	(6,690)
Transfers out	(2,265,000)	(3,865,000)	(3,876,058)	(1,611,058)	(11,058)
Total other financing sources (uses)	<u>(2,265,000)</u>	<u>(3,507,385)</u>	<u>(3,551,771)</u>	<u>(1,286,771)</u>	<u>(44,386)</u>
Net change in fund balance	<u>\$ (129,541)</u>	<u>\$ (686,689)</u>	<u>1,748,198</u>	<u>\$ 1,877,739</u>	<u>\$ 2,434,887</u>
Fund balance - beginning of year			<u>5,967,104</u>		
Fund balance - end of year			<u>\$ 7,715,302</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variances</u>	
				<u>Favorable (Unfavorable)</u>	<u>Original to Actual</u>
REVENUES					
Local:					
Taxes	5,140,000	5,140,000	5,048,544	(91,456)	(91,456)
Earnings on investments	4,000	91,000	109,990	105,990	18,990
Total local	<u>5,144,000</u>	<u>5,231,000</u>	<u>5,158,534</u>	<u>14,534</u>	<u>(72,466)</u>
State:					
Other state support	141,800	141,800	141,801	1	1
Total revenue	<u>5,285,800</u>	<u>5,372,800</u>	<u>5,300,335</u>	<u>14,535</u>	<u>(72,465)</u>
EXPENDITURES					
Debt services program					
Principal	1,930,000	1,930,000	1,930,000	-	-
Interest	2,084,100	2,084,100	2,081,597	2,503	2,503
Total debt services program	<u>4,014,100</u>	<u>4,014,100</u>	<u>4,011,597</u>	<u>2,503</u>	<u>2,503</u>
Net change in fund balance	<u>\$ 1,271,700</u>	<u>\$ 1,358,700</u>	1,288,738	<u>\$ 17,038</u>	<u>\$ (69,962)</u>
Fund balance - beginning of year			<u>4,730,838</u>		
Fund balance - end of year			<u>\$ 6,019,576</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variances Favorable (Unfavorable)</u>	
				<u>Original to Actual</u>	<u>Final to Actual</u>
REVENUES					
Local:					
Earnings on investments	8,000	297,500	307,226	299,226	9,726
Other	155,000	125,000	144,596	(10,404)	19,596
Total local	<u>163,000</u>	<u>422,500</u>	<u>451,822</u>	<u>288,822</u>	<u>29,322</u>
State:					
Lottery/additional state maintenance	468,000	480,788	480,788	12,788	-
Federal:					
Restricted	104,146	104,146	-	(104,146)	(104,146)
Total revenue	<u>735,146</u>	<u>1,007,434</u>	<u>932,610</u>	<u>197,464</u>	<u>(74,824)</u>
EXPENDITURES					
Capital asset program:					
Purchased services	2,600,000	-	-	2,600,000	-
Capital objects	1,202,518	881,691	370,599	831,919	511,092
Total capital asset program	<u>3,802,518</u>	<u>881,691</u>	<u>370,599</u>	<u>3,431,919</u>	<u>511,092</u>
Total expenditures	<u>3,802,518</u>	<u>881,691</u>	<u>370,599</u>	<u>3,431,919</u>	<u>511,092</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,067,372)</u>	<u>125,743</u>	<u>562,011</u>	<u>3,629,383</u>	<u>436,268</u>
Other financing sources (uses)					
Transfers in	2,005,000	3,605,000	3,605,000	1,600,000	-
Net change in fund balance	<u>\$ (1,062,372)</u>	<u>\$ 3,730,743</u>	4,167,011	<u>\$ 5,229,383</u>	<u>\$ 436,268</u>
Fund balance - beginning of year			8,552,721		
Fund balance - end of year			<u>\$ 12,719,732</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NET PENSION (ASSET) LIABILITY RELATED SCHEDULES

Schedule of the District's Share of Net Pension (Asset) Liability
PERSI – Base Plan
As of June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's portion of the net pension (asset) liability	Unavailable	0.0081332265%	0.0079492013%	0.0081104%	0.8219025%	0.8258894%	0.8121001%	0.8223209%	0.8467634%	0.8734960%
Employer's proportionate share of the net pension (asset) liability	Unavailable	32,034,811	(627,812)	18,833,421	9,381,788	12,182,013	12,764,819	16,669,708	11,150,497	6,430,298
Employer's covered payroll	33,527,253	32,072,931	29,665,343	28,880,176	27,915,133	26,571,846	25,223,269	24,050,398	23,717,615	23,665,468
Employer's proportional share of the net pension (asset) liability as a	Unavailable	99.88%	-2.12%	65.21%	33.61%	45.85%	50.61%	69.31%	47.01%	27.17%
Plan fiduciary net position as a percentage of the total	Unavailable	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

Schedule of District Contributions
PERSI – Base Plan
As of June 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	4,003,154	3,829,508	3,542,042	3,448,293	3,159,993	3,007,933	2,855,274	2,722,505	2,684,834	2,678,931
Contributions in relation to the statutorily required contribution	(4,003,154)	(3,829,508)	(3,542,042)	(3,448,293)	(3,159,993)	(3,007,933)	(2,855,274)	(2,722,505)	(2,684,834)	(2,678,931)
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll	33,527,253	32,072,931	29,665,343	28,880,176	27,915,133	26,571,846	25,223,269	24,050,398	23,717,615	23,665,468
Contributions as a percentage of covered payroll	11.94%	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%	11.32%	11.32%	11.32%

Data reported is measured as of June 30, 2022.

Notes to the Supplementary Information
As of June 30, 2022 (most recently issued PERSI information)

Change of Assumptions. There were no Change of Assumptions as of June 30, 2022.

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

OTHER POST EMPLOYMENT BENEFIT LIABILITY SCHEDULE

As of June 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service Cost	113,778	137,141	146,140	132,239	86,970	91,400	89,745
Interest	68,578	44,400	57,272	73,105	46,783	50,806	56,564
Changes of benefit terms	-	-	-	-	-	-	(30,797)
Differences between expected and actual experience	148,812	-	(200,907)	-	531,179	-	(162,122)
Changes of assumptions or other inputs	(134,131)	(229,458)	(139,474)	111,624	173,470	12,549	(20,588)
Benefit payments	<u>(180,231)</u>	<u>(178,021)</u>	<u>(145,685)</u>	<u>(150,177)</u>	<u>(108,787)</u>	<u>(128,757)</u>	<u>(141,317)</u>
Net change in total OPEB Liability	16,806	(225,938)	(282,654)	166,791	729,615	25,998	(208,515)
Total OPEB liability - beginning	<u>1,681,374</u>	<u>1,907,312</u>	<u>2,189,966</u>	<u>2,023,175</u>	<u>1,293,560</u>	<u>1,267,562</u>	<u>1,476,077</u>
Total OPEB liability-ending	<u>\$ 1,698,180</u>	<u>\$ 1,681,374</u>	<u>\$ 1,907,312</u>	<u>\$ 2,189,966</u>	<u>\$ 2,023,175</u>	<u>\$ 1,293,560</u>	<u>\$ 1,267,562</u>
Covered-employee payroll	28,423,197	28,423,197	27,395,852	26,778,848	25,810,938	22,391,830	21,582,486
Total OPEB liability as a percentage of covered-employee payroll	5.97%	5.92%	6.96%	8.18%	7.84%	5.78%	5.87%

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

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

As of June 30, 2023

Change of Assumptions. Actuarial assumptions were adjusted for the year ended June 30, 2023 as follows:

- Interest rate changed to 4.11% from 4.02%
- Participation rates for dental and vision coverage changed
- Mortality tables were changed
- Withdrawal, Disability, and Retirement rates were changed

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

NET OPEB ASSET - SICK LEAVE PLAN RELATED SCHEDULES

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

PERSI - OPEB Plan

As of June 30,

	2023	2022	2021	2020	2019	2018	2017
Employer's portion of the net OPEB asset	Unavailable	0.020340673%	0.020340673%	0.020340673%	0.021443008%	0.0214667%	0.0215091%
Employer's proportionate share of the net OPEB asset	Unavailable	1,548,476	2,953,881	2,504,559	2,053,820	1,780,552	1,651,102
Employer's covered payroll	33,527,253	32,072,931	29,665,343	28,880,176	27,915,133	26,571,846	25,223,269
Employer's proportional share of the net OPEB asset as a percentage of its covered payroll	Unavailable	4.83%	9.96%	8.67%	7.36%	6.70%	6.55%
Plan fiduciary net position as a percentage of the total OPEB asset	Unavailable	127.21%	152.61%	152.87%	138.51%	135.69%	136.78%

Schedule of the District's Contributions*

PERSI - OPEB Plan

As of June 30,

	2023	2022	2021	2020	2019	2018	2017
Statutorily required contribution	-	-	-	182,381	351,731	334,803	317,816
Contributions in relation to the statutorily required contribution	-	-	-	(182,381)	(351,731)	(334,803)	(317,816)
Contribution (deficiency) excess	-	-	-	-	-	-	-
Employer's covered payroll	33,527,253	32,072,931	29,665,343	28,880,176	27,915,133	26,571,846	25,223,269
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.63%	1.26%	1.26%	1.26%

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

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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

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

SUPPLEMENTARY INFORMATION



INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
June 30, 2023

	Capital Construction (LHS)	Plant Facilities (SPFR)	Athletic Venues	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash	-	14,666	-	14,666
Investments	291,770	2,087,184	9,915,006	12,293,960
Due from other funds	-	7,200	362,330	369,530
Due from other governments	541	6,370	34,665	41,576
Total assets	292,311	2,115,420	10,312,001	12,719,732
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflow of resources	\$ 292,311	\$ 2,115,420	\$ 10,312,001	\$ 12,719,732
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts payable	-	-	-	-
Total liabilities	-	-	-	-
Deferred inflows of resources	-	-	-	-
Fund balance:				
Restricted	292,311	2,115,420	10,312,001	12,719,732
Total fund balance	292,311	2,115,420	10,312,001	12,719,732
Total liabilities, deferred inflows of resources and fund balance	\$ 292,311	\$ 2,115,420	\$ 10,312,001	\$ 12,719,732

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

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

	Capital Construction (LHS)	Plant Facilities (SPFR)	Athletic Venues	Total
REVENUES				
Local:				
Earnings on investments	6,120	47,874	253,232	307,226
Other	-	29,595	115,001	144,596
Total local	<u>6,120</u>	<u>77,469</u>	<u>368,233</u>	<u>451,822</u>
State:				
Lottery	-	480,788	-	480,788
Total revenues	<u>6,120</u>	<u>558,257</u>	<u>368,233</u>	<u>932,610</u>
EXPENDITURES				
Capital asset program:				
Capital objects	-	370,599	-	370,599
Total expenditures	<u>-</u>	<u>370,599</u>	<u>-</u>	<u>370,599</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,120</u>	<u>187,658</u>	<u>368,233</u>	<u>562,011</u>
Other financing sources (uses)				
Transfers in	-	580,000	3,025,000	3,605,000
Net change in fund balances	6,120	767,658	3,393,233	4,167,011
Fund balance - beginning of year	<u>286,191</u>	<u>1,347,762</u>	<u>6,918,768</u>	<u>8,552,721</u>
Fund balance - end of year	<u>\$ 292,311</u>	<u>\$ 2,115,420</u>	<u>\$ 10,312,001</u>	<u>\$ 12,719,732</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NONMAJOR FUND DESCRIPTIONS

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific funding sources or to finance specific activities as required by law or administrative regulations.

ESSER III (ARPA) American Rescue Plan Act Fund – Restricted federal revenue to be spent on COVID related expenditures.

Title I-A, ESSA – Improving Basic Programs Fund – Restricted federal revenue to be spent on programs to provide special instruction to economically disadvantaged students.

ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act Fund – Restricted federal revenue to be spent on COVID related expenditures.

ESSER II (CRRSA) Coronavirus Aid, Response and Relief Supplemental Appropriations Act Fund – Restricted federal revenue to be spent on COVID related expenditures.

IDEA Part B (611 School Age 3-21) Fund – Restricted federal revenue to be spent on programs to provide for testing, physical therapy, certificated teachers, teaching assistants, equipment, materials and supplies for special education students.

IDEA Part B (619 Pre-School Age 3-5) Fund – Restricted federal funding to be spent on programs for preschool students with disabilities.

ARPA - IDEA Part B Fund – Restricted federal funding to be spent on programs for students with disabilities.

Perkins IV – Professional Technical Act Fund – Restricted federal funding to be spent to procure equipment and supplies for career technical education programs.

Title VII-A Indian Education Fund – Restricted federal funding supporting efforts to strengthen elementary and secondary school programs serving American Indian students.

Johnson O'Malley Fund – Restricted federal funds to be spent on efforts to assure that American Indian students are functioning at grade level.

Title II-A, ESEA – Supporting Effective Instruction Fund – Restricted federal funding to be spent to provide professional development for instructional staff to improve quality of teaching and student achievement.

SLFRF Stipends From HB793 Fund – Restricted federal revenue to be spent on stipends.

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

NONMAJOR FUND DESCRIPTIONS (Continued)

Child Nutrition Fund – School Nutrition programs, including breakfast, lunch and healthy snacks during the academic year, as well as a Summer Food Program. Funding is provided by the U.S. Department of Agriculture and by sales of meals. Program is reported as a special revenue fund due to the large amount of federal financial assistance.

Other Special Revenue Funds

Other Local Grants Fund – Small grants awarded by local organizations to fund specific projects.

Literacy Fund – The Idaho State Department of Education provided targeted funding to provide additional hours of reading instruction to specific student based upon assessment scores. The program operating during the school year and into the summer months thereafter.

Expendable Trust Funds – Interest earnings from endowments and contributions from the Lewiston Independent Foundation for Education (L.I.F.E.) to be spent on programs approved by the L.I.F.E Board of Directors.

Student Activities Fund – Funds held in individual school accounts for assets held by the District as an agent for various student groups and clubs. These funds are restricted to use by the student organization and are not available for general District operations.

State Mini Grants Fund – Small competitive grants awarded at the state level for specific programs.

Local Technology Fund – This fund holds proceeds from the sale of outdated technology to be used for the exclusive purpose of purchasing new technology-related equipment for schools.

Medicaid Fund – Revenues generated through billings to Medicaid for services provided to eligible special-needs students.

Title IV-A, ESSA – Student Support and Academic Enrichment Fund – This is a competitive federal grant providing funds to support students and academic enrichment.

Other Federal Projects Fund – This fund accounts for miscellaneous restricted federal projects.

FEMA Fund – Restricted federal revenue to be spent on disaster relief.

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

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

	ESSER III (ARPA) American Rescue Plan Act	Title I-A ESSA - Improving Basic Programs	ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations Act	IDEA Part B (611 School Age 3-21)	IDEA Part B (619 Pre-School Age 3-5)	ARPA - IDEA Part B
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash	-	-	-	-	-	-	-
Due from other funds	215,241	-	-	-	-	-	-
Due from other governments	5,483	164,439	-	-	137,542	5,117	8,891
Inventory	-	-	-	-	-	-	-
Total assets	220,724	164,439	-	-	137,542	5,117	8,891
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 220,724	\$ 164,439	\$ -	\$ -	\$ 137,542	\$ 5,117	\$ 8,891
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities:							
Due to other funds	-	-	-	-	3,174	-	-
Accounts payable	-	57,293	-	-	3,515	-	-
Accrued payroll and benefits	220,724	107,146	-	-	130,853	5,117	8,891
Total liabilities	220,724	164,439	-	-	137,542	5,117	8,891
Deferred inflows of resources:							
Deferred grant revenue	-	-	-	-	-	-	-
Fund balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 220,724	\$ 164,439	\$ -	\$ -	\$ 137,542	\$ 5,117	\$ 8,891

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

	Perkins IV - Professional Technical Act	Title VII-A Indian Education	Johnson O'Malley	Title II-A, ESEA Supporting Effective Instruction	SLFRF Stipends From HB793	Child Nutrition	Other Special Revenue Funds	Totals
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
Assets:								
Cash	-	-	-	-	-	-	634,351	634,351
Due from other funds	-	29	48,871	-	75,158	1,651,670	290,136	2,281,105
Due from other governments	65,075	-	-	36,134	-	61,446	118,293	602,420
Inventory	-	-	-	-	-	123,261	-	123,261
Total assets	<u>65,075</u>	<u>29</u>	<u>48,871</u>	<u>36,134</u>	<u>75,158</u>	<u>1,836,377</u>	<u>1,042,780</u>	<u>3,641,137</u>
Deferred outflows of resources	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 65,075</u>	<u>\$ 29</u>	<u>\$ 48,871</u>	<u>\$ 36,134</u>	<u>\$ 75,158</u>	<u>\$ 1,836,377</u>	<u>\$ 1,042,780</u>	<u>\$ 3,641,137</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE								
Liabilities:								
Due to other funds	56,647	-	-	20,000	-	-	-	79,821
Accounts payable	8,428	29	-	1,070	-	28,163	16,422	114,920
Accrued payroll and benefits	-	-	-	15,064	75,158	137,390	96,894	797,237
Total liabilities	<u>65,075</u>	<u>29</u>	<u>-</u>	<u>36,134</u>	<u>75,158</u>	<u>165,553</u>	<u>113,316</u>	<u>991,978</u>
Deferred inflows of resources:								
Deferred grant revenue	-	-	48,871	-	-	-	184,766	233,637
Fund balances:								
Nonspendable	-	-	-	-	-	123,261	-	123,261
Restricted	-	-	-	-	-	1,547,563	744,698	2,292,261
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,670,824</u>	<u>744,698</u>	<u>2,415,522</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 65,075</u>	<u>\$ 29</u>	<u>\$ 48,871</u>	<u>\$ 36,134</u>	<u>\$ 75,158</u>	<u>\$ 1,836,377</u>	<u>\$ 1,042,780</u>	<u>\$ 3,641,137</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

	ESSER III (ARPA) American Rescue Plan Act	Title I-A ESSA - Improving Basic Programs	ESSER I (CARES) Coronavirus Aid, Relief and Economic Security Act	ESSER II (CRRSA) Coronavirus Response and Relief Supplemental Appropriations Act	IDEA Part B (611 School Age 3-21)	IDEA Part B (619 Pre-School Age 3-5)	ARPA - IDEA Part B
REVENUES							
Local:							
Other	-	-	-	-	-	-	-
Earnings on investments	-	-	-	-	-	-	-
Lunch sales	-	-	-	-	-	-	-
Total local	-	-	-	-	-	-	-
State:							
Other state support	-	-	-	-	-	-	-
Federal:							
School lunch reimbursement	-	-	-	-	-	-	-
Restricted	1,781,202	884,573	28,001	251,149	959,631	41,175	191,994
Total federal	1,781,202	884,573	28,001	251,149	959,631	41,175	191,994
Total revenue	1,781,202	884,573	28,001	251,149	959,631	41,175	191,994
EXPENDITURES							
Instruction:							
Salaries	1,027,039	583,592	-	171,936	573,582	26,987	42,579
Benefits	324,893	227,310	-	67,598	238,133	11,883	15,063
Purchased services	169,462	66,298	-	-	25,013	-	101,406
Supplies-materials	34,513	7,373	27,351	11,615	11,488	2,305	26,765
Capital objects	98,448	-	-	-	1,107	-	6,181
Total instruction	1,654,355	884,573	27,351	251,149	849,323	41,175	191,994
Support:							
Salaries	88,846	-	543	-	78,612	-	-
Benefits	31,791	-	107	-	31,696	-	-
Purchased services	648	-	-	-	-	-	-
Supplies-materials	5,562	-	-	-	-	-	-
Total support	126,847	-	650	-	110,308	-	-
Non-instruction:							
Salaries	-	-	-	-	-	-	-
Benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-
Supplies-materials	-	-	-	-	-	-	-
Capital objects	-	-	-	-	-	-	-
Total non-instruction	-	-	-	-	-	-	-
Total expenditures	1,781,202	884,573	28,001	251,149	959,631	41,175	191,994
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	-
Fund balance- beginning of year	-	-	-	-	-	-	-
Fund Balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

	Perkins IV - Professional Technical Act	Title VII-A Indian Education	Johnson O'Malley	Title II-A, ESEA Supporting Effective Instruction	SLFRF Stipends From HB793	Child Nutrition	Other Special Revenue Funds	Totals
REVENUES								
Local:								
Other	-	-	-	-	-	-	1,334,164	1,334,164
Earnings on investments	-	-	-	-	-	48,542	4,584	53,126
Lunch sales	-	-	-	-	-	830,949	-	830,949
Total local	-	-	-	-	-	879,491	1,338,748	2,218,239
State:								
Other state support	-	-	-	-	-	-	1,209,975	1,209,975
Federal:								
School lunch reimbursement	-	-	-	-	-	1,603,520	-	1,603,520
Restricted	65,075	154	31	182,357	599,994	-	469,186	5,454,522
Total federal	65,075	154	31	182,357	599,994	1,603,520	469,186	7,058,042
Total revenue	65,075	154	31	182,357	599,994	2,483,011	3,017,909	10,486,256
EXPENDITURES								
Instruction:								
Salaries	-	-	-	75,581	467,798	-	1,017,572	3,986,666
Benefits	-	8	-	22,984	90,744	-	402,180	1,400,796
Purchased services	10,923	-	31	76,065	-	-	332,709	781,907
Supplies-materials	14,777	-	-	7,727	-	-	91,631	235,545
Capital objects	39,375	146	-	-	-	-	35,958	181,215
Total instruction	65,075	154	31	182,357	558,542	-	1,880,050	6,586,129
Support:								
Salaries	-	-	-	-	34,724	-	4,613	207,338
Benefits	-	-	-	-	6,728	-	897	71,219
Purchased services	-	-	-	-	-	-	-	648
Supplies-materials	-	-	-	-	-	-	-	5,562
Total support	-	-	-	-	41,452	-	5,510	284,767
Non-instruction:								
Salaries	-	-	-	-	-	919,061	-	919,061
Benefits	-	-	-	-	-	376,042	-	376,042
Purchased services	-	-	-	-	-	20,291	-	20,291
Supplies-materials	-	-	-	-	-	1,122,129	1,359,213	2,481,342
Capital objects	-	-	-	-	-	120,434	-	120,434
Total non-instruction	-	-	-	-	-	2,557,957	1,359,213	3,917,170
Total expenditures	65,075	154	31	182,357	599,994	2,557,957	3,244,773	10,788,066
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	(74,946)	(226,864)	(301,810)
Other financing sources (uses)								
Transfers in	-	-	-	-	-	71,058	200,000	271,058
Transfers out	-	-	-	-	-	-	(5,880)	(5,880)
Total other financing sources (uses)	-	-	-	-	-	71,058	194,120	265,178
Net change in fund balances	-	-	-	-	-	(3,888)	(32,744)	(36,632)
Fund balance- beginning of year	-	-	-	-	-	1,674,712	777,442	2,452,154
Fund Balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,670,824	\$ 744,698	\$ 2,415,522

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

ESSER III (ARPA) AMERICAN RESCUE PLAN ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	2,500,907	1,781,218	1,781,202	(719,705)	(16)
Total revenue	<u>2,500,907</u>	<u>1,781,218</u>	<u>1,781,202</u>	<u>(719,705)</u>	<u>(16)</u>
EXPENDITURES					
Instruction:					
Salaries	1,791,788	1,027,048	1,027,039	764,749	9
Benefits	230,980	324,893	324,893	(93,913)	-
Purchased services	203,500	169,462	169,462	34,038	-
Supplies-materials	25,000	34,520	34,513	(9,513)	7
Capital objects	-	98,448	98,448	(98,448)	-
Total instruction	<u>2,251,268</u>	<u>1,654,371</u>	<u>1,654,355</u>	<u>596,913</u>	<u>16</u>
Support:					
Salaries	119,175	88,846	88,846	30,329	-
Benefits	31,324	31,791	31,791	(467)	-
Purchased services	96,140	648	648	95,492	-
Supplies-materials	3,000	5,562	5,562	(2,562)	-
Total support	<u>249,639</u>	<u>126,847</u>	<u>126,847</u>	<u>122,792</u>	<u>-</u>
Total expenditures	<u>2,500,907</u>	<u>1,781,218</u>	<u>1,781,202</u>	<u>719,705</u>	<u>16</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning of year			-		
Fund balance - end of year			<u>\$ -</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TITLE I-A, ESSA - IMPROVING BASIC PROGRAMS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	807,423	904,778	884,573	77,150	(20,205)
Total revenue	<u>807,423</u>	<u>904,778</u>	<u>884,573</u>	<u>77,150</u>	<u>(20,205)</u>
EXPENDITURES					
Instruction:					
Salaries	532,965	592,190	583,592	(50,627)	8,598
Benefits	232,485	212,831	227,310	5,175	(14,479)
Purchased services	41,973	87,825	66,298	(24,325)	21,527
Supplies-materials	-	11,932	7,373	(7,373)	4,559
Total instruction	<u>807,423</u>	<u>904,778</u>	<u>884,573</u>	<u>(77,150)</u>	<u>20,205</u>
Total expenditures	<u>807,423</u>	<u>904,778</u>	<u>884,573</u>	<u>(77,150)</u>	<u>20,205</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning of year			-		
Fund balance - end of year			<u>\$ -</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

**ESSER I (CARES) CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	25,487	28,002	28,001	2,514	(1)
Total revenue	25,487	28,002	28,001	2,514	(1)
EXPENDITURES					
Instruction:					
Supplies-materials	25,487	27,352	27,351	(1,864)	1
Support:					
Salaries	-	543	543	(543)	-
Benefits	-	107	107	(107)	-
Total support	-	650	650	(650)	-
Total expenditures	25,487	28,002	28,001	(2,514)	1
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning of year			-		
Fund balance - end of year			\$ -		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

ESSER II (CRRSA) CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	474,760	251,149	251,149	(223,611)	-
Total revenue	<u>474,760</u>	<u>251,149</u>	<u>251,149</u>	<u>(223,611)</u>	<u>-</u>
EXPENDITURES					
Instruction:					
Salaries	-	171,934	171,936	(171,936)	(2)
Benefits	-	67,598	67,598	(67,598)	-
Purchased services	-	-	-	-	-
Supplies-materials	251,353	11,617	11,615	239,738	2
Total insurance	251,353	251,149	251,149	204	-
Support:					
Capital objects	223,407	-	-	223,407	-
Total expenditures	<u>474,760</u>	<u>251,149</u>	<u>251,149</u>	<u>223,611</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning of year			-		
Fund balance - end of year			<u>\$ -</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

IDEA PART B (611 SCHOOL AGE 3-21)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances	
				Favorable (Unfavorable) Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	964,568	971,853	959,631	(4,937)	(12,222)
Total revenue	<u>964,568</u>	<u>971,853</u>	<u>959,631</u>	<u>(4,937)</u>	<u>(12,222)</u>
EXPENDITURES					
Instruction:					
Salaries	565,850	577,790	573,582	(7,732)	4,208
Benefits	263,989	230,236	238,133	25,856	(7,897)
Purchased services	-	29,003	25,013	(25,013)	3,990
Supplies-materials	-	29,345	11,488	(11,488)	17,857
Capital objects	-	-	1,107	(1,107)	(1,107)
Total instruction	<u>829,839</u>	<u>866,374</u>	<u>849,323</u>	<u>(19,484)</u>	<u>17,051</u>
Support:					
Salaries	97,224	75,094	78,612	18,612	(3,518)
Benefits	37,505	30,385	31,696	5,809	(1,311)
Total support	<u>134,729</u>	<u>105,479</u>	<u>110,308</u>	<u>24,421</u>	<u>(4,829)</u>
Total expenditures	<u>964,568</u>	<u>971,853</u>	<u>959,631</u>	<u>4,937</u>	<u>12,222</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning of year			<u>-</u>		
Fund balance - end of year			<u>\$ -</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

IDEA PART B (619 PRE-SCHOOL AGE 3-5)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	42,695	49,152	41,175	(1,520)	(7,977)
Total revenue	42,695	49,152	41,175	(1,520)	(7,977)
EXPENDITURES					
Instruction:					
Salaries	33,738	30,441	26,987	6,751	3,454
Benefits	8,957	11,198	11,883	(2,926)	(685)
Supplies-materials	-	7,513	2,305	(2,305)	5,208
Total instruction	42,695	49,152	41,175	1,520	7,977
Total expenditures	42,695	49,152	41,175	1,520	7,977
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning of year			-		
Fund balance - end of year			\$ -		

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

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

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	-	208,263	191,994	191,994	(16,269)
Total revenue	-	208,263	191,994	191,994	(16,269)
EXPENDITURES					
Instruction:					
Salaries	-	45,500	42,579	(42,579)	2,921
Benefits	-	16,800	15,063	(15,063)	1,737
Purchased services	-	101,826	101,406	(101,406)	420
Supplies-materials	-	44,137	26,765	(26,765)	17,372
Capital objects	-	-	6,181	(6,181)	(6,181)
Total instruction	-	208,263	191,994	(191,994)	16,269
Total expenditures	-	208,263	191,994	(191,994)	16,269
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning of year			-		
Fund balance - end of year			\$ -		

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

**PERKINS IV - PROFESSIONAL TECHNICAL ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	60,000	65,075	65,075	5,075	-
Total revenue	60,000	65,075	65,075	5,075	-
EXPENDITURES					
Instruction:					
Purchased services	-	5,800	10,923	(10,923)	(5,123)
Supplies-materials	-	47,275	14,777	(14,777)	32,498
Capital objects	60,000	12,000	39,375	20,625	(27,375)
Total instruction	60,000	65,075	65,075	(5,075)	-
Total expenditures	60,000	65,075	65,075	(5,075)	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning of year			-		
Fund balance - end of year			\$ -		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TITLE VII-A INDIAN EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	34,103	25,877	154	(33,949)	(25,723)
Total revenue	34,103	25,877	154	(33,949)	(25,723)
EXPENDITURES					
Instruction:					
Salaries	22,450	17,636	-	22,450	17,636
Benefits	10,653	7,241	8	10,645	7,233
Purchased services	1,000	1,000	-	1,000	1,000
Capital objects	-	-	146	(146)	(146)
Total instruction	34,103	25,877	154	33,949	25,723
Total expenditures	34,103	25,877	154	33,949	25,723
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning of year			-		
Fund balance - end of year			\$ -		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

JOHNSON O'MALLEY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	10,000	10,000	31	(9,969)	(9,969)
Total revenue	10,000	10,000	31	(9,969)	(9,969)
EXPENDITURES					
Instruction:					
Purchased services	6,000	6,000	31	5,969	5,969
Supplies-materials	4,000	4,000	-	4,000	4,000
Total instruction	10,000	10,000	31	9,969	9,969
Total expenditures	10,000	10,000	31	9,969	9,969
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning of year			-		
Fund balance - end of year			\$ -		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

TITLE II-A, ESEA - SUPPORTING EFFECTIVE INSTRUCTION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variances</u>	
				<u>Favorable (Unfavorable)</u>	<u>Original to Actual</u>
REVENUES					
Federal:					
Restricted	153,693	191,250	182,357	28,664	(8,893)
Total revenue	<u>153,693</u>	<u>191,250</u>	<u>182,357</u>	<u>28,664</u>	<u>(8,893)</u>
EXPENDITURES					
Instruction:					
Salaries	75,581	75,581	75,581	-	-
Benefits	22,118	22,119	22,984	(866)	(865)
Purchased services	55,994	81,871	76,065	(20,071)	5,806
Supplies-materials	-	11,679	7,727	(7,727)	3,952
Total instruction	<u>153,693</u>	<u>191,250</u>	<u>182,357</u>	<u>(28,664)</u>	<u>8,893</u>
Total expenditures	<u>153,693</u>	<u>191,250</u>	<u>182,357</u>	<u>(28,664)</u>	<u>8,893</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning of year			<u>-</u>		
Fund balance - end of year			<u>\$ -</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

**SLFRF STIPENDS FROM HB793
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual	Variances	
				Original to Actual	Final to Actual
REVENUES					
Federal:					
Restricted	-	599,994	599,994	599,994	-
Total revenue	-	599,994	599,994	599,994	-
EXPENDITURES					
Instruction:					
Salaries	-	467,802	467,798	(467,798)	4
Benefits	-	90,740	90,744	(90,744)	(4)
Total instruction	-	558,542	558,542	(558,542)	-
Support:					
Salaries	-	34,724	34,724	(34,724)	-
Benefits	-	6,728	6,728	(6,728)	-
Total support	-	41,452	41,452	(41,452)	-
Total expenditures	-	599,994	599,994	(599,994)	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning of year			-		
Fund balance - end of year			\$ -		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable)	
				Original to Actual	Final to Actual
REVENUES					
Local:					
Earnings on investments	-	-	48,542	48,542	48,542
Lunch sales	660,437	760,937	830,949	170,512	70,012
Total local	<u>660,437</u>	<u>760,937</u>	<u>879,491</u>	<u>219,054</u>	<u>118,554</u>
Federal:					
School lunch reimbursement	1,547,231	1,770,225	1,603,520	56,289	(166,705)
Total revenue	<u>2,207,668</u>	<u>2,531,162</u>	<u>2,483,011</u>	<u>275,343</u>	<u>(48,151)</u>
EXPENDITURES					
Non-instruction:					
Salaries	880,644	1,043,084	919,061	(38,417)	124,023
Benefits	401,196	425,946	376,042	25,154	49,904
Purchased services	20,300	20,300	20,291	9	9
Supplies-materials	945,528	1,059,912	1,122,129	(176,601)	(62,217)
Capital objects	20,000	41,920	120,434	(100,434)	(78,514)
Total non-instruction	<u>2,267,668</u>	<u>2,591,162</u>	<u>2,557,957</u>	<u>(290,289)</u>	<u>33,205</u>
Total expenditures	<u>2,267,668</u>	<u>2,591,162</u>	<u>2,557,957</u>	<u>(290,289)</u>	<u>33,205</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(60,000)</u>	<u>(60,000)</u>	<u>(74,946)</u>	<u>(14,946)</u>	<u>(14,946)</u>
Other financing sources (uses)					
Transfers in	60,000	60,000	71,058	11,058	11,058
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(3,888)</u>	<u>\$ (3,888)</u>	<u>\$ (3,888)</u>
Fund balance - beginning of year			<u>1,674,712</u>		
Fund balance - end of year			<u>\$ 1,670,824</u>		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

OTHER SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variances	
				Favorable Original to Actual	(Unfavorable) Final to Actual
REVENUES					
Local:					
Earnings on investments	14,000	14,000	4,584	(9,416)	(9,416)
Other	966,000	974,177	1,334,164	368,164	359,987
Total local	980,000	988,177	1,338,748	358,748	350,571
State:					
Other state support	692,650	1,211,036	1,209,975	517,325	(1,061)
Federal:					
Restricted	725,813	649,437	469,186	(256,627)	(180,251)
Total revenue	2,398,463	2,848,650	3,017,909	619,446	169,259
EXPENDITURES					
Instruction:					
Salaries	473,270	1,024,628	1,017,572	(544,302)	7,056
Benefits	187,578	408,844	402,180	(214,602)	6,664
Purchased services	429,642	477,592	332,709	96,933	144,883
Supplies-materials	373,650	96,041	91,631	282,019	4,410
Capital objects	125,000	1,000	35,958	89,042	(34,958)
Total instruction	1,589,140	2,008,105	1,880,050	(290,910)	128,055
Support:					
Salaries	-	-	4,613	(4,613)	(4,613)
Benefits	-	-	897	(897)	(897)
Purchased services	42,075	42,075	-	42,075	42,075
Supplies-materials	39,900	-	-	39,900	-
Capital objects	106,348	39,900	-	106,348	39,900
Total support	188,323	81,975	5,510	182,813	76,465
Non-instruction:					
Supplies-materials	946,000	946,000	1,359,213	(413,213)	(413,213)
Total expenditures	2,723,463	3,036,080	3,244,773	(521,310)	(208,693)
Excess (deficiency) of revenues over (under) expenditures	(325,000)	(187,430)	(226,864)	98,136	(39,434)
Other financing sources (uses)					
Transfers in	200,000	200,000	200,000	-	-
Transfers out	-	(12,570)	(5,880)	(5,880)	6,690
Proceeds from sale of capital assets	125,000	-	-	(125,000)	-
Total other financing sources (uses)	325,000	187,430	194,120	(130,880)	6,690
Net change in fund balance	\$ -	\$ -	(32,744)	\$ (32,744)	\$ (32,744)
Fund balance - beginning of year			777,442		
Fund balance - end of year			\$ 744,698		

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

OTHER SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

Fund Description	Fund	Final Budgeted Revenue	Actual Revenue	Final Budgeted Expenditures	Actual Expenditures	Transfers In (Out)	Beginning Fund Balance	Ending Fund Balance
Other Local Grants	232	27,177	78,164	27,177	78,164	-	1,272	1,272
Literacy Fund	235	1,204,736	1,204,836	1,204,736	1,204,836	-	-	-
Expendable Trust Funds	236	14,000	14,559	14,000	16,671	-	14,217	12,105
Student Activities Fund	238	946,000	1,243,579	946,000	1,359,213	-	749,985	634,351
State Mini Grants	241	10,500	9,138	10,500	9,138	-	-	-
Local Technology Fund	245	-	-	-	-	-	-	-
Medicaid Fund	260	650,000	377,355	650,000	492,353	200,000	11,968	96,970
Title IV-A, ESSA - Student Support and Academic Enrichment Fund	273	92,156	74,862	92,156	74,862	-	-	-
Other Federal Projects Fund	274	97,391	15,416	97,391	9,536	(5,880)	-	-
FEMA Public Assistance Fund	276	6,690	-	6,690	-	-	-	-
		<u>\$ 3,048,650</u>	<u>\$ 3,017,909</u>	<u>\$ 3,048,650</u>	<u>\$ 3,244,773</u>	<u>\$ 194,120</u>	<u>\$ 777,442</u>	<u>\$ 744,698</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

STUDENT ACTIVITIES FUND
COMBINING BALANCE SHEET
June 30, 2023

	Lewiston High School	Jenifer Middle School	Sacajawea Middle School	Elementary Schools	Tammany Alternative Center	Total
ASSETS AND DEFERRED						
OUTFLOWS OF RESOURCES						
Assets:						
Cash and cash equivalents	323,604	114,714	54,990	124,898	16,145	634,351
Total assets	323,604	114,714	54,990	124,898	16,145	634,351
Deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED						
OUTFLOWS OF RESOURCES	<u>\$ 323,604</u>	<u>\$ 114,714</u>	<u>\$ 54,990</u>	<u>\$ 124,898</u>	<u>\$ 16,145</u>	<u>\$ 634,351</u>
LIABILITIES, DEFERRED INFLOWS						
OF RESOURCES AND FUND BALANCE						
Liabilities	-	-	-	-	-	-
Deferred inflows of resources	-	-	-	-	-	-
Fund balance:						
Restricted	323,604	114,714	54,990	124,898	16,145	634,351
Total fund balance	323,604	114,714	54,990	124,898	16,145	634,351
TOTAL LIABILITIES, DEFERRED INFLOWS						
OF RESOURCES AND FUND BALANCES	<u>\$ 323,604</u>	<u>\$ 114,714</u>	<u>\$ 54,990</u>	<u>\$ 124,898</u>	<u>\$ 16,145</u>	<u>\$ 634,351</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

STUDENT ACTIVITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND TRANSFERS
For the Year Ended June 30, 2023

SCHOOL DISTRICT ACTIVITY FUNDS	Balance July 1, 2022	Revenues & Transfers In	Expenditures & Transfers Out	Balance June 30, 2023
Lewiston High School	362,030	991,543	1,029,969	323,604
Jenifer Middle School	124,061	108,141	117,488	114,714
Sacajawea Middle School	124,114	78,252	147,376	54,990
Camelot Elementary School	23,285	11,438	10,941	23,782
Centennial Elementary School	29,924	4,715	11,800	22,839
McGhee Elementary School	5,502	17,317	14,557	8,262
McSorley Elementary School	14,084	12,269	8,297	18,056
Orchards Elementary School	21,340	4,540	5,312	20,568
Webster Elementary School	28,931	5,082	5,812	28,201
Whitman Elementary School	1,792	3,631	2,233	3,190
Tammany High School	14,922	6,651	5,428	16,145
TOTAL	\$ 749,985	\$ 1,243,579	\$ 1,359,213	\$ 634,351

SINGLE AUDIT SECTION



INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Grant Number	Expenditures
U. S. Department of Agriculture				
Passed through State Department of Education				
Child Nutrition Cluster:				
School Breakfast Program	10.553	23-391	202220N109947	213,719
National School Lunch Program	10.555	23-391	202220N109947	958,359
COVID 19 - National School Lunch Program	10.555	23-391	202221N890347	135,812
Food Distribution (non-cash)	10.555	23-391	202220N109948	227,996
Total National School Lunch Program				<u>1,322,167</u>
Summer Food Service Program for Children	10.559	23-391	202222N119947	46,585
Fresh Fruit and Vegetable Program	10.582	23-391	202220N850347	20,351
Total Child Nutrition Cluster				<u>1,602,822</u>
Total U.S. Department of Agriculture				<u>1,602,822</u>
U. S. Department of Interior				
Indian Education to Schools	15.130	N/A	A16AV00941	31
Total U. S. Department of Interior				<u>31</u>
U. S. Department of Treasury				
Passed through State Department of Education				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	23-391	SLFRP0142	599,994
Total U. S. Department of Treasury				<u>599,994</u>
Federal Communications Commission				
Emergency Connectivity Fund Program	32.009	N/A	Unavailable	5,880
Total Federal Communication Commission				<u>5,880</u>
U.S. Department of Education				
Passed through State Department of Education				
Special Education Cluster				
Grants to States (IDEA, Part B)	84.027	23-391	H027A210088	959,631
COVID 19 - ARPA - Special Education	84.027x	23-391	H027X210088	184,006
Total Grants to States (IDEA, Part B)				<u>1,143,637</u>
Preschool Grants (IDEA Preschool)	84.173	23-391	H173A210030	41,175
COVID-19 - Preschool Grants (IDEA Preschool)	84.173x	23-391	H173X210030	7,988
Total Preschool Grants (IDEA Preschool)				<u>49,163</u>
Total Special Education Cluster				<u>1,192,800</u>
Education Stabilization Fund (ESF)				
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	23-391	S425D210043	28,001
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	23-391	S425U200043	1,781,202
COVID-19 - Coronavirus Response and Relief Supplemental Appropriations Act, 2021 - Emergency Assistance to Non-Public Schools (CRRSA EANS) Program	84.425R	23-391	S425W210013	251,149
Total Education Stabilization Fund (ESF)				<u>2,060,352</u>

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
For The Year Ended June 30, 2023

	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Grant Number	Expenditures
U.S. Department of Education (Continued)				
Other Programs				
Title I Grants to LEAs	84.010	23-391	S010A210012	884,573
Supporting Effective Instruction State Grants	84.367	23-391	S367A210011	182,357
Career and Technical Education - Basic Grants to States	84.048	23-391	V048A200012	65,075
Education for Homeless Children and Youth	84.196	23-391	S196A210013	9,536
State Support and Academic Enrichment Program	84.424	23-391	S424A210013	74,862
Block Grants for Prevention & Treatment of Substance Abuse	93.959	23-391	N/A	2,999
Total Other Programs				1,219,402
Total passed through U.S. Department of Education				4,472,554
Direct				
Indian Education Grants to LEAs	84.060A	N/A	S060A211165	154
Total U.S. Department of Education				4,472,708
Total Expenditures of Federal Awards				\$ 6,681,435

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

NOTE 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Independent School District No. 1 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Independent School District No. 1, it is not intended to and does not present the financial position, changes in fund balance, or cash flows of Independent School District No. 1.

NOTE 2 Summary of Significant Accounting Policies

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

NOTE 3 Food Distribution

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. The value of the non-cash assistance for the year ended June 30, 2023 was \$227,996.

NOTE 4 Sub-Recipients

There were no awards passed through to sub-recipients.



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

To the Board of Trustees
Independent School District No. 1
Lewiston, Idaho 83501

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 1, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise Independent School District No. 1’s basic financial statements, and have issued our report thereon dated September 19, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Independent School District No. 1’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 Independent School District No. 1’s internal control. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 1’s internal control.

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

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



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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Independent School District No. 1's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Hayden Ross, PLLC

Moscow, Idaho
September 19, 2023



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

To the Board of Trustees
Independent School District No. 1
Lewiston, Idaho 83501

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Independent School District No. 1’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 Independent School District No. 1’s major federal programs for the year ended June 30, 2023. Independent School District No.1’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, Independent School District No. 1 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 Independent School District No. 1 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 Independent School District No. 1’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 Independent School District No. 1'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 Independent School District No. 1'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 Independent School District No. 1'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 Independent School District No. 1'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 Independent School District No. 1'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 Independent School District No. 1's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Hayden Ross, PLLC

Moscow, Idaho
September 19, 2023

INDEPENDENT SCHOOL DISTRICT NO. 1

Lewiston, Idaho

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Opinion Unit

Government Activities	Unmodified
General Fund	Unmodified
Debt Service Fund	Unmodified
Capital Projects Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted?

 yes x no

Federal Awards

Internal control over major programs:

- material weakness(es) identified?	<u> </u> yes	<u> x </u> no
- significant deficiency(ies) identified?	<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 2 CFR section 200.516(a)?

 yes x no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

84.010
84.425

Title I Grants to Local Educational Agencies
Education Stabilization Fund

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

\$750,000

Auditee qualified as a low-risk auditee?

 x yes no

INDEPENDENT SCHOOL DISTRICT NO. 1
Lewiston, Idaho

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

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.