

WENDELL SCHOOL DISTRICT NO. 232

BASIC FINANCIAL STATEMENTS
With Supplemental Information

For the Year Ended June 30, 2022

WENDELL SCHOOL DISTRICT NO. 232

BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Superintendent and School Board
Wendell School District No. 232
Wendell, Idaho

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wendell School District No. 232, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Wendell School District No. 232's basic financial statements as listed in the table of contents.

Qualified Opinion on the Governmental Activities

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of Wendell School District No. 232, as of June 30, 2022, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United State of America.

Unmodified Opinions on Each Major Fund and the Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of Wendell School District No. 232, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wendell School District No. 232 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 qualified and unmodified audit opinions.

Matter Giving Rise to the Qualified Opinion on the General Fund

Management has not adopted a methodology for reporting other post-employment benefits under the guidelines of GASB 75 in the government-wide statements and, subsequently, has not considered the need to record a liability for such benefits. Accounting principles generally accepted in the United States of America require that an adequate liability be provided for post-employment benefits, which would increase the liabilities and decrease net assets and change the expenses in the government-wide statements. The amount by which this departure would affect the liabilities, net assets and expenses of the government-wide statements has not been determined.

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 Wendell School District No. 232'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 Wendell School District No. 232'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 Wendell School District No. 232'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 schedules of employer's share of net pension liability and of employer contributions, and the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wendell School District No. 232's basic 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 August 23, 2022, on our consideration of Wendell School District No. 232'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 Wendell School District No. 232's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wendell School District No. 232's internal control over financial reporting and compliance.

Poulsen, VanLeuven & Catmull

Poulsen, VanLeuven & Catmull PA

Burley, Idaho

August 23, 2022

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
STATEMENT OF NET POSITION
JUNE 30, 2022

		GOVERNMENTAL ACTIVITIES
ASSETS		
Cash and Cash Equivalents		\$ 953,805
Investments		1,927,846
Prepaid Expenses		48,200
Net Receivables		877,191
Capital Assets:		
Land and construction in progress	\$ 237,650	
Buildings	20,020,551	
Equipment	2,835,616	
Infrastructure	1,557,431	
Accumulated Depreciation	<u>(9,391,749)</u>	
Total Capital Assets, Net of Accumulated Depreciation		15,259,499
Total Assets		<u>19,066,541</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Pension Obligations	\$ 675,077	
Debt charge on refunding (net of amortization)	<u>\$ 107,217</u>	
Total Deferred Outflows of Resources		<u>782,294</u>
 LIABILITIES		
Accounts Payable	\$ 59,210	
Salaries and Benefits Payable	1,031,287	
Accrued Interest Payable	55,788	
Lease Payable - Current	52,032	
Lease Payable - Long-term	54,414	
Bonds Payable - Premium (net of amortization)	428,162	
Bonds Payable - Current	720,000	
Bonds Payable - Long-term	5,805,000	
Net Pension Liability	<u>(112,759)</u>	
Total Liabilities		<u>8,093,134</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>		
Pension Sources	\$ 3,554,668	
Total Deferred Inflows of Resources		<u>3,554,668</u>
 NET POSITION		
Investment in capital assets, net of related debt		8,419,867
Restricted for Debt Service		1,361,504
Restricted by Legislation		42,358
Restricted for Capital Projects		529,705
Unassigned		<u>(2,152,401)</u>
Total Net Position		<u>\$ 8,201,033</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>			<u>NET (EXPENSE)</u>
		<u>FEES, FINES, AND CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>	<u>REVENUE AND CHANGES IN NET ASSETS</u>
					<u>TOTAL GOVERNMENTAL ACTIVITIES</u>
GOVERNMENTAL ACTIVITIES:					
Instructional	\$ 6,579,546	\$ 18,870	\$ 1,951,014	\$ -	\$ (4,609,662)
Support Services:					
Support Services	642,907	-	146,799	-	(496,108)
Administration	1,255,549	-	-	-	(1,255,549)
Operation of Plant	478,791	-	-	-	(478,791)
Maintenance of Plant	406,468	-	75,467	-	(331,001)
Transportation	323,598	-	278,961	-	(44,637)
Grounds and Security	15,321	-	-	-	(15,321)
Food Service	523,186	1,168	543,556	-	21,538
Capital Outlay	-	-	-	-	-
Interest and Fiscal Charges	157,713	-	-	-	(157,713)
Total Governmental Activities	<u>\$10,383,079</u>	<u>\$ 20,038</u>	<u>\$ 2,995,797</u>	<u>\$ -</u>	<u>\$ (7,367,244)</u>

GENERAL REVENUES:

Property Taxes:	
Levied for General Purposes	\$ 245,946
Levied for Debt Services	838,930
Levied for Facilities	354,589
Federal and State Aid not Restricted to Specific Purpos	7,703,824
Earnings on Investments	93,558
Local Programs	137,804
Other Miscellaneous Revenue	71,187
Total General Revenues & Transfers	<u>9,445,838</u>
Change in Net Position	2,078,594
Net Position - Beginning	6,122,439
Net Position - Ending	<u>\$ 8,201,033</u>

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

WENDELL SCHOOL DISTRICT NO. 232

WENDELL, IDAHO

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2022

	GENERAL FUND	FOOD SERVICE FUND	DEBT SERVICE FUND	FACILITIES PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and Investments	\$ 1,162,627	\$ 5,777	\$ 1,125,574	\$ 59,036	\$ 528,637	\$ 2,881,651
Prepaid Benefits	4,600				43,600	48,200
Receivables:						
Property Tax	76,502	-	291,718	110,919	-	479,139
Interfund Receivable	444,006	-	-	395,941	-	839,947
State Apportionment	19,392	-	-	-	-	19,392
State Assistance	-	-	-	-	-	-
Federal Assistance	-	-	-	-	366,518	366,518
Student Fees Receivable	-	-	-	-	-	-
Miscellaneous Receivable	-	6,321	-	-	-	6,321
Payment in Lieu of Taxes	5,821	-	-	-	-	5,821
Total Assets	<u>\$ 1,712,948</u>	<u>\$ 12,098</u>	<u>\$ 1,417,292</u>	<u>\$ 565,896</u>	<u>\$ 938,755</u>	<u>\$ 4,646,989</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 36,882	\$ -	\$ -	\$ 19,850	\$ 2,478	\$ 59,210
Salaries Payable	868,735	29,346	-	-	132,777	1,030,858
Benefits Payable	456	(27)	-	-	-	429
Interfund Payable	18,791	43,673	-	-	777,483	839,947
Total Liabilities	<u>\$ 924,864</u>	<u>\$ 72,992</u>	<u>\$ -</u>	<u>\$ 19,850</u>	<u>\$ 912,738</u>	<u>\$ 1,930,444</u>
Deferred Inflows of Resources:						
Deferred Inflows from Property Tax	\$ 6,328	\$ -	\$ 21,848	\$ 9,497	\$ -	\$ 37,673
Deferred Inflows from Federal Programs	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>\$ 6,328</u>	<u>\$ -</u>	<u>\$ 21,848</u>	<u>\$ 9,497</u>	<u>\$ -</u>	<u>\$ 37,673</u>
Fund Balances:						
Restricted for:						
Debt Service	\$ -	\$ -	\$ 1,395,444	\$ -	\$ -	\$ 1,395,444
Capital Projects	-	-	-	536,549	(16,341)	520,208
Grant Programs	-	(60,894)	-	-	42,358	(18,536)
Unassigned						
Unassigned	781,756	-	-	-	-	781,756
Total Fund Balances	<u>\$ 781,756</u>	<u>\$ (60,894)</u>	<u>\$ 1,395,444</u>	<u>\$ 536,549</u>	<u>\$ 26,017</u>	<u>\$ 2,678,872</u>
Total Liabilities and Fund Balances	<u>\$ 1,712,948</u>	<u>\$ 12,098</u>	<u>\$ 1,417,292</u>	<u>\$ 565,896</u>	<u>\$ 938,755</u>	<u>\$ 4,646,989</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total Governmental Fund Balance \$ 2,678,872

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

These assets are as follows:

Land and Construction in Progress	237,650	
Buildings	20,020,551	
Equipment	2,835,616	
Infrastructure	1,557,431	
Accumulated Depreciation	<u>(9,391,749)</u>	
Total Capital Assets		15,259,499

Interest is recorded when paid for funds but is reported when payable in the current period for government wide statements (55,788)

District taxes that will not be available to pay the current expenditures are therefore deferred in the funds 37,673

Amounts resulting from pension liabilities as a result of GASB 68 are not recorded in the fund statements:

-Deferred Outflows Pension Obligations	675,077	
-Deferred Inflows Pension Sources	(3,554,668)	
-Net Pension Liability	<u>112,759</u>	
Total Pension Liabilities		(2,766,832)

Long-term liabilities including bonds payable and compensated absences payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Capital Leases	(106,446)	
Bond Premium	(428,162)	
Bond Issuance Costs	107,217	
Outstanding Bonds	<u>(6,525,000)</u>	
Total Long-term Liabilities		<u>(6,952,391)</u>

Net Changes 5,522,161

Net Position of Governmental Activities \$ 8,201,033

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED FOR THE YEAR ENDED JUNE 30, 2022

	GENERAL FUND	FOOD SERVICE FUND	DEBT SERVICE FUND	FACILITIES PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Property Tax	\$ 244,965	\$ -	\$ 837,140	\$ 353,716	\$ -	\$ 1,435,821
Donations	-	-	-	-	-	-
Local and Intermediate Sources	124,089	1,194	6,414	86,952	18,870	237,519
State Sources	7,458,559	-	34,689	-	239,410	7,732,658
Federal Sources	524,226	593,935	-	-	1,933,870	3,052,031
Total Revenues	<u>\$ 8,351,839</u>	<u>\$ 595,129</u>	<u>\$ 878,243</u>	<u>\$ 440,668</u>	<u>\$ 2,192,150</u>	<u>\$ 12,458,029</u>
EXPENDITURES						
Instructional	\$ 5,223,347	\$ -	\$ -	\$ -	\$ 1,484,798	\$ 6,708,145
Support Services	546,121	-	-	-	96,786	642,907
Administration	1,146,476	-	-	-	-	1,146,476
Operation of Plant	478,791	-	-	-	-	478,791
Maintenance of Plant	174,621	-	-	-	71,515	246,136
Transportation	323,598	-	-	-	-	323,598
Grounds and Security	15,321	-	-	-	-	15,321
Food Service	10,038	513,148	-	-	-	523,186
Capital Outlay	113,224	-	-	1,021,033	14,934	1,149,191
Debt Service:						
Bond Issuance Costs	\$ -	\$ -	\$ -	-	-	-
Principal	-	-	745,000	-	-	745,000
Interest	-	-	181,990	-	-	181,990
Total Expenditures	<u>\$ 8,031,537</u>	<u>\$ 513,148</u>	<u>\$ 926,990</u>	<u>\$ 1,021,033</u>	<u>\$ 1,668,033</u>	<u>\$ 12,160,741</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 320,302</u>	<u>\$ 81,981</u>	<u>\$ (48,747)</u>	<u>\$ (580,365)</u>	<u>\$ 524,117</u>	<u>\$ 297,288</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ -	\$ -	\$ -	\$ 668,515	\$ -	\$ 668,515
Transfers (Out)	(291,365)	-	-	-	(377,150)	(668,515)
Proceeds from Sale of Bonds	-	-	-	-	-	-
Total Other Financing Sources and Uses	<u>(291,365)</u>	<u>-</u>	<u>-</u>	<u>668,515</u>	<u>(377,150)</u>	<u>-</u>
Net Change in Fund Balances	\$ 28,937	\$ 81,981	\$ (48,747)	\$ 88,150	\$ 146,967	\$ 297,288
FUND BALANCE - BEGINNING	<u>752,819</u>	<u>(142,875)</u>	<u>1,444,191</u>	<u>448,399</u>	<u>(120,950)</u>	<u>2,381,584</u>
FUND BALANCE - ENDING	<u>\$ 781,756</u>	<u>\$ (60,894)</u>	<u>\$ 1,395,444</u>	<u>\$ 536,549</u>	<u>\$ 26,017</u>	<u>\$ 2,678,872</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, 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, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 297,288

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

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property Tax - Deferred Revenues	3,644
Bond Refunding - Net Proceeds	

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	875,635	
Depreciation Expense	<u>(574,273)</u>	
Excess of Capital Outlay over Depreciation Expense		301,362

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Activities

Repayment of Debt	851,077
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Changes in net pension liability and related pension source deferred outflow and deferred inflow of resource do not provide or require current financial resources and therefore are not reflected in the funds.

593,799

In the Statement of Activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.

Bond Issuance Costs - Net of Amortization	(6,126)
Bond Premium Amortization	24,466
Interest Accrual	<u>13,084</u>

Change in net position of governmental activities	<u><u>\$ 2,078,594</u></u>
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The notes to the financial statements are an integral part of this statement.

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	<u>TOTAL</u>
ASSETS:	
Cash	\$ 262,305
Total Assets	<u>\$ 262,305</u>
LIABILITIES:	
Due to Others	\$ 262,305
Total Liabilities	<u>\$ 262,305</u>
NET POSITION:	<u><u>\$ -</u></u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, ID
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Wendell School district No. 232 is a School District consisting of patrons from Gooding County. The Board of School Trustees (Board), a five member group constituting an ongoing entity, is the level of government which has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the Local Independent School District. The Board receives funding from local, state, and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

B. Basis of Presentation, Measurement Focus, and Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. These statements distinguish between the *governmental* and *business-type activities* of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *food service fund* accounts for the District's hot lunch program, which receives its primary funding through the federal hot lunch program.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, ID
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

The District reports the following fiduciary fund types:

Agency Funds. These funds account for monies held on behalf of student body funds and other grant monies in which the District administers the funds on behalf of others.

Measurement Focus and Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements. The government-wide and fiduciary fund financial statements are reported using the 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 a liability is incurred, regardless of the timing of related cash flows. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end. Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, special assessments and interest are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District. All governmental activities of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

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

C. Assets, Liabilities and Net Assets or Equity

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statute authorizes the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund balances". Interfund balances offset each other and are not a part of the government-wide financial statement. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances".

All other interfund transactions, including nonrecurring or non-routine permanent transfers of equity and operating transfers, are reported as "interfund transfers". Interfund transfers offset each other and are not part of the government-wide financial statements.

Non-tax receivables are recognized as revenues received from the State and Federal governments if designated for the current fiscal period.

No allowance for uncollectible property taxes has been accrued. The District feels property taxes are ultimately collectible through property liens and/or forced sales and any amounts not collected are immaterial to the financial statements taken as a whole.

Property Tax Calendar

The District's property tax is levied each October on the value listed as of the prior January 1 for all real property located in the District. The lien date is effective January 1 of the year the property tax is levied. A revaluation of all property is required to be completed no less than every five years.

Taxes are due in two equal installments on December 20 and June 20 following the levy date. Property taxes levied for fiscal year 2021 are recorded as receivables if uncollected and a deferred revenue amount is recorded, in the fund financial statements, to the extent of taxes not estimated to be collected within 60 days of the end of the accounting period.

Inventories

It is the District's policy to not maintain inventories. Supplies and textbooks are purchased in the year they are consumed.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that qualifies for reporting in this category, the pension obligation, reported on the government-wide statement of net position. The pension obligation results from changes in assumptions or other inputs in the actuarial calculation of the District's net pension liability.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category: the employer pension assumption. The employer pension assumption results from the differences between the expected and actual experience and the net difference between projected and actual earnings on pension plan investments derived from the

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actuarial calculation of the District's net pension liability. On the fund level financial statements, the District has one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category: unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The District is not required to, and elects not to, retroactively report infrastructure assets acquired after June 3, 1980. However, since July 1, 2002, the District has capitalized all infrastructure assets meeting their capitalization threshold.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25 – 50
Building Improvements	25
Infrastructure	30 – 50
Equipment & Vehicles	5 – 25
Office Equipment	3 – 10

Capital Leases

A capital lease is recorded at the inception of the lease as expenditure and other financing sources in the governmental fund financial statements at the present value of the future minimum payments, using the stated interest rate in the lease. Lease payments are recorded as expenditures on the date paid. Capital leases are recorded as a liability in the government-wide financial statements at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet. As of June 30, 2022, the District has two capital leases for the purchase of school busses. A capital lease was entered into on May 17, 2017 for the purchase of three additional busses. This lease was paid in full in August of 2021. A capital lease was entered into on August 15, 2019 for the purchase of three additional busses. The outstanding principal balance as of June 30, 2022 is \$106,445.80. Principal and interest payments of \$55,853.28 are due on September 1st of each year through 2023.

Compensated Absences

Employees of the District are entitled to paid personal days off, depending on job classification, length of service and other factors. There is no liability for unpaid accumulated sick leave since the District has an agreement with the Public Employee Retirement System (PERS) that allows the District to contribute the value of unused compensated absences to the PERS plan.

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Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face of the debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

In the government-wide statement of net position, restrictions may be imposed on a portion of a government's net position by parties outside the government (such as creditors, grantors, contributors, laws or regulations of other governments). These amounts are reported as restricted in the net position section of the statement of net position.

Fund Balances of Fund Financial Statements

Fund Balance Classification: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the general obligations and are restricted through debt covenants. The Capital Projects Fund and the Food Service Fund resources are restricted for their respective purpose.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the Board's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board delegating this responsibility to the Superintendent or his designee through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

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Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Contingent Liability – Federal Assistance

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally by the Federal Government. Any disallowed claims, including amounts already collected, could become a liability of the general fund or other applicable funds.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Equity

The following funds had a deficit at June 30, 2022:

<u>Fund</u>	<u>Deficit</u>
State Drug Free	\$ 2,090
Title I – GEAR UP	\$ 13,993
Title VI-B IDEA	\$ 22,844
Title IV – ESSA	\$ 9,836
Perkins III	\$ 1,880
Plant Facilities	\$ 16,341
Title III – LEP	\$ 2,789
Food Service	\$ 60,894
School Based Medicaid	\$152,022

The District plans to eliminate these deficit balances through a reduction of expenditures.

NOTE 3: DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Following is a summary of the Districts deposit and investment balances and of June 30, 2022:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Assets and Liabilities	Total
Bank Deposits	\$ 953,805	\$ 262,305	\$ 1,216,110
Investments	1,927,846	-	1,927,846
	<u>\$ 2,881,651</u>	<u>\$ 262,305</u>	<u>\$ 3,143,956</u>

Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. At June 30, 2022, none of the District's bank balance of \$1,216,110 was exposed to custodial risk because the balances were not covered by depository insurance and also were uncollateralized.

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Investments

Investments	Weighted Avg. Maturity	Fair Value
State Treasurer's Investment Pool	108 days	\$1,924,376

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District has no investment policy that limits its investment choices further than those allowed by Idaho statute. The District primarily invests in the State Treasurer's Investment Pool, which has been assigned aAAAF fund credit quality rating and an S1+ volatility rating by Standard & Poor's Ratings Services.

B. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
<i>Capital Assets not being depreciated:</i>				
Land	\$ 166,612	\$ -	\$ -	\$ 166,612
Construction in Progress	39,650	71,038	39,650	71,038
Total capital assets not being depreciated	206,262	71,038	39,650	237,650
<i>Capital assets being depreciated:</i>				
Buildings and Improvements:				
Elementary	13,269,963	222,725	-	13,492,688
Secondary	5,922,050	436,650	-	6,358,700
Administration	94,780	74,383	-	169,163
Equipment and Vehicles:				
Elementary	805,729	34,884	-	840,613
Secondary	737,467	41,480	-	778,947
Administration	143,470	9,000	-	152,470
Transportation	1,063,586	-	-	1,063,586
Infrastructure - Secondary	439,384	25,125	-	464,509
Infrastructure - Elementary	1,092,922	-	-	1,092,922
Total capital assets being depreciated	23,569,351	844,247	-	24,413,598
Less accumulated depreciation for:				
Buildings and Improvements:				
Elementary	3,415,009	274,449	-	3,689,458
Secondary	3,055,842	119,210	-	3,175,052
Administration	40,720	4,685	-	45,405
Equipment and Vehicles:				
Elementary	754,696	32,721	-	787,417
Secondary	696,213	8,021	-	704,234
Administration	107,059	15,756	-	122,815
Transportation	479,604	88,632	-	568,236
Infrastructure	268,334	30,800	-	299,134
Total accumulated depreciation	8,817,478	574,273	-	9,391,751
Total capital assets being depreciated, net	14,751,873	269,974	-	15,021,847
Governmental activity capital assets, net	\$14,958,135	\$341,012	\$39,650	\$15,259,499

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Depreciation expense was charged to functions as follows:

Instructional	\$465,200
Administration	<u>109,073</u>
Total	\$574,273

C. Interfund Receivables, Payables and Transfers

Interfund transfers and due to/from for the District for the year ended June 30, 2022 are summarized below:

Purpose	Receiving Fund	Paying Fund	Amount
Due To/From:			
To cover current expenditures	Food Service	General Fund	43,673
To cover current expenditures	Title I-A	General Fund	13,110
To cover current expenditures	CSI-UP	General Fund	67,335
To cover current expenditures	GEAR UP	General Fund	19,379
To cover current expenditures	Title VI-B	General Fund	7,853
To cover current expenditures	School Medicaid	General Fund	181,872
To cover current expenditures	Plant Facility	General Fund	16,341
To cover current expenditures	Title IV-ESSA	General Fund	15,444
To cover current expenditures	Title II – ITQ	General Fund	24,029
To cover current expenditures	Title VI-B-Preschool	General Fund	894
To cover current expenditures	Facilities Fund	General Fund	291,365
To cover current expenditures	State Drug Free	General Fund	2,090
To cover current expenditures	Title I – Migrant	General Fund	38,090
To cover current expenditures	Perkins III	General Fund	1,630
To cover current expenditures	Title III LEP	General Fund	9,643
To cover current expenditures	21 st Century Grant	General Fund	2,603
To cover current expenditures	Facilities Fund	ESSERF Fund	377,150

D. Long-Term Debt

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are generally issued as 20-year serial bonds.

On November 3, 2010, the District issued \$9,800,000 of general obligation bonds to provide resources for the construction of a new elementary school. In December of 2020, the District refunded the 2010 Series bonds that were used to provide the resources to build the Elementary School. The refunded portion amounted to \$6,950,000 and resulted in a lower interest rate with less cost to the District.

In December of 2011, the District refunded the 2003 Series bonds that were used to provide resources to build the Middle School. The refunded portion amounted to \$2,265,000 and resulted in a lower interest rate with less cost to the District. This debt was paid in full in August of 2021.

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental Activities – Refunding	.70 – 5.0%	\$ 6,525,000

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Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	720,000	149,365	869,365
2024	755,000	112,490	867,490
2025	660,000	77,115	737,115
2026	695,000	43,240	738,240
2027	725,000	23,328	748,328
2028-2031	2,970,000	41,755	3,011,755
	<u>6,525,000</u>	<u>447,293</u>	<u>6,972,293</u>

The annual debt service requirement by Idaho Law states a minimum 12-month/maximum 21-month surplus be maintained which includes the current levy as surplus. At June 30, 2022 the required surplus was as follows:

<u>2020 Series</u>	<u>2011 Series</u>	<u>Total</u>	<u>Due Date</u>
\$ --	\$ --	\$ --	Due August 15, 2022
803,683	--	803,683	Due September 1, 2022
65,683	--	65,683	Due March 1, 2023
<u>869,366</u>	<u>--</u>	<u>869,366</u>	Total payments due within twelve months
820,683	--	820,683	Due September 1, 2023
46,808	--	46,808	Due March 1, 2024
<u>\$ 1,736,857</u>	<u>\$ --</u>	<u>\$ 1,736,857</u>	Total payments due within twenty-one months

The bond and interest redemption fund surplus restricted for redemption of refunding bonds and interest amounted to \$1,125,574 at June 30, 2022. The total of the fund surplus and the current levy may not exceed \$1,736,857.

Changes in long-term obligations

Long-term obligation activity for the year ended June 30, 2022 was as follows:

	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>One Year</u>
General obligation bonds:					
2010 Series	--	--	--	--	--
2020 Series	-	6,525,000		6,525,000	720,000
2011 Series	320,000	--	320,000	--	--
Total	<u>\$ 320,000</u>	<u>\$ 6,525,000</u>	<u>\$ 320,000</u>	<u>\$ 6,525,000</u>	<u>\$ 720,000</u>

Capital Leases

The District entered into a capital lease agreement with Mercedes Benz Financial Services in May of 2017 for \$267,054. The District also entered into a capital lease agreement with Mercedes Benz Financial Services in July of 2019 for \$260,580. The leases were to purchase busses for transporting students to and from school and school related activities.

Changes in long-term obligations

Long-term obligation activity for the year ended June 30, 2022 was as follows:

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	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due Within One Year
Capital Lease:					
Mercedes Benz	\$ 55,849	\$ --	55,849	\$ --	\$ --
Mercedes Benz	156,674	--	50,229	106,446	52,032
Total	\$ 212,523	\$ --	\$ 106,078	\$ 106,446	\$ 52,032

NOTE 4: RETIREMENT PLAN

Plan Description

The District contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI) 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.

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' year 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 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

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

Member and Employer Contributions

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

The contribution rates for employee are set by statute at 60% of the employer rate. As of June 30, 2022 it was 7.16%. The employer contribution rate is set by the Retirement Board and was 11.94% of covered

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compensation. The District's contributions required and paid were \$696,634, \$630,199, and \$583,858, for the three years ending June 30, 2022, 2021, and 2020, respectively.

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

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021, the District's proportion was 0.1427724 percent.

For the year ended June 30, 2022, the District recognized pension expense (revenue) of \$(58,279). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 166,134	\$ 3,607,208
Changes in assumptions or other inputs	--	--
Net difference between projected and actual earnings on pension plan investments	1,294,325	--
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions		92,732
District contributions subsequent to the measurement date	666,479	
Total	\$ 2,126,938	\$ 3,699,940

\$666,479 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2020 the beginning of the measurement period ended June 30, 2020 is 4.7 and 4.6 for the measurement period June 30, 2021.

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

Year ended June 30:

2022	(504,987)
2023	(455,097)
2024	(397,703)
2025	(788,962)

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Actuarial Assumptions

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

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

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

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

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

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These range 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 assumption. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

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

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Capital Market Assumptions

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Core Fixed Income	30.00%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation – Mean		2.25%	2.25%
Assumed Inflation – Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio long-Term(Geometric Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio LT Rate of Return, Net of Investment Expenses		5.85%	3.49%
Portfolio LT Expected Real Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chose by PERSI Board:			
Long-Term Expected Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
Long-Term Expected Rate of Return, Net of Investment Expenses			<u>7.05%</u>

Discount Rate

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

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	3,919,732	(112,759)	(3,481,273)

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, ID
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

Pension plan fiduciary net position

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

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

NOTE 5: OTHER INFORMATION

A. Employee's Retirement System

Public Employee Retirement System of Idaho – The Public Employee Retirement System of Idaho (PERSI), a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for political subdivisions to participate by contractual agreement with PERSI. Financial reports for the plan are available from PERSI upon request.

After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive forty-two months.

The contribution requirements of the District and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2022, the required contribution rate as a percentage of covered payroll for members was 7.16% for general members. The employer rate as a percentage of covered payroll was 11.94% for general members.

B. 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. The District has purchased an excess coverage insurance policy covering individual claims in excess of \$2,500 and retains the risk of loss for individual claims below \$2,500. Amounts of settlements have not exceeded insurance coverage in the past three years.

C. Other Post-Retirement Benefits (GASB75)

The district has determined that the cost of the required actuarial study for GASB 75 outweighs the benefit of recording the resulting liability on the year-end financial statements.

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, ID
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

D. Management's Review

Management has evaluated subsequent events through the auditor's report date, which is the date the financial statements were available to be issued. Subsequent to year end, the District partnered with the Be The Change Committee to complete new facilities at the high school stadium.

Required Supplementary Information

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - BASE PLAN
LAST 10 - FISCAL YEARS*

Reported as of Measurement Date June 30,	Employer's portion of net pension liability	Employer's proportionate share of the net pension liability	Employer's covered employee payroll	Employer's proportional share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2014	0.1499578%	\$ 1,103,924	\$ 4,018,463	27.47%	94.95%
2015	0.1414948%	\$ 1,863,256	\$ 3,963,233	47.01%	91.38%
2016	0.1362969%	\$ 2,762,947	\$ 4,336,952	63.71%	87.26%
2017	0.1288780%	\$ 2,025,741	\$ 3,930,221	51.54%	90.68%
2018	0.1249357%	\$ 1,842,823	\$ 4,378,489	42.09%	91.69%
2019	0.1377862%	\$ 2,032,370	\$ 4,660,001	43.61%	93.79%
2020	0.1375019%	\$ 3,192,976	\$ 5,278,049	60.50%	92.50%
2021	0.1427724%	\$ (112,759)	\$ 5,328,074	-2.12%	92.50%
2022					
2023					

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - BASE PLAN
LAST 10 - FISCAL YEARS*

Reported as of Year Ended June 30,	Statutorily required	Contributions in relation to the statutorily required contribution	Contribution (deficiency) excess	Employer's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 454,890	\$ 454,890	\$ -	\$ 4,018,463	11.32%
2016	\$ 448,638	\$ 448,638	\$ -	\$ 3,963,233	11.32%
2017	\$ 490,943	\$ 490,943	\$ -	\$ 4,336,952	11.32%
2018	\$ 444,901	\$ 444,901	\$ -	\$ 3,930,221	11.32%
2019	\$ 495,645	\$ 495,645	\$ -	\$ 4,378,489	11.32%
2020	\$ 527,512	\$ 527,512	\$ -	\$ 4,660,001	11.94%
2021	\$ 630,199	\$ 630,199	\$ -	\$ 5,278,049	11.94%
2022	\$ 636,172	\$ 636,172	\$ -	\$ 5,328,074	11.94%
2023					
2024					

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property Tax	\$ 245,931	\$ 245,931	\$ 244,965	\$ (966)
Delinquent Penalty and Interest	3,000	3,000	2,434	(566)
State Apportionment	5,755,990	5,797,132	5,749,674	(47,458)
Transportation	350,000	277,066	278,961	1,895
Tuition Equivalency	15,941	-	-	-
Benefit Apportionment	798,997	799,880	791,972	(7,908)
Other State Support	432,425	433,035	440,412	7,377
Other State Revenue	25,000	25,000	171,565	146,565
Earnings on Investments	24,000	2,000	4,095	2,095
Other Local Revenue	24,000	114,000	117,560	3,560
Payment in Lieu of Taxes	25,982	25,982	25,975	(7)
Federal Revenue	721,960	954,821	524,226	(430,595)
Total Revenues	8,423,226	8,677,847	8,351,839	(326,008)
EXPENDITURES:				
Elementary School Program:				
Salaries	1,185,800	1,228,015	1,318,608	(90,593)
Benefits	393,325	423,338	439,602	(16,264)
Purchased Services	-	68,013	51,255	16,758
Supplies	62,650	115,855	100,199	15,656
Capital Outlay	1,000	-	-	-
Total	1,642,775	1,835,221	1,909,664	(74,443)
Middle School Program:				
Salaries	979,200	933,700	949,165	(15,465)
Benefits	313,021	333,106	310,699	22,407
Purchased Services	2,000	19,262	1,441	17,821
Supplies	50,980	51,380	11,246	40,134
Capital Outlay	5,900	5,900	10,159	(4,259)
Total	1,351,101	1,343,348	1,282,710	60,638
Secondary School Program:				
Salaries	855,200	867,447	900,578	(33,131)
Benefits	302,050	318,650	318,206	444
Purchased Services	1,200	22,712	5,840	16,872
Supplies	51,048	50,253	26,885	23,368
Capital Outlay	4,300	4,300	2,765	1,535
Total	\$ 1,213,798	\$ 1,263,362	\$ 1,254,274	\$ 9,088

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES:				
Alternative School Program:				
Salaries	12,500	17,200	17,200	-
Benefits	2,471	3,357	3,355	2
Total	<u>14,971</u>	<u>20,557</u>	<u>20,555</u>	<u>2</u>
Career and Technical Program				
Salaries	146,000	146,000	146,011	(11)
Benefits	51,950	51,700	48,586	3,114
Total	<u>197,950</u>	<u>197,700</u>	<u>194,597</u>	<u>3,103</u>
Exceptional Child Program:				
Salaries	133,850	\$ 198,100	\$ 217,638	\$ (19,538)
Benefits	61,650	69,925	73,228	(3,303)
Purchased Services	360,500	348,637	64,845	283,792
Supplies	1,830	1,830	962	868
Total	<u>557,830</u>	<u>618,492</u>	<u>356,673</u>	<u>261,819</u>
Exceptional Child Preschool Program:				
Salaries	54,700	\$ 45,300	\$ 45,151	\$ 149
Benefits	19,250	16,150	15,745	405
Purchased Services	-	-	-	-
Supplies	4,500	-	-	-
Total	<u>78,450</u>	<u>61,450</u>	<u>60,896</u>	<u>554</u>
Interscholastic Program:				
Salaries	105,000	96,350	96,347	3
Benefits	5,500	6,250	6,165	85
Purchased Services	9,000	9,000	4,604	4,396
Supplies	-	-	14,749	(14,749)
Total	<u>119,500</u>	<u>111,600</u>	<u>121,865</u>	<u>(10,265)</u>
School Activity Program:				
Salaries	8,300	15,825	15,808	17
Benefits	2,650	3,900	4,995	(1,095)
Purchased Services	-	-	-	-
Supplies	-	-	-	-
Total	<u>10,950</u>	<u>19,725</u>	<u>20,803</u>	<u>(1,078)</u>
Total Instructional Expenditures	<u>5,187,325</u>	<u>5,471,455</u>	<u>5,222,037</u>	<u>249,418</u>
Support Services:				
Guidance Program:				
Salaries	114,200	117,750	117,693	57
Benefits	37,750	38,550	38,859	(309)
Purchased Services	40,500	40,500	10,648	29,852
Supplies	3,000	3,000	4,501	(1,501)
Total	<u>195,450</u>	<u>199,800</u>	<u>171,701</u>	<u>28,099</u>
Ancillary Services Program:				
Salaries	65,000	75,250	75,230	20
Benefits	20,550	20,500	22,729	(2,229)
Supplies	-	-	217	(217)
Total	<u>\$ 85,550</u>	<u>\$ 95,750</u>	<u>\$ 98,176</u>	<u>\$ (2,209)</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES:				
Instructional Improvement Program:				
Purchased Services	3,500	3,500	12,769	(9,269)
Supplies	25,179	21,787	-	21,787
Total	<u>28,679</u>	<u>25,287</u>	<u>12,769</u>	<u>12,518</u>
Educational Media Program:				
Salaries	129,350	127,300	127,173	127
Benefits	48,700	44,750	43,359	1,391
Supplies	11,100	11,100	10,076	1,024
Total	<u>189,150</u>	<u>183,150</u>	<u>180,608</u>	<u>2,542</u>
Instructional Technology Program:				
Benefits	-	-	193	(193)
Total	<u>-</u>	<u>-</u>	<u>193</u>	<u>(193)</u>
Board of Education Program:				
Salaries	47,000	47,000	47,047	(47)
Benefits	17,100	16,950	16,455	495
Total	<u>64,100</u>	<u>63,950</u>	<u>63,502</u>	<u>448</u>
District Administration Program:				
Salaries	127,500	127,500	127,500	-
Benefits	32,900	33,675	32,564	1,111
Purchased Services	22,500	19,550	27,938	(8,388)
Supplies	20,000	20,000	14,923	5,077
Capital Outlay	-	-	16,124	(16,124)
Total	<u>202,900</u>	<u>200,725</u>	<u>219,049</u>	<u>(18,324)</u>
CVRF Program:				
Salaries	40,000	40,000	69,635	(29,635)
Benefits	8,000	8,000	13,039	(5,039)
Purchased Services	50,000			
Supplies	50,000			
Capital Outlay	464,519			
Total	<u>612,519</u>	<u>48,000</u>	<u>82,674</u>	<u>(34,674)</u>
School Administration Program:				
Salaries	303,000	284,675	284,673	2
Benefits	111,000	110,575	97,517	13,058
Purchased Services	7,750	7,750	6,363	1,387
Total	<u>421,750</u>	<u>403,000</u>	<u>388,553</u>	<u>14,447</u>
Business Operation Program:				
Salaries	145,250	148,650	148,465	185
Benefits	119,250	119,173	107,686	11,487
Purchased Services	18,500	44,260	47,697	(3,437)
Supplies	4,000	4,000	-	4,000
Total	<u>287,000</u>	<u>316,083</u>	<u>303,848</u>	<u>8,235</u>
Administrative Technology Program:				
Salaries	102,350	101,350	102,133	(783)
Benefits	39,575	34,125	36,434	(2,309)
Purchased Services	33,000	33,000	27,330	5,670
Supplies	5,377	5,377	5,627	(250)
Capital Outlay	4,500	4,500	-	4,500
Total	<u>\$ 184,802</u>	<u>\$ 178,352</u>	<u>\$ 171,524</u>	<u>\$ 6,828</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES:				
Building-Care Program (Custodial):				
Salaries	89,750	\$ 116,850	\$ 116,908	\$ (58)
Benefits	34,600	41,375	45,957	(4,582)
Purchased Services	218,000	248,000	225,498	22,502
Supplies	10,000	10,000	9,394	606
Property Insurance	80,000	81,100	81,034	66
Total	<u>432,350</u>	<u>497,325</u>	<u>478,791</u>	<u>18,534</u>
Maintenance-Buildings and Equipment:				
Salaries	85,500	88,900	88,890	10
Benefits	40,250	39,850	39,825	25
Purchased Services	5,000	5,000	17,654	(12,654)
Supplies	39,000	59,656	28,252	31,404
Capital Outlay	-	-	-	-
Total	<u>169,750</u>	<u>193,406</u>	<u>174,621</u>	<u>18,785</u>
Transportation:				
Salaries	119,000	151,950	152,058	(108)
Benefits	32,750	35,800	38,747	(2,947)
Purchased Services	47,750	47,750	82,151	(34,401)
Supplies	35,750	55,750	57,779	(2,029)
Capital Outlay	113,250	113,250	113,224	26
Total	<u>348,500</u>	<u>404,500</u>	<u>443,959</u>	<u>(39,459)</u>
Activity Transportation:				
Salaries	12,000	9,100	9,116	(16)
Benefits	2,400	2,400	1,127	1,273
Purchased Services	(15,000)	(15,000)	(17,380)	2,380
Total	<u>(600)</u>	<u>(3,500)</u>	<u>(7,137)</u>	<u>3,637</u>
Food Service Program:				
Benefits	9,000	9,700	10,038	(338)
Purchased Services	-	-	-	-
Total	<u>9,000</u>	<u>9,700</u>	<u>10,038</u>	<u>(338)</u>
Grounds and Security:				
Security Program	5,000	5,000	15,321	(10,321)
Total	<u>5,000</u>	<u>5,000</u>	<u>15,321</u>	<u>(10,321)</u>
Total Expenditures	<u>8,423,226</u>	<u>8,291,984</u>	<u>8,030,227</u>	<u>257,973</u>
Excess (Deficiency) of Revenues Over Expenditures	-	385,863	321,612	(64,251)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	(291,365)	(291,365)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(291,365)</u>	<u>(291,365)</u>
Net Change in Fund Balances	-	385,863	30,247	(355,616)
Fund Balances--Beginning	752,819	752,819	752,819	-
Fund Balances--Ending	<u>\$ 752,819</u>	<u>\$ 1,138,682</u>	<u>\$ 783,066</u>	<u>\$ (355,616)</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Federal Assistance	\$ 343,500	\$ 509,171	\$ 559,527	\$ 50,356
Federal Commodities	-	-	34,408	34,408
Adult Meals	-	-	-	-
Student Meals	40,000	1,155	1,168	13
Earnings on Investments	30	21	26	5
Miscellaneous	-	-	-	-
Total Revenues	<u>383,530</u>	<u>510,347</u>	<u>595,129</u>	<u>84,782</u>
EXPENDITURES:				
Salaries	128,175	144,480	144,513	(33)
Benefits	44,500	39,000	36,410	2,590
Food Costs	200,000	285,262	256,281	28,981
Commodity Costs	-	-	34,408	(34,408)
Purchased Services	2,000	4,775	4,772	3
Supplies	8,855	17,975	17,849	126
Sales Tax Paid	-	-	63	(63)
Capital Outlay	-	18,855	18,852	3
Total Expenditures	<u>383,530</u>	<u>510,347</u>	<u>513,148</u>	<u>(2,801)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>81,981</u>	<u>81,981</u>
Net Change in Fund Balances	-	-	81,981	81,981
Fund Balances--Beginning	<u>(142,875)</u>	<u>(142,875)</u>	<u>(142,875)</u>	<u>-</u>
Fund Balances--Ending	<u>\$ (142,875)</u>	<u>\$ (142,875)</u>	<u>\$ (60,894)</u>	<u>\$ 81,981</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
BUDGETARY COMPARISON SCHEDULE
BOND AND INTEREST DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property Taxes	\$ 837,334	\$ 837,334	\$ 837,140	\$ (194)
Delinquent Penalty & Interest	3,000	3,000	3,929	929
Other State Revenue	125,900	125,900	34,689	(91,211)
Earnings on Investments	3,000	3,000	2,485	(515)
Total Revenues	<u>969,234</u>	<u>969,234</u>	<u>878,243</u>	<u>(90,991)</u>
EXPENDITURES:				
Supplies			-	-
Debt Service:				
Principal	670,000	670,000	745,000	(75,000)
Interest	322,688	322,688	181,990	140,698
Total Expenditures	<u>992,688</u>	<u>992,688</u>	<u>926,990</u>	<u>65,698</u>
Excess (Deficiency) of Revenues Over Expenditures	(23,454)	(23,454)	(48,747)	(25,293)
Net Change in Fund Balances	(23,454)	(23,454)	(48,747)	(25,293)
Fund Balances--Beginning	<u>1,444,191</u>	<u>1,444,191</u>	<u>1,444,191</u>	<u>-</u>
Fund Balances--Ending	<u>\$ 1,420,737</u>	<u>\$ 1,420,737</u>	<u>\$ 1,395,444</u>	<u>\$ (25,293)</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
BUDGETARY COMPARISON SCHEDULE
FACILITIES PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property Tax	\$ 355,000	\$ 355,000	\$ 353,716	1,284
Earnings on Investments	-	-	86,952	86,952
Total Revenues	<u>355,000</u>	<u>355,000</u>	<u>440,668</u>	<u>88,236</u>
EXPENDITURES:				
Capital Assets Program:				
Supplies	-	20,000	-	20,000
Purchased Services	-	10,000	-	10,000
Capital Outlay	355,000	975,000	1,021,033	(46,033)
Total Expenditures	<u>355,000</u>	<u>1,005,000</u>	<u>1,021,033</u>	<u>(16,033)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(650,000)</u>	<u>(580,365)</u>	<u>69,635</u>
Net Change in Fund Balances	-	(650,000)	(580,365)	69,635
Transfers In	-	650,000	\$ 668,515	\$ 18,515
Fund Balances--Beginning	<u>448,399</u>	<u>448,399</u>	<u>448,399</u>	<u>-</u>
Fund Balances--Ending	<u>\$ 448,399</u>	<u>\$ 448,399</u>	<u>\$ 536,549</u>	<u>\$ 88,150</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital projects funds. All annual appropriations lapse at fiscal year end.

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

1. At least 28 days prior to the levy election, the District publishes a proposed budget for public review.
2. Public hearings are set to obtain taxpayers comments.
3. At least 14 days prior to the levy election, the final budget is adopted by resolution of the board and published.
4. Prior to July 15, the final budget is filed with the State Department of Education.
5. At least 120 days prior to the close of the fiscal year, a revised budget is prepared, adopted and published reflecting updated information received through that date. This is also filed with the State.
6. Expenditures may not legally exceed budgeted appropriations at the activity level.

Encumbrance accounting methods were not used in the preparation of the District's financial statements. Uncommitted appropriations lapse at year-end and commitments are reappropriated in the next year's budget.

B. Excess of Expenditures Over Appropriations

Several funds had expenditures over appropriations due to carryover of funds, increased revenues, and/or increased cost of services.

Vocational Education	8,575
Title I-C Migrant	31,264
Title VI-B IDEA	28,744
Title VI – ESSA	8,087
Carl Perkins	7,624
Title III – LEP	19,304
21 st Century Grant	18,616
Safe & Drug Free Education	3,765
Facilities Fund	16,033
Food Service Fund	2,801

Supplementary Information

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS	PLANT FACILITIES FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS:			
Cash on Deposit	\$ 528,637	\$ -	\$ 528,637
Prepays:	43,600		43,600
Receivables:			
Federal Assistance	366,518	-	366,518
State Assistance	-	-	-
Student Fees Receivable	-	-	-
Interfund Receivable	-	-	-
Donations Receivable	-	-	-
Total Assets	\$ 938,755	\$ -	\$ 938,755
LIABILITIES & FUND BALANCE:			
Liabilities:			
Interfund Payable	\$ 761,142	\$ 16,341	\$ 777,483
Accounts Payable	2,478	-	2,478
Salaries Payable	132,777	-	132,777
Benefits Payable	-	-	-
Total Liabilities	896,397	16,341	912,738
Deferred Revenues	-		-
Fund Balances:			
Unreserved	42,358	-	42,358
Unreserved, Designated for:			
Capital Improvements	-	(16,341)	(16,341)
Total Fund Balances	42,358	(16,341)	26,017
Total Liabilities and Fund Balances	\$ 938,755	\$ -	\$ 938,755

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS	PLANT FACILITIES FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES:			
Earnings on Investments	\$ -	\$ -	\$ -
Local and Intermediate	18,870	-	18,870
State Programs	163,943	75,467	239,410
Federal Programs	1,933,870	-	1,933,870
Total Revenues	<u>2,116,683</u>	<u>75,467</u>	<u>2,192,150</u>
EXPENDITURES:			
Instructional	\$ 1,484,798	\$ -	\$ 1,484,798
Support Services	96,786	-	96,786
Maintenance of Plant	-	71,515	71,515
Capital Outlay	-	14,934	14,934
Total Expenditures	<u>1,581,584</u>	<u>86,449</u>	<u>1,668,033</u>
Excess (Deficiency) of Revenues Over Expe	535,099	(10,982)	524,117
OTHER FINANCING SOURCES (USES):			
Transfers out	-	-	-
Transfers in	(377,150)	-	(377,150)
Total Other Financing Sources (Uses)	<u>(377,150)</u>	<u>-</u>	<u>(377,150)</u>
Net Changes in Fund Balances	157,949	(10,982)	146,967
Fund Balances--Beginning	<u>(115,591)</u>	<u>(5,359)</u>	<u>(120,950)</u>
Fund Balances--Ending	<u>\$ 42,358</u>	<u>\$ (16,341)</u>	<u>\$ 26,017</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	COMBINED TITLE I	TITLE II-A TEACHER QUAL.	TITLE III LEP & IMM.	COMBINED DRUG FREE	SCHOOL BASED MEDICAID	COMBINED VI-B	COMBINED ESSA	COMBINED RELIEF FUNDS	21ST CENTURY GRANT	CLASSROOM TECHNOLOGY	DRIVER EDUCATION	COMBINED VOCATIONAL EDUCATION	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
ASSETS:													
Cash on Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 397,285	\$ -	\$ 96,715	\$ 16,397	\$ 18,240	\$ 528,637
Prepays	\$ 43,600												43,600
Receivables:													
Federal Assistance	198,402	27,383	17,280	-	45,488	22,548	9,646	21,375	24,396	-	-	-	366,518
State Assistance	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Student Fees Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 242,002</u>	<u>\$ 27,383</u>	<u>\$ 17,280</u>	<u>\$ -</u>	<u>\$ 45,488</u>	<u>\$ 22,548</u>	<u>\$ 9,646</u>	<u>\$ 418,660</u>	<u>\$ 24,396</u>	<u>\$ 96,715</u>	<u>\$ 16,397</u>	<u>\$ 18,240</u>	<u>\$ 938,755</u>
LIABILITIES & FUND BALANCE:													
Liabilities:													
Interfund Payable	\$ 137,934	\$ 24,029	\$ 9,643	\$ 2,090	\$ 181,872	\$ 8,747	\$ 15,444	\$ 377,150	\$ 2,603	\$ -	\$ -	\$ 1,630	\$ 761,142
Accounts Payable	-	-	-	-	-	-	-	-	1,836	-	392	250	2,478
Salaries Payable	57,560	-	10,426	-	15,638	35,482	4,038	-	7,186	-	-	2,447	132,777
Benefits Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>\$ 195,494</u>	<u>\$ 24,029</u>	<u>\$ 20,069</u>	<u>\$ 2,090</u>	<u>\$ 197,510</u>	<u>\$ 44,229</u>	<u>\$ 19,482</u>	<u>\$ 377,150</u>	<u>\$ 11,625</u>	<u>\$ -</u>	<u>\$ 392</u>	<u>\$ 4,327</u>	<u>\$ 896,397</u>
Deferred Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balances:													
Restricted	46,508	3,354	(2,789)	(2,090)	(152,022)	(21,681)	(9,836)	41,510	12,771	96,715	16,005	13,913	42,358
Total Fund Balances	<u>\$ 46,508</u>	<u>\$ 3,354</u>	<u>\$ (2,789)</u>	<u>\$ (2,090)</u>	<u>\$ (152,022)</u>	<u>\$ (21,681)</u>	<u>\$ (9,836)</u>	<u>\$ 41,510</u>	<u>\$ 12,771</u>	<u>\$ 96,715</u>	<u>\$ 16,005</u>	<u>\$ 13,913</u>	<u>\$ 42,358</u>
Total Liabilities and Fund Balances	<u>\$ 242,002</u>	<u>\$ 27,383</u>	<u>\$ 17,280</u>	<u>\$ -</u>	<u>\$ 45,488</u>	<u>\$ 22,548</u>	<u>\$ 9,646</u>	<u>\$ 418,660</u>	<u>\$ 24,396</u>	<u>\$ 96,715</u>	<u>\$ 16,397</u>	<u>\$ 18,240</u>	<u>\$ 938,755</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	COMBINED TITLE I	TITLE II-A TEACHER QUAL.	TITLE III LEP & IMM.	SAFE AND DRUG FREE	SCHOOL BASED MEDICAID	COMBINED VI-B	COMBINED ESSA	COMBINED RELIEF FUNDS	21ST CENTURY GRANT	CLASSROOM TECHNOLOGY	DRIVER EDUCATION	COMBINED VOCATIONAL EDUCATION	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
REVENUES:													
Local and Intermediate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,870	\$ 9,000	\$ -	\$ 18,870
State Programs	-	-	-	14,766	-	-	-	-	-	114,235	7,490	27,452	163,943
Federal Programs	505,124	29,929	66,054	-	261,664	302,300	19,776	570,779	161,463	-	-	16,781	1,933,870
Total Revenues	<u>\$ 505,124</u>	<u>\$ 29,929</u>	<u>\$ 66,054</u>	<u>\$ 14,766</u>	<u>\$ 261,664</u>	<u>\$ 302,300</u>	<u>\$ 19,776</u>	<u>\$ 570,779</u>	<u>\$ 161,463</u>	<u>\$ 124,105</u>	<u>\$ 16,490</u>	<u>\$ 44,233</u>	<u>\$ 2,116,883</u>
EXPENDITURES:													
Instructional	\$ 435,544	\$ 26,575	\$ 69,586	\$ -	\$ 209,938	\$ 322,770	\$ 29,612	\$ 152,119	\$ 155,516	\$ -	\$ 15,406	\$ 67,732	\$ 1,484,798
Support Services	-	-	-	17,886	-	-	-	-	-	78,900	-	-	96,786
Total Expenditures	<u>\$ 435,544</u>	<u>\$ 26,575</u>	<u>\$ 69,586</u>	<u>\$ 17,886</u>	<u>\$ 209,938</u>	<u>\$ 322,770</u>	<u>\$ 29,612</u>	<u>\$ 152,119</u>	<u>\$ 155,516</u>	<u>\$ 78,900</u>	<u>\$ 15,406</u>	<u>\$ 67,732</u>	<u>\$ 1,581,584</u>
Excess (Deficiency) of Revenues Over Expe	\$ 69,580	\$ 3,354	\$ (3,532)	\$ (3,120)	\$ 51,726	\$ (20,470)	\$ (9,836)	\$ 418,660	\$ 5,947	\$ 45,205	\$ 1,084	\$ (23,499)	\$ 535,099
OTHER FINANCING SOURCES (USES):													
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	(377,150)	-	-	-	-	(377,150)
Net Change in Fund Balances	\$ 69,580	\$ 3,354	\$ (3,532)	\$ (3,120)	\$ 51,726	\$ (20,470)	\$ (9,836)	\$ 41,510	\$ 5,947	\$ 45,205	\$ 1,084	\$ (23,499)	\$ 157,949
Fund Balances--Beginning	(23,072)	-	743	1,030	(203,748)	(1,211)	-	-	6,824	51,510	14,921	37,412	(115,591)
Fund Balances--Ending	<u>\$ 46,508</u>	<u>\$ 3,354</u>	<u>\$ (2,789)</u>	<u>\$ (2,090)</u>	<u>\$ (152,022)</u>	<u>\$ (21,681)</u>	<u>\$ (9,836)</u>	<u>\$ 41,510</u>	<u>\$ 12,771</u>	<u>\$ 96,715</u>	<u>\$ 16,005</u>	<u>\$ 13,913</u>	<u>\$ 42,358</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022

	PLANT FACILITY FUND	RECREATIONAL FACILITY CONSTRUCTION FUND	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
ASSETS:			
Cash on Deposit	\$ -	\$ -	\$ -
Interfund Receivable	-	-	-
Donations Receivable	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES & FUND BALANCE:			
Liabilities:			
Accounts Payable	-		\$ -
Interfund Payable	16,341		\$ 16,341
Total Liabilities	<u>\$ 16,341</u>	<u>\$ -</u>	<u>\$ 16,341</u>
Fund Balances:			
Unreserved, Designated for Capital Improv	<u>(16,341)</u>	<u>-</u>	<u>(16,341)</u>
Total Fund Balances	<u>(16,341)</u>	<u>-</u>	<u>(16,341)</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	PLANT FACILITY FUND	RECREATIONAL FACILITY CONSTRUCTION FUND	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
REVENUES:			
Other Local Income	\$ -	\$ -	\$ -
State Programs	75,467	-	75,467
Total Revenues	<u>75,467</u>	<u>-</u>	<u>75,467</u>
EXPENDITURES:			
Maintenance of Plant	71,515		71,515
Capital Asset Program	-	14,934	14,934
Total Expenditures	<u>71,515</u>	<u>14,934</u>	<u>86,449</u>
Excess (Deficiency) of Revenues Over Expe	<u>3,952</u>	<u>(14,934)</u>	<u>(10,982)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	3,952	(14,934)	(10,982)
Fund Balances--Beginning	<u>(20,293)</u>	<u>14,934</u>	<u>(5,359)</u>
Fund Balances--Ending	<u>\$ (16,341)</u>	<u>\$ -</u>	<u>\$ (16,341)</u>

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

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

Members of the American Institute of CPA's
and the Idaho Society of CPA's

Jeffrey D. Poulsen, CPA
Darren B. VanLeuven, CPA
Jacob H. Catmull, CPA

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 Superintendent and School Board
Wendell School District No. 232
Wendell, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wendell School District No. 232 as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated August 23, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wendell School District No. 232's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Poulsen, VanLeuven & Catmull

Poulsen, VanLeuven & Catmull PA
Burley, Idaho

August 23, 2022

Single Audit Section

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

Members of the American Institute of CPA's
and the Idaho Society of CPA's

Jeffrey D. Poulsen, CPA
Darren B. VanLeuven, CPA
Jacob H. Catmull, CPA

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

To the Superintendent and School Board
Wendell School District No. 232
Wendell, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Wendell School District No. 232'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 Wendell School District No. 232's major federal programs for the year ended June 30, 2022. Wendell School District No. 232'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, Wendell School District No. 232 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, 2022.

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 Wendell School District No. 232 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 Wendell School District No. 232'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 Wendell School District No. 232'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 Wendell School District No. 232'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 Wendell School District No. 232'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 Wendell School District No. 232'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 Wendell School District No. 232'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 Wendell School District No. 232'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.

Poulsen, VanLeuven & Catmull

Poulsen, VanLeuven & Catmull PA

Burley, Idaho

August 23, 2022

WENDELL SCHOOL DISTRICT NO. 232
WENDELL, IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR/ PROGRAM TITLE	GRANT CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Food Distribution-School Lunch	** 10.555	202221N89034	\$ 34,408
School Breakfast Program	10.553	ISDE	69,460
National School Lunch Program	10.555	202221N89034	390,276
Supply Chain Assistance Funding	10.555	202221N89037	21,209
Summer Food Service Program	10.559	ISDE	8,291
Fresh Fruit & Vegetable Program	10.582	ISDE	38,181
Total Child Nutrition Cluster			<u>561,825</u>
Child & Adult Care Food Program	10.558	ISDE	2,781
Child Nutrition Discretionary Grants	10.579	202121N81034	15,967
Total U.S. Department of Agriculture			<u>580,573</u>
<u>DEPARTMENT OF THE TREASURY</u>			
CVRF	21.019	20-1892-0-1-806	232,861
CVRF - Fiscal Recover Fund	21.027	SLFRP0142	136,058
Total Department of the Treasury			<u>368,919</u>
<u>DEPARTMENT OF EDUCATION</u>			
Title I - Basic	84.010	S010A200012	233,438
Title I - Migrant	84.011	S011A200012	41,391
Title VI-B Special Education	84.027	H027A210088	272,396
Title VI-B Special Education Preschool	84.173	H173A210030	7,356
Total Special Education Cluster			<u>279,752</u>
Vocational Education (Perkins III)	84.048	ISDE	16,781
Education for Homeless Children & Youth	84.196	S196A210013	8,760
21st Century Community Learning Center	84.287	S287C210012	137,067
Special Ed - State Personnel Development	84.323	H323A200002	6,765
GEAR UP	84.334	P334S180012	29,347
Title III - English Language Acquisition	84.365	S365A210011	48,774
Title II-A - Improving Teacher Quality	84.367	S367A210011	2,546
ESSA	84.424	ISDE	28,701
CARES ACT - ESSERF	84.425	S425D210043	761,784
Total Department of Education			<u>1,595,106</u>
<u>DEPARTMENT OF HEALTH & HUMAN SERVICES</u>			
Substance Abuse & Mental Health Svc	93.243	H79SM082129	2,500
<u>DEPARTMENT OF HOMELAND SECURITY</u>			
FEMA	97.036	ISDE	112,268
TOTAL FEDERAL ASSISTANCE			<u><u>\$ 2,659,366</u></u>

ISDE = Idaho State Department of Education

**This is a non-cash award.

This schedule was prepared using the modified accrual basis of accounting.

This method is consistent with the method used in the preparation of the District's financial statements.

The District has not elected to use the 10% de minimis cost rate.

WENDELL SCHOOL DISTRICT NO. 232

Schedule of Findings and Questioned Costs - Federal Awards For Year Ended June 30, 2022

I. SUMMARY OF AUDITOR'S RESULTS:

- 1 The auditor's report expresses a qualified opinion on the basic financial statements of Wendell School District No. 232.
- 2 There were no material weaknesses disclosed during the audit of the basic financial statements of the District.
- 3 No instances of noncompliance material to the basic financial statements of the District were disclosed during the audit.
- 4 The auditor's report on compliance for the major federal award programs for the District expresses an unmodified opinion on all major federal programs.
- 5 The programs tested as major programs included:

<u>Title</u>	<u>CFDA #</u>
Child Nutrition Cluster	10.553
	10.555
	10.559
	10.582
CARES Act - ESSERF	84.425

- 6 The threshold for distinguishing Types A and B programs was \$750,000.
- 7 The District was not determined to be a low-risk auditee.
- 8 The audit did not disclose any material weaknesses in internal control over major programs.
- 9 There were no audit findings that are required to be reported in accordance with the Uniform Guidance in this schedule.

II. FINANCIAL STATEMENT FINDINGS

There were no findings or questioned costs in the financial statements.

III. FEDERAL AWARD FINDINGS

There were no findings or questioned costs in any of the major federal award programs.