

Kendrick Joint School District No. 283

Year Ended June 30, 2023

Audited Financial Statements



KENDRICK JOINT SCHOOL DISTRICT NO. 283

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Independent Auditor's Report

Board of Trustees
Kendrick Joint School District No. 283

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 Kendrick Joint School District No. 283 (the School) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Qualified Opinion on the Governmental Activities

In our opinion, except for the effects of the matter described in the Matter Giving Rise to the Qualified Opinion on the Governmental Activities section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the School, as of June 30, 2023, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Unmodified Opinions on All Other Opinion Units Described Below

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the School as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Matter Giving Rise to the Qualified Opinion on the Governmental Activities

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and schedule of employer's share of net pension asset and liability and schedule of employer contributions listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has not included the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. Our opinion on the basic financial statements is not affected by not including this information.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2023, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Quest CPAs PLLC

Payette, Idaho
September 8, 2023

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Net Position

June 30, 2023

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash & Investments	\$2,283,085
Receivables:	
Local Sources	312,360
State Sources	38,500
Federal Sources	532,297
Prepaid Expenses	2,509
Total Current Assets	<u>3,168,751</u>
Noncurrent Assets	
Nondepreciable Capital Assets	550,406
Depreciable Net Capital Assets	3,785,158
Total Noncurrent Assets	<u>4,335,564</u>
Total Assets	<u>7,504,315</u>
Deferred Outflows of Resources	
Pension Items	1,197,177
Total Deferred Outflows of Resources	<u>1,197,177</u>
Total Assets and Deferred Outflows of Resources	<u>\$8,701,492</u>
Liabilities	
Current Liabilities	
Salaries & Benefits Payable	\$400,917
Unspent Grant Allocation	354,036
Accrued Interest	16,875
Long-Term Liabilities, Current	110,000
Total Current Liabilities	<u>881,828</u>
Noncurrent Liabilities	
Long-Term Liabilities, Noncurrent	2,943,041
Total Noncurrent Liabilities	<u>2,943,041</u>
Total Liabilities	<u>3,824,869</u>
Deferred Inflows of Resources	
Pension Items	8,606
Total Deferred Inflows of Resources	<u>8,606</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,833,475</u>
Net Position	
Net Investment in Capital Assets	3,193,689
Restricted:	
Special Programs	243,245
Debt Service	293,361
Capital Projects	199,394
Unrestricted	938,328
Total Net Position	<u>4,868,017</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u>\$8,701,492</u>

See Accompanying Notes

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Activities
Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges For	Operating	Capital	Revenue And
		Services	Grants And	Grants And	Changes in
			Contributions	Contributions	Net Position
					Governmental
					Activities
Governmental Activities					
Instructional Programs					
Elementary School	\$884,504		\$225,770		(\$658,734)
Secondary School	567,869	\$2,550	51,812		(513,507)
Vocational-Technical	172,892		28,174		(144,718)
Special Education	235,281		64,380		(170,901)
Special Education Preschool	47,533				(47,533)
Interscholastic	80,128				(80,128)
School Activity	2,947				(2,947)
Support Service Programs					
Attendance - Guidance - Health	68,092		7,092		(61,000)
Special Education Support Services	51,509		186		(51,323)
Educational Media	28,413				(28,413)
Instruction-Related Technology	37,183				(37,183)
Board of Education	203				(203)
District Administration	127,737				(127,737)
School Administration	666,127				(666,127)
Business Operations	135,717				(135,717)
Administrative Technology Service	101,666		53,915		(47,751)
Buildings - Care	294,420				(294,420)
Maintenance - Non-Student Occupied	65,117		6,056		(59,061)
Maintenance - Student Occupied	53,527				(53,527)
Maintenance - Grounds	8,230				(8,230)
Pupil-To-School Transportation	295,827				(295,827)
Pupil-Activity Transportation	26,849				(26,849)
General Transportation	3,563				(3,563)
Other Support Services	383				(383)
Non-Instructional Programs					
Child Nutrition	154,552	49,950	115,374		10,772
Community Services	109,117		109,117		0
Student Activity	250,825	264,583			13,758
Capital Assets - Student Occupied	262,578				(262,578)
Debt Service - Principal	0				0
Debt Service - Interest	47,172				(47,172)
Total Governmental Activities	<u>\$4,779,961</u>	<u>\$317,083</u>	<u>\$661,876</u>	<u>\$0</u>	<u>(3,801,002)</u>
Changes in Net Position					Total
Net (Expense) Revenue					(3,801,002)
General Revenues					
Local Taxes					933,119
Other Local Revenues					97,746
State Revenues					2,776,485
Federal Revenues					0
Pension Revenue (Expense)					(517,715)
Total					<u>3,289,635</u>
Change in Net Position					(511,367)
Net Position - Beginning					5,379,384
Net Position - Ending					<u>\$4,868,017</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Balance Sheet - Governmental Funds

June 30, 2023

	General Fund	Child Nutrition Fund	Bond R & I Fund	Nonmajor Governmental Funds
Assets				
Cash & Investments	\$1,598,425	\$14,622	\$254,720	\$415,318
Receivables:				
Local Sources	249,932		46,988	15,440
State Sources	38,500			0
Federal Sources				532,297
Prepaid Expenditures				2,509
Due From Other Funds	180,770			0
Total Assets	\$2,067,627	\$14,622	\$301,708	\$965,564
Liabilities				
Accounts Payable				\$0
Due To Other Funds				180,770
Salaries & Benefits Payable	\$400,917			0
Unspent Grant Allocation				354,036
Total Liabilities	400,917	\$0	\$0	534,806
Deferred Inflows of Resources				
Unavailable Tax Revenues	44,232		8,347	2,741
Total Deferred Inflows of Resources	44,232	0	8,347	2,741
Fund Balances				
Restricted:				
Special Programs		14,622		228,623
Debt Service			293,361	0
Capital Projects				199,394
Unassigned	1,622,478			0
Total Fund Balances	1,622,478	14,622	293,361	428,017
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$2,067,627	\$14,622	\$301,708	\$965,564

KENDRICK JOINT SCHOOL DISTRICT NO. 283

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Balance Sheet - Governmental Funds

June 30, 2023

	Total Governmental Funds
Assets	
Cash & Investments	\$2,283,085
Receivables:	
Local Sources	312,360
State Sources	38,500
Federal Sources	532,297
Prepaid Expenditures	2,509
Due From Other Funds	180,770
Total Assets	<u>\$3,349,521</u>
Liabilities	
Accounts Payable	\$0
Due To Other Funds	180,770
Salaries & Benefits Payable	400,917
Unspent Grant Allocation	354,036
Total Liabilities	<u>935,723</u>
Deferred Inflows of Resources	
Unavailable Tax Revenues	55,320
Total Deferred Inflows of Resources	<u>55,320</u>
Fund Balances	
Restricted:	
Special Programs	243,245
Debt Service	293,361
Capital Projects	199,394
Unassigned	1,622,478
Total Fund Balances	<u>2,358,478</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$3,349,521</u>

Balance Sheet - Governmental Funds

June 30, 2023

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

Total Governmental Fund Balances	\$2,358,478
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	4,335,564
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Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	55,320
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(3,069,916)
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Pension deferred outflows/inflows are not due and payable in the current period and therefore are not reported in the funds.	1,188,571
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Net Position of Governmental Activities	<u><u>\$4,868,017</u></u>
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KENDRICK JOINT SCHOOL DISTRICT NO. 283

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

	General Fund	Child Nutrition Fund	Bond R & I Fund	Other Governmental Funds
Revenues				
Local Taxes	\$744,207		\$145,605	\$47,857
Other Local Revenue	100,723	\$49,950		267,133
State Revenue	2,746,831		29,654	86,262
Federal Revenue	57,876	115,374		399,387
Total Revenues	<u>3,649,637</u>	<u>165,324</u>	<u>175,259</u>	<u>800,639</u>
Expenditures				
Instructional Programs				
Elementary School	857,962			164,917
Secondary School	601,191			55,517
Vocational-Technical	134,869			38,023
Special Education	170,867			64,414
Special Education Preschool	47,533			0
Interscholastic	80,128			0
School Activity	2,947			0
Support Service Programs				
Attendance - Guidance - Health	62,711			5,381
Special Education Support Services	51,323			186
Educational Media	28,413			0
Instruction-Related Technology	37,183			0
Board of Education	203			0
District Administration	127,737			0
School Administration	248,166			0
Business Operations	135,717			0
Administrative Technology Service	58,240			43,426
Buildings - Care	294,420			0
Maintenance - Non-Student Occupied	447,978			0
Maintenance - Student Occupied	53,527			0
Maintenance - Grounds	8,230			0
Pupil-To-School Transportation	295,827			0
Pupil-Activity Transportation	26,849			0
General Transportation	3,563			0
Other Support Services	383			0
Non-Instructional Programs				
Child Nutrition	3,850	150,702		0
Community Services				109,117
Student Activity				250,825
Capital Assets - Student Occupied				46,140
Debt Service - Principal			105,000	0
Debt Service - Interest			48,747	0
Total Expenditures	<u>3,779,817</u>	<u>150,702</u>	<u>153,747</u>	<u>777,946</u>
Excess (Deficiency) of Revenues Over Expenditures	(130,180)	14,622	21,512	22,693
Other Financing Sources (Uses)				
Transfers In				36,624
Transfers Out	(36,624)			0
Total Other Financing Sources (Uses)	<u>(36,624)</u>	<u>0</u>	<u>0</u>	<u>36,624</u>
Net Change in Fund Balances	(166,804)	14,622	21,512	59,317
Fund Balances - Beginning	1,789,282	0	271,849	368,700
Fund Balances - Ending	<u>\$1,622,478</u>	<u>\$14,622</u>	<u>\$293,361</u>	<u>\$428,017</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2023

	Total Governmental Funds
Revenues	
Local Taxes	\$937,669
Other Local Revenue	417,806
State Revenue	2,862,747
Federal Revenue	572,637
Total Revenues	4,790,859
Expenditures	
Instructional Programs	
Elementary School	1,022,879
Secondary School	656,708
Vocational-Technical	172,892
Special Education	235,281
Special Education Preschool	47,533
Interscholastic	80,128
School Activity	2,947
Support Service Programs	
Attendance - Guidance - Health	68,092
Special Education Support Services	51,509
Educational Media	28,413
Instruction-Related Technology	37,183
Board of Education	203
District Administration	127,737
School Administration	248,166
Business Operations	135,717
Administrative Technology Service	101,666
Buildings - Care	294,420
Maintenance - Non-Student Occupied	447,978
Maintenance - Student Occupied	53,527
Maintenance - Grounds	8,230
Pupil-To-School Transportation	295,827
Pupil-Activity Transportation	26,849
General Transportation	3,563
Other Support Services	383
Non-Instructional Programs	
Child Nutrition	154,552
Community Services	109,117
Student Activity	250,825
Capital Assets - Student Occupied	46,140
Debt Service - Principal	105,000
Debt Service - Interest	48,747
Total Expenditures	4,862,212
Excess (Deficiency) of Revenues Over Expenditures	(71,353)
Other Financing Sources (Uses)	
Transfers In	36,624
Transfers Out	(36,624)
Total Other Financing Sources (Uses)	0
Net Change in Fund Balances	(71,353)
Fund Balances - Beginning	2,429,831
Fund Balances - Ending	\$2,358,478

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2023

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

Net Change in Fund Balances - Total Governmental Funds (\$71,353)

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

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense or allocated over the appropriate term as amortization expense. This is the excess of capital outlays over (under) depreciation/amortization expense in the current period.	166,423
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds.	(4,550)
The net change in position of the internal service fund is reported in the governmental activities in the statement of activities.	(417,961)
Repayment of long-term liability principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	105,000
In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds.	1,575
Changes in net pension asset/liability and related pension deferred outflows/inflows do not provide or require current financial resources and therefore are not reflected in the funds.	(290,501)
Change in Net Position of Governmental Activities	(\$511,367)

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Net Position - Proprietary Fund

June 30, 2023

	<u>Internal Service Fund</u>
Assets	
Current Assets	
Cash & Investments	
Total Current Assets	<u>\$0</u>
Total Assets	<u><u>\$0</u></u>
Net Position	
Restricted:	
Special Programs	
Total Net Position	<u><u>\$0</u></u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund
Year Ended June 30, 2023

	Internal Service Fund
Operating Revenues	
Other Local Revenue	
Total Operating Revenues	\$0
Operating Expenses	
Medical Benefits	51,345
Total Operating Expenses	51,345
Operating Income (Loss)	(51,345)
Nonoperating Revenues (Expenses)	
Investment Return	
Total Nonoperating Revenue (Expenses)	0
Income (Loss) Before Contributions & Transfers	(51,345)
Transfers In	
Transfers Out	366,616
Change in Net Position	(417,961)
Net Position - Beginning	417,961
Net Position - Ending	\$0

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Cash Flows - Proprietary Fund

Year Ended June 30, 2023

	Internal Service Fund
Cash Flows From Operations	
Receipts from Interfund Services Provided	\$0
Payments for Interfund Services Used	(51,345)
Cash Provided (Used) By Operations	<u>(51,345)</u>
Cash Flows From Noncapital Financing	
Transfers Out	(366,616)
Cash Provided (Used) By Noncapital Financing	<u>(366,616)</u>
Cash Flows From Investments	
Investment Return	
Cash Provided (Used) By Investments	<u>0</u>
Change in Cash & Investments	(417,961)
Cash & Investments - Beginning	<u>417,961</u>
Cash & Investments - Ending	<u><u>\$0</u></u>
Reconciliation of Operating Income (Loss) to Cash Provided (Used) By Operations	
Operating Income (Loss)	(\$51,345)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operations:	
Changes in Assets & Liabilities:	
Receivables	0
Cash Provided (Used) By Operations	<u><u>(\$51,345)</u></u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Kendrick Joint School District No. 283 (the School) provides public school educational services as authorized by Section 33 of Idaho Code. The School's boundaries for taxing and school enrollment purposes are located within Clearwater, Latah, and Nez Perce Counties.

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

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

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

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

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

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

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

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

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

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

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

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

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

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

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

Internal Service Fund – The internal service fund is used to account for the School's medical benefit pool used for its health insurance plan. As the internal service fund serves the governmental funds of the School, it is classified with the governmental activities on the government-wide statements.

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

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

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

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

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

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

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight line method.

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

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

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

Pensions – For purposes of measuring the net pension asset/liability and pension revenue/expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from the Base Plan’s fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Pension obligations will be paid by the fund in which the employee works.

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

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those

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Notes to Financial Statements

assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

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

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

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

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

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

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

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

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

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

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

Cash - Deposits	\$552,368
Investments - Local Gov't Investment Pool	1,730,717
Total	<u><u>\$2,283,085</u></u>

Deposits – At year end, the carrying amounts of the School's deposits were \$552,368 and the bank balances were \$600,296. Of the bank balances, \$250,000 was insured, and the balance was uninsured and uncollateralized.

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

Interest rate risk:

<u>Investment Type</u>	Investment Maturity Schedule (In Years)	
	<u>Less Than 1</u>	<u>Total</u>
Local Gov't Invest Pool	<u>\$1,730,717</u>	<u>\$1,730,717</u>
Total	<u><u>\$1,730,717</u></u>	<u><u>\$1,730,717</u></u>

Credit rate risk:

<u>Investment Type</u>	Investment Rating Schedule	
	<u>Not Rated</u>	<u>Total</u>
Local Gov't Invest Pool	<u>\$1,730,717</u>	<u>\$1,730,717</u>
Total	<u><u>\$1,730,717</u></u>	<u><u>\$1,730,717</u></u>

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

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

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Notes to Financial Statements

governmental investment pool including regulatory information, ratings, and risk information can be found at www.sto.idaho.gov.

C. RECEIVABLES

Receivables consist of the following at year end:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Project Funds</u>	<u>Total</u>
Local Sources					
Local Taxes	\$249,932		\$46,988	\$15,440	\$312,360
Total	<u>\$249,932</u>		<u>\$46,988</u>	<u>\$15,440</u>	<u>\$312,360</u>
State Sources					
Foundation Program	\$38,500				\$38,500
Total	<u>\$38,500</u>				<u>\$38,500</u>
Federal Sources					
Special Programs		\$532,297			\$532,297
Total		<u>\$532,297</u>			<u>\$532,297</u>

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Notes to Financial Statements

D. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	\$296,770			\$296,770
Construction in Progress	253,636			253,636
Total	<u>550,406</u>	<u>\$0</u>	<u>\$0</u>	<u>550,406</u>
Depreciable Capital Assets				
Buildings	6,503,854	382,861		6,886,715
Equipment	234,760			234,760
Transportation	711,630			711,630
Subtotal	<u>7,450,244</u>	<u>382,861</u>	<u>0</u>	<u>7,833,105</u>
Accumulated Depreciation				
Buildings	3,099,041	137,734		3,236,775
Equipment	215,359	19,401		234,760
Transportation	517,109	59,303		576,412
Subtotal	<u>3,831,509</u>	<u>216,438</u>	<u>0</u>	<u>4,047,947</u>
Total	<u>3,618,735</u>	<u>166,423</u>	<u>0</u>	<u>3,785,158</u>
Net Capital Assets	<u><u>\$4,169,141</u></u>	<u><u>\$166,423</u></u>	<u><u>\$0</u></u>	<u><u>\$4,335,564</u></u>

Depreciation expense of \$216,438 was charged to the capital assets – student occupied program.

E. LONG-TERM LIABILITIES

Bonded Debt - At year end, the School’s bonded debt was as follows:

	<u>Outstanding</u>
2018 - \$1,550,000 - general obligation refunding bonds due in annual principal installments and semiannual interest payments with interest at 3.00% - 4.00% through 2031/32, secured by future taxes, paid through the bond redemption and interest fund	<u>\$1,125,000</u>
Total	<u><u>\$1,125,000</u></u>

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Maturities on the bonds are estimated as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
6/30/24	\$110,000	\$42,800
6/30/25	115,000	38,300
6/30/26	120,000	33,600
6/30/27	125,000	28,700
6/30/28	130,000	23,600
6/30/29-32	525,000	41,500
Total	<u>\$1,125,000</u>	<u>\$208,500</u>

Changes in long-term liabilities are as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2018 G.O.R. Bonds	\$1,230,000		\$105,000	\$1,125,000	\$110,000
Net Pension Liability	0	\$1,928,041		1,928,041	-
Total	<u>\$1,230,000</u>	<u>\$1,928,041</u>	<u>\$105,000</u>	<u>\$3,053,041</u>	<u>\$110,000</u>

Interest and related costs during the year amounted to \$47,172 and were charged to the debt service – interest program.

F. PENSION PLAN

Plan description

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

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

Pension benefits

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

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their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

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

Member and employer contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2022 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The School's contributions were \$227,214 for the year ended June 30, 2023.

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

At June 30, 2023, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the School's proportion was 0.04895049 percent.

For the year ended June 30, 2023, the School recognized pension revenue (expense) of (\$517,715). At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$212,014	\$8,606
Changes in assumptions or other inputs	314,329	
Net difference between projected and actual earnings on pension plan investments	443,620	
Employer contributions subsequent to the measurement date	227,214	
Total	\$1,197,177	\$8,606

\$227,214 reported as deferred outflows of resources related to pensions resulting from School contributions

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made subsequent to the measurement date will be recognized as an adjustment to the pension revenue (expense) in the year ending June 30, 2024.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2022 the beginning of the measurement period ended June 30, 2021 is 4.6 and 4.6 for the measurement period June 30, 2022.

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

Year Ended	
6/30/24	(\$229,896)
6/30/25	(249,574)
6/30/26	(115,427)
6/30/27	(366,460)
Total	<u><u>(\$961,357)</u></u>

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

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

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Notes to Financial Statements

Contributing members, service retirement members, and beneficiaries

General Employees and All Beneficiaries - Males	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries - Females	Pub-2010 General Tables, increased 21%
Teachers - Males	Pub-2010 Teacher Tables, increased 12%
Teachers - Females	Pub-2010 Teacher Tables, increased 21%
Fire & Police - Males	Pub-2010 Safety Tables, increased 21%
Fire & Police - Females	Pub-2010 Safety Tables, increased 26%
	5% of Fire & Police active member deaths are assumed to be duty related. This assumption was adopted July 1, 2021.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions other than mortality. The total pension liability as of June 30, 2022 is based on the results of an actuarial valuation date of July 1, 2022.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System’s asset allocation. The assumptions and the System’s formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System’s assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2022.

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

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Notes to Financial Statements

Discount rate

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

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

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

	1% Decrease	Current	1% Increase
	(5.35%)	(6.35%)	(7.35%)
School's proportionate share of the net pension liability	<u>\$3,402,804</u>	<u>\$1,928,041</u>	<u>\$720,986</u>

Pension plan fiduciary net position

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

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

Impact on the School's net position

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

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Notes to Financial Statements

G. INTERFUND BALANCES AND TRANSFERS

Interfund balances at year end consist of the following:

Due To Fund	Due From Fund	
	Nonmajor Governmental	Total
General	\$180,770	\$180,770
Total	\$180,770	\$180,770

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

Interfund transfers during the year consist of the following:

Fund	Transfer In	Transfer Out	Purpose
General		\$36,624	Support, Depreciation
Nonmajor Governmental	\$36,624		Support, Depreciation
Total	\$36,624	\$36,624	

H. TAX ABATEMENTS

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

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Budgetary Comparison Schedule - General and Major Special Revenue Funds
 Year Ended June 30, 2023

General Fund	Budgeted Amounts		Actual	Final Budget
	(GAAP Basis)			
	Original	Final		Positive
				(Negative)
Revenues				
Local Taxes	\$810,000	\$810,000	\$744,207	(\$65,793)
Other Local Revenue	18,350	18,350	100,723	82,373
State Revenue	2,564,515	2,564,515	2,746,831	182,316
Federal Revenue	9,000	9,000	57,876	48,876
Total Revenues	3,401,865	3,401,865	3,649,637	247,772
Expenditures				
Instructional Programs				
Elementary School	766,166	766,166	857,962	(91,796)
Secondary School	615,805	615,805	601,191	14,614
Vocational-Technical	152,887	152,887	134,869	18,018
Special Education	182,315	182,315	170,867	11,448
Special Education Preschool	22,950	22,950	47,533	(24,583)
Interscholastic	100,500	100,500	80,128	20,372
School Activity	11,300	11,300	2,947	8,353
Detention Center	99,976	99,976	0	99,976
Support Service Programs				
Attendance - Guidance - Health	85,755	85,755	62,711	23,044
Special Education Support Services	138,066	138,066	51,323	86,743
Educational Media	39,002	39,002	28,413	10,589
Instruction-Related Technology	35,904	35,904	37,183	(1,279)
Board of Education	0	0	203	(203)
District Administration	148,165	148,165	127,737	20,428
School Administration	320,706	320,706	248,166	72,540
Business Operations	131,030	131,030	135,717	(4,687)
Administrative Technology Service	72,292	72,292	58,240	14,052
Buildings - Care	225,275	225,275	294,420	(69,145)
Maintenance - Non-Student Occupied	500,000	500,000	447,978	52,022
Maintenance - Student Occupied	102,207	102,207	53,527	48,680
Maintenance - Grounds	16,158	16,158	8,230	7,928
Security Program	5,000	5,000	0	5,000
Pupil-To-School Transportation	212,465	212,465	295,827	(83,362)
Pupil-Activity Transportation	18,270	18,270	26,849	(8,579)
General Transportation	11,000	11,000	3,563	7,437
Other Support Services	5,000	5,000	383	4,617
Non-Instructional Programs				
Child Nutrition	5,000	5,000	3,850	1,150
Community Services	0	0	0	0
Student Activity	0	0	0	0
Capital Assets - Student Occupied	205,160	205,160	0	205,160
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
Total Expenditures	4,228,354	4,228,354	3,779,817	448,537 *
Excess (Deficiency) of Revenues				
Over Expenditures	(826,489)	(826,489)	(130,180)	696,309
Other Financing Sources (Uses)				
Transfers In	80,000	80,000	0	(80,000)
Transfers Out	(80,000)	(80,000)	(36,624)	43,376 *
Total Other Financing Sources (Uses)	0	0	(36,624)	(36,624)
Net Change in Fund Balances	(826,489)	(826,489)	(166,804)	659,685
Fund Balances - Beginning	1,600,000	1,600,000	1,789,282	189,282
Fund Balances - Ending	\$773,511	\$773,511	\$1,622,478	\$848,967

*Total expenditures (over) under appropriations are: \$491,913

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Budgetary Comparison Schedule - General and Major Special Revenue Funds
 Year Ended June 30, 2023

Child Nutrition Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance
	Original	Final		Positive (Negative)
Revenues				
Other Local Revenue	\$0	\$0	\$49,950	\$49,950
Federal Revenue	135,000	135,000	115,374	(19,626)
Total Revenues	<u>135,000</u>	<u>135,000</u>	<u>165,324</u>	<u>30,324</u>
Expenditures				
Non-Instructional Programs				
Child Nutrition	135,000	135,000	150,702	(15,702)
Total Expenditures	<u>135,000</u>	<u>135,000</u>	<u>150,702</u>	<u>(15,702) *</u>
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	14,622	14,622
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0 *
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	14,622	14,622
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$14,622</u>	<u>\$14,622</u>
<i>*Total expenditures (over) under appropriations are:</i>				<u><u>(\$15,702)</u></u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Schedule of Employer's Share of Net Pension Asset and Liability
and Schedule of Employer Contributions
PERSI - Base Plan

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

Fiscal Year Ended June 30	Employer's Portion of the Net Pension (Asset) Liability	Employer's Proportionate Share of the Net Pension (Asset) Liability	Covered Payroll	Employer's Proportional Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset) Liability
2015	0.05776040%	\$425,207	\$1,564,806	27.17%	94.95%
2016	0.05822800%	\$766,769	\$1,630,952	47.01%	91.38%
2017	0.05393390%	\$1,093,323	\$1,577,403	69.31%	87.26%
2018	0.05035330%	\$791,467	\$1,563,940	50.61%	90.68%
2019	0.04735320%	\$698,468	\$1,523,525	45.85%	91.69%
2020	0.05013790%	\$572,310	\$1,702,889	33.61%	93.79%
2021	0.04843440%	\$1,124,711	\$1,724,690	65.21%	88.22%
2022	0.04721595%	(\$37,290)	\$1,774,012	-2.10%	100.36%
2023	0.04895049%	\$1,928,041	\$1,930,335	99.88%	83.09%

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

Schedule of Employer Contributions

Fiscal Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$184,624	\$184,624	\$0	\$1,630,952	11.32%
2016	\$178,562	\$178,562	\$0	\$1,577,403	11.32%
2017	\$177,038	\$177,038	\$0	\$1,563,940	11.32%
2018	\$172,463	\$172,463	\$0	\$1,523,525	11.32%
2019	\$192,767	\$192,767	\$0	\$1,702,889	11.32%
2020	\$205,928	\$205,928	\$0	\$1,724,690	11.94%
2021	\$211,817	\$211,817	\$0	\$1,774,012	11.94%
2022	\$230,482	\$230,482	\$0	\$1,930,335	11.94%
2023	\$227,214	\$227,214	\$0	\$1,902,965	11.94%

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

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2023

	Special Revenue Funds			
	Forest Reserve	Local Special Grants	Student Activity	Driver Education
Assets				
Cash & Investments	\$72,433	\$300	\$108,691	\$6,079
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Prepaid Expenditures				
Due From Other Funds				
Total Assets	\$72,433	\$300	\$108,691	\$6,079
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	\$0	\$0	\$0	\$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	72,433	300	108,691	6,079
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	72,433	300	108,691	6,079
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$72,433	\$300	\$108,691	\$6,079

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2023

	Special Revenue Funds			
	Professional Technical	Technology	Substance Abuse	ESSER III
Assets				
Cash & Investments		\$19,242	\$21,878	
Receivables:				
Local Sources				
State Sources				
Federal Sources				\$324,890
Prepaid Expenditures				
Due From Other Funds				
Total Assets	\$0	\$19,242	\$21,878	\$324,890
Liabilities				
Accounts Payable				
Due To Other Funds				\$23,712
Salaries & Benefits Payable				
Unspent Grant Allocation				301,178
Total Liabilities	\$0	\$0	\$0	324,890
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs		19,242	21,878	
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	0	19,242	21,878	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$0	\$19,242	\$21,878	\$324,890

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2023

	Special Revenue Funds			
	Title I-A ESSA IBP	ESSER I	ESSER II	IDEA Part B 611 School Age 3-21
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$4,746	\$6,657	\$65,702	\$44,446
Prepaid Expenditures				
Due From Other Funds				
Total Assets	\$4,746	\$6,657	\$65,702	\$44,446
Liabilities				
Accounts Payable				
Due To Other Funds			\$65,702	\$44,446
Salaries & Benefits Payable				
Unspent Grant Allocation	\$4,746	\$6,657		
Total Liabilities	4,746	6,657	65,702	44,446
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	0	0	0	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$4,746	\$6,657	\$65,702	\$44,446

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2023

	Special Revenue Funds			
	School Based Medicaid	Title IV-A ESSA SS & AE	Title V-B ESSA REI	Title II-A ESSA SEI
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources			\$28,782	\$8,443
Prepaid Expenditures	\$2,509			
Due From Other Funds				
Total Assets	\$2,509	\$0	\$28,782	\$8,443
Liabilities				
Accounts Payable				
Due To Other Funds	\$2,509		\$28,782	\$4,979
Salaries & Benefits Payable				
Unspent Grant Allocation				3,464
Total Liabilities	2,509	\$0	28,782	8,443
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	0	0	0	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$2,509	\$0	\$28,782	\$8,443

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2023

	Special Revenue Funds		Capital Project Funds	
	Title IV-B		Plant	Bus
	21st CCLC	SLFRF	Facilities Fund	Depreciation Fund
Assets				
Cash & Investments			\$126,034	\$60,661
Receivables:				
Local Sources			15,440	
State Sources				
Federal Sources	\$48,631			
Prepaid Expenditures				
Due From Other Funds				
Total Assets	\$48,631	\$0	\$141,474	\$60,661
Liabilities				
Accounts Payable				
Due To Other Funds	\$10,640			
Salaries & Benefits Payable				
Unspent Grant Allocation	37,991			
Total Liabilities	48,631	\$0	\$0	\$0
Deferred Inflows of Resources				
Unavailable Tax Revenues			2,741	
Total Deferred Inflows of Resources	0	0	2,741	0
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects			138,733	60,661
Unassigned				
Total Fund Balances	0	0	138,733	60,661
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$48,631	\$0	\$141,474	\$60,661

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2023

	Total
Assets	
Cash & Investments	\$415,318
Receivables:	
Local Sources	15,440
State Sources	0
Federal Sources	532,297
Prepaid Expenditures	2,509
Due From Other Funds	0
Total Assets	\$965,564
 Liabilities	
Accounts Payable	\$0
Due To Other Funds	180,770
Salaries & Benefits Payable	0
Unspent Grant Allocation	354,036
Total Liabilities	534,806
 Deferred Inflows of Resources	
Unavailable Tax Revenues	2,741
Total Deferred Inflows of Resources	2,741
 Fund Balances	
Restricted:	
Special Programs	228,623
Debt Service	0
Capital Projects	199,394
Unassigned	0
Total Fund Balances	428,017
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$965,564

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2023

	<u>Special Revenue Funds</u>			
	<u>Forest Reserve</u>	<u>Local Special Grants</u>	<u>Student Activity</u>	<u>Driver Education</u>
Revenues				
Local Taxes				
Other Local Revenue			\$264,583	\$2,550
State Revenue				3,276
Federal Revenue	\$6,056			
Total Revenues	<u>6,056</u>	<u>\$0</u>	<u>264,583</u>	<u>5,826</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				6,981
Vocational-Technical				
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operations				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity			250,825	
Capital Assets - Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>0</u>	<u>0</u>	<u>250,825</u>	<u>6,981</u>
Excess (Deficiency) of Revenues Over Expenditures	6,056	0	13,758	(1,155)
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	6,056	0	13,758	(1,155)
Fund Balances - Beginning	66,377	300	94,933	7,234
Fund Balances - Ending	<u>\$72,433</u>	<u>\$300</u>	<u>\$108,691</u>	<u>\$6,079</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2023

	<u>Special Revenue Funds</u>			
	<u>Professional Technical</u>	<u>Technology</u>	<u>Substance Abuse</u>	<u>ESSER III</u>
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue	\$24,046	\$53,915	\$5,025	
Federal Revenue				\$49,087
Total Revenues	<u>24,046</u>	<u>53,915</u>	<u>5,025</u>	<u>49,087</u>
Expenditures				
Instructional Programs				
Elementary School				12,636
Secondary School				36,451
Vocational-Technical	33,895			
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health			3,314	
Special Education Support Services				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operations				
Administrative Technology Service		43,426		
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>33,895</u>	<u>43,426</u>	<u>3,314</u>	<u>49,087</u>
Excess (Deficiency) of Revenues Over Expenditures	(9,849)	10,489	1,711	0
Other Financing Sources (Uses)				
Transfers In	9,849			
Transfers Out				
Total Other Financing Sources (Uses)	<u>9,849</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	10,489	1,711	0
Fund Balances - Beginning	0	8,753	20,167	0
Fund Balances - Ending	<u>\$0</u>	<u>\$19,242</u>	<u>\$21,878</u>	<u>\$0</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2023

	Special Revenue Funds			
	Title I-A ESSA IBP	ESSER I	ESSER II	IDEA Part B 611 School Age 3-21
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$38,519	\$6,768	\$48,899	\$59,714
Total Revenues	<u>38,519</u>	<u>6,768</u>	<u>48,899</u>	<u>59,714</u>
Expenditures				
Instructional Programs				
Elementary School	38,519	6,768	48,899	
Secondary School				
Vocational-Technical				
Special Education				59,714
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operations				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>38,519</u>	<u>6,768</u>	<u>48,899</u>	<u>59,714</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2023

	Special Revenue Funds			
	School Based Medicaid	Title IV-A ESSA SS & AE	Title V-B ESSA REI	Title II-A ESSA SEI
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$139	\$10,000	\$28,782	\$6,979
Total Revenues	<u>139</u>	<u>10,000</u>	<u>28,782</u>	<u>6,979</u>
Expenditures				
Instructional Programs				
Elementary School		10,000	28,379	6,979
Secondary School				
Vocational-Technical				
Special Education	173		403	
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operations				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>173</u>	<u>10,000</u>	<u>28,782</u>	<u>6,979</u>
Excess (Deficiency) of Revenues Over Expenditures	(34)	0	0	0
Other Financing Sources (Uses)				
Transfers In	34			
Transfers Out				
Total Other Financing Sources (Uses)	<u>34</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2023

	<u>Special Revenue Funds</u>		<u>Capital Project Funds</u>	
	<u>Title IV-B</u>		<u>Plant</u>	<u>Bus</u>
	<u>ESSA</u>		<u>Facilities</u>	<u>Depreciation</u>
	<u>21st CCLC</u>	<u>SLFRF</u>	<u>Fund</u>	<u>Fund</u>
Revenues				
Local Taxes			\$47,857	
Other Local Revenue				
State Revenue				
Federal Revenue	\$109,117	\$35,327		
Total Revenues	<u>109,117</u>	<u>35,327</u>	<u>47,857</u>	<u>\$0</u>
Expenditures				
Instructional Programs				
Elementary School		12,737		
Secondary School		12,085		
Vocational-Technical		4,128		
Special Education		4,124		
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health		2,067		
Special Education Support Services		186		
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operations				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services	109,117			
Student Activity				
Capital Assets - Student Occupied			46,140	
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>109,117</u>	<u>35,327</u>	<u>46,140</u>	<u>0</u>
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	1,717	0
Other Financing Sources (Uses)				
Transfers In				26,741
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,741</u>
Net Change in Fund Balances	0	0	1,717	26,741
Fund Balances - Beginning	0	0	137,016	33,920
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$138,733</u>	<u>\$60,661</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2023

	Total
Revenues	
Local Taxes	\$47,857
Other Local Revenue	267,133
State Revenue	86,262
Federal Revenue	399,387
Total Revenues	800,639
Expenditures	
Instructional Programs	
Elementary School	164,917
Secondary School	55,517
Vocational-Technical	38,023
Special Education	64,414
Special Education Preschool	0
Interscholastic	0
School Activity	0
Support Service Programs	
Attendance - Guidance - Health	5,381
Special Education Support Services	186
Educational Media	0
Instruction-Related Technology	0
Board of Education	0
District Administration	0
School Administration	0
Business Operations	0
Administrative Technology Service	43,426
Buildings - Care	0
Maintenance - Non-Student Occupied	0
Maintenance - Student Occupied	0
Maintenance - Grounds	0
Pupil-To-School Transportation	0
Pupil-Activity Transportation	0
General Transportation	0
Other Support Services	0
Non-Instructional Programs	
Child Nutrition	0
Community Services	109,117
Student Activity	250,825
Capital Assets - Student Occupied	46,140
Debt Service - Principal	0
Debt Service - Interest	0
Total Expenditures	777,946
Excess (Deficiency) of Revenues	
Over Expenditures	22,693
Other Financing Sources (Uses)	
Transfers In	36,624
Transfers Out	0
Total Other Financing Sources (Uses)	36,624
Net Change in Fund Balances	59,317
Fund Balances - Beginning	368,700
Fund Balances - Ending	\$428,017



**Independent Auditor’s Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Board of Trustees
Kendrick Joint School District No. 283

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kendrick Joint School District No. 283 (the School), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements, and have issued our report thereon dated September 8, 2023. In our report, we expressed a qualified opinion on the governmental activities as management has elected not to adopt the provisions of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School’s internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

School's Response to Finding

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

Purpose of this Report

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

Quest CPAs PLLC

Payette, Idaho
September 8, 2023

FINDINGS - FINANCIAL STATEMENT AUDIT

Significant Deficiency

2023-001 Adjusting Journal Entries and Related Accounting Practices

Condition – Throughout our testing, it was noted that the prior year adjusting journal entries were not posted to the School’s general ledger accounts following the audit. Other similar entries were either missing or posted to incorrect accounts during that timeframe as well.

Criteria – Generally accepted accounting principles should be adhered to strictly, with proper training provided to individuals responsible for accurate recordkeeping of the School’s finances.

Cause – Personnel responsible for accurate recordkeeping, whether due to lack of training or other causes, did not follow generally accepted accounting principles by timely recording certain transactions.

Effect – Failure to timely and accurately record financial transactions can lead to misstatements in the financial statements if left uncorrected.

Recommendation – It is recommended that the School ensure that all financial transactions are recorded timely and accurately, in accordance with generally accepted accounting principles for government entities, both by proper training and by oversight of the reporting of financial transactions.

Views of Responsible Officials and Planned Corrective Actions – The School has taken steps to improve in this area by hiring and providing training for responsible staff in the proper accounting for adjusting journal entries and other financial transactions.