

Kendrick Joint School District No. 283

Year Ended June 30, 2022

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, 2022, 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, 2022, 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, 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 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 October 26, 2022, 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
October 26, 2022

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash & Investments	\$2,664,530
Receivables:	
Local Sources	328,509
State Sources	15,283
Federal Sources	206,738
Prepaid Expenses	2,609
Total Current Assets	<u>3,217,669</u>
Noncurrent Assets	
Nondepreciable Capital Assets	550,406
Depreciable Net Capital Assets	3,618,735
Net Pension Asset	37,290
Total Noncurrent Assets	<u>4,206,431</u>
Total Assets	<u>7,424,100</u>
Deferred Outflows of Resources	
Pension Items	706,673
Total Deferred Outflows of Resources	<u>706,673</u>
Total Assets and Deferred Outflows of Resources	<u>\$8,130,773</u>
Liabilities	
Current Liabilities	
Salaries & Benefits Payable	\$263,953
Unspent Grant Allocation	46,054
Accrued Interest	18,450
Long-Term Liabilities, Current	105,000
Total Current Liabilities	<u>433,457</u>
Noncurrent Liabilities	
Long-Term Liabilities, Noncurrent	1,125,000
Total Noncurrent Liabilities	<u>1,125,000</u>
Total Liabilities	<u>1,558,457</u>
Deferred Inflows of Resources	
Pension Items	1,192,932
Total Deferred Inflows of Resources	<u>1,192,932</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,751,389</u>
Net Position	
Net Investment in Capital Assets	2,920,691
Restricted:	
Special Programs	615,725
Debt Service	271,849
Capital Projects	170,936
Unrestricted	1,400,183
Total Net Position	<u>5,379,384</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u>\$8,130,773</u>

See Accompanying Notes

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Activities
Year Ended June 30, 2022

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	\$713,831		\$190,214		(\$523,617)
Secondary School	488,353		123,169		(365,184)
Vocational-Technical	135,521		25,286		(110,235)
Special Education	242,378		94,172		(148,206)
Special Education Preschool	40,775		335		(40,440)
Interscholastic	78,708				(78,708)
School Activity	3,162				(3,162)
Support Service Programs					
Attendance - Guidance - Health	62,135		6,204		(55,931)
Special Education Support Services	82,602		1,457		(81,145)
Educational Media	31,404		352		(31,052)
Instruction-Related Technology	35,844		1,170		(34,674)
Board of Education	56				(56)
District Administration	135,407		383		(135,024)
School Administration	266,134		3,049		(263,085)
Business Operations	139,369		2,372		(136,997)
Administrative Technology Service	147,834		77,376		(70,458)
Buildings - Care	266,586		1,930		(264,656)
Maintenance - Non-Student Occupied	0		9,097		9,097
Maintenance - Student Occupied	78,303		2,585		(75,718)
Maintenance - Grounds	5,642				(5,642)
Pupil-To-School Transportation	274,794		7,039		(267,755)
Pupil-Activity Transportation	18,455				(18,455)
General Transportation	3,850				(3,850)
Other Support Services	722				(722)
Non-Instructional Programs					
Child Nutrition	171,081	\$712	139,997		(30,372)
Community Services	114,354		114,354		0
Student Activity	141,442	120,521			(20,921)
Capital Assets - Student Occupied	186,783				(186,783)
Debt Service - Principal	0				0
Debt Service - Interest	48,744				(48,744)
Total Governmental Activities	<u>\$3,914,269</u>	<u>\$121,233</u>	<u>\$800,541</u>	<u>\$0</u>	<u>(2,992,495)</u>
Changes in Net Position					Total
Net (Expense) Revenue					(2,992,495)
General Revenues					
Local Taxes					1,017,707
Other Local Revenues					97,644
State Revenues					2,477,662
Federal Revenues					0
Pension Revenue (Expense)					66,026
Total					<u>3,659,039</u>
Change in Net Position					666,544
Net Position - Beginning - As Previously Stated					4,487,448
Restatement - See Note I					225,392
Net Position - Beginning - As Restated					<u>4,712,840</u>
Net Position - Ending					<u>\$5,379,384</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Balance Sheet - Governmental Funds

June 30, 2022

	General Fund	Child Nutrition Fund	Bond R & I Fund	Nonmajor Governmental Funds
Assets				
Cash & Investments	\$1,662,414		\$231,280	\$352,875
Receivables:				
Local Sources	262,435		49,684	16,390
State Sources	12,863			2,420
Federal Sources				206,738
Prepaid Expenditures				2,609
Due From Other Funds	163,293			0
Total Assets	\$2,101,005	\$0	\$280,964	\$581,032
Liabilities				
Accounts Payable				\$0
Due To Other Funds				163,293
Salaries & Benefits Payable	\$263,953			0
Unspent Grant Allocation				46,054
Total Liabilities	263,953	\$0	\$0	209,347
Deferred Inflows of Resources				
Unavailable Tax Revenues	47,770		9,115	2,985
Total Deferred Inflows of Resources	47,770	0	9,115	2,985
Fund Balances				
Restricted:				
Special Programs				197,764
Debt Service			271,849	0
Capital Projects				170,936
Unassigned	1,789,282			0
Total Fund Balances	1,789,282	0	271,849	368,700
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$2,101,005	\$0	\$280,964	\$581,032

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Balance Sheet - Governmental Funds

June 30, 2022

	Total Governmental Funds
Assets	
Cash & Investments	\$2,246,569
Receivables:	
Local Sources	328,509
State Sources	15,283
Federal Sources	206,738
Prepaid Expenditures	2,609
Due From Other Funds	163,293
Total Assets	<u>\$2,963,001</u>
Liabilities	
Accounts Payable	\$0
Due To Other Funds	163,293
Salaries & Benefits Payable	263,953
Unspent Grant Allocation	46,054
Total Liabilities	<u>473,300</u>
Deferred Inflows of Resources	
Unavailable Tax Revenues	59,870
Total Deferred Inflows of Resources	<u>59,870</u>
Fund Balances	
Restricted:	
Special Programs	197,764
Debt Service	271,849
Capital Projects	170,936
Unassigned	1,789,282
Total Fund Balances	<u>2,429,831</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$2,963,001</u>

Balance Sheet - Governmental Funds

June 30, 2022

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

Total Governmental Fund Balances	\$2,429,831
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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.	4,169,141
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The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position and are not reported in the governmental funds.	417,961
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Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	59,870
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Long-term liabilities, including accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	(1,248,450)
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Net pension asset/liability and related pension deferred outflows and deferred inflows are not due and payable in the current period and therefore are not reported in the funds.	(448,969)
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Net Position of Governmental Activities	<u><u>\$5,379,384</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, 2022

	General Fund	Child Nutrition Fund	Bond R & I Fund	Other Governmental Funds
Revenues				
Local Taxes	\$820,652		\$145,084	\$49,640
Other Local Revenue	96,444	\$817	204	120,900
State Revenue	2,457,874		19,788	90,711
Federal Revenue	118,876	136,277		454,377
Total Revenues	<u>3,493,846</u>	<u>137,094</u>	<u>165,076</u>	<u>715,628</u>
Expenditures				
Instructional Programs				
Elementary School	716,176			130,476
Secondary School	521,716			57,504
Vocational-Technical	110,235			25,286
Special Education	148,206			94,172
Special Education Preschool	40,440			335
Interscholastic	78,708			0
School Activity	3,162			0
Support Service Programs				
Attendance - Guidance - Health	59,346			2,789
Special Education Support Services	73,026			9,576
Educational Media	31,052			352
Instruction-Related Technology	34,674			1,170
Board of Education	56			0
District Administration	135,024			383
School Administration	263,085			3,049
Business Operations	136,997			2,372
Administrative Technology Service	57,407			90,427
Buildings - Care	264,656			1,930
Maintenance - Non-Student Occupied	253,636			0
Maintenance - Student Occupied	75,718			2,585
Maintenance - Grounds	5,642			0
Pupil-To-School Transportation	233,835			7,039
Pupil-Activity Transportation	18,455			0
General Transportation	3,850			0
Other Support Services	722			0
Non-Instructional Programs				
Child Nutrition	4,183	163,178		3,720
Community Services				114,354
Student Activity				141,442
Capital Assets - Student Occupied				33,230
Debt Service - Principal			100,000	0
Debt Service - Interest			52,449	0
Total Expenditures	<u>3,270,007</u>	<u>163,178</u>	<u>152,449</u>	<u>722,191</u>
Excess (Deficiency) of Revenues Over Expenditures	223,839	(26,084)	12,627	(6,563)
Other Financing Sources (Uses)				
Transfers In	1,686	16,265		42,039
Transfers Out	(58,304)			(1,686)
Total Other Financing Sources (Uses)	<u>(56,618)</u>	<u>16,265</u>	<u>0</u>	<u>40,353</u>
Net Change in Fund Balances	167,221	(9,819)	12,627	33,790
Fund Balances - Beginning	1,622,061	9,819	259,222	334,910
Fund Balances - Ending	<u>\$1,789,282</u>	<u>\$0</u>	<u>\$271,849</u>	<u>\$368,700</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2022

	Total Governmental Funds
Revenues	
Local Taxes	\$1,015,376
Other Local Revenue	218,365
State Revenue	2,568,373
Federal Revenue	709,530
Total Revenues	4,511,644
Expenditures	
Instructional Programs	
Elementary School	846,652
Secondary School	579,220
Vocational-Technical	135,521
Special Education	242,378
Special Education Preschool	40,775
Interscholastic	78,708
School Activity	3,162
Support Service Programs	
Attendance - Guidance - Health	62,135
Special Education Support Services	82,602
Educational Media	31,404
Instruction-Related Technology	35,844
Board of Education	56
District Administration	135,407
School Administration	266,134
Business Operations	139,369
Administrative Technology Service	147,834
Buildings - Care	266,586
Maintenance - Non-Student Occupied	253,636
Maintenance - Student Occupied	78,303
Maintenance - Grounds	5,642
Pupil-To-School Transportation	240,874
Pupil-Activity Transportation	18,455
General Transportation	3,850
Other Support Services	722
Non-Instructional Programs	
Child Nutrition	171,081
Community Services	114,354
Student Activity	141,442
Capital Assets - Student Occupied	33,230
Debt Service - Principal	100,000
Debt Service - Interest	52,449
Total Expenditures	4,307,825
Excess (Deficiency) of Revenues Over Expenditures	203,819
Other Financing Sources (Uses)	
Transfers In	59,990
Transfers Out	(59,990)
Total Other Financing Sources (Uses)	0
Net Change in Fund Balances	203,819
Fund Balances - Beginning	2,226,012
Fund Balances - Ending	\$2,429,831

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2022

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 \$203,819

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. This is the excess of capital outlays over (under) depreciation expense in the current period. 66,163

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 2,331

The net change in position of the internal service fund is reported in the governmental activities in the statement of activities. 812

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Bond premium is amortized against interest expense over the term of the bond. 100,000

In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds. 3,705

Changes in net pension liability and related pension source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds. 289,714

Change in Net Position of Governmental Activities \$666,544

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Net Position - Proprietary Fund

June 30, 2022

	<u>Internal Service Fund</u>
Assets	
Current Assets	
Cash & Investments	\$417,961
Total Current Assets	<u>417,961</u>
Total Assets	<u><u>\$417,961</u></u>
Net Position	
Restricted:	
Special Programs	\$417,961
Total Net Position	<u><u>\$417,961</u></u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund
Year Ended June 30, 2022

	Internal Service Fund
Operating Revenues	
Other Local Revenue	\$0
Total Operating Revenues	0
Operating Expenses	
Medical Benefits	0
Total Operating Expenses	0
Operating Income (Loss)	0
Nonoperating Revenues (Expenses)	
Investment Return	812
Total Nonoperating Revenue (Expenses)	812
Income (Loss) Before Contributions & Transfers	812
Transfers In	0
Transfers Out	0
	0
Change in Net Position	812
Net Position - Beginning	417,149
Net Position - Ending	\$417,961

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Statement of Cash Flows - Proprietary Fund

Year Ended June 30, 2022

	<u>Internal Service Fund</u>
Cash Flows From Operations	
Receipts from Interfund Services Provided	\$0
Payments for Interfund Services Used	0
Cash Provided (Used) By Operations	<u>0</u>
Cash Flows From Investments	
Investment Return	812
Cash Provided (Used) By Investments	<u>812</u>
Change in Cash & Investments	812
Cash & Investments - Beginning	417,149
Cash & Investments - Ending	<u><u>\$417,961</u></u>
Reconciliation of Operating Income (Loss) to Cash Provided (Used) By Operations	
Operating Income (Loss)	\$0
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>\$0</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 forest reserve fund, which is used primarily for major capital outlay and 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.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

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, except for certain transportation vehicles which use the declining balance 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 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.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

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.

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.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

Cash - Deposits	\$203,960
Investments - Local Gov't Investment Pool	<u>2,460,570</u>
Total	<u><u>\$2,664,530</u></u>

Deposits – At year end, the carrying amounts of the School's deposits were \$203,960 and the bank balances were \$477,653. 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>\$2,460,570</u>	<u>\$2,460,570</u>
Total	<u><u>\$2,460,570</u></u>	<u><u>\$2,460,570</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>\$2,460,570</u>	<u>\$2,460,570</u>
Total	<u><u>\$2,460,570</u></u>	<u><u>\$2,460,570</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 governmental investment pool including regulatory information, ratings, and risk information can be found at www.sto.idaho.gov.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

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 Fund</u>	<u>Total</u>
Local Sources					
Local Taxes	\$262,435		\$49,684	\$16,390	\$328,509
Total	<u>\$262,435</u>		<u>\$49,684</u>	<u>\$16,390</u>	<u>\$328,509</u>
State Sources					
Foundation Program	\$12,863				\$12,863
Special Programs		\$2,420			2,420
Total	<u>\$12,863</u>	<u>\$2,420</u>			<u>\$15,283</u>
Federal Sources					
Special Programs		\$206,738			\$206,738
Total		<u>\$206,738</u>			<u>\$206,738</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

D. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets				
Land	\$296,770			\$296,770
Construction in Progress	0	\$253,636		253,636
Total	<u>296,770</u>	<u>253,636</u>	<u>\$0</u>	<u>550,406</u>
Depreciable Capital Assets				
Buildings	6,503,854			6,503,854
Equipment	234,760			234,760
Transportation	711,630			711,630
Subtotal	<u>7,450,244</u>	<u>0</u>	<u>0</u>	<u>7,450,244</u>
Accumulated Depreciation				
Buildings	2,968,964	130,077		3,099,041
Equipment	191,883	23,476		215,359
Transportation	483,189	33,920		517,109
Subtotal	<u>3,644,036</u>	<u>187,473</u>	<u>0</u>	<u>3,831,509</u>
Total	<u>3,806,208</u>	<u>(187,473)</u>	<u>0</u>	<u>3,618,735</u>
Net Capital Assets	<u>\$4,102,978</u>	<u>\$66,163</u>	<u>\$0</u>	<u>\$4,169,141</u>

Depreciation expense was charged to the following program:

Capital Assets - Student Occupied	\$153,553
Pupil-To-School Transportation	33,920
Total	<u>\$187,473</u>

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	\$1,230,000
Total	<u>\$1,230,000</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

Maturities on the bonds are estimated as follows:

Year Ended	Principal	Interest
6/30/23	\$105,000	\$47,100
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
6/30/28-32	655,000	65,100
Total	<u>\$1,230,000</u>	<u>\$255,600</u>

Changes in long-term liabilities are as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
2018 G.O.R. Bonds	\$1,330,000		\$100,000	\$1,230,000	\$105,000
Total	<u>\$1,330,000</u>	<u>\$0</u>	<u>\$100,000</u>	<u>\$1,230,000</u>	<u>\$105,000</u>

Interest and related costs during the year amounted to \$48,744 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 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.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

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, 2021 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 \$223,688 for the year ended June 30, 2022.

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

At June 30, 2022, the School reported an asset for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The School's proportion of the net pension asset 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, 2021, the School's proportion was 0.04721595 percent.

For the year ended June 30, 2022, the School recognized pension revenue (expense) of \$66,026. At June 30, 2022, 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	\$54,942	\$21,676
Changes in assumptions or other inputs	428,043	
Net difference between projected and actual earnings on pension plan investments		1,171,256
Employer contributions subsequent to the measurement date	223,688	
Total	\$706,673	\$1,192,932

\$223,688 reported as deferred outflows of resources related to pensions resulting from School contributions made subsequent to the measurement date will be recognized as an adjustment to the pension expense in the year ending June 30, 2022.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2021 the beginning of the measurement period ended June 30, 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 revenue (expense) as follows:

Year Ended	
6/30/23	(\$167,003)
6/30/24	(150,504)
6/30/25	(131,523)
6/30/26	<u>(260,916)</u>
Total	<u>(\$709,946)</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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Contributing Members, Service Retirement Members, and Beneficiaries

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

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 asset as of June 30, 2021 is based on the results of an actuarial valuation date of July 1, 2021.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

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 2021.

Capital Market Assumptions from Callan 2021

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	-0.20%
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return*		5.15%	3.06%

Investment Policy Assumptions from PERSI November 2019

Portfolio Long-Term Expected Real Rate of Return*	4.14%
Portfolio Standard Deviation	14.16%

Economic/Demographic Assumptions from Milliman 2021

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return*	4.05%
Assumed Inflation	2.30%
Long-Term Expected Geometric Rate of Return*	6.35%
*Net of Investment Expenses	

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Notes to Financial Statements

Discount Rate

The discount rate used to measure the total pension asset 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 pension plan administrative expense.

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

The following presents the School's proportionate share of the net pension asset calculated using the discount rate of 6.35 percent, as well as what the School's proportionate share of the net pension asset 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 (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
School's proportionate share of the net pension liability (asset)	\$1,296,286	(\$37,290)	(\$1,130,449)

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.

Impacts 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 asset or 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 asset or liability which is an estimated asset or 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 asset or 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.

KENDRICK JOINT SCHOOL DISTRICT NO. 283

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	\$163,293	\$163,293
Total	\$163,293	\$163,293

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	\$1,686	\$58,304	Support, Depreciation
Child Nutrition	16,265		Support
Nonmajor Governmental	42,039	1,686	Support, Depreciation
Total	\$59,990	\$59,990	

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.

I. PRIOR PERIOD ADJUSTMENT

During the year, the School changed its method of accounting for other-post employment benefits for retirees to the pay-as-you-go basis. The School's net position was restated by \$225,392 to reflect the implementation of this change.

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Budgetary Comparison Schedule - General and Major Special Revenue Funds
 Year Ended June 30, 2022

General Fund	Budgeted Amounts		Actual	Final Budget
	(GAAP Basis)			
	Original	Final		Positive
				(Negative)
Revenues				
Local Taxes	\$840,000	\$840,000	\$820,652	(\$19,348)
Other Local Revenue	18,150	18,150	96,444	78,294
State Revenue	2,190,650	2,190,650	2,457,874	267,224
Federal Revenue	5,000	5,000	118,876	113,876
Total Revenues	3,053,800	3,053,800	3,493,846	440,046
Expenditures				
Instructional Programs				
Elementary School	776,881	776,881	716,176	60,705
Secondary School	616,600	616,600	521,716	94,884
Vocational-Technical	145,793	145,793	110,235	35,558
Special Education	172,680	172,680	148,206	24,474
Special Education Preschool	22,435	22,435	40,440	(18,005)
Interscholastic	97,000	97,000	78,708	18,292
School Activity	7,830	7,830	3,162	4,668
Detention Center	99,976	99,976	0	99,976
Support Service Programs				
Attendance - Guidance - Health	82,145	82,145	59,346	22,799
Special Education Support Services	151,825	151,825	73,026	78,799
Educational Media	37,430	37,430	31,052	6,378
Instruction-Related Technology	39,670	39,670	34,674	4,996
Board of Education	0	0	56	(56)
District Administration	144,610	144,610	135,024	9,586
School Administration	321,150	321,150	263,085	58,065
Business Operations	133,200	133,200	136,997	(3,797)
Administrative Technology Service	75,730	75,730	57,407	18,323
Buildings - Care	227,700	227,700	264,656	(36,956)
Maintenance - Non-Student Occupied	500,000	500,000	253,636	246,364
Maintenance - Student Occupied	86,030	86,030	75,718	10,312
Maintenance - Grounds	16,460	16,460	5,642	10,818
Security Program	5,000	5,000	0	5,000
Pupil-To-School Transportation	300,905	300,905	233,835	67,070
Pupil-Activity Transportation	17,400	17,400	18,455	(1,055)
General Transportation	22,000	22,000	3,850	18,150
Other Support Services	11,500	11,500	722	10,778
Non-Instructional Programs				
Child Nutrition	5,000	5,000	4,183	817
Community Services	0	0	0	0
Student Activity	0	0	0	0
Capital Assets - Student Occupied	195,848	195,848	0	195,848
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
Total Expenditures	4,312,798	4,312,798	3,270,007	1,042,791 *
Excess (Deficiency) of Revenues				
Over Expenditures	(1,258,998)	(1,258,998)	223,839	1,482,837
Other Financing Sources (Uses)				
Transfers In	0	0	1,686	1,686
Transfers Out	0	0	(58,304)	(58,304) *
Total Other Financing Sources (Uses)	0	0	(56,618)	(56,618)
Net Change in Fund Balances	(1,258,998)	(1,258,998)	167,221	1,426,219
Fund Balances - Beginning	1,500,000	1,500,000	1,622,061	122,061
Fund Balances - Ending	\$241,002	\$241,002	\$1,789,282	\$1,548,280

*Total expenditures (over) under appropriations are: \$984,487

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Budgetary Comparison Schedule - General and Major Special Revenue Funds
 Year Ended June 30, 2022

Child Nutrition Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance
	Original	Final		Positive (Negative)
Revenues				
Other Local Revenue	\$10,982	\$10,982	\$817	(\$10,165)
Federal Revenue	105,000	105,000	136,277	31,277
Total Revenues	<u>115,982</u>	<u>115,982</u>	<u>137,094</u>	<u>21,112</u>
Expenditures				
Non-Instructional Programs				
Child Nutrition	115,982	115,982	163,178	(47,196)
Total Expenditures	<u>115,982</u>	<u>115,982</u>	<u>163,178</u>	<u>(47,196) *</u>
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	(26,084)	(26,084)
Other Financing Sources (Uses)				
Transfers In	0	0	16,265	16,265
Transfers Out	0	0	0	0 *
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>16,265</u>	<u>16,265</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>(9,819)</u>	<u>(9,819)</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>9,819</u>	<u>9,819</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<i>*Total expenditures (over) under appropriations are:</i>				<u><u>(\$47,196)</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	0.0577604%	\$425,207	\$1,564,806	27.17%	94.95%
2016	0.0582280%	\$766,769	\$1,630,952	47.01%	91.38%
2017	0.0539339%	\$1,093,323	\$1,577,403	69.31%	87.26%
2018	0.0503533%	\$791,467	\$1,563,940	50.61%	90.68%
2019	0.0473532%	\$698,468	\$1,523,525	45.85%	91.69%
2020	0.0501379%	\$572,310	\$1,702,889	33.61%	93.79%
2021	0.0484344%	\$1,124,711	\$1,724,690	65.21%	88.22%
2022	0.0472160%	(\$37,290)	\$1,774,012	-2.10%	100.36%

*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	\$223,688	\$223,688	\$0	\$1,873,434	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, 2022

	Special Revenue Funds			
	Forest Reserve	Local Special Grants	Student Activity	Driver Education
Assets				
Cash & Investments	\$66,377	\$300	\$94,933	\$4,814
Receivables:				
Local Sources				
State Sources				2,420
Federal Sources				
Prepaid Expenditures				
Due From Other Funds				
Total Assets	<u>\$66,377</u>	<u>\$300</u>	<u>\$94,933</u>	<u>\$7,234</u>
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs	66,377	300	94,933	7,234
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	<u>66,377</u>	<u>300</u>	<u>94,933</u>	<u>7,234</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$66,377</u>	<u>\$300</u>	<u>\$94,933</u>	<u>\$7,234</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2022

	Special Revenue Funds			Title I-A ESSA IBP
	Professional Technical	Technology	Substance Abuse	
Assets				
Cash & Investments		\$8,753	\$20,167	
Receivables:				
Local Sources				
State Sources				
Federal Sources				\$16,488
Prepaid Expenditures				
Due From Other Funds				
Total Assets	\$0	\$8,753	\$20,167	\$16,488
Liabilities				
Accounts Payable				
Due To Other Funds				\$10,214
Salaries & Benefits Payable				
Unspent Grant Allocation				6,274
Total Liabilities	\$0	\$0	\$0	16,488
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs		8,753	20,167	
Debt Service				
Capital Projects				
Unassigned				
Total Fund Balances	0	8,753	20,167	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$0	\$8,753	\$20,167	\$16,488

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2022

	Special Revenue Funds			
	ESSER I	ESSER II	IDEA Part B 611 School Age 3-21	School Based Medicaid
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$6,657	\$101,491	\$58,334	
Prepaid Expenditures				\$2,609
Due From Other Funds				
Total Assets	\$6,657	\$101,491	\$58,334	\$2,609
Liabilities				
Accounts Payable				
Due To Other Funds		\$88,564	\$58,334	\$2,609
Salaries & Benefits Payable				
Unspent Grant Allocation	\$6,657	12,927		
Total Liabilities	6,657	101,491	58,334	2,609
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	\$6,657	\$101,491	\$58,334	\$2,609

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2022

	Special Revenue Funds			
	Title IV-A	Title V-B	Title II-A	Title IV-B
	ESSA SS & AE	ESSA REI	ESSA SEI	ESSA 21st CCLC
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources			\$2,732	\$21,036
Prepaid Expenditures				
Due From Other Funds				
Total Assets	\$0	\$0	\$2,732	\$21,036
Liabilities				
Accounts Payable				
Due To Other Funds				\$3,572
Salaries & Benefits Payable				
Unspent Grant Allocation			\$2,732	17,464
Total Liabilities	\$0	\$0	2,732	21,036
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	\$0	\$0	\$2,732	\$21,036

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2022

	Special Revenue Funds			Capital Projects
	CRF			Plant
	SLFRF	Substitute Recruitment	CRF D/B Learning	Facilities Fund
Assets				
Cash & Investments				\$123,611
Receivables:				
Local Sources				16,390
State Sources				
Federal Sources				
Prepaid Expenditures				
Due From Other Funds				
Total Assets	\$0	\$0	\$0	\$140,001
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				2,985
Total Deferred Inflows of Resources	0	0	0	2,985
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				137,016
Unassigned				
Total Fund Balances	0	0	0	137,016
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$0	\$0	\$0	\$140,001

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2022

	Capital Projects		Total
	Bus		
	Depreciation		
	Fund		Total
Assets			
Cash & Investments	\$33,920		\$352,875
Receivables:			
Local Sources			16,390
State Sources			2,420
Federal Sources			206,738
Prepaid Expenditures			2,609
Due From Other Funds			0
Total Assets	\$33,920		\$581,032
Liabilities			
Accounts Payable			\$0
Due To Other Funds			163,293
Salaries & Benefits Payable			0
Unspent Grant Allocation			46,054
Total Liabilities	\$0		209,347
Deferred Inflows of Resources			
Unavailable Tax Revenues			2,985
Total Deferred Inflows of Resources	0		2,985
Fund Balances			
Restricted:			
Special Programs			197,764
Debt Service			0
Capital Projects	33,920		170,936
Unassigned			0
Total Fund Balances	33,920		368,700
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$33,920		\$581,032

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2022

	Special Revenue Funds			
	Forest Reserve	Local Special Grants	Student Activity	Driver Education
Revenues				
Local Taxes				
Other Local Revenue		\$300	\$120,521	
State Revenue				\$11,355
Federal Revenue	\$9,097			
Total Revenues	<u>9,097</u>	<u>300</u>	<u>120,521</u>	<u>11,355</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				5,128
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			141,442	
Capital Assets - Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>0</u>	<u>0</u>	<u>141,442</u>	<u>5,128</u>
Excess (Deficiency) of Revenues Over Expenditures	9,097	300	(20,921)	6,227
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	9,097	300	(20,921)	6,227
Fund Balances - Beginning	57,280	0	115,854	1,007
Fund Balances - Ending	<u>\$66,377</u>	<u>\$300</u>	<u>\$94,933</u>	<u>\$7,234</u>

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2022

	Special Revenue Funds			
	Professional Technical	Technology	Substance Abuse	Title I-A ESSA IBP
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue	\$22,901	\$51,445	\$5,010	
Federal Revenue				\$31,089
Total Revenues	<u>22,901</u>	<u>51,445</u>	<u>5,010</u>	<u>31,089</u>
Expenditures				
Instructional Programs				
Elementary School				31,089
Secondary School				
Vocational-Technical	22,901			
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health			1,595	
Special Education Support Services				
Educational Media				
Instruction-Related Technology		1,050		
Board of Education				
District Administration				
School Administration				
Business Operations				
Administrative Technology Service		63,446		
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>22,901</u>	<u>64,496</u>	<u>1,595</u>	<u>31,089</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(13,051)	3,415	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	(13,051)	3,415	0
Fund Balances - Beginning	0	21,804	16,752	0
Fund Balances - Ending	<u>\$0</u>	<u>\$8,753</u>	<u>\$20,167</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, 2022

	Special Revenue Funds			
	ESSER I	ESSER II	IDEA Part B 611 School Age 3-21	School Based Medicaid
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$19,808	\$88,564	\$59,649	\$34,523
Total Revenues	19,808	88,564	59,649	34,523
Expenditures				
Instructional Programs				
Elementary School	19,673	19,217		
Secondary School	135	42,486		
Vocational-Technical				
Special Education			59,649	34,523
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				8,119
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operations				
Administrative Technology Service		26,861		
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	19,808	88,564	59,649	42,642
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	(8,119)
Other Financing Sources (Uses)				
Transfers In				8,119
Transfers Out				(1,686)
Total Other Financing Sources (Uses)	0	0	0	6,433
Net Change in Fund Balances	0	0	0	(1,686)
Fund Balances - Beginning	0	0	0	1,686
Fund Balances - Ending	\$0	\$0	\$0	\$0

KENDRICK JOINT SCHOOL DISTRICT NO. 283
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2022

	Special Revenue Funds			
	Title IV-A ESSA SS & AE	Title V-B ESSA REI	Title II-A ESSA SEI	Title IV-B ESSA 21st CCLC
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$16,425	\$18,431	\$10,974	\$110,882
Total Revenues	<u>16,425</u>	<u>18,431</u>	<u>10,974</u>	<u>110,882</u>
Expenditures				
Instructional Programs				
Elementary School	16,425	18,431	10,974	
Secondary School				
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				110,882
Student Activity				
Capital Assets - Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>16,425</u>	<u>18,431</u>	<u>10,974</u>	<u>110,882</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, 2022

	Special Revenue Funds			Capital Projects
	SLFRF	CRF Substitute Recruitment	CRF D/B Learning	Plant Facilities Fund
Revenues				
Local Taxes				\$49,640
Other Local Revenue				79
State Revenue				
Federal Revenue	\$45,588	\$7,847	\$1,500	
Total Revenues	45,588	7,847	1,500	49,719
Expenditures				
Instructional Programs				
Elementary School	13,631	1,036		
Secondary School	8,467	1,288		
Vocational-Technical	2,385			
Special Education				
Special Education Preschool		335		
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health	1,194			
Special Education Support Services	1,084	373		
Educational Media		352		
Instruction-Related Technology		120		
Board of Education				
District Administration		383		
School Administration	2,405	644		
Business Operations	2,372			
Administrative Technology Service		120		
Buildings - Care		430	1,500	
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied	2,522	63		
Maintenance - Grounds				
Pupil-To-School Transportation	5,331	1,708		
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition	2,725	995		
Community Services	3,472			
Student Activity				
Capital Assets - Student Occupied				33,230
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	45,588	7,847	1,500	33,230
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	16,489
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	0	0	0	16,489
Fund Balances - Beginning	0	0	0	120,527
Fund Balances - Ending	\$0	\$0	\$0	\$137,016

KENDRICK JOINT SCHOOL DISTRICT NO. 283
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

	Capital Projects		Total
	Bus		
	Depreciation		
	Fund		Total
Revenues			
Local Taxes			\$49,640
Other Local Revenue			120,900
State Revenue			90,711
Federal Revenue			454,377
Total Revenues	\$0		715,628
Expenditures			
Instructional Programs			
Elementary School			130,476
Secondary School			57,504
Vocational-Technical			25,286
Special Education			94,172
Special Education Preschool			335
Interscholastic			0
School Activity			0
Support Service Programs			
Attendance - Guidance - Health			2,789
Special Education Support Services			9,576
Educational Media			352
Instruction-Related Technology			1,170
Board of Education			0
District Administration			383
School Administration			3,049
Business Operations			2,372
Administrative Technology Service			90,427
Buildings - Care			1,930
Maintenance - Non-Student Occupied			0
Maintenance - Student Occupied			2,585
Maintenance - Grounds			0
Pupil-To-School Transportation			7,039
Pupil-Activity Transportation			0
General Transportation			0
Other Support Services			0
Non-Instructional Programs			
Child Nutrition			3,720
Community Services			114,354
Student Activity			141,442
Capital Assets - Student Occupied			33,230
Debt Service - Principal			0
Debt Service - Interest			0
Total Expenditures	0		722,191
Excess (Deficiency) of Revenues			
Over Expenditures	0		(6,563)
Other Financing Sources (Uses)			
Transfers In	33,920		42,039
Transfers Out			(1,686)
Total Other Financing Sources (Uses)	33,920		40,353
Net Change in Fund Balances	33,920		33,790
Fund Balances - Beginning	0		334,910
Fund Balances - Ending	\$33,920		\$368,700



**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, 2022, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements, and have issued our report thereon dated October 26, 2022.

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. However, material weaknesses or significant deficiencies may exist that have not been identified.

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*.

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
October 26, 2022

KENDRICK JOINT SCHOOL DISTRICT NO. 283

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2022

FINDINGS – FINANCIAL STATEMENT AUDIT

Significant Deficiencies

2021-001 through 2021-004 Approval of Disbursements, Outstanding Checks, Credit Card Reconciliation, and Yearend Closing Procedures

Condition – In the previous year, it was noted that the School did not have effective internal controls over the following accounting functions:

- Approval of disbursements
- Management of outstanding checks
- Review of credit card reconciliations
- Yearend closing processes

Recommendation – It was recommended that the School ensure that it have effective internal controls over these accounting functions.

Current Status – These issues have been resolved by the School implementing effective internal controls over these areas and ensuring they are being performed in a consistent and timely manner.