

BASIC FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

YEAR ENDED JUNE 30, 2021

SCHOOL DISTRICT #58
 ABERDEEN, IDAHO

BASIC FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION
 YEAR ENDED JUNE 30, 2021

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SCHOOL DISTRICT #58
ABERDEEN, IDAHO

BASIC FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION
YEAR ENDED JUNE 30, 2021
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Board of Trustees,
School District #58
Aberdeen, Idaho

Independent Auditor's Report

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the fiduciary activities, and the aggregate remaining fund information of Aberdeen School District #58 (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility 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.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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 District's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the Fiduciary activities, , each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The District has not presented the Management’s Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of the basic financial statements.

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, the schedules of Net Pension Liability & Employer’s Contributions, and the major fund budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The combining and individual non-major fund financial statements and the schedules of student body funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the schedules of student body funds, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual non-major fund financial statements, the schedules of student body funds, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated August 20, 2021, on my consideration of the District's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Morgan J Hatt CPA PC

Pocatello, Idaho
August 20, 2021

Morgan J Hatt CPA PC

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Board of Trustees
School District #58
Aberdeen, Idaho

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

I 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, the fiduciary activities, each major fund, and the aggregate remaining fund information of Aberdeen School District #58 (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated August 20, 2021.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting to determine the audit procedures that are appropriate, in the circumstances, for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I 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 my audit and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Morgan J Hatt CPA PC

Pocatello, Idaho
August 20, 2021

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF NET POSITION
 AT JUNE 30, 2021

	<u>Governmental Activities</u>
ASSETS:	
Current Assets:	
Pooled cash and cash equivalents	\$1,866,346
Cash restricted for debt service	876,904
Receivables:	
Property taxes	479,706
State	435,925
Non-current Assets:	
Capital assets:	
Land	36,474
Property and equipment, net of accumulated depreciation	18,484,660
Net pension asset - OPEB	<u>341,762</u>
Total Assets:	<u>22,521,777</u>
DEFERRED OUTFLOWS:	
Deferred PERSI outflow of resources - Base Plan	615,239
Deferred PERSI outflow of resources - OPEB	<u>52,256</u>
Total Deferred Outflows:	<u>667,495</u>
Total Assets and Deferred Outflows of Resources:	<u><u>\$23,189,272</u></u>
LIABILITIES:	
Current Liabilities:	
Accounts payable	\$211,007
Accrued salaries	550,472
Interest payable	85,552
Due within one year - series 2016 bonds	485,000
Long-term Liabilities:	
Due in more than one year - series 2016 bonds	10,180,887
Net PERSI unfunded pension liability	<u>2,622,326</u>
Total Liabilities:	<u>14,135,244</u>
DEFERRED INFLOWS:	
Deferred PERSI inflow of resources - Base Plan	118,839
Deferred PERSI inflow of resources - OPEB	<u>711</u>
Total Deferred Inflows:	<u>119,550</u>
NET POSITION:	
Net investment in capital assets	8,476,134
Restricted	1,019,243
Unrestricted	<u>(560,899)</u>
Total Net Position:	<u>8,934,478</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position:	<u><u>\$23,189,272</u></u>

The accompanying notes are an integral part of these statements.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/ Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Instructional services:				
Regular instruction	\$4,266,170	\$28,353	\$802,793	(\$3,435,024)
Special education	521,484		180,800	(340,684)
Support services:				
Student Body Activities	197,175	220,881		23,706
Guidance / Health	163,245		24,682	(138,563)
Special services	134,420	7,460		(126,960)
Instructional improvement	184,958		147,359	(37,599)
Media	107,838		658	(107,180)
Technology	391,182		266,927	(124,255)
Board of Education	14,445			(14,445)
District administration	325,691		11,299	(314,392)
School administration	465,851		18,973	(446,878)
Business operation	61,192		9,480	(51,712)
Operation and maintenance	763,830		168,563	(595,267)
Transportation	480,293	29,039	8,473	(442,781)
Capital outlay	45,037			(45,037)
Non-instructional	389,623	4,361	430,794	45,532
Interest on long-term debt	269,335			(269,335)
Total Governmental Activities:	<u>\$8,781,769</u>	<u>\$290,094</u>	<u>\$2,070,801</u>	<u>(6,420,874)</u>
General Revenues:				
Taxes:				
Property taxes levied for general purposes				967,262
Property taxes levied for debt services				503,404
Property taxes levied for plant facilities				-
Federal and State aid:				
State foundation program				4,484,508
State other				281,244
Interest and investment earnings:				
Interest and investment earnings:				13,900
Total General Revenues:				<u>6,250,318</u>
Change in Net Position:				(170,556)
Net position - June 30, 2020				<u>9,105,034</u>
Net position - June 30, 2021				<u>\$8,934,478</u>

The accompanying notes are an integral part of these statements.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

BALANCE SHEET
GOVERNMENTAL FUNDS

AT JUNE 30, 2021

	Major Funds			Totals (Memorandum Only)
	General	School Lunch Fund	Debt Service Fund	
ASSETS:				
Cash	\$1,319,794	\$170,589		\$1,866,346
Cash restricted for debt service			\$876,904	876,904
Receivables:				
Property taxes	314,204		165,502	479,706
State of Idaho	105,001	15,064		435,925
Due from other funds	93,787			93,787
Total Assets:	<u>\$1,832,786</u>	<u>\$185,653</u>	<u>\$1,042,406</u>	<u>\$3,752,668</u>
LIABILITIES:				
Accounts payable	\$175,423	\$10,099		\$211,007
Salaries payable	458,298	17,255		550,472
Due to other funds				93,787
Total Liabilities:	<u>633,721</u>	<u>27,354</u>	<u>\$0</u>	<u>855,266</u>
DEFERRED RESOURCES:				
Unavailable property taxes	34,164		23,163	57,327
FUND BALANCE:				
Restricted			1,019,243	1,019,243
Committed		158,299		657,532
Unassigned	1,164,901		(1,601)	1,163,300
Total Fund Balance:	<u>1,164,901</u>	<u>158,299</u>	<u>1,019,243</u>	<u>2,840,075</u>
Total Liabilities and Fund Balance:	<u>\$1,832,786</u>	<u>\$185,653</u>	<u>\$1,042,406</u>	<u>\$3,752,668</u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AT JUNE 30, 2021

Total fund balances - governmental funds		\$2,840,075
<p>Total net position reported for governmental activities in the Statement of Net Position is different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.</p>		
District's share of PERSI OPEB asset	\$341,762	
Cost of capital assets	25,238,605	
Depreciation expense to date	<u>(6,717,471)</u>	
		18,862,896
<p>Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred revenue in the governmental funds.</p>		
		57,327
<p>Deferred amounts are not current financial resources/uses. Therefore, they are not reported in the governmental funds.</p>		
Deferred PERSI outflows - Base Plan	615,239	
Deferred PERSI outflows - OPEB	52,256	
Deferred PERSI inflows - Base Plan	(118,839)	
Deferred PERSI inflows - OPEB	<u>(711)</u>	
		547,945
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.</p>		
Lease purchase payable		
Bonds payable	(10,665,887)	
Accrued interest on bonds	(85,552)	
District's share of PERSI unfunded pension liability	<u>(2,622,326)</u>	
		<u>(13,373,765)</u>
Total Net Position:		<u><u>\$8,934,478</u></u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2021

	Major Funds			Non-major Funds	Total Governmental Funds
	General Fund	School Lunch Fund	Debt Service Fund		
REVENUES:					
Local:					
Property taxes (net of cancellations)	\$964,569		\$516,354		\$1,480,923
Earnings on investments	10,252		3,648		13,900
Other local	40,085	\$4,361		\$252,868	297,314
State:					
Base support	3,662,813				3,662,813
Transportation	287,369				287,369
State paid benefits	534,326				534,326
Other	435,439		217,625	261,108	914,172
Federal Assistance		424,846		1,007,559	1,432,405
Total Revenues:	<u>5,934,853</u>	<u>429,207</u>	<u>737,627</u>	<u>1,521,535</u>	<u>8,623,222</u>
EXPENDITURES:					
Instructional Services:	3,519,237			940,865	4,460,102
Support Services:					
Guidance/Health	148,111			5,385	153,496
Special services	119,548			7,875	127,423
Instructional improvement	105,415			69,475	174,890
Media	101,682			620	102,302
Technology	142,684			239,108	381,792
Board of Education	14,445				14,445
District administration	295,763			10,653	306,416
School administration	422,569			17,888	440,457
Business operation	61,192				61,192
Operation and maintenance	713,438			18,589	732,027
Transportation	370,352			7,988	378,340
Other Non-instructional:	14	368,590		5,608	374,212
Debt Service:					
Principal			475,000		475,000
Interest			302,850		302,850
Capital Assets				353,693	353,693
Total Expenditures:	<u>6,014,450</u>	<u>368,590</u>	<u>777,850</u>	<u>1,677,747</u>	<u>8,838,637</u>
EXCESS REVENUES (EXPENDITURES):	(79,597)	60,617	(40,223)	(156,212)	(215,415)
OTHER FINANCING SOURCES (USES):					
Transfers (to) from other funds	(80,475)	29,093	0	51,382	0
NET CHANGE IN FUND BALANCES:	(160,072)	89,710	(40,223)	(104,830)	(215,415)
FUND EQUITY - JUNE 30, 2020	<u>1,324,973</u>	<u>68,589</u>	<u>1,059,466</u>	<u>602,462</u>	<u>3,055,490</u>
FUND EQUITY - JUNE 30, 2021	<u>\$1,164,901</u>	<u>\$158,299</u>	<u>\$1,019,243</u>	<u>\$497,632</u>	<u>\$2,840,075</u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
AT JUNE 30, 2021

Total net change in fund balances - governmental funds	(\$215,415)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:

Depreciation expense this year	(\$409,084)	
Current year capital outlays	308,656	
		(100,428)

Governmental funds report debt proceeds as financing sources, while repayment of debt principal is reported as an expenditure. In the Statement of Net Position, debt increases liabilities and does not affect the Statement of Activities. Repayment of debt reduces the liability.

Bond issue premium amortization	29,359	
Accrued interest	4,156	
Current year repayment of bond principal	475,000	
		508,515

Because some property taxes will not be collected for several months after the District's year-end, they are not considered as available revenue in the governmental funds. They are recorded as current revenue in the Statement of Activities.	(12,009)
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Net pension liability and related pension source deferred outflow and deferred inflow of resources are not due and payable in the current period and therefore are not reported in the governmental funds.	(351,219)
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Total Change in Net Position:	<u>(\$170,556)</u>
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SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF FIDUCIARY NET POSITION

AT JUNE 30, 2021

	Private Purpose Trust Funds <u>Scholarship</u>
ASSETS:	
Cash and equivalents	<u>\$10,383</u>
NET POSITION:	
Restricted for scholarships	10,383
Unrestricted	<u> </u>
Total Liabilities and Net Position:	<u>\$10,383</u>

The accompanying notes are an integral part of these statements.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2021

	Private Purpose Trust Funds <u>Scholarship</u>
ADDITIONS:	
Contributions	
Investment income	\$37
Total Additions:	<u>37</u>
DEDUCTIONS:	
Scholarships	500
Total Deductions:	<u>500</u>
CHANGE IN NET POSITION	(463)
NET POSITION - BEGINNING	<u>10,846</u>
NET POSITION - ENDING	<u><u>\$10,383</u></u>

The accompanying notes are an integral part of these statements

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of School District #58 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

Reporting Entity - For financial reporting purposes, management has considered potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles. The basic criterion for including a potential component unit within the reporting entity is the governing body's responsibility for financial accountability. Financial accountability is defined as the level of accountability that exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it. Based upon the application of these criteria, the District has no potential component units.

Government-wide and Fund Financial Statements - The Statement of Net Position and the Statement of Activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expenses for capital assets that can specifically be identified with a function are included in its direct expenses. Depreciation expense for shared assets is ratably included in the direct expenses of the appropriate functions. Interest on general long-term liabilities is considered an indirect expense and is reported in the Statement of Activities as a separate line item.

Program revenues include 1) fees and charges paid by students and other recipients of goods or services offered by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

The fund financial statements provide information about the District's funds, including its fiduciary funds. The emphasis of the fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major funds:

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

The **School Lunch Fund** accounts for resources accumulated and payments made for principal and interest on general obligation school building bonds.

The **Debt Service Fund** accounts for resources accumulated and payments made to provide food services to students.

Additionally, the District reports the following fiduciary fund:

The **Private Purpose Scholarship Accounts** (Trust funds) account for monies that have been donated for student scholarships.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation –

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been met.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

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

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

Budgetary Data - Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance reserve. The following procedures are used in establishing the budgetary data reflected in the financial statements.

During May of each year, the Superintendent submits to the School Board a proposed operating budget for the next fiscal year commencing on July 1st. This budget includes proposed expenditures and the means of financing them.

Copies of the proposed budget are made available for public inspection and review by the patrons of the District.

After considering patron input at a public hearing in June, the Board adopts the budget.

Once adopted, the budget can be amended by subsequent Board action. The Board, upon recommendation of the Superintendent, can approve reductions in appropriations but increases in appropriations by fund require a public hearing prior to amending the budget.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Expenditures may not legally exceed budgeted appropriations at the fund level.

Encumbrances are not liabilities and they are not recorded as expenditures until receipt of material or services. For budgetary purposes, appropriations lapse at year-end and are re-budgeted the following year. The District does not reserve a fund balance for outstanding encumbrances at year-end.

Deposits and Investments – The cash balances of substantially all funds are pooled and invested by the District for purposes of increasing earnings through investment activities. The District's investments are reported at fair value at year-end. The Idaho State Treasurer's Local Government Pool operates in accordance with appropriate state laws and regulations. Changes in the fair value of investments are recorded as investment earnings. Earnings on pooled funds are apportioned to the funds based on the average balance of each participating fund.

Cash and Cash Equivalents – The District considers investments with an original maturity of three months or less to be cash equivalent.

Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as due to/due from other funds.

Inventories – Inventories of governmental funds are recorded as expenditures when purchased. Financial statements for the school lunch program do not show the value of donated commodities.

Capital Assets – Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Purchases of constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life is not capitalized.

Depreciation is recorded using the straight-line method over the estimated useful lives as follows: Buildings and improvements: 20-40 years. Buses: 10 years. Furniture and equipment: 3-15 years.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Compensated Absences – Employees are granted vacation and sick leave in varying amounts. Accumulated vacation must be used prior to the employee’s anniversary date. The District does not compensate employees for unused sick leave. When a teacher retires an amount equal to one half of the accumulated sick leave is reported to the State Retirement Board. The amount is used to pay the retiree’s health insurance.

Long-term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so it will not be recognized as an outflow of resources (expenditure) until then. The District does have items that qualify for reporting in this category. They are the deferred outflows of resources related to the PERSI pension base plan.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type of these items, which arises under the government-wide accrual basis of accounting that qualifies for reporting in this category and one item, which arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The other item (reported in the government-wide statements) is an amount related to the pension base plan. See note 12 for details on the pension plan. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Equity – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Non-spendable portions of the fund balance are those that cannot be spent, because they are in a non-spendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for a specific purpose pursuant to formal action of the 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 District first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned resources, The District first utilizes committed resources, then assigned resources, before using unassigned resources.

Fund Balance Flow Assumptions – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Net Position Flow Assumptions – Net position represents the difference between assets and liabilities. Net investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, regulations, or other governments.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Pensions – For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (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.

Other Post-employment Benefits (OPEB) – For purposes of measuring the net OPEB asset, deferred outflows of resources, and deferred inflows of resources related to OPEB and OPEB expense; (expense offset), information about the fiduciary net position of the Public Employment Retirement System of Idaho (PERSI or System), Sick Leave Insurance Reserve Fund, and additions to/deductions from Sick Leave Insurance Reserve Fund’s fiduciary net position, have been determined on the same basis as they are reported by the Sick Leave Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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

2. DEPOSITS AND INVESTMENTS

The District invests its idle cash in the Idaho State Treasurer's local government investment pool. The deposits are stated as cash which approximates market. The State Treasurer combines deposits from all government entities in Idaho, who participate in the pool, and purchases the following types of investments: Local Certificates of Deposit, Repurchase Agreements, and U.S. Government Securities.

The entities participating in the pool own a percentage of each investment held. This percentage is calculated by dividing the individual entity's deposits by the total deposits held in the pool. The purpose of this is to: increase overall the rate of return, reduce risk of default, and place each entity under the FDIC and FSLIC limits of \$250,000.

Under Idaho Code Section 67-1210 the District is authorized to invest surplus or idle monies in investments subject to the following standards, guidelines, and restrictions:

- a. District monies shall not be made in any depository of financial institution in an amount, which exceeds ten (10%) of said entity's capital and surplus. Any investments to be made above Federal Deposit Insurance require the depository to have a current "Moody's Bank Credit Report Service" rating of "A" or better.
- b. No demand deposits or investment in time deposits or certificates of deposit shall be made in a financial institution insured in whole or in part by the Federal Savings and Loan Insurance Corporation or in any State or Federal credit unions insurance programs in an amount in excess of the insurance available.

Investments allowable under "Idaho Code Section 67-1210" are:

- a. Bonds, Treasury bills, interest bearing notes, or other obligations of the United States, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- b. General obligation or revenue bonds of this State, or those for which the faith and credit of this State are pledged for payment of principal and interest.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

2. DEPOSITS AND INVESTMENTS - (CONTINUED)

- c. General obligation or revenue bonds of any county, city, metropolitan water district, municipal utility district, school district or other taxing district of this State.
- d. Notes, bonds, debentures, or other similar obligations issued by the Farm Credit System or institutions forming a part thereof under the Farm Credit Act of 1971.
- e. Bonds, notes, or other similar obligations issued by public corporations of the State of Idaho including, but not limited to, the Idaho State Building Authority, the Idaho Housing Authority, and the Idaho Water Resource Board.
- f. Repurchase agreements covered by any legal investment for the State of Idaho.
- g. Tax anticipation notes and registered warrants of the State of Idaho.
- h. Tax anticipation bonds or notes and income and revenue anticipation bonds or notes of taxing districts of the State of Idaho.
- i. Time deposits and savings accounts in State depositories including, but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transactions accounts.
- j. Time deposit accounts and savings accounts of Federal savings and loan associations located within the geographical boundaries of the State in amounts not to exceed the insurance provided by the Federal Savings and Loan Insurance Corporation including, but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.
- k. Revenue bonds of institutions of higher education of the State of Idaho.
- l. Share, savings, and deposit accounts of State and Federal credit unions located within the geographical boundaries of the State in amounts not to exceed the insurance provided by the National Credit Union Share Insurance Fund and/or any other authorized deposit guaranty corporation, including but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.
- m. Money market funds whose portfolios consist of any allowed investment as specified in this section. The securities held in money market portfolios must be dollar-denominated, meaning that all principal and interest payments on such a security are payable to security holders in United States dollars.

3. PROPERTY TAXES

Taxes are levied by the second Monday in September on assessed valuations as of June 30. Taxes on real property are payable in two equal installments on December 20 and June 30 of the following year. Personal property taxes are due December 20. Delinquent payments bear simple interest of 1% per month plus a 2% penalty. Due to the small amount of taxes not collected, no adjustment is made for delinquent taxes.

SCHOOL DISTRICT #58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2021

4. CAPITAL ASSETS

Governmental Activities:	<u>7/1/20</u>	<u>Increase</u>	<u>Decrease</u>	<u>6/30/21</u>
Capital Assets not being depreciated:				
Land	<u>\$36,474</u>			<u>\$36,474</u>
Capital Assets being depreciated:				
Buildings & improvements	22,720,491	\$181,400		22,901,891
Furniture & equipment	849,165	32,274		881,439
Vehicles	<u>1,323,819</u>	<u>94,982</u>		<u>1,418,801</u>
	<u>24,893,475</u>	<u>308,656</u>		<u>25,202,131</u>
Accumulated Depreciation:				
Buildings & improvements	4,751,942	282,810		5,034,752
Furniture & equipment	635,690	39,008		674,698
Vehicles	<u>920,755</u>	<u>87,266</u>		<u>1,008,021</u>
	<u>6,308,387</u>	<u>409,084</u>	<u>0</u>	<u>6,717,471</u>
 Total Capital Assets-Net of Depreciation	 <u><u>\$18,621,562</u></u>			 <u><u>\$18,521,134</u></u>
 Depreciation was charged to functions as follows:				
Non-instructional		\$14,997		
Transportation		85,693		
Operation & maintenance		6,604		
Regular instruction		<u>301,790</u>		
		<u><u>\$409,084</u></u>		

5. DEFICIT FUND BALANCE

For most of these Federal and State programs, the District spends its own money and then requests reimbursement from the various funding agencies. For those funds with deficits, reimbursement has not yet been received. As of June 30, 2021, the following funds had deficit fund balances:

Gear Up Grant Fund	(\$1,601)
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SCHOOL DISTRICT #58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2020

6. DUE TO/ DUE FROM

Federal program funds are temporarily overspent while waiting for Federal reimbursements. The Debt Service Fund tax levy was not sufficient. Deficit cash is shown as due to other funds as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$93,787	
Gear Up Grant fund		\$18,772
Title I Fund		\$33,671
Title I Migrant Fund		\$6,435
IDEA Part B		\$14,243
IDEA Part B Preschool Fund		\$418
Title IV A Fund		\$905
C Perkins Vocational Education Fund		\$11,629
Title III LEP Fund		\$2,412
Title II Teacher Quality Fund		\$5,302

7. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

School Lunch Fund	\$16,390
Cares Act ESSERF Fund	\$132,855
Student Activity Funds	\$192,175
Driver Education Fund	\$5,691
Stem Grant Fund	\$3,534
State Substance Abuse Fund	\$240
Title I Fund	\$6,219
Idaho Rebounds CVRF Fund	\$47
Building Idaho Future Fund	\$13,532
Bus Depreciation Fund	\$1,982
Plant Facilities Fund	\$1,752

8. RISK MANAGEMENT

The District is exposed to various risks of loss, related to torts; theft of, damage to, or destruction of assets; errors and omissions; employee health and injuries, and natural disasters. All risks are insured by commercial insurance.

SCHOOL DISTRICT #58

ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

9. **LONG-TERM DEBT**

General Obligation Bond Series 2016 were issued July 2017 in the amount of \$11,425,000. Scheduled payments due on the Series 2016 bonds are as follows:

	<u>Principal</u>	<u>Coupon</u> <u>%</u>	<u>Interest</u>	<u>Total Debt</u> <u>Service</u>
9/15/2021	\$485,000	3.00%	\$146,660	\$631,660
3/15/2022			139,385	139,385
9/15/2022	500,000	4.00%	139,385	639,385
3/15/2023			129,385	129,385
9/15/2023	520,000	4.00%	129,385	649,385
3/15/2024			118,985	118,985
9/15/2024	545,000	4.00%	118,985	663,985
3/15/2025			108,085	108,085
9/15/2025	565,000	4.00%	108,085	673,085
3/15/2026			96,785	96,785
9/15/2026	585,000	4.00%	96,785	681,785
3/15/2027			85,085	85,085
9/15/2027	610,000	4.00%	85,085	695,085
3/15/2028			72,885	72,885
9/15/2028	635,000	2.00%	72,885	707,885
3/15/2029			66,535	66,535
9/15/2029	645,000	2.15%	66,535	711,535
3/15/2030			60,085	60,085
9/15/2030	660,000	2.13%	60,085	720,085
3/15/2031			53,073	53,073
9/15/2031	675,000	2.25%	53,073	728,073
3/15/2032			45,479	45,479
9/15/2032	690,000	2.38%	45,479	735,479
3/15/2033			37,285	37,285
9/15/2033	705,000	2.50%	37,285	742,285
3/15/3034			8,473	28,473

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

9. LONG-TERM DEBT – (CONTINUED)

9/15/2034	725,000	2.50%	28,473	753,473
3/15/2035			19,410	19,410
9/15/2035	740,000	2.55%	19,410	759,410
3/15/2036			9,975	9,975
9/15/2036	<u>760,000</u>	2.63%	<u>9,975</u>	<u>769,975</u>
	<u>\$10,045,000</u>		<u>\$2,288,478</u>	<u>\$12,333,478</u>

Beginning in the fiscal year ended June 30, 2015, GASB 68 requires the District to record its share of PERSI's unfunded pension liability. The June 30, 2021 liability amount is not available at this time. The District's share of PERSI's unfunded liability measured as of June 30, 2020 was \$2,622,326. That amount has been recorded as a long-term liability on the Statement of Net Position.

The following is a summary of long-term debt transactions for the year ended June 30, 2021:

	Balance <u>7/1/20</u>	Debt <u>Acquired</u>	Debt <u>Retired</u>	<u>6/30/21</u>	Due within <u>one year</u>
2016 Series Bonds	\$10,520,000		(\$475,000)	\$10,045,000	\$485,000
Unamortized bond issue premium	650,246		(29,359)	620,887	29,978
District's share of PERSI unfunded liability	<u>1,249,956</u>	<u>\$1,372,370</u>		<u>2,622,326</u>	
	<u>\$12,420,202</u>	<u>\$1,372,370</u>	<u>(\$504,359)</u>	<u>\$13,288,213</u>	<u>\$514,978</u>

10. CONTINGENT LIABILITIES

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

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

**11. CREDIT RISK, CONCENTRATION OF CREDIT RISK,
AND INTEREST RATE RISK**

As of June 30, 2021, the District's investments were as follows: All of the District's investments are in an internal investment pool.

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

Credit Risk - Statutes authorize the District to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued from the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or any taxing district in the State, time deposits, saving deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool. The District does not have an investment policy that would further limit its investment choices.

Concentration Credit Risk - The District does not place a limit on the amount that the District may invest in any one issuer. Most of the District's investments are in Local Government Investment Pool which by its nature is a diversified account. As of June 30, 2021, the fund consisted of U.S. Treasury Notes, Government Agency Notes, Idaho Bank Deposits, Repurchase Agreements, Corporate Bonds and Commercial Paper.

12. ADOPTION OF NEW STANDARD,

Effective July 1, 2020, the District adopted GASB Statement No. 84, *Fiduciary Activities*. Beginning net position was restated to retroactively record the June 30, 2020 Student Activity Fund balance.

Net Position at June 30, 2020, as previously reported	\$8,872,910
Combined Student Activity Fund Balances	<u>232,124</u>
Net Position as Restated, July 1, 2020	<u>\$9,105,034</u>

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

13. PUBLIC EMPLOYEE RETIREMENT SYSTEM

Plan Description

Aberdeen School District #58, (The District) contributes to the Base Plan which is a cost sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employers of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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

Pension Benefits

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

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

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2021

13. PUBLIC EMPLOYEE RETIREMENT SYSTEM - (CONTINUED)

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and 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 72% for police and firefighters. As of June 30, 2020, it was 7.16% for general employees and 8.81% 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 Districts's contributions were \$480,133 for the PERSI year ended June 30, 2020.

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

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participation PERSI Base Plan employers. At June 30, 2020, the District's proportion was .1129275 percent.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2021

13. PUBLIC EMPLOYEE RETIREMENT SYSTEM - (CONTINUED)

For the year ended June 30, 2021 the District recognized pension expense of \$949,689. At June 30, 2021, the District reported deferred outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$88,720	(\$61,689)
Changes in assumptions or other inputs	(\$25,182)	\$0
Net difference between projected and actual earnings on pension plan investments	\$0	(\$425,824)
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	\$43,741	\$606,352
Contributions subsequent to the measurement date	\$507,960	\$0
Total	\$615,239	\$118,839

\$507,960 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2021.

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, 2019, the beginning of the measurement period ended June 30, 2019 is 4.8 and 4.7 for the measurement period June 30, 2020.

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

Year ended June 30, 2021:

2021	\$8,469
2022	\$110,463
2023	\$149,924
2024	\$195,321

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2021

13. PUBLIC EMPLOYEE RETIREMENT SYSTEM - (CONTINUED)

Actuarial Assumptions

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

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of-living adjustments	1%

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

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

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions other than mortality. The Total Pension Liability as of June 30, 2020 is based on the results of an actuarial valuation date of July 1, 2020.

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.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
YEAR ENDED JUNE 30, 2021

13. PUBLIC EMPLOYEE RETIREMENT SYSTEM - (CONTINUED)

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. 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 the System’s assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2020.

Capital Market Assumptions from Callen 2020

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%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation-Mean		2.25%	2.25%
Assumed Inflation-Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-term (Geometric) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.85%	3.49%

SCHOOL DISTRICT #58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS – (CONTINUED)
 YEAR ENDED JUNE 30, 2021

13. PUBLIC EMPLOYEE RETIREMENT SYSTEM - (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. 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 plan’s net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

The following presents the employer’s proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.05 percent) or 1 percentage point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)	\$5,377,666	\$2,622,326	\$344,104

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.gov.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

14. OPEB PLAN

Plan Description

Aberdeen School District #58 (the District) contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing, multiple-employer Defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies, and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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

OPEB Benefits

Group retiree health, dental, accident, and life insurance premiums may qualify as a benefit. Retirees who have a sick leave account can use their balance as a credit towards these premiums paid directly to the applicable insurance company.

Employer Contributions

The contribution rate for employers is set by statute at .065% of covered compensation for State members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate is 1.16% for school members with 9 or 10 sick days and 1.26% for school board members with 11 – 14 sick days. If a school board member has more than 14 days of sick leave, then the contribution rate will be set by the PERSI Retirement Board based upon current cost and actuarial data and reviewed annually. The District's contributions were \$24,887 for the Plan year ended June 30, 2020.

SCHOOL DISTRICT #58
ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
YEAR ENDED JUNE 30, 2021

14. OPEB PLAN - (CONTINUED)

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

At June 30, 2021, The District reported an asset for its proportional share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based upon the District's share of contributions relative to the total contributions of all participating Sick Leave Employers. At June 30, 2020 the District's proportion was .2775609 percent.

For the year ended June 30, 2021, the District recognized OPEB expense (expense offset) of \$2,645. \$47,522 reported as deferred outflows of resources related to OPEBs resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2021.

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. The Sick Leave Plan amortizes any net OPEB asset based on a level percentage of payroll. The maximum amortization period for the Sick Leave Plan permitted under Section 59-1322 Idaho Code is 25 years.

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The health care trend rate is not applicable as the benefit amount a participant will receive is established with a set amount upon retirement and thus would have no impact.

SCHOOL DISTRICT #58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2021

14. OPEB PLAN - (CONTINUED)

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. 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 the System's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Capital Market Assumptions from Callen 2020

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%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation-Mean		2.25%	2.25%
Assumed Inflation-Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-term (Geometric) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.85%	3.49%

Investment Policy Assumptions from PERSI November 2019

Portfolio Long-term Expected Real Rate of Return, Net of Investment Expenses	4.14%
Portfolio Standard Deviation	14.16%

Economic/Demographic Assumptions from Milliman 2018

Valuation Assumptions Chosen by PERSI Board	
Long-term Expected Real Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	3.00%
Long-term Expected Geometric Rate of Return, Net of Investment Expenses	7.05%

SCHOOL DISTRICT #58
 ABERDEEN, IDAHO

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)
 YEAR ENDED JUNE 30, 2021

14. OPEB PLAN - (CONTINUED)

Discount Rate

The discount rate used to measure the total OPEB liability was 7.05%. 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 OPEB plan's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Sensitivity of the net OPEB asset to Changes in the Discount Rate.

The following presents the employer's proportionate share of the net OPEB asset calculated using the discount rate of 7.05 percent, as well as what the employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower (6.05 percent) or 1 percentage point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)	(\$297,139)	(\$265,849)	(\$296,050)

OPEB 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.gov.

REQUIRED SUPPLEMENTARY INFORMATION

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SCHOOL DISTRICT NO 58
ABERDEEN, IDAHO

REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021

Schedule of Employer's Share of Net Pension Liability PERSI - Base Plan *

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Employer's portion of net pension liability	0.112928%	0.109504%	0.106708%	0.109794%
Employer's proportionate share of net pension liability	\$2,622,326	\$1,249,956	\$1,573,968	\$1,725,767
Employer's covered employee payroll	\$4,254,270	\$4,021,215	\$3,719,194	\$3,475,890
Employer's proportional share of the net pension liability as a percentage of covered employee payroll	61.64%	31.08%	42.32%	49.65%
Plan fiduciary net position as a percentage of total pension liability	88.22%	93.79%	91.69%	87.26%

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

Data reported is measured as of June 30, 2020

Schedule of Employer's Contributions PERSI - Base Plan *

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Statutorily required contribution	\$443,061	\$419,006	\$414,393	\$370,237
Contributions in relation to the statutorily required contribution	\$486,309	\$427,154	\$393,902	\$391,269
Contribution (deficiency) excess	\$43,248	\$8,148	(\$20,491)	\$21,031
Employer's covered employee payroll	\$4,254,270	\$4,021,215	\$3,719,194	\$3,475,890
Contributions as a percentage of covered employee payroll	10.41%	10.42%	11.14%	10.65%

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

Data reported is measured as of June 30, 2020

<u>2016</u>	<u>2015</u>
0.114567%	0.112561%
\$2,322,457	\$1,482,251
\$3,410,117	\$3,353,363
68.10%	44.20%
91.38%	91.38%

<u>2016</u>	<u>2015</u>
\$340,566	\$368,191
\$384,500	\$361,593
\$43,934	(\$6,598)
\$3,410,117	\$3,353,363
9.99%	10.98%

SCHOOL DISTRICT NO 58
ABERDEEN, IDAHO

REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021

Schedule of Employer's Share of Net OPEB Asset - OPEB Plan *

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's portion of net OPEB asset	0.277561%	0.278386%	0.277109%
Employer's proportionate share of net OPEB asset	\$341,762	\$266,639	\$229,848
Employer's covered employee payroll	\$4,254,270	\$4,021,215	\$3,719,194
Employer's proportional share of the net OPEB asset as a percentage of covered employee payroll	8.03%	6.63%	6.18%
Plan fiduciary net position as a percentage of total OPEB asset	152.87%	138.51%	135.69%

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

Data reported is measured as of June 30, 2020

Schedule of Employer's Contributions - OPEB Plan *

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$24,887	\$45,664	\$43,219
Contributions in relation to the statutorily required contribution	\$24,887	\$45,664	\$43,219
Contribution (deficiency) excess	\$0	\$0	\$0
Employer's covered employee payroll	\$4,254,270	\$4,021,215	\$3,719,194
Contributions as a percentage of covered employee payroll	0.58%	1.14%	1.16%

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

Data reported is measured as of June 30, 2020

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND

YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE:			
Property taxes	\$958,500	\$964,569	\$6,069
Investment interest	45,000	10,252	(34,748)
Other local	44,495	40,085	(4,410)
State base support	3,850,445	3,662,813	(187,632)
State transportation	258,246	287,369	29,123
State paid benefits	494,091	534,326	40,235
Other State	339,456	435,439	95,983
Total General Fund Revenues:	\$5,990,233	\$5,934,853	(\$55,380)
EXPENDITURES:			
INSTRUCTION:			
Elementary Programs:			
Salaries	\$947,727	\$926,075	\$21,652
Benefits	374,920	358,103	16,817
Purchased services	21,965	15,860	6,105
Materials and supplies	103,725	86,949	16,776
	<u>1,448,337</u>	<u>1,386,987</u>	<u>61,350</u>
Secondary Programs:			
Salaries	1,191,156	1,145,206	45,950
Benefits	440,558	406,599	33,959
Purchased services	11,635	12,269	(634)
Materials and supplies	96,232	79,047	17,185
	<u>1,739,581</u>	<u>1,643,121</u>	<u>96,460</u>
Special Programs:			
Salaries	214,560	221,850	(7,290)
Benefits	111,665	96,571	15,094
Purchased services	3,200	1,003	2,197
Materials and supplies	5,368	5,020	348
	<u>334,793</u>	<u>324,444</u>	<u>10,349</u>
Activity Programs:			
Salaries	68,736	64,610	4,126
Benefits	14,307	9,988	4,319
Purchased services	63,550	50,448	13,102
Materials and supplies	18,870	23,090	(4,220)
	<u>165,463</u>	<u>148,136</u>	<u>17,327</u>
Summer/After School Programs:			
Salaries	15,072	13,720	1,352
Benefits	2,787	2,829	(42)
	<u>17,859</u>	<u>16,549</u>	<u>1,310</u>
Total Instruction:	3,706,033	3,519,237	186,796
SUPPORT SERVICES:			
Guidance/Health:			
Salaries	96,192	105,943	(9,751)
Benefits	37,948	37,120	828
Purchased services	6,592	819	5,773
Materials and supplies	5,209	4,229	980
	<u>145,941</u>	<u>148,111</u>	<u>(2,170)</u>
Special Services:			
Salaries	85,862	78,709	7,153
Benefits	35,638	37,293	(1,655)
Purchased services	14,750	3,546	11,204
Materials and supplies	1,700	0	1,700
	<u>137,950</u>	<u>119,548</u>	<u>18,402</u>
Instructional Improvement:			
Salaries	82,935	79,824	3,111
Benefits	27,053	25,190	1,863
Purchased services	7,790	401	7,389
	<u>117,778</u>	<u>105,415</u>	<u>12,363</u>
Media Program:			
Salaries	61,674	62,204	(530)
Benefits	30,271	29,361	910
Purchased services	2,400	2,395	5
Materials and supplies	8,100	7,722	378
	<u>102,445</u>	<u>101,682</u>	<u>763</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND - (CONTINUED)

YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Technology:			
Salaries	\$86,142	\$95,051	(\$8,909)
Benefits	33,466	35,199	(1,733)
Purchased services	13,300	12,434	866
Materials and supplies	11,000		11,000
	<u>143,908</u>	<u>142,684</u>	<u>1,224</u>
Board of Education:			
Benefits	136	26	110
Purchased services	12,700	9,159	3,541
Materials and supplies	5,500	5,135	365
Insurance	200	125	75
	<u>18,536</u>	<u>14,445</u>	<u>4,091</u>
District Administration:			
Salaries	192,895	209,468	(16,573)
Benefits	77,960	77,338	622
Purchased services	15,700	3,632	12,068
Materials and supplies	3,500	5,325	(1,825)
	<u>290,055</u>	<u>295,763</u>	<u>(5,708)</u>
School Administration:			
Salaries	270,903	276,470	(5,567)
Benefits	141,125	130,721	10,404
Purchased services	12,800	8,887	3,913
Materials and supplies	7,700	6,491	1,209
	<u>432,528</u>	<u>422,569</u>	<u>9,959</u>
Business Operation:			
Benefits		122	(122)
Purchased services	36,600	29,532	7,068
Materials and supplies	45,000	31,538	13,462
	<u>81,600</u>	<u>61,192</u>	<u>20,408</u>
Operation and Maintenance:			
Salaries	287,562	285,094	2,468
Benefits	113,363	108,150	5,213
Purchased services	259,500	189,732	69,768
Materials and supplies	88,500	71,978	16,522
Capital outlay	8,000	0	8,000
Insurance	53,000	58,484	(5,484)
	<u>809,925</u>	<u>713,438</u>	<u>96,487</u>
Transportation:			
Salaries	221,433	199,805	21,628
Benefits	117,381	91,893	25,488
Purchased services	16,800	11,970	4,830
Materials and supplies	76,650	54,935	21,715
Capital outlay	8,000		8,000
Insurance	14,700	11,749	2,951
	<u>454,964</u>	<u>370,352</u>	<u>84,612</u>
Capital Outlay/Contingency	<u>0</u>	<u>0</u>	<u>0</u>
School Lunch	<u>1,500</u>	<u>14</u>	<u>1,486</u>
Total Support Services:	<u>2,737,130</u>	<u>2,495,213</u>	<u>241,917</u>
Total General Fund Expenditures:	<u>6,443,163</u>	<u>6,014,450</u>	<u>428,713</u>
Excess Revenues over Expenditures	(452,930)	(79,597)	373,333
Transfers (to) from other funds	44,012	(80,475)	(124,487)
Excess revenues and other financing sources over expenditures and other financing uses	<u>(\$408,918)</u>	<u>(160,072)</u>	<u>\$248,846</u>
FUND EQUITY - JUNE 30, 2020		<u>1,324,973</u>	
FUND EQUITY - JUNE 30, 2021		<u>\$1,164,901</u>	

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - SCHOOL LUNCH FUND

YEAR ENDED JUNE 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE:			
Child meals	\$100		(\$100)
Other food sales	7,600	\$4,361	
Federal assistance	318,200	424,846	106,646
Total Revenue:	<u>325,900</u>	<u>429,207</u>	<u>106,546</u>
EXPENDITURES:			
Salaries	107,966	114,067	(6,101)
Benefits	65,052	64,939	113
Purchased services		4,485	(4,485)
Materials and supplies	179,182	185,099	(5,917)
Capital outlay			0
Total Expenditures:	<u>352,200</u>	<u>368,590</u>	<u>(16,390)</u>
Excess revenues over expenditures:	(26,300)	60,617	86,917
Transfers (to) from other funds		<u>29,093</u>	<u>(29,093)</u>
Excess revenues and other financing sources over expenditures and other financing uses	<u>(\$26,300)</u>	89,710	<u>\$57,824</u>
FUND EQUITY - JUNE 30, 2020		<u>68,589</u>	
FUND EQUITY - JUNE 30, 2021		<u>\$158,299</u>	

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND

YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE:			
Property taxes	\$550,000	\$516,354	(\$33,646)
State	205,017	217,625	12,608
Investment income	5,000	3,648	(1,352)
Total Revenue:	<u>760,017</u>	<u>737,627</u>	<u>(22,390)</u>
EXPENDITURES:			
Principal	475,000	475,000	0
Interest	303,445	302,850	595
Total Expenditures:	<u>778,445</u>	<u>777,850</u>	<u>595</u>
Excess revenues over expenditures	<u>(\$18,428)</u>	<u>(40,223)</u>	<u>(\$21,795)</u>
FUND EQUITY - JUNE 30, 2020		<u>1,059,466</u>	
FUND EQUITY - JUNE 30, 2021		<u>\$1,019,243</u>	

OTHER INFORMATION

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING BALANCE SHEET
 NON-MAJOR FUNDS

AT JUNE 30, 2021

	Gear Up Grant Fund	Student Activity Fund	Driver Education Fund	Stem Grant Fund
ASSETS:				
Cash		\$257,693	\$1,787	\$400
Property taxes receivable				
Federal and State receivable	\$20,753		10,110	1,534
Total Assets:	<u>\$20,753</u>	<u>\$257,693</u>	<u>\$11,897</u>	<u>\$1,934</u>
LIABILITIES:				
Accounts payable	\$1,665			
Salaries payable	1,917			
Due to other funds	18,772			
Total Liabilities:	<u>22,354</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
DEFERRED RESOURCES:				
Unavailable property taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE:				
Committed		257,693	11,897	1,934
Unassigned	(1,601)			
Total Fund Equity:	<u>(1,601)</u>	<u>257,693</u>	<u>11,897</u>	<u>1,934</u>
Total Liabilities and Fund Balance:	<u>\$20,753</u>	<u>\$257,693</u>	<u>\$11,897</u>	<u>\$1,934</u>

State Vocational Fund	State Technology Fund	Title I Fund	Cares Act ESSERF Fund	Title I Migrant Fund	IDEA Part B Fund	IDEA Part B Preschool Fund
\$2,407	\$9,517					
		\$64,968	\$8,224	\$52,787	\$65,994	\$3,175
\$2,407	\$9,517	\$64,968	\$8,224	\$52,787	\$65,994	\$3,175
\$371		\$6,284		\$4,567	\$7,023	\$189
2,036		17,212		13,862	20,531	472
		33,671		6,435	14,243	418
2,407	\$0	57,167	\$0	24,864	41,797	1,079
0	0	0	0	0	0	0
	9,517	7,801	8,224	27,923	24,197	2,096
0	9,517	7,801	8,224	27,923	24,197	2,096
\$2,407	\$9,517	\$64,968	\$8,224	\$52,787	\$65,994	\$3,175

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING BALANCE SHEET
 NON-MAJOR FUNDS - (CONTINUED)

AT JUNE 30, 2021

	Title IV A Fund	C. Perkins Vocational Education Fund	Title III LEP Fund	Title II Teacher Quality Fund
ASSETS:				
Cash				
Property taxes receivable				
Federal and State receivable	\$2,840	\$11,629	\$11,406	\$9,124
Total Assets:	\$2,840	\$11,629	\$11,406	\$9,124
LIABILITIES:				
Accounts payable	\$451		\$1,944	
Salaries payable	1,354		2,828	
Due to other funds	905	\$11,629	2,412	\$5,302
Total Liabilities:	2,710	11,629	7,184	5,302
DEFERRED RESOURCES:				
Unavailable property taxes				
FUND BALANCE:				
Committed	130		4,222	3,822
Unassigned				
Total Fund Equity:	130	0	4,222	3,822
Total Liabilities and Fund Balance:	\$2,840	\$11,629	\$11,406	\$9,124

Idaho Rebounds CVRF Fund	Building Idaho Future Fund	Medicaid Fund	Lottery Fund	2021 Totals
		\$8,133	\$96,026	\$375,963
				0
\$1,385	\$51,931			315,860
<u>\$1,385</u>	<u>\$51,931</u>	<u>\$8,133</u>	<u>\$96,026</u>	<u>\$691,823</u>
	\$2,076	\$915		\$25,485
	11,456	3,251		74,919
				93,787
\$0	13,532	4,166	\$0	194,191
				0
1,385	38,399	3,967	96,026	499,233
				(1,601)
<u>1,385</u>	<u>38,399</u>	<u>3,967</u>	<u>96,026</u>	<u>497,632</u>
<u>\$1,385</u>	<u>\$51,931</u>	<u>\$8,133</u>	<u>\$96,026</u>	<u>\$691,823</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NON-MAJOR FUNDS

YEAR ENDED JUNE 30, 2021

	Gear Up Grant Fund	Student Activity Fund	Driver Education Fund	Stem Grant Fund	State Vocational Fund
REVENUES:					
Local income		\$220,881	\$10,585	\$5,468	
State assistance			7,861		\$45,032
Federal assistance	\$33,623				
Total Revenues:	<u>33,623</u>	<u>220,881</u>	<u>18,446</u>	<u>5,468</u>	<u>45,032</u>
EXPENDITURES:					
Instructional services	28,999	197,175	20,159	3,534	45,032
Support services					
Capital outlay					
Total Expenditures:	<u>28,999</u>	<u>197,175</u>	<u>20,159</u>	<u>3,534</u>	<u>45,032</u>
EXCESS REVENUES (EXPENDITURES)	4,624	23,706	(1,713)	1,934	0
TRANSFERS (TO) FROM OTHER FUNDS					
EXCESS FINANCING SOURCES (USES)	4,624	23,706	(1,713)	1,934	0
FUND BALANCE - JUNE 30, 2020	<u>(6,225)</u>	<u>233,987</u>	<u>13,610</u>	<u>0</u>	<u>0</u>
FUND BALANCE - JUNE 30, 2021	<u>(\$1,601)</u>	<u>\$257,693</u>	<u>\$11,897</u>	<u>\$1,934</u>	<u>\$0</u>

State Technology Fund	State Substance Abuse Fund	Title I Fund	Cares Act ESSERF Fund	Title I Migrant Fund	IDEA Part B Fund	IDEA Part B Preschool Fund
\$84,472	\$10,387	\$167,464	\$16,341	\$90,655	\$154,531	\$6,058
<u>84,472</u>	<u>10,387</u>	<u>167,464</u>	<u>16,341</u>	<u>90,655</u>	<u>154,531</u>	<u>6,058</u>
75,270	13,649	183,002 206	8,117	46,140 30,430	162,017 350	4,394
<u>75,270</u>	<u>13,649</u>	<u>183,208</u>	<u>8,117</u>	<u>76,570</u>	<u>162,367</u>	<u>4,394</u>
9,202	(3,262)	(15,744)	8,224	14,085	(7,836)	1,664
		<u>(4,266)</u>		<u>(2,465)</u>		
9,202	(3,262)	(20,010)	8,224	11,620	(7,836)	1,664
315	3,262	27,811	0	16,303	32,033	432
<u>\$9,517</u>	<u>\$0</u>	<u>\$7,801</u>	<u>\$8,224</u>	<u>\$27,923</u>	<u>\$24,197</u>	<u>\$2,096</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NON-MAJOR FUNDS - (CONTINUED)

YEAR ENDED JUNE 30, 2021

	Title IV A Fund	C. Perkins Vocational Education Fund	Title III LEP Fund	Title II Teacher Quality Fund
REVENUES:				
Local income				
State assistance				
Federal assistance	\$16,070	\$11,629	\$32,957	\$28,048
Total Revenues:	16,070	11,629	32,957	28,048
EXPENDITURES:				
Instructional services	15,940	11,629	32,101	
Support services				25,190
Capital outlay				
Total Expenditures:	15,940	11,629	32,101	25,190
EXCESS REVENUES (EXPENDITURES)	130	0	856	2,858
TRANSFERS (TO) FROM OTHER FUNDS			(516)	(778)
EXCESS FINANCING SOURCES (USES)	130	0	340	2,080
FUND BALANCE - JUNE 30, 2019	0	0	3,882	1,742
FUND BALANCE - JUNE 30, 2020	\$130	\$0	\$4,222	\$3,822

Idaho Rebounds CVRF Fund	Building Idaho Future Fund	Medicaid Fund	Bus Depreciation Fund	Lottery Fund	Plant Facilities Fund	2021 Totals
			\$14,182		\$1,752	\$252,868
		\$4,981		\$108,375		261,108
<u>\$398,252</u>	<u>51,931</u>					<u>1,007,559</u>
<u>398,252</u>	<u>51,931</u>	<u>4,981</u>	<u>14,182</u>	<u>108,375</u>	<u>1,752</u>	<u>1,521,535</u>
150,314	13,532	26,897				940,865
225,160		3,065			1,752	383,189
			<u>94,982</u>	<u>258,711</u>		<u>353,693</u>
<u>375,474</u>	<u>13,532</u>	<u>29,962</u>	<u>94,982</u>	<u>258,711</u>	<u>1,752</u>	<u>1,677,747</u>
22,778	38,399	(24,981)	(80,800)	(150,336)	0	(156,212)
<u>(21,393)</u>			<u>80,800</u>			<u>51,382</u>
1,385	38,399	(24,981)	0	(150,336)	0	(104,830)
<u>0</u>	<u>0</u>	<u>28,948</u>	<u>0</u>	<u>246,362</u>	<u>0</u>	<u>602,462</u>
<u>\$1,385</u>	<u>\$38,399</u>	<u>\$3,967</u>	<u>\$0</u>	<u>\$96,026</u>	<u>\$0</u>	<u>\$497,632</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR FUND REVENUE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2021

	Estimated Revenues	Actual Revenues	Variance Favorable (Unfavorable)
GEAR UP GRANT FUND:			
Federal assistance	\$48,420	\$33,623	(\$14,797)
STUDENT ACTIVITY FUND:			
Local revenue	\$5,000	\$220,881	\$215,881
DRIVER EDUCATION FUND:			
Local revenue	\$4,000	\$10,585	\$6,585
State assistance	4,000	7,861	3,861
	<u>\$8,000</u>	<u>\$18,446</u>	<u>\$10,446</u>
STEM GRANT FUND:			
Local revenue	\$0	\$5,468	\$5,468
STATE VOCATIONAL FUND:			
State assistance	\$45,033	\$45,032	(\$1)
STATE TECHNOLOGY FUND:			
State assistance	\$83,842	\$84,472	\$630
STATE SUBSTANCE ABUSE FUND:			
State revenue	\$10,147	\$10,387	\$240
TITLE I FUND:			
Federal assistance	\$153,444	\$167,464	\$14,020
CARES ACT ESSERF FUND:			
Federal assistance	\$16,321	\$16,341	\$20
TITLE I MIGRANT FUND:			
Federal assistance	\$90,657	\$90,655	(\$2)
IDEA PART B FUND:			
Federal assistance	\$154,532	\$154,531	(\$1)
IDEA PART B PRESCHOOL FUND:			
Federal assistance	\$6,068	\$6,058	\$10
TITLE IV-A FUND:			
Federal assistance	\$16,070	\$16,070	\$0

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR FUND REVENUE - BUDGET AND ACTUAL - (CONTINUED)
 YEAR ENDED JUNE 30, 2021

	Estimated Revenues	Actual Revenues	Variance Favorable (Unfavorable)
C. PERKINS VOCATIONAL EDUCATION FUND:			
Federal assistance	<u>\$11,630</u>	<u>\$11,629</u>	<u>(\$1)</u>
TITLE III LEP FUND:			
Federal assistance	<u>\$32,956</u>	<u>\$32,957</u>	<u>\$1</u>
TITLE II TEACHER QUALITY FUND:			
Federal assistance	<u>\$27,995</u>	<u>\$28,048</u>	<u>\$53</u>
IDAHO REBOUNDS CVRF FUND:			
Federal assistance	<u>\$396,868</u>	<u>\$398,252</u>	<u>\$1,384</u>
BUILDING IDAHO FUTURE FUND:			
Federal assistance	<u></u>	<u>\$51,931</u>	<u>\$51,931</u>
MEDICAIDE FUND			
State assistance	<u>\$18,000</u>	<u>\$4,981</u>	<u>(\$13,019)</u>
BUS DEPRECIATION FUND:			
Local revenue	<u>\$12,500</u>	<u>\$14,182</u>	<u>\$0</u>
			<u>0</u>
LOTTERY FUND:			
State assistance	<u>\$86,919</u>	<u>\$108,375</u>	<u>\$21,456</u>
PLANT FACILITIES FUND:			
Property taxes	<u></u>	<u>\$1,752</u>	<u>\$1,752</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2021

	<u>Appropriated</u>	<u>Expended</u>	Variance Favorable (Unfavorable)
GEAR UP GRANT FUND:			
Instruction:			
Salaries	\$13,320	\$13,597	(\$277)
Benefits	2,761	2,639	122
Purchased services	3,500	1,213	2,287
Materials and supplies	19,500	11,550	7,950
Support Services:			
Purchased services	6,000		6,000
Materials and supplies	3,339		3,339
	<u>\$48,420</u>	<u>\$28,999</u>	<u>\$19,421</u>
STUDENT ACTIVITY FUND:			
Instruction:			
Materials and supplies	<u>\$5,000</u>	<u>\$197,175</u>	<u>(\$192,175)</u>
DRIVER EDUCATION FUND:			
Instruction:			
Salaries	\$6,000	\$16,051	(\$10,051)
Benefits	682	1,318	(636)
Materials and supplies	1,178	2,509	(1,331)
Capital outlay	6,408		6,408
Insurance	200	281	(81)
	<u>\$14,468</u>	<u>\$20,159</u>	<u>(\$5,691)</u>
STEM GRANT FUND:			
Instruction:			
Purchased services		\$1,534	(\$1,534)
Materials and supplies		2,000	(2,000)
	<u>\$0</u>	<u>\$3,534</u>	<u>(\$3,534)</u>
STATE VOCATIONAL FUND:			
Instruction:			
Salaries	\$12,660	\$12,219	\$441
Benefits	2,809	2,415	394
Purchased services	4,564	125	4,439
Materials and supplies	25,000	30,273	(5,273)
	<u>\$45,033</u>	<u>\$45,032</u>	<u>\$1</u>
STATE TECHNOLOGY FUND:			
Support Services:			
Salaries	\$15,522	\$6,763	\$8,759
Benefits	5,474	2,310	3,164
Purchased services	34,026	22,619	11,407
Materials and supplies	28,820	43,578	(14,758)
	<u>\$83,842</u>	<u>\$75,270</u>	<u>\$8,572</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
 YEAR ENDED JUNE 30, 2021

STATE SUBSTANCE ABUSE FUND:	Appropriated	Expended	Variance Favorable (Unfavorable)
Support Services:			
Purchased services	\$8,000	\$4,474	\$3,526
Materials and supplies	5,409	9,175	(3,766)
	<u>\$13,409</u>	<u>\$13,649</u>	<u>(\$240)</u>
TITLE I FUND:			
Instruction:			
Salaries	\$115,465	\$109,457	\$6,008
Benefits	40,043	43,793	(3,750)
Purchased services	18,403	22,708	(4,305)
Materials and supplies	1,377	7,044	(5,667)
Support Services:			
Materials and supplies	1,703	206	1,497
Transfers:	4,264	4,266	(2)
	<u>\$181,255</u>	<u>\$187,474</u>	<u>(\$6,219)</u>
CARES ACT ESSERF FUND:			
Instruction:			
Purchased services	\$3,440		\$3,440
Support Services:			
Purchased services	11,989	\$7,225	4,764
Materials and supplies	892	892	0
	<u>\$16,321</u>	<u>\$8,117</u>	<u>\$8,204</u>
TITLE I MIGRANT FUND:			
Instruction:			
Salaries	\$37,678	\$29,693	\$7,985
Benefits	15,990	14,225	1,765
Purchased services	6,000		6,000
Materials and supplies	14,542	2,222	12,320
Support Services:			
Salaries	20,002	20,002	0
Benefits	10,268	10,428	(160)
Transfers:	2,465	2,465	0
	<u>\$106,945</u>	<u>\$79,035</u>	<u>\$27,910</u>
IDEA PART B FUND:			
Instruction:			
Salaries	\$101,698	\$97,675	\$4,023
Benefits	40,433	40,377	56
Purchased services	8,500	338	8,162
Materials and supplies	20,454	23,627	(3,173)
Support Services:			
Purchased services	1,000	350	650
Materials and supplies	2,000		2,000
	<u>\$174,085</u>	<u>\$162,367</u>	<u>\$11,718</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
 YEAR ENDED JUNE 30, 2021

	<u>Appropriated</u>	<u>Expended</u>	<u>Variance Favorable (Unfavorable)</u>
IDEA PART B PRESCHOOL FUND:			
Instruction:			
Salaries	\$3,964	\$2,835	\$1,129
Benefits	1,755	1,177	578
Purchased services	940	382	558
Materials and supplies			0
Transfers:	169		169
	<u>\$6,828</u>	<u>\$4,394</u>	<u>\$2,434</u>
TITLE IV A FUND:			
Instruction:			
Salaries	\$8,120	\$8,120	\$0
Benefits	2,854	2,723	131
Capital outlay	5,096	5,097	(1)
	<u>\$16,070</u>	<u>\$15,940</u>	<u>\$130</u>
C. PERKINS VOCATIONAL EDUCATION FUND:			
Instruction:			
Salaries	\$395	\$474	(\$79)
Benefits	82	92	(10)
Purchased services	3,850	728	3,122
Materials and supplies	7,303	10,335	(3,032)
	<u>\$11,630</u>	<u>\$11,629</u>	<u>\$1</u>
TITLE III LEP FUND:			
Instruction:			
Salaries	\$12,427	\$16,968	(\$4,541)
Benefits	8,888	12,655	(3,767)
Purchased services	2,000	285	1,715
Materials and supplies	13,008	2,193	10,815
Transfers:	516	516	0
	<u>\$36,839</u>	<u>\$32,617</u>	<u>\$4,222</u>
TITLE II TEACHER QUALITY FUND:			
Support Services:			
Salaries	\$17,100	\$15,900	\$1,200
Benefits	3,565	3,188	377
Purchased services	7,600	5,319	2,281
Materials and supplies	693	783	(90)
Transfers:	778	778	0
	<u>\$29,736</u>	<u>\$25,968</u>	<u>\$3,768</u>
IDAHO REBOUNDS CVRF FUND:			
Instruction:			
Salaries	\$129,781	\$127,783	\$1,998
Benefits	22,589	22,531	58
Support Services:			0
Salaries	60,168	62,271	(2,103)
Benefits	11,786	11,739	
Purchased services	71,406	17,150	54,256
Materials and supplies	79,744	134,000	(54,256)
	<u>\$375,474</u>	<u>\$375,474</u>	<u>(\$47)</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF NON-MAJOR EXPENDITURES - BUDGET AND ACTUAL - (CONTINUED)
 YEAR ENDED JUNE 30, 2021

	<u>Appropriated</u>	<u>Expended</u>	<u>Variance Favorable (Unfavorable)</u>
BUILDING IDAHO FUTURE FUND:			
Instruction:			
Salaries		\$11,456	(\$11,456)
Benefits		\$2,076	(2,076)
	<u>\$0</u>	<u>\$13,532</u>	<u>(\$13,532)</u>
MEDICAID FUND:			
Instruction:			
Salaries	\$19,554	\$20,535	(\$981)
Benefits	14,393	6,362	8,031
Support Services:			
Purchased services	5,273	3,065	2,208
	<u>\$39,220</u>	<u>\$29,962</u>	<u>\$9,258</u>
BUS DEPRECIATION FUND:			
Capital outlay	<u>\$93,000</u>	<u>\$94,982</u>	<u>(\$1,982)</u>
LOTTERY FUND:			
Capital outlay	<u>\$355,019</u>	<u>\$258,711</u>	<u>\$96,308</u>
PLANT FACILITIES FUND:			
Support Services:			
Salaries	<u>\$0</u>	<u>\$1,752</u>	<u>(\$1,752)</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF HIGH SCHOOL STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2021

FUND:	Balance 6/30/20	Receipts	Disbursements	Transfers	Balance 6/30/21
BPA	\$94	\$4,227	(\$1,930)	\$250	\$2,641
IDLA	510	600	(300)		810
Duel Credit -Social	2,065				2,065
FFA - Booth	1,049	5,397	(5,646)		800
Office Teacher	73	534	(234)	40	413
FFA	(840)	17,819	(8,102)		8,877
Duel Credit -English	(8)				(8)
AG	0	165	(303)		(138)
Scholarships	2,493				2,493
National Honor Society	135	290	(455)		(30)
Ind Alt HS	80				80
Sunshine Club	210	135	(118)		227
Student Body	230	1,448	(1,670)		8
Class of 2020	1,898				1,898
Class of 2021	389	1,492	(1,774)		107
Class of 2022	899	597	(52)		1,444
Class of 2023	486				486
Class of 2024	60	10			70
Wrestling Room	5,791	1,072	(50)		6,813
Pop Machine	0	129			129
Music	0	1,139	(1,136)		3
Music Supplies	12	79	(41)		50
Band Rental & Repair	0	1,275	(1,256)		19
Pep Band	1,453	26,769	(25,862)	(689)	1,671
Jazz Band	0	205	(450)	40	(205)
Musical	(1,192)	5,020	(5,270)	649	(793)
First Aid B	516	999			1,515
Weight Room	167	1,006	(847)		326
Athletics	27,021	20,582	(14,898)	(641)	32,064
Athletic Equip - direct	500				500
Plato	398				398
Extra/Trans	12,611	3,231	(1,372)		14,470
ACT	60	175			235
Annual	2,435	5,422	(4,587)	(250)	3,020
Chemistry	199		(17)		182
Art	410	1,020	(1,426)		4
Art Equipment	183		(119)		64

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF HIGH SCHOOL STUDENT BODY FUNDS - (CONTINUED)

YEAR ENDED JUNE 30, 2021

FUND:	Balance 6/30/20	Receipts	Disbursements	Transfers	Balance 6/30/21
Computer Lab	\$198	\$822	(\$857)		\$163
Counselor	206	121	(41)		286
Chromebook Insurance	25	1,530	(1,355)		200
Drivers Ed	4,795	10,005	(8,845)		5,955
Faculty Pop	455	177	(673)	\$65	24
Gear Up 2	226				226
Interest	915	1,326	(523)		1,718
Library	135	93	(49)		179
Math	20				20
Lockers	162				162
Sales Tax	0	1,495	(1,427)	(65)	3
The Arts Donation	295				295
Textbook Fines	106	24			130
Teacher Accounts	1,577	1,160	(330)	(40)	2,367
Special Education	0				0
Principal	183	80	(167)		96
Savings	5,418				5,418
General	189	1,378	(1,560)		7
Football	2,524	730	(891)		2,363
Volleyball	7,132	3,482	(7,392)		3,222
Girls' Soccer	754	460			1,214
Boys' Soccer	1,167	900	(901)		1,166
Soccer	592		(367)		225
Girls' Basketball	1,917	540	(175)		2,282
Boys' Basketball	448	2,324	(2,200)		572
Wrestling	489	5,580	(119)	(3,061)	2,889
Golf	998	300			1,298
Track	1,200	1,344	(1,115)		1,429
Cross Country	300				300
Cheerleading	(383)	4,428	(7,156)	755	(2,356)
Arbiter	114	15,439	(18,500)	2,947	0
	<u>\$92,544</u>	<u>\$154,575</u>	<u>(\$132,558)</u>	<u>\$0</u>	<u>\$114,561</u>
Checking					\$49,570
Investments					64,991
					<u>\$114,561</u>

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE MIDDLE SCHOOL STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2021

FUND:	Balance 6/30/20	Receipts	Disbursements	Transfers	Balance 6/30/21
Teacher Accounts	\$981		(\$465)	\$1,225	\$1,741
Annual	(269)	\$2,060	(1,478)		313
Accelerated Reader	693		(12)		681
Art	1,061		(58)		1,003
Athletics - Gen	5,260	1,671	(1,813)	10	5,128
Athletics - VB	(202)	1,838	(1,646)		(10)
Athletics - W	297	986	(1,212)	25	96
Athletics - GBB	1,479	1,283	(1,551)		1,211
Athletics -BBB	1,794	1,614	(1,511)		1,897
Athletics - CC	253	275	(30)	(25)	473
Athletics - Track	1,724	6,136	(5,654)	(1,000)	1,206
CD Certificate	11,865	152			12,017
Cheer/Drill	426	180			606
Custodial	3	60			63
Computers	3,252				3,252
Cool to be Kind	1				1
Credit Recovery	0				0
Fundraiser	1,022				1,022
Health/PE	143				143
Health Fair	69				69
General	9,657	1,972	(3,146)	140	8,623
Exploratory	50	170	(129)		91
Grade 6	507	743	(875)		375
Grade 7	150	265	(166)		249
Grade 8	252	884	(841)		295
Grants	198				198
Locks	60				60
Media Center	2,616	115		(1,000)	1,731
Migrant	5				5
Milk Machine/ Health	17				17
Multi-media	0				0
Music - Millett	463	4,078	(3,425)		1,116
Postage	494				494
Special Services	84				84
Student Govt	1,100	991	(834)	1,000	2,257
Student Activities	7,777		(7)		7,770
Teachers	7,301	1,550	(340)	(1,350)	7,161
PTSA	1,188			1,000	2,188
Vending	1,280	2,126	(2,804)		602
Stem Activities	0				0
Yellowstone	10,257	2,869	(3,717)	(40)	9,369
Sunshine	562	143	(92)		613
Stem Exploration	485				485
World Cultures	317	395	(125)	(10)	577
Life Skills	109	70			179
World Sports	239	450	(335)		354
Stem Grant Science	1,228	2,000	(380)		2,848
Aberdeen Food Bank	268	5,351	(5,451)		168
Exploratory Art	0	115	(52)		63
Stem Exploratory	59		(41)		18
Chromebook Insurance	165	3,960	(4,150)	25	0
Stem Night Grant	533				533
	<u>\$77,273</u>	<u>\$44,502</u>	<u>(\$42,340)</u>	<u>\$0</u>	<u>\$79,435</u>
Cash in bank - Checking					\$69,282
Cash in bank - Savings					10,153
					<u>\$79,435</u>

SCHOOL DISTRICT NO. 58
 ABERDEEN, IDAHO

SCHEDULE OF ELEMENTARY STUDENT BODY FUNDS

YEAR ENDED JUNE 30, 2021

	<u>Balance</u> <u>6/30/19</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>6/30/20</u>
FUND:					
General	\$43,754	\$20,575	(\$20,276)		\$44,053
Vending	17,648	994	(1,721)		16,921
Teachers	2,577				2,577
Library	<u>191</u>	<u>235</u>	<u>(280)</u>		<u>146</u>
	<u>\$64,170</u>	<u>\$21,804</u>	<u>(\$22,277)</u>	<u>\$0</u>	<u>\$63,697</u>
Cash in bank - checking					<u>\$63,697</u>

SINGLE AUDIT SECTION

Morgan J Hatt CPA PC

Certified Public Accountant

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Pocatello, Idaho 83201

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Fax: (208) 242-3782

Board of Trustees
School District #58
Aberdeen, Idaho

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Report on Compliance for Each Major Federal Program

I have audited Aberdeen School District #58's (The District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2021. The District's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned costs.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the District's major Federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major Federal program. However, my audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In my opinion, Aberdeen School District #58, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, I considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Morgan J Hatt CPA PC

Pocatello, Idaho
August 20, 2021

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2021

Title	Catalogue of Federal Domestic Assistance Number	Expenditures
<u>Department of Agriculture (State Dept. of Education Pass Thru Funding):</u>		
School Breakfast Program	10.553	\$8,428
School Lunch Program	10.555	28,002
School Lunch Commodities - Non-cash	10.555	27,595
Summer Food Service Program for Children	10.559	364,237
Total Department of Agricultural (Child Nutrition Cluster):		\$428,262
<u>Department of Treasury (State Dept. of Education Pass Through Funding):</u>		
Corona Virus Relief	21.019	431,792
<u>Department of Education (State Dept. of Education Pass Through Funding):</u>		
Title I - Remedial	84.010	\$187,474
Title I - Migrant	84.011	79,035
IDEA Part B	84.027	\$162,367
IDEA Part B Preschool	84.173	4,394
Total Special Education Cluster:		166,761
Vocational Education (Perkins)	84.048	11,629
Gear Up	84.334	29,000
Title III LEP	84.365	32,617
Improving Teacher Quality	84.367	25,968
Title V-A Innovative Education	84.424	15,940
Cares Act ESSERF	84.425	8,117
Total Department of Education:		556,541
Total		\$1,416,595

Note 1: Basis of Presentation -The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal award activity of School District #58 under programs of the Federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of School District #58.

Note 2: Summary of Significant Accounting Policies - Expenditures reported on the Schedule are on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate - School District # 58 has elected not to use the 10% de minimus cost rate allowed under the Uniform Guidance.

SCHOOL DISTRICT NO. 58
ABERDEEN, IDAHO

SUMMARY OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2021

FINANCIAL STATEMENTS:

The auditor's report is unqualified.

Internal control over financial reporting:

There are no material weaknesses identified.

There are no reportable conditions identified that are considered to be a material weakness.

FEDERAL AWARDS:

There are no instances of non-compliance material to the financial statements identified.

There are no material weaknesses identified.

There are no reportable conditions identified that are considered to be material weaknesses.

The auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with Uniform Guidance is unqualified.

IDENTIFICATION OF MAJOR PROGRAMS:

There are no audit findings required to be reported in accordance with Uniform Guidance.

The programs tested as major programs include:

Department of Treasury	21.019
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The threshold for distinguishing Types A and B programs was \$750,000.

School District #58 does qualify as a low-risk auditee.