

# Idaho Falls School District #91

Financial Statements and Supplemental Information

Year Ended June 30, 2024



# Idaho Falls School District #91

Year Ended June 30, 2024

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# Idaho Falls School District #91

Year Ended June 30, 2024

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## **Independent Auditor's Report**

Board of Trustees  
Idaho Falls School District #91  
Idaho Falls, Idaho

### ***Report on the Audit of the Financial Statements***

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Idaho Falls School District #91 (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Idaho Falls School District #91 as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Idaho Falls School District #91 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Idaho Falls School District #91's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Idaho Falls School District #91's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Idaho Falls School District #91's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The combining nonmajor fund financial statements, schedule of taxes receivable, schedule of liquidity analysis of the general fund, and the accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Idaho Falls School District #91'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.

*Wipfli LLP*

Wipfli LLP

Idaho Falls, Idaho

November 5, 2024

# Idaho Falls School District #91

## Management's Discussion and Analysis

*Fiscal Year Ended June 30, 2024*

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Idaho Falls School District #91's (the "District") management discussion and analysis (MD&A) is generally intended to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activities, (3) identify changes in the District's financial position (its ability to meet future financial demands and conditions), (4) identify any material deviations from the governmental unit's financial plan (approved budget), and (5) identify individual fund issues or concerns.

The MD&A is provided at the beginning of the report to provide an overview of the District's financial position at June 30, 2024, and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required and supplementary information.

### Financial Highlights

Key financial highlights for 2024 are as follows:

- In total, net position decreased \$2,641,773 which represents 46% decrease from 2023's adjusted balance of \$4,939,458.
- General revenues accounted for \$82,847,983 in revenue or 74.37% of all governmental revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$28,556,864 or 25.63% of total revenues of \$111,404,847.
- Total assets of governmental activities decreased by \$5,039,273, as current and other assets decreased by \$3,888,005 and capital assets decreased by \$1,151,268. Unrestricted net position, the part of net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements of the District, decreased by \$2,375,087 from prior year.
- The District had \$114,046,620 in expenses; only \$28,556,864 of these expenses was offset by program revenues (i.e. charges for services, operating and capital grants, or contributions). General revenues (primarily state support and local property taxes) of \$82,847,983 were adequate to provide for these programs.
- Among major funds, the General Fund had \$88,235,122 in revenues, \$85,501,431 in expenditures, and \$410,908 in net transfers out. The General Fund's fund balance increased \$2,322,783 from 2023.

### Overview of the Financial Statements

This annual report serves as an introduction to the District's basic financial statements. There are three components to the basic financial statements - government wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary and other financial information in addition to the basic financial statements themselves.

### Government-Wide Financial Statements

These statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business, using the economic resources measurement focus and the accrual basis of accounting.

# Idaho Falls School District #91

## Management's Discussion and Analysis

*Fiscal Year Ended June 30, 2024*

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The Statement of Net Position and Statement of Activities provide information about the activities of the whole school District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In Idaho Falls School District #91, the General Fund is by far the most significant fund.

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources, and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in its net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Nonfinancial factors include the District's property tax base, current property tax laws in Idaho restricting revenue growth, facility, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the District reports governmental activities. Governmental activities are the activities where most of the District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities. The District does not have any business type activities.

### Fund Financial Statements

The analysis of the District's major funds begins on page 14. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General, Debt Service, Capital Projects and Child Nutrition.

### *Governmental funds.*

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end available for spending in the future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

### Notes to the Financial Statements

These provide additional information that is essential to gaining a full understanding of the data provided in the government-wide and fund financial statements.



# Idaho Falls School District #91

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2024

### Required Supplementary Information

This information addresses the District's budgetary comparison schedules of the General Fund and major special revenue funds, Pension, OPEB, and PERSI SL Plan information, and notes to the Required Supplementary Information. The District adopts an annual appropriated budget for its General Fund, Special Revenue Funds, and Debt Service Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget. The Pension, OPEB, and PERSI Sick Leave plan schedules have been provided to present the District's progress in funding its obligation to provide pension and retirement benefits to District employees.

### Supplementary Financial Information

This information as discussed earlier in connection with the General Fund and non-major governmental funds is presented immediately following the required supplementary information. This section includes a breakdown of property taxes and associated receivables, and the annual federal compliance section.

## Government-Wide Financial Statement Analysis

As previously addressed, net position may serve the purpose over time as a useful indicator of financial position. The following table represents a condensed Statement of Net Position of the District for governmental activities:

### Condensed Statement of Net Position

#### Governmental Activities

| <i>June 30,</i>                                     | 2024          | 2023          |
|---|---------------|---------------|
| Current and other assets                            | \$ 35,582,505 | \$ 39,470,510 |
| Capital assets                                      | 80,271,496    | 81,422,764    |
| Total assets  | 115,854,001   | 120,893,274   |
| Deferred outflows of resources                      | 27,458,984    | 34,869,662    |
| Total assets and deferred outflows of resources     | 143,312,985   | 155,762,936   |
| Current and other liabilities                       | 11,695,324    | 13,216,894    |
| Long-term liabilities                               | 54,972,759    | 61,995,544    |
| Total liabilities                                   | 66,668,083    | 75,212,438    |
| Deferred inflows of resources                       | 1,867,174     | 3,130,999     |
| Total liabilities and deferred inflows of resources | 68,535,257    | 78,343,437    |
| Net position:                                       |               |               |
| Net investment in capital assets                    | 79,671,303    | 75,007,564    |
| Restricted  | 6,837,729     | 11,768,154    |
| Unrestricted  | (11,731,306)  | (9,356,219)   |
| Total net position                                  | \$ 74,777,726 | \$ 77,419,499 |

# Idaho Falls School District #91

## Management's Discussion and Analysis

*Fiscal Year Ended June 30, 2024*

Total assets of governmental activities decreased by \$5,039,273, as current and other assets decreased by \$3,888,005 and capital assets decreased by \$1,151,268. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$74,777,726 at the close of the most recent fiscal year. Unrestricted net position, the part of net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements of the District, decreased by \$2,375,087 from prior year. The following condensed financial information was derived from the Government-Wide Statement of Activities and reflects how the District's net position changed during fiscal years 2024 and 2023.

### Condensed Statement of Activities - Governmental Activities

| <i>Year ended June 30,</i>         | 2024           | 2023           |
|------------------------------------|----------------|----------------|
| Revenues:                          |                |                |
| Program revenues:                  |                |                |
| Charges for services               | \$ 3,653,361   | \$ 3,654,752   |
| Operating grants and contributions | 24,903,503     | 29,135,702     |
| General revenue:                   |                |                |
| Property taxes                     | 5,469,393      | 14,732,901     |
| Federal aid                        | 42,379         | 11,171         |
| State aid                          | 74,328,802     | 61,713,799     |
| Other                              | 3,007,409      | 1,494,277      |
| Total revenues                     | 111,404,847    | 110,742,602    |
| Program Expenses:                  |                |                |
| Instruction                        | 72,277,748     | 69,291,587     |
| Support services                   | 13,665,972     | 14,769,266     |
| Administration                     | 6,524,468      | 8,563,435      |
| Business administration services   | 1,324,527      | 1,148,202      |
| Operations                         | 8,838,454      | 7,520,372      |
| Transportation                     | 5,112,248      | 5,664,210      |
| Non-instructional                  | 4,392,830      | 4,564,291      |
| Interest and fiscal charges        | 86,125         | 49,739         |
| Capital improvements               | 1,824,248      | 4,110,958      |
| Total expenses                     | 114,046,620    | 115,682,060    |
| Change in net position             | \$ (2,641,773) | \$ (4,939,458) |

### Governmental Activities

The District's 2024 total revenues come from three main sources including state aid of \$82,805,604 which consists of the state apportionment, other state grants, and revenue in lieu of taxes, and makes up 74.33% of revenues from governmental activities. Property taxes of \$5,469,393 make up 4.91% of total revenues from governmental activities. Federal contracts and grants of \$14,689,535 makes up 13.19% revenues from governmental activities.

The District's 2024 instructional expenses when combined with the support activities of support services, administration, business administration services, operations, and transportation comprise 94.47% of District expenses.

# Idaho Falls School District #91

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2024

The Statement of Activities shows the cost of program services and grants offsetting those services. In the following table, we have presented the cost of each of the District's functions as well as the net cost (total cost less revenues generated by the activities) for each. Net cost helps to show what functions are being covered by direct revenue and those that are covered by the net revenue of others.

|                                  | % of Total | Total cost of services | Net cost of services |
|----------------------------------|------------|------------------------|----------------------|
| Instruction                      | 63.38 %    | \$ 72,277,748          | \$ 60,711,759        |
| Support services                 | 11.98      | 13,665,972             | 9,019,612            |
| Administration                   | 5.72       | 6,524,468              | 5,983,238            |
| Business administration services | 1.16       | 1,324,527              | 1,324,527            |
| Operations                       | 7.75       | 8,838,454              | 5,794,786            |
| Transportation                   | 4.48       | 5,112,248              | 1,415,453            |
| Noninstructional                 | 3.85       | 4,392,830              | 362,866              |
| Interest                         | 0.08       | 86,125                 | (724,505)            |
| Capital improvements             | 1.60       | 1,824,248              | 1,602,020            |
| Total governmental activities    | 100.00 %   | \$ 114,046,620         | \$ 85,489,756        |

Instruction: Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Support Services: Support Services provide personnel services, activities, and programs for the administration, management, technical, and logistical support to facilitate and enhance the function of instruction and shall provide for the general operation of the schools.

Administration: The personnel, activities, and services for directing and managing the operation of the schools in the District. (Principals, assistant principals, secretaries, and clerks charged with responsibility for a school's administration) Board of Education, Administration, includes expenses associated with administrative supervision of the District.

Business Administration Services: The program concerned with the fiscal operations of the District. This program may include budgeting, fiscal and business expenditures, receiving and disbursing, purchasing, financial and property accounting, payroll, internal auditing, and activities that support other administrative and instructional functions including fiscal services, human resources, planning, and administrative information technology.

Operations: Operations and maintenance includes the personnel, activities, and programs concerned with keeping the physical plant operational and keeping the grounds, buildings, and equipment in effective working condition and in an adequate and safe state of repair.

Transportation: Transportation includes the personnel, activities, and services for providing student transportation to school and to activities and to provide for the general administrative and maintenance needs of District vehicles.

Non-instructional: Non-instructional services include the preparation, delivery, and servicing of lunches, snacks, and other incidental meals to students and school staff in connection with school activities.

Interest and Fiscal Charges: Interest and Fiscal Charges involve the transactions associated with the payment of interest and other related charges to the debt of the District.

Capital Improvements: Capital improvements consist of the costs associated with building, replacing, or purchasing fixed assets and other capital items of the District.

# Idaho Falls School District #91

## Management's Discussion and Analysis

Fiscal Year Ended June 30, 2024

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### Financial Analysis of the District's Major Funds

#### Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$111,024,896 and expenditures of \$113,087,201. The net change in fund balance for the year in the General Fund, Debt Service Fund, Capital Projects Fund and Child Nutrition Fund was an increase of \$2,322,783, a decrease of \$4,317,790, a decrease of \$757,698, and an increase of \$259,732 respectively.

The general fund is the primary operating fund of the District. At the end of the current fiscal year, the unassigned fund balance in the general fund is \$4,450,516.

#### Budgetary Highlights

During 2024, the District did amend its budget.

For the General Fund, the budgeted revenue was \$83,356,304 and the budgeted expenditures was \$87,004,313. Actual revenue was \$88,235,122 and actual expenditures were \$85,501,431.

### Capital Assets

At the end of the 2024 fiscal year, the District had \$80,271,496 invested in land, buildings, furniture and equipment, vehicles, and right-of-use assets (net of accumulated depreciation and amortization).

| <i>Year Ended June 30,</i>                    | 2024                 | 2023                 |
|---|----------------------|----------------------|
| Land and capital assets not being depreciated | \$ 6,226,071         | \$ 8,213,554         |
| Buildings and improvements                    | 69,798,885           | 68,803,408           |
| Furniture and equipment                       | 1,182,344            | 840,702              |
| Vehicles                                      | 1,511,890            | 1,320,662            |
| Right of use assets - leases                  | 765,485              | 1,479,418            |
| Right of use assets - SBITAs                  | 786,821              | 765,020              |
| <b>Total capital assets, net</b>              | <b>\$ 80,271,496</b> | <b>\$ 81,422,764</b> |

Overall capital assets decreased \$1,151,268 from fiscal year 2023 to fiscal year 2024. The increase in capital assets, primarily buildings and vehicles was mostly due to the construction projects and replacement vehicles, and the adoption of GASB 96, which added a right-of-use SBITA asset to the financial statements.

# Idaho Falls School District #91

## Management's Discussion and Analysis

*Fiscal Year Ended June 30, 2024*

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### Debt Administration

At June 30, 2024, the District had no general obligation bonds outstanding. The District paid off the remaining bonds early in fiscal year 2024.

At June 30, 2024, the District's overall legal debt margin was \$500,898,851.

### Current Financial Issues and Concerns

Idaho Falls School District #91 is actively recovering from a budgetary shortfall experienced in the previous fiscal year. To address this, the district has taken significant steps to reduce expenditures, primarily due to a shift in the way state funding is allocated. Previously, the district benefited from being funded based on enrollment numbers, but this has now changed to average daily attendance (ADA), which typically results in less funding. In response, the district has adjusted its spending to align with this new funding model, implementing cost-saving measures.

Despite the challenges posed by this shift, the total allocation to the district increased this year, in part, due to a one-time unanticipated payment made by the state legislature. The legislature's decision to provide this one-time support has temporarily alleviated some of the financial strain.

Additionally, ESSER funds have been instrumental in helping the district navigate financial challenges during FY24. These funds were used strategically to support new positions, purchase curriculum materials, and cover rising utility costs. However, the district recognizes that the remaining ESSER funds, which have provided vital temporary relief, will be fully expended within the first months of FY25. With the expiration of these funds on the horizon, the district is prepared for the impending "funding cliff."

Other federal funding sources remain available to support critical areas such as technology and intervention services for students. These funds help ensure that students continue to have access to the resources they need to succeed academically.

Idaho Falls School District #91 is taking proactive steps to ensure long-term financial health. The district is focused on balancing its budget and continuing to invest in improving the educational outcomes of its students.

### Requests for Information

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Lanell Farmer at Idaho Falls School District #91, 690 John Adams Parkway, Idaho Falls, ID 83401, (208) 525-7500, [farmlane@sd91.org](mailto:farmlane@sd91.org).

# **Financial Statements**

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# Idaho Falls School District #91

## Statement of Net Position

|   | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
| <i>June 30, 2024</i>  |                                    |
| <b>Assets</b>   |                                    |
| Current assets  |                                    |
| Cash and investments  | \$ 21,270,763                      |
| Property taxes receivable, net                                      | 2,122,830                          |
| Interest and Other receivables                                      | 9,478,326                          |
| Supplies inventory  | 417,154                            |
| PERSI sick leave  | 2,293,432                          |
| Total current assets  | 35,582,505                         |
| Capital assets  |                                    |
| Land and construction in progress                                   | 6,226,071                          |
| Depreciable buildings, equipment, and vehicles, net of depreciation | 72,493,119                         |
| ROU assets - leases, net  | 765,485                            |
| ROU assets - SBITAs, net  | 786,821                            |
| Total capital assets  | 80,271,496                         |
| <b>Total assets</b>   | <b>115,854,001</b>                 |
| <b>Deferred outflow of resources</b>                                |                                    |
| Related to OPEB   | 189,548                            |
| Related to PERSI Sick Leave   | 1,592,499                          |
| Related to pensions   | 25,676,937                         |
| Total deferred outflow of resources                                 | 27,458,984                         |
| <b>Liabilities</b>  |                                    |
| Current liabilities:  |                                    |
| Accounts payable  | 596,012                            |
| Accrued wages payable   | 7,766,462                          |
| Accrued benefits payable  | 3,256,521                          |
| Other payables  | 73,787                             |
| Accrued interest  | 2,542                              |
| Long-term liabilities   |                                    |
| Portion due or payable within one year                              |                                    |
| Contracts payable (SBITAs)  | 268,921                            |
| Lease payable   | 123,666                            |
| Compensated absences  | 301,917                            |
| Portion due or payable after one year                               |                                    |
| Contracts payable (SBITAs)  | 186,691                            |
| Lease payable   | 20,915                             |
| Net pension liability   | 53,864,887                         |
| OBEB liability  | 205,762                            |
| <b>Total liabilities</b>  | <b>66,668,083</b>                  |

See accompanying notes to financial statements.

# Idaho Falls School District #91

## Statement of Net Position (Continued)

| June 30, 2024                             | Governmental<br>Activities |
|---|----------------------------|
| <b>Deferred inflow of resources</b>       |                            |
| Unearned lease rental income              | \$ 718,218                 |
| Related to OPEB                           | 207,465                    |
| Related to PERSI Sick Leave               | 941,491                    |
| <b>Total deferred inflow of resources</b> | <b>1,867,174</b>           |
| <b>Net position</b>                       |                            |
| Net investment in capital assets          | 79,671,303                 |
| Restricted for                            |                            |
| Capital improvements                      | 1,128,324                  |
| Debt service                              | 2,135,064                  |
| Child nutrition                           | 1,531,945                  |
| Other                                     | 2,042,396                  |
| Unrestricted                              | (11,731,306)               |
| <b>Total net position</b>                 | <b>\$ 74,777,726</b>       |

See accompanying notes to financial statements.



# Idaho Falls School District #91

## Statement of Activities

| <i>Year Ended June 30, 2024</i>        | Program Revenues        |  |  | Net (Expense)<br>Revenue and<br>Changes in Net<br>Position |
|--|-------------------------|--|--|--|
| Expenses                               | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Total<br>Governmental<br>Activities                        |
| <b>Functions/Programs</b>              |                         |  |  |  |
| Governmental activities                |                         |  |  |  |
| Instruction                            | \$ 72,277,748           | \$ 2,163,541                             | \$ 9,402,448                           | - \$ (60,711,759)  |
| Support services                       | 13,665,972              | 313,676                                  | 4,332,684                              | - (9,019,612)  |
| Administrative                         | 6,524,468               | 67,303                                   | 473,927                                | - (5,983,238)  |
| Business operations                    | 1,324,527               | -  | -                                      | - (1,324,527)  |
| Operations                             | 8,838,454               | 10,589                                   | 3,033,079                              | - (5,794,786)  |
| Transportation                         | 5,112,248               | 121,581                                  | 3,575,214                              | - (1,415,453)  |
| Noninstructional                       | 4,392,830               | 976,671                                  | 3,053,293                              | - (362,866)  |
| Interest on long-term debt             | 86,125                  | -  | 810,630                                | - 724,505  |
| Capital improvements                   | 1,824,248               | -  | 222,228                                | - (1,602,020)  |
| <b>Total governmental activities</b>   | <b>\$ 114,046,620</b>   | <b>\$ 3,653,361</b>                      | <b>\$ 24,903,503</b>                   | <b>- (85,489,756)</b>                                      |
| <b>General revenues</b>                |                         |  |  |  |
| Property taxes                         |                         |  |  | 5,469,393  |
| Investment earnings                    |                         |  |  | 1,623,178  |
| Revenue in lieu of taxes               |                         |  |  | 359,708  |
| State apportionment                    |                         |  |  |  |
| Base                                   |                         |  |  | 61,752,781   |
| Benefits                               |                         |  |  | 7,793,880  |
| Federal grants                         |                         |  |  | 42,379   |
| Other state support                    |                         |  |  | 147,139  |
| Other state revenues                   |                         |  |  | 4,782,141  |
| Other local                            |                         |  |  | 525,323  |
| Premium on bonds paid                  |                         |  |  | 352,061  |
| <b>Total general revenues</b>          |                         |  |  | <b>82,847,983</b>  |
| <b>Change in net position</b>          |                         |  |  | <b>(2,641,773)</b>   |
| <b>Net position, beginning of year</b> |                         |  |  | <b>77,419,499</b>  |
| <b>Net position, end of year</b>       |                         |  |  | <b>\$ 74,777,726</b>                                       |

See accompanying notes to financial statements.

# Idaho Falls School District #91

## Balance Sheet - Governmental Funds

| <i>June 30, 2024</i>   | General Fund         | Debt Service        | Capital Projects    | Child Nutrition     | All Nonmajor<br>Funds | Total                |
|--|----------------------|---------------------|---------------------|---------------------|-----------------------|----------------------|
| <b>Assets</b>  |                      |                     |                     |                     |                       |                      |
| Cash and cash equivalents  | \$ 12,507,772        | \$ 2,043,553        | \$ 266,987          | \$ 1,598,609        | 4,853,842             | \$ 21,270,763        |
| Receivables  |                      |                     |                     |                     |                       |                      |
| Taxes - current  | 905,235              | 12,134              | 772,113             | -                   | -                     | 1,689,482            |
| Taxes - delinquent   | 218,440              | 65,808              | 149,100             | -                   | -                     | 433,348              |
| State apportionment  | 3,446,921            | -                   | -                   | -                   | -                     | 3,446,921            |
| Federal grants   | -                    | -                   | -                   | 12,567              | 4,373,924             | 4,386,491            |
| State agencies   | 73,051               | 13,569              | -                   | -                   | -                     | 86,620               |
| Other Receivables  | 737,181              | -                   | -                   | 12,567              | 808,546               | 1,558,294            |
| Interfund receivable   | 7,031,467            | -                   | -                   | -                   | -                     | 7,031,467            |
| Supplies inventory   | 261,875              | -                   | -                   | 155,279             | -                     | 417,154              |
| <b>Total assets</b>  | <b>\$ 25,181,942</b> | <b>\$ 2,135,064</b> | <b>\$ 1,188,200</b> | <b>\$ 1,779,022</b> | <b>\$ 10,036,312</b>  | <b>\$ 40,320,540</b> |
| <b>Liabilities and fund balances</b>   |                      |                     |                     |                     |                       |                      |
| Accounts payable   | \$ 455,180           | \$ -                | \$ 59,876           | \$ 3,067            | \$ 77,889             | \$ 596,012           |
| Accrued wages  | 6,966,784            | -                   | -                   | 162,728             | 636,950               | 7,766,462            |
| Accrued employee benefits  | 2,927,930            | -                   | -                   | 80,983              | 247,608               | 3,256,521            |
| Due to other funds   | -                    | -                   | -                   | -                   | 7,031,467             | 7,031,467            |
| Other payables   | 73,488               | -                   | -                   | 299                 | -                     | 73,787               |
| <b>Total liabilities</b>   | <b>10,423,382</b>    | <b>-</b>            | <b>59,876</b>       | <b>247,077</b>      | <b>7,993,914</b>      | <b>18,724,249</b>    |
| <b>Deferred inflow of resources</b>  |                      |                     |                     |                     |                       |                      |
| Unavailable revenues   | 218,440              | 65,808              | 149,100             | -                   | -                     | 433,348              |
| Unearned lease revenue   | 718,218              | -                   | -                   | -                   | -                     | 718,218              |
| <b>Total deferred inflow<br/>of resources</b>  | <b>936,658</b>       | <b>65,808</b>       | <b>149,100</b>      | <b>-</b>            | <b>-</b>              | <b>1,151,566</b>     |
| <b>Fund balances</b>   |                      |                     |                     |                     |                       |                      |
| Nonspendable   |                      |                     |                     |                     |                       |                      |
| Inventory  | 261,875              | -                   | -                   | 155,279             | -                     | 417,154              |
| Restricted for   |                      |                     |                     |                     |                       |                      |
| Capital improvements   | -                    | -                   | 979,224             | -                   | -                     | 979,224              |
| Debt service   | -                    | 2,069,256           | -                   | -                   | -                     | 2,069,256            |
| Child nutrition  | -                    | -                   | -                   | 1,376,666           | -                     | 1,376,666            |
| Other fund activities  | -                    | -                   | -                   | -                   | 2,090,982             | 2,090,982            |
| Assigned   | 9,109,511            | -                   | -                   | -                   | -                     | 9,109,511            |
| Unassigned   | 4,450,516            | -                   | -                   | -                   | (48,586)              | 4,401,930            |
| <b>Total fund balances</b>   | <b>13,821,902</b>    | <b>2,069,256</b>    | <b>979,224</b>      | <b>1,531,945</b>    | <b>2,042,396</b>      | <b>20,444,723</b>    |
| <b>Total liabilities,<br/>deferred inflows of<br/>resources, and<br/>fund balances</b> | <b>\$ 25,181,942</b> | <b>\$ 2,135,064</b> | <b>\$ 1,188,200</b> | <b>\$ 1,779,022</b> | <b>\$ 10,036,310</b>  | <b>\$ 40,320,538</b> |

See accompanying notes to financial statements.

# Idaho Falls School District #91

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

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**Total governmental fund balances at June 30, 2024** \$ 20,444,723

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is reflected net of depreciation and amortization. 80,271,496

The net pension liability and the deferred outflows of resources and deferred inflow of resources related to pensions are only reported in the Statement of Net Position: deferred inflow of resources related to pensions is \$- and deferred outflows of resources related to pensions is \$25,676,937. 25,676,937

The net PERSI sick leave asset and the deferred outflows of resources and deferred inflows of resources related to PERSI sick leave are only reported in the Statement of Net Position: Net PERSI asset is \$2,293,432, deferred inflow of resources related to PERSI sick leave is \$941,491 and deferred outflow of resources related to PERSI sick leave is \$1,592,499. 2,944,440

Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds. 433,348

Deferred outflows and inflows of resources related to other post employment benefits (OPEB) are not current financial resources and therefore are not reported in the fund financial statements, but are reported on the Statement of Net Position. Deferred inflow of resources related to OPEB is \$207,465 and deferred outflow of resources related to OPEB is \$189,548. (17,917)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Long term liabilities at year end consisted of:

|                                |              |              |
|--------------------------------|--------------|--------------|
| Lease liability                | (144,581)    |              |
| Compensated absences           | (301,917)    |              |
| Contracts payable (SBITAs)     | (455,612)    |              |
| Accrued interest on bonds      | (2,542)      |              |
| Net pension liability          | (53,864,887) |              |
| Other post employment benefits | (205,762)    | (54,975,301) |

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**Total net position - governmental activities** \$ 74,777,726

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See accompanying notes to financial statements.

# Idaho Falls School District #91

## Statements of Revenues, Expenditures and Changes In Fund Balances - Governmental Funds

| Year Ended June 30, 2024                   | General Fund         | Debt Service        | Capital<br>Projects | Child<br>Nutrition  | Former<br>major<br>fund<br>ESSER II | Former<br>major fund<br>ESSER III | All Nonmajor<br>Funds | Total                |
|--|----------------------|---------------------|---------------------|---------------------|-------------------------------------|-----------------------------------|-----------------------|----------------------|
| <b>Revenues</b>                            |                      |                     |                     |                     |                                     |                                   |                       |                      |
| Property taxes                             | \$ 2,903,124         | \$ 157,009          | \$ 2,409,260        | \$ -                | \$ -                                | \$ -                              | \$ -                  | \$ 5,469,393         |
| Penalties and interest on delinquent taxes | -                    | 1                   | -                   | -                   | -                                   | -                                 | -                     | 1                    |
| Earnings (loss) on investments             | 1,608,556            | (18,280)            | -                   | 32,902              | -                                   | -                                 | -                     | 1,623,178            |
| Food Service                               | -                    | -                   | -                   | 934,460             | -                                   | -                                 | -                     | 934,460              |
| Transportation fees                        | 121,581              | -                   | -                   | -                   | -                                   | -                                 | -                     | 121,581              |
| Rental                                     | 10,589               | -                   | -                   | -                   | -                                   | -                                 | -                     | 10,589               |
| Tuition                                    | 40,240               | -                   | -                   | -                   | -                                   | -                                 | -                     | 40,240               |
| Contributions                              | 71,360               | -                   | 117,037             | 42,211              | -                                   | -                                 | -                     | 230,608              |
| Other Local                                | 929,381              | -                   | -                   | -                   | -                                   | -                                 | 1,584,606             | 2,513,987            |
| State apportionment                        |                      |                     |                     |                     |                                     |                                   |                       |                      |
| Base                                       | 61,752,781           | -                   | -                   | -                   | -                                   | -                                 | -                     | 61,752,781           |
| Transportation                             | 3,526,174            | -                   | -                   | -                   | -                                   | -                                 | -                     | 3,526,174            |
| Exceptional Child                          | 120,461              | -                   | -                   | -                   | -                                   | -                                 | -                     | 120,461              |
| Benefits                                   | 7,793,880            | -                   | -                   | -                   | -                                   | -                                 | -                     | 7,793,880            |
| Other school support                       | 946,957              | -                   | -                   | -                   | -                                   | -                                 | -                     | 946,957              |
| Property tax replacement                   | 359,708              | -                   | -                   | -                   | -                                   | -                                 | -                     | 359,708              |
| Other state revenue                        | 7,573,651            | 799,818             | -                   | -                   | -                                   | -                                 | 2,041,215             | 10,414,684           |
| Vocational education                       | 476,679              | -                   | -                   | -                   | -                                   | -                                 | -                     | 476,679              |
| Federal contracts and grants               | -                    | -                   | -                   | 3,053,147           | -                                   | -                                 | 11,636,388            | 14,689,535           |
| <b>Total revenues</b>                      | <b>88,235,122</b>    | <b>938,548</b>      | <b>2,526,297</b>    | <b>4,062,720</b>    | <b>-</b>                            | <b>-</b>                          | <b>15,262,209</b>     | <b>111,024,896</b>   |
| <b>Expenditures</b>                        |                      |                     |                     |                     |                                     |                                   |                       |                      |
| Current:                                   |                      |                     |                     |                     |                                     |                                   |                       |                      |
| Instruction                                | 55,931,326           | -                   | -                   | -                   | -                                   | -                                 | 8,323,909             | 64,255,235           |
| Support services                           | 8,442,562            | -                   | -                   | -                   | -                                   | -                                 | 4,436,880             | 12,879,442           |
| Administration                             | 8,009,663            | -                   | -                   | -                   | -                                   | -                                 | 541,232               | 8,550,895            |
| Business administrative services           | 1,324,587            | -                   | -                   | -                   | -                                   | -                                 | -                     | 1,324,587            |
| Operations                                 | 7,224,658            | -                   | -                   | -                   | -                                   | -                                 | 1,627,586             | 8,852,244            |
| Transportation                             | 4,258,132            | -                   | -                   | -                   | -                                   | -                                 | 49,040                | 4,307,172            |
| Noninstructional                           | -                    | -                   | -                   | 4,122,389           | -                                   | -                                 | -                     | 4,122,389            |
| Debt service:                              |                      |                     |                     |                     |                                     |                                   |                       |                      |
| Principal                                  | 301,992              | 4,925,000           | 190,356             | -                   | -                                   | -                                 | 127,156               | 5,544,504            |
| Interest                                   | 8,511                | 87,574              | 14,983              | -                   | -                                   | -                                 | 23,525                | 134,593              |
| Facility acquisition                       | -                    | -                   | 3,010,949           | -                   | -                                   | -                                 | 105,191               | 3,116,140            |
| <b>Total expenditures</b>                  | <b>85,501,431</b>    | <b>5,012,574</b>    | <b>3,216,288</b>    | <b>4,122,389</b>    | <b>-</b>                            | <b>-</b>                          | <b>15,234,519</b>     | <b>113,087,201</b>   |
| Revenues over (under) expenditures         | 2,733,691            | (4,074,026)         | (689,991)           | (59,669)            | -                                   | -                                 | 27,690                | (2,062,305)          |
| <b>Other financing sources and (uses)</b>  |                      |                     |                     |                     |                                     |                                   |                       |                      |
| Operating transfers in                     | 28,278               | -                   | 363,549             | 319,401             | -                                   | -                                 | -                     | 711,228              |
| Operating transfers out                    | (439,186)            | (243,764)           | -                   | -                   | -                                   | -                                 | (28,278)              | (711,228)            |
| Proceeds of long-term obligations          | -                    | -                   | (431,256)           | -                   | -                                   | -                                 | 393,125               | (38,131)             |
| Total other financing sources and (uses)   | (410,908)            | (243,764)           | (67,707)            | 319,401             | -                                   | -                                 | 364,847               | (38,131)             |
| <b>Net change in fund balances</b>         | <b>2,322,783</b>     | <b>(4,317,790)</b>  | <b>(757,698)</b>    | <b>259,732</b>      | <b>-</b>                            | <b>-</b>                          | <b>392,537</b>        | <b>(2,100,436)</b>   |
| <b>Fund balances, beginning of year</b>    | <b>11,499,119</b>    | <b>6,387,046</b>    | <b>1,736,922</b>    | <b>-</b>            | <b>-</b>                            | <b>1,622</b>                      | <b>2,920,450</b>      | <b>22,545,159</b>    |
| Change in reporting entity                 | -                    | -                   | -                   | 1,272,213           | -                                   | (1,622)                           | (1,270,591)           | -                    |
| <b>Fund balances, end of year</b>          | <b>\$ 13,821,902</b> | <b>\$ 2,069,256</b> | <b>\$ 979,224</b>   | <b>\$ 1,531,945</b> | <b>\$ -</b>                         | <b>\$ -</b>                       | <b>\$ 2,042,396</b>   | <b>\$ 20,444,723</b> |

See accompanying notes to financial statements.

# Idaho Falls School District #91

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

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|  |                       |
|--|-----------------------|
| <b>Net change in fund balances - governmental funds for the year ended June 30, 2024</b>   | <b>\$ (2,100,436)</b> |
| Amounts reported for governmental activities in the statement of net position are different because:   |                       |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.  | 4,925,000             |
| Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization and asset disposed.  | (1,151,268)           |
| Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered 'available' revenues in the governmental funds. Unearned tax revenues decreased by \$162,070 this year.  | (162,070)             |
| Vested employee benefits are reported in the governmental funds when amounts are paid. The Statement of Activities reports the value of benefits earned during the year. The changes in the OPEB obligations, PERSI SL asset, net pension liability, and the related deferred outflows and inflows in addition to the change in compensated absences are all differences.  | (5,093,857)           |
| Interest on long-term debt is recognized as an expenditure in governmental funds report when it is due. The effect of premiums, discounts, and similar items are recognized in the governmental funds when debt is first issued, whereas all of these amounts are accrued, or deferred and amortized in the Statement of Activities. This is the net effect of these differences in the treatment of long-term debt and related items. | 940,858               |
| <b>Change in net position per statement of activities</b>  | <b>\$ (2,641,773)</b> |

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See accompanying notes to financial statements.

# **Notes to Financial Statements**

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# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies**

#### **General**

The basic financial statements listed in the table of contents have been prepared in accordance with the American Institute of Certified Public Accountants' Industry Audit Guide for Audits of State and Local Government Units.

#### **Reporting Entity**

The Idaho Falls School District #91 (the District) is the basic level of government, which has financial accountability and control over all activities related to the public-school education in the area served. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The District is not included in any other governmental "reporting entity" as defined by GASB pronouncement, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units as defined by the Governmental Accounting Standards Board that are required to be included in the District's reporting entity.

#### **Basis of Presentation**

##### **Government-Wide and Fund Financial Statements**

The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

##### **Fund Accounting**

The District uses funds to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary. The emphasis of fund financial statements is on major governmental funds, each reported in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Basis of Presentation** (Continued)

The District reports the following major governmental funds:

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

*Debt Service Fund* - The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

*Capital Projects Fund* - The Capital Projects Fund is used to account for the financial resources used to acquire school facilities, renovate existing facilities, or as otherwise provided in the Idaho Code.

*Child Nutrition Fund* - This fund accounts for all financial transactions of the school food service program in compliance with local, state, and federal laws or regulations.

Additionally, the District reports the following fund types:

*Special Revenue Fund* - The purpose of the Special Revenue Fund is to account for federal, state, and locally funded grants and activities. These grants are awarded to the District with the purpose of accomplishing specific educational tasks as defined in the Grant Awards. Special Revenue Fund types include the Child Nutrition Fund and School Activity Funds. The purpose of the Child Nutrition Fund is to account for all federal support and student charges, which are received by the District for the purpose of providing students with a nutritional, inexpensive meal. The School Activity Funds are monies collected primarily through fund raising efforts of the individual schools or school sponsored groups. The school principal is responsible, under the authority of the Board of Trustees, for collecting, controlling, disbursing, and accounting for all School Activity Funds.

#### **Basis of Accounting**

The District applies the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. This Statement is meant to present the information in a format more closely resembling that of the private sector and to provide the user with more managerial analysis regarding the financial results and the District's financial outlook.



# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Basis of Accounting** (Continued)

##### *Government-wide Financial Statements*

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for its fiduciary funds. Generally, the effect of material interfund activity has been removed from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of given functions are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other internally directed revenues are reported instead as general revenues.

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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. Depreciation has been allocated specifically to functional areas with the majority of it being allocated to instructional. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

##### *Governmental Fund Financial Statements*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under financed purchases, leases, and SBITA agreements are reported as other financing sources.

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Basis of Accounting** (Continued)

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

#### **Budgets**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, and Capital Projects Funds. All annual appropriations lapse at fiscal year-end. The District did amend their budgets in 2024.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting (under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation) is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as assigned fund balance to indicate an obligation to the District.

The District budgets transfers from the General Fund to other funds to cover the costs incurred by these funds in excess of the revenues generated. Certain indirect costs are charged to several Special Revenue Funds through budgeted transfers from the Special Revenue Funds to the General Fund.

#### **Cash and Investments**

Cash includes amounts in demand as well as short-term investments with a maturity date within three months of the date acquired by the District. The District pools cash of all funds into common bank accounts. The accounting records of each fund reflect its interest in the pooled cash. Any deficiencies in cash of individual funds represent liabilities to other funds for cash borrowed. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks or credit unions organized under Idaho Law, and national banks or credit unions located in Idaho.

The funds of the pool are invested in certificates of deposit, repurchase agreements, commercial paper, corporate debt instruments, and U.S. government securities. The certificates of deposit are federally insured. The LGIP is recorded at amortized costs due the LGIP's tight restrictions on the types of investments that can be held in the fund to limit the District's exposure to losses from credit risk, market, and liquidity risk. The District has a portion of the governmental activities invested in the Treasurer's DBF fund. The DBF fund is recorded using the net asset value per share based on the District's pro-rata share of the pool's net position. The District values these investments based on the information provided by the State of Idaho Treasurer's Office and classifies these amounts as an investment in the Statement of Net Position. An annual audit of the LGIP is conducted by the State Legislative Auditors Office. The Legislative Auditor of the State of Idaho has full access to the records of the LGIP.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Cash and Investments** (Continued)

All other cash is deposited with local banks in checking or savings accounts.

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk outside of the deposit and investment agreements. The District is authorized to invest in the State of Idaho Local Government Investment Pool and Diversified Bond Fund. This pooling is intended to improve administrative efficiency and increase investment yield.

Credit risk, is the risk that an issuer of debt securities, or another counterparty to an investment, will not fulfill its obligation and is commonly expressed in terms of the credit quality rating issued by nationally recognized statistical rating organization such as Moody's, Standard & Poor's, and Fitch's. The investments of the District are not rated and the District's policy does not restrict them to rated investments.

#### **Short-term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds and the General Fund for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

#### **Inventories**

Supplies inventory consists of paper and other supplies and equipment received at the end of the fiscal year, which had not yet been consumed. The cost is recorded as an expenditure at the time the item is consumed. Inventories are stated at cost on a first-in, first-out basis, which approximates market. Other supplies inventory on hand at year end has not been recorded as inventory and was treated as expended when purchased.

#### **Capital Assets**

Capital assets, including land, buildings, improvements, and equipment assets, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$10,000 and an initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Buildings, improvements, and equipment assets are depreciated using the straight-line depreciation method over the following estimated useful lives:

| Assets    | Years |
|-----------|-------|
| Buildings | 50    |
| Equipment | 3-15  |
| Vehicles  | 3-5   |

#### Lease Accounting

The District is a lessee in multiple noncancelable operating and financing leases. If the contract provides the District the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the present value when the underlying rate or index is fixed and predictable for the life of the lease. Variable costs that depend on an unpredictable index are accounted for as expenses as they are incurred. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the District's incremental borrowing rate. The implicit rates of the District's leases are not readily determinable and accordingly, the District has elected to use the State's Diversified Bond Fund (DBF) portfolio rate. This rate is used to calculate the present value of future lease payments. This rate is an alternative investment rate for other than short-term investments and is materially the same as the rate the District might incur from an external lender.

The ROU asset for operating leases is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. The ROU asset for finance leases is amortized on a straight-line basis over the lease term. For all underlying classes of assets, the District has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the District is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The District recognizes short-term lease cost on a straight-line basis over the lease term.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Lease Accounting** (Continued)

In addition, under the standard, the District has adopted a policy which evaluates the material nature of long-term leases as a group. For group calculations which fall below the policy threshold for recording, the District will not recognize the lease liability and ROU and will instead expense these costs as incurred. Copier leases is one such group.

The District is a lessor in multiple noncancelable leases. The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the District's incremental borrowing rate. The District uses the incremental borrowing rate based on the information available at the commencement date for all leases. The District's incremental borrowing rate is determined using the same methodology for lessor agreements as is used for lessee agreements as noted above.

#### **Subscription Based Information Technology Arrangements**

The District is a party to multiple noncancelable subscription based information technology arrangements (SBITAs). If the contract provides the District the right to use the present service capacity and the right to direct the use of the identified asset, it is considered to be or contain a SBITA. Subscription-based assets and liabilities are recognized at the agreement commencement date based on the present value of the future payments over the expected contract term. The SBITA asset is also adjusted for any prepayments made and capitalizable initial implementation costs as incurred.

The SBITA liability is initially and subsequently recognized based on the present value of its future payments. Variable payments are included in the present value when the underlying rate or index is fixed and predictable for the life of the lease. Variable costs that depend on an unpredictable index are accounted for as expenses as they are incurred. Increases (decreases) to variable payments due to subsequent changes in an index or rate are recorded as an adjustment to expense in the period in which they are incurred.

The discount rate used is the implicit rate in the SBITA contract, if it is readily determinable, or the District's incremental borrowing rate. The District has elected to use the State's Diversified Bond Fund (DBF) portfolio rate for their incremental borrowing rate. This rate is an alternative investment rate for other than short-term investments and is materially the same as the rate the District might incur from an external lender.

For all underlying classes of assets, the District does not recognize SBITA assets and liabilities for short-term agreements that have a contract term of 12 months or less at contract commencement. Contracts containing termination clauses in which either party may terminate without cause and the notice period is less than 12 months are deemed short-term agreements with costs included in expense.

#### **Compensated Absences**

Employees are entitled to certain compensated absences based on their length of employment. The entire compensated absences owed are reported in the government-wide financial statement.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Other Post-Employment Benefits**

PERSI employees who retire and have not yet become eligible for Federal Medicare coverage are eligible to purchase insurance through the District's healthcare plan. Although retirees pay their own premium, there is an implicit cost due to increased group premiums when retirees are included in District insurance plans. For the purpose of measuring the net other post-employment benefit liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, and other post-employment benefit expenses, information about fiduciary net position of the implicit medical benefit Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. Benefit payments are recognized when due and payable in accordance with the benefit terms.

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 Employee 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 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.

#### **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 (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **Long-term Obligations**

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable, available, financial resources is reported as a fund liability of a governmental fund. The entire portion of such obligations is reported in the government-wide financial statements.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has several items that qualify for reporting in this category and they occur on the government-wide Statement of Net Position. The District reports deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and District contributions to pension plans subsequent to the measurement date of the collective net pension liability. The last two deferred outflows result from changes of assumptions or other inputs on the OPEB obligations and PERSI SL asset.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has five types of items, two of which arise only under a modified accrual basis of accounting, that qualifies for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is lease-related amounts recognized at the inception of leases in which the District is the lessor in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that related to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

The District also reports deferred inflows of resources for its proportionate share of the collective deferred inflows of resources related to pensions, and difference between expected and actual experience – OPEB and PERSI SL on the government wide financial statements.

#### **Net Position Flow Assumption**

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 financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### **Fund Balance Flow Assumption**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balances).

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Fund Balance Flow Assumption** (Continued)

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.

#### **Fund Balance**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance:* This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributions, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance:* These amounts can only be used for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The School Board is the highest level of decision-making authority for the District that can, by board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the board resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned fund balance:* This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes but do not meet the criteria to be classified as restricted or committed. The School Board has by resolution authorized management to assign fund balance. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriation in the subsequent year's appropriated budget. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance:* This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.



# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Risks Management**

The District is exposed to a considerable number of risks of loss, including: (a) damage to and loss of property and contents; (b) employee torts; (c) professional liability, i.e. errors and omissions; (d) environmental damage; (e) workers' compensation, i.e. employee injuries; and (f) medical insurance costs of employees.

Commercial policies, transferring the risks of loss, except for relatively small deductible amounts, are purchased for property and content damage, employee torts, and professional liabilities. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### **Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires the District to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **Recently Adopted Accounting Pronouncements**

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 100, Accounting Changes and Error Corrections. The statement will enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The District adopted this guidance for the year ended June 30, 2024.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 2: Cash and Investments

At June 30, 2024, the carrying amount of the District's cash was \$5,152,805 and the bank balance of the District's deposits was as follows:

|   |           |                  |
|---|-----------|------------------|
| Insured by Federal Depository Insurance | \$        | 750,000          |
| Uninsured and uncollateralized          |           | 7,007,575        |
| <b>Totals</b>                           | <b>\$</b> | <b>7,757,575</b> |

At June 30, 2024, the cost and fair market value of the District's investments were as follows

| Deposit and investment type            | Fair Value           |                      |                  |
|--|----------------------|----------------------|------------------|
|  | Cost                 | Fair Market Value    | Average Maturity |
| Local Government Investment Pool - NAV | \$ 10,233,960        | \$ 10,257,768        | 106 days         |
| Diversified Bond Fund at NAV           | 6,116,540            | 5,860,190            | 2.63 years       |
| <b>Total investments</b>               | <b>\$ 16,350,500</b> | <b>\$ 16,117,958</b> |                  |

Interest rate risk - The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Credit risk - The District's deposits and investments at year end are limited to the Local Government Investment Pool, bank deposits, and certificates of deposits with various banks located in Idaho. The District has reduced its concentration of credit risk by using several financial institutions.

Custodial credit risk - In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2024, \$7,007,575 of the District's deposits and certificates of deposit were exposed to custodial credit risk because it was uninsured and uncollateralized. Of the investments, \$10,257,498 was held in two accounts in the State Treasurer's Investment Pool, and \$5,860,190 was held in the Diversified Bond Fund which are not insured or guaranteed by the FDIC.

Amounts held by the LGIP and DBF were held in the following investments: government agency notes, corporate bonds, Idaho bank deposits, commercial paper, U.S. treasury notes, commercial mortgages, repurchase agreements, and purchased accrued interest. All investments for the LGIP and DBF are collateralized with securities held by the pool's agent in the pool's name. The investments held by the pools are carried at fair value (determined by the Idaho State Treasurer's Office). Information necessary to determine the level of collateralization for the pools was unavailable.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 2: Cash and Investments (Continued)

The LGIP and the DBF are audited annually, and the related financial statements and note disclosures are included in the State of Idaho's Annual Comprehensive Financial Report, a copy of which can be downloaded from [www.sco.idaho.gov](http://www.sco.idaho.gov).

### Note 3: Property Taxes

In accordance with Idaho State Law, ad valorem property tax is levied in dollars in September for each calendar year. Taxes are recorded by the District using the modified accrual basis of accounting. Levies are made on the second Monday of September. All of the personal property tax and one-half of the real property tax are due on or before the 20th of December. The remaining one-half of the real property tax is due on or before June 20 the following year.

Property taxes attach as an enforceable lien on property as of January 1 the following year. Notice of foreclosure is filed with the County Clerk on property three years from the date of delinquency. The property tax revenue is budgeted for the ensuing fiscal year.

Bonneville County act as an agent for the District in both the assessment and collection areas. The County remits tax revenues to the District periodically, with the majority of the collections being remitted in January and July.

### Note 4: Interfund Receivables and Payables

During the course of its operations, the District had numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds had not been paid or received as of June 30, 2024, balances of interfund amounts receivable or payable have been recorded as follows:

|                 | Receivable   | Payable      |
|-----------------|--------------|--------------|
| General fund    | \$ 7,031,467 | \$ -         |
| Nonmajor funds  | -            | 7,031,467    |
| Total all funds | \$ 7,031,467 | \$ 7,031,467 |

The General Fund transferred \$319,401 to Child Nutrition, \$119,785 of which was required by state law to cover FICA costs. The General Fund transferred \$119,785 to Capital Projects for bus depreciation. The ESSER III fund transferred \$28,278 to the General Fund for indirect costs. The Debt service Fund transferred \$243,764 to Capital Projects.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 5: Construction Commitments

During the year ended June 30, 2024, the District contracted with various contractors to do certain projects, revisions, and additions. The following construction contracts were in progress at June 30, 2024:

| Project              | Original bid<br>plus changes | Average %<br>complete | Expenditures<br>Recorded<br>Currently | Remaining<br>Construction<br>Obligation |
|----------------------|------------------------------|-----------------------|---------------------------------------|---|
| Admin office project | 1,627,294                    | 94.58 %               | -                                     | 154,028                                 |
| CTE project          | 2,370,588                    | 36.17 %               | -                                     | 1,513,183                               |
| IDEA Center          | 1,375,000                    | 166.14 %              | 114,952                               | 203,386                                 |
| Compass Bathroom     | 60,750                       | 67.00 %               | -                                     | 20,048                                  |
| Ravsten Bleachers    | 2,370,000                    | 27.96 %               | 377,717                               | 1,849,833                               |
| TAC - Phase I        | 2,600,000                    | 110.70 %              | 1,496,691                             | (278,223)                               |
| Fire Suppression     | 135,509                      | 63.69 %               | 86,311                                | 49,198                                  |
| Total                | \$ 10,539,141                |                       | \$ 2,075,671                          | \$ 3,511,453                            |

### Note 6: Capital Assets

The governmental activities capital asset activity for the year ended June 30, 2024, is as follows:

|  | Restated<br>Balance<br>7/1/2023 | Increases | Deletions | Transfers   | Balance<br>06/30/24 |
|--|---------------------------------|-----------|-----------|-------------|---------------------|
| Capital assets, not being depreciated:         |                                 |           |           |             |                     |
| Land:  |                                 |           |           |             |                     |
| Elementary                                     | \$ 1,216,258                    | \$ -      | \$ -      | \$ -        | \$ 1,216,258        |
| Secondary                                      | 1,955,897                       | -         | -         | -           | 1,955,897           |
| Administration                                 | 89,382                          | -         | -         | -           | 89,382              |
| Construction in progress                       | 4,952,017                       | 2,075,671 | (898,108) | (3,165,046) | 2,964,534           |
| Total capital assets, not being<br>depreciated | 8,213,554                       | 2,075,671 | (898,108) | (3,165,046) | 6,226,071           |
| Capital assets, being depreciated:             |                                 |           |           |             |                     |
| Buildings                                      |                                 |           |           |             |                     |
| Elementary                                     | 68,006,572                      | 96,079    | -         | -           | 68,102,651          |
| Secondary                                      | 46,362,523                      | 198,043   | -         | -           | 46,560,566          |
| Administration                                 | 6,880,254                       | -         | -         | 520,167     | 7,400,421           |
|  | -                               | -         | -         | 2,644,879   | 2,644,879           |
| Total buildings                                | 121,249,349                     | 294,122   | -         | 3,165,046   | 124,708,517         |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 6: Capital Assets (Continued)

|  |              |             |   |           |              |
|--|--------------|-------------|---|-----------|--------------|
| Equipment                                    |              |             |   |           |              |
| Elementary                                   | 757,061      | -           | - | -         | 757,061      |
| Secondary                                    | 1,882,833    | 403,402     | - | -         | 2,286,235    |
| Administration                               | 1,587,125    | 107,279     | - | -         | 1,694,404    |
| Total equipment                              | 4,227,019    | 510,681     | - | -         | 4,737,700    |
| Vehicles                                     | 6,565,289    | 607,925     | - | -         | 7,173,214    |
| Total capital assets, being depreciated      | 132,041,657  | 1,412,728   | - | 3,165,046 | 136,619,431  |
| Accumulated depreciation:                    |              |             |   |           |              |
| Buildings                                    | (52,445,941) | (2,463,691) | - | -         | (54,909,632) |
| Equipment                                    | (3,386,316)  | (169,040)   | - | -         | (3,555,356)  |
| Vehicles                                     | (5,244,626)  | (416,698)   | - | -         | (5,661,324)  |
| Total accumulated depreciation               | (61,076,883) | (3,049,429) | - | -         | (64,126,312) |
| Total capital assets, being depreciated, net | 70,964,774   | (1,636,701) | - | 3,165,046 | 72,493,119   |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 6: Capital Assets (Continued)

|   | Restated<br>Balance<br>7/1/2023 | Increases         | Deletions             | Transfers   | Balance<br>06/30/24  |
|---|---------------------------------|-------------------|-----------------------|-------------|----------------------|
| <b>Right of use assets - leases:</b>  |                                 |                   |                       |             |                      |
| Leased equipment  | \$ 2,020,039                    | \$ 99,532         | \$ (620,225)          | -           | \$ 1,499,346         |
| Accumulated amortization  | (540,621)                       | (399,982)         | 206,742               | -           | (733,861)            |
| <b>Total ROU assets - leases, net</b>   | <b>1,479,418</b>                | <b>(300,450)</b>  | <b>(413,483)</b>      | <b>-</b>    | <b>765,485</b>       |
| <b>Right of use assets - Subscription-<br/>Based Information Technology<br/>Arrangement Assets:</b> |                                 |                   |                       |             |                      |
| Contract asset  | 1,041,811                       | 464,096           | -                     | -           | 1,505,907            |
| Accumulated amortization  | (276,791)                       | (442,295)         | -                     | -           | (719,086)            |
| <b>Total ROU asset - SBITAs, net</b>  | <b>765,020</b>                  | <b>21,801</b>     | <b>-</b>              | <b>-</b>    | <b>786,821</b>       |
| <b>Governmental activities capital<br/>assets, net</b>  | <b>\$ 81,422,766</b>            | <b>\$ 160,321</b> | <b>\$ (1,311,591)</b> | <b>\$ -</b> | <b>\$ 80,271,496</b> |

Depreciation and amortization expense was charged to the functions of the primary government as follows:

| <b><i>Governmental activities</i></b>              |                     |
|--|---------------------|
| Instruction  | \$ 2,011,175        |
| Support services                                   | 497,442             |
| Operations   | 17,983              |
| Administration                                     | 177,652             |
| Transportation                                     | 581,200             |
| Noninstructional                                   | 119,610             |
| Capital Improvements                               | 486,644             |
| <b>Total depreciation and amortization expense</b> | <b>\$ 3,891,706</b> |

### Note 7: Payroll Expenditures and Related Liabilities

Teacher contracts were signed for the period September 1, 2024 through May 31, 2024, to be paid over the twelve months of September 1, 2024 through August 31, 2024. The financial statements reflect the salary expense for this period. The accrued payroll reflects the final two months of these contracts.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 8: Other Postemployment Benefits

*Summary of Plans* - The District participates in other postemployment benefit plans relating to health and disability administered by the State of Idaho as an agent multiple-employer defined benefit plans. The Life Insurance benefit is a single-employer defined benefit plan. Idaho Code Sections 67-5760 to 67-5768 and 72-1335, establishes the benefits and contribution obligations. Each of these benefits is provided by the District to retired or disabled employees. The most recent actuarial valuation is as of July 1, 2022. The District has not set aside any assets to pay future benefits; the District funds these benefits on a pay-as-you-go basis. Details of the plans can be found in the Comprehensive Annual Report of the State of Idaho, which may be obtained from the following location: <http://www.sco.idaho.gov>

#### Plan Descriptions and Funding Policy

##### *Retiree Healthcare Plan*

A retired employee of the District who receives monthly retirement benefits from the Public Employee Retirement System of Idaho (PERSI) may elect to purchase the retiree health insurance coverage for themselves and eligible dependents. Employees must enroll within 60 days of the date that the active employee policy ends. Additionally, the employee must be receiving PERSI monthly benefits at the time of retirement and must have 10 or more years (20,800 or more hours) of credited service. An employee must have been an active employee on or before June 30, 2009, and must retire directly from State service. Coverage is not available to Medicare-eligible retirees or their Medicare-eligible dependents. Retirees eligible for medical health insurance pay the majority of the premium cost; however, the retiree plan costs are subsidized by the active employee plan per Idaho Code 67-5761. For fiscal year 2024, the District contributed approximately \$205,762.

##### *Actuarial Assumptions*

The last actuarial valuation was performed as of July 1, 2022, and rolled forward to June 30, 2023, for the Retiree Healthcare plan. There have been no significant changes between the valuation date and the fiscal year end.

The total OPEB liability as of June 30, 2024, was based on the 2023 PERSI Experience study for demographic assumptions and the July 1, 2023, OPEB Valuation for the economic and OPEB specific assumptions.

The entry age normal cost method and the following actuarial assumptions applied to all periods included in the June 30, 2023 measurement:

|  |  |
|--|--|
| Inflation                              | 2.30%  |
| Salary increases                       | 3.05% general wage growth plus increases due to promotions and longevity |
| Discount rate                          | 3.65%  |
| Retiree' share of benefit-related cost | 81.9% of projected health insurance premiums for retirees                |

| <b>Total OPEB Liability</b> | <b>June 30, 2024</b> |
|-----------------------------|----------------------|
| Total OBEB liability        | \$ 205,762           |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 8: Other Postemployment Benefits (Continued)

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. Any significant changes during this period must be reflected as prescribed by GASB 75.

#### Other Key Actuarial Assumptions

None

#### Changes in Total OPEB Liability

| <b>Changes in total OPEB liability</b>         | <b>Increase<br/>(Decrease) Total<br/>OPEB Liability</b> |
|--|---|
| Balance as of June 30, 2023                    | \$ 207,716  |
| Changes for the year:                          |   |
| Service cost                                   | 5,135   |
| Interest on total OPEB liability               | 6,447   |
| Effect of economic/demographic gains or losses | 49,926  |
| Changes of assumptions or other inputs         | (809)   |
| Benefit payments                               | (62,653)  |
| Balance as of June 30, 2024                    | \$ 205,762  |

#### Sensitivity Analysis

The following presents the total OPEB liability of the District, calculated using the discount rate of 3.65%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65%) or 1 percentage point higher(4.65%) than the current rate.

| <i>June 30, 2024</i> | 1% Decrease<br>2.65% | Discount Rate<br>3.65% | 1% Increase<br>4.65% |
|----------------------|----------------------|------------------------|----------------------|
| Total OPEB liability | \$ 212,767           | \$ 205,762             | \$ 198,785           |



# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 8: Other Postemployment Benefits (Continued)

| OPEB Expense                                | July 1, 2023 to<br>June 30, 2024 |
|---|----------------------------------|
| Service cost                                | \$ 5,135                         |
| Interest on total OPEB liability            | 6,447                            |
| Recognition of experience gains and losses  | (63,350)                         |
| Recognition of assumption changes or inputs | 8,316                            |
| OPEB expense                                | \$ (43,452)                      |

As of June 30, 2023 measurement date, the deferred (inflows) and outflows of resources are as follows:

| Deferred (Inflows) / Outflows of Resources         | Deferred<br>(Inflows) of<br>Resources | Deferred<br>Outflows of<br>Resources |
|--|---------------------------------------|--------------------------------------|
| Differences between expected and actual experience | \$ (163,064)                          | \$ 90,141                            |
| Changes of assumptions                             | (44,401)                              | 99,407                               |
| Total  | \$ (207,465)                          | \$ 189,548                           |

Other amounts currently reported as deferred outflows of resources and deferred (inflows) of resources related to other postretirement benefits will be recognized in OPEB expense as follows:

| Year Ending June 30 |            |
|---------------------|------------|
| 2025                | \$ (6,281) |
| 2026                | (29,218)   |
| 2027                | 11,247     |
| 2028                | 335        |
| 2029                | 6,000      |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 8: Other Postemployment Benefits (Continued)

#### Schedule of Deferred Inflow/Outflows of Resources

|  | Original<br>Amount  | Date<br>Established | Original<br>Recognition<br>Period | Amount<br>Recognized | Deferred<br>Inflow of<br>Resources | Deferred<br>Outflow of<br>Resources |
|--|---------------------|---------------------|-----------------------------------|----------------------|------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ (4,409)          | June 30, 2018       | 6.10                              | \$ (726)             | \$ (55)                            | \$ -                                |
| Changes of assumptions or other inputs             | (325,430)           | June 30, 2018       | 6.10                              | (53,359)             | (5,275)                            | -                                   |
| Changes of assumptions or other inputs             | 274,164             | June 30, 2019       | 6.10                              | 44,931               | -                                  | 49,508                              |
| Differences between expected and actual experience | (506,354)           | June 30, 2020       | 5.8                               | (87,295)             | (157,175)                          | -                                   |
| Changes of assumptions or other inputs             | 154,077             | June 30, 2020       | 5.8                               | 26,568               | -                                  | 47,806                              |
| Differences between expected and actual experience | 101,472             | June 30, 2021       | 5.8                               | 17,498               | -                                  | 48,978                              |
| Changes of assumptions or other inputs             | 4,270               | June 30, 2021       | 5.8                               | 726                  | -                                  | 2,093                               |
| Differences between expected and actual experience | (9,014)             | June 30, 2022       | 5.7                               | (1,591)              | (5,833)                            | -                                   |
| Changes of assumptions or other inputs             | (59,276)            | June 30, 2022       | 5.7                               | (10,410)             | (38,457)                           | -                                   |
| Differences between expected and actual experience | 49,927              | June 30, 2023       | 5.7                               | 8,763                | -                                  | 41,164                              |
| Changes of assumptions or other inputs             | (809)               | June 30, 2023       | 5.7                               | (140)                | (670)                              | -                                   |
| <b>Total</b>                                       | <b>\$ (321,382)</b> |                     |                                   | <b>\$ (55,035)</b>   | <b>\$ (207,465)</b>                | <b>\$ 189,549</b>                   |

\*Note that additional future deferred inflows and outflows of resources may impact these numbers.

### Note 9: PERSI Sick Leave Insurance Reserve Fund

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](http://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.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 9: PERSI Sick Leave Insurance Reserve Fund (Continued)

#### *OPEB Benefits*

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

#### *Employer Contributions*

The contribution rate for employers are set by statute at 0.065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave, then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. PERSI did not require any District contributions after December of 2019. The District had no contributions for the year ended June 30, 2024. Contributions requirements are set to continue in fiscal year 2025.

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

At June 30, 2024 the District reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2024, the District's proportion was 1.0761850%.

For the year ended June 30, 2024, the District recognized OPEB expense offset of \$1,475,551. There were no amounts reported as deferred outflows of resources related to OPEBs resulting from Employer contributions subsequent to the measurement date.

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERSI OPEB sick leave from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred Inflow<br>of Resources |
|---|--------------------------------------|---------------------------------|
| Difference between expected and actual experience                             | \$ 462,389                           | \$ 29,444                       |
| Changes in assumptions or other inputs  | 548,232                              | 912,047                         |
| Net difference between projected and actual earnings on OPEB plan investments | 581,878                              | -                               |
| <b>Total</b>  | <b>\$ 1,592,499</b>                  | <b>\$ 941,491</b>               |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 9: PERSI Sick Leave Insurance Reserve Fund (Continued)

#### 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, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                                      |       |
|--------------------------------------|-------|
| Inflation                            | 2.30% |
| Salary increases including inflation | 3.05% |
| Investment rate of return            | 5.45% |

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 thus would have no impact.

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

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

#### Capital Market Assumptions

| Asset Class             | Target Allocation | Expected Rate of Return (Arithmetic) |
|-------------------------|-------------------|--------------------------------------|
| Broad U.S Equity        | 39.30 %           | 4.90 %                               |
| Developed Ex U.S Equity | 10.70 %           | 4.78 %                               |
| Fixed Income            | 50.00 %           | 0.50 %                               |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 9: PERSI Sick Leave Insurance Reserve Fund (Continued)

#### *Discount Rate*

The discount rate used to measure the total OPEB liability was 5.45%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the 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 total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

#### *Sensitivity of the Net OPEB 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 5.45% at June 30, 2023, 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 (4.45%) or 1-percentage-point higher (6.45%) than the current rate:

|   | 1% Decrease<br>4.45% | Current Single<br>Discount Rate<br>Assumption 5.45% | 1% Increase<br>6.45% |
|---|----------------------|---|----------------------|
| Employer's proportionate share of the net<br>OPEB liability (asset) | \$ (1,543,612)       | \$ (2,293,432)                                      | \$ (2,979,216)       |

#### *OPEB Plan Fiduciary Net Position*

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERSI financial report. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov).

#### *Payables to the OPEB Plan*

At June 30, 2024, the District reported no payables to the defined benefit OPEB plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

### Note 10: Pension Plan

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

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 10: Pension Plan** (Continued)

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 for 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.

#### *Member and Employer Contributions*

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

The contribution rate for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2023, it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% general employees and 12.28% for police and firefighters. The District's contributions were \$7,100,304 for the year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2023, the District's proportion was 0.0134977%.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 10: Pension Plan (Continued)

For the year ended June 30, 2024, the District recognized pension expense offset of \$7,676,267. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred Inflow<br>of Resources |
|---|--------------------------------------|---------------------------------|
| Difference between expected and actual experience   | \$ 9,232,850                         | \$ -                            |
| Changes in assumptions or other inputs  | 5,333,758                            | -                               |
| Net difference between projected and actual earnings on pension plan investments  | 5,056,012                            | -                               |
| Changes in the employer's proportion and differences between the employer's contribution and the employer's proportionate contributions | (1,045,987)                          | -                               |
| District contributions subsequent to the measurement date   | 7,100,304                            | -                               |
| <b>Total</b>  | <b>\$ 25,676,937</b>                 | <b>\$ -</b>                     |

\$7,100,304 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, 2025.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2022, the beginning of the measurement period ended June 30, 2022, is 4.6 years and 4.6 years for the measurement period ended June 30, 2023.

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 Ending June 30 |              |
|---------------------|--------------|
| 2025                | \$ 6,632,366 |
| 2026                | 2,964,978    |
| 2027                | 9,944,834    |
| 2028                | (965,545)    |

#### 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.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 10: Pension Plan (Continued)

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

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

Contributing Members, Service Retirement Members, and Beneficiaries:

- General employees and all beneficiaries- Males Pub-2010 general tables, increased 11%
- General employees and all beneficiaries- Females Pub-2010 general tables, increased 21%
- Teachers- Males Pub-2010 Teacher tables, increased 12%
- Teachers- Females Pub-2010 Teacher tables, increased 21%
- Fire & Police- Males Pub-2010 Safety tables, increased 21%
- Fire & Police- Females Pub-2010 safety tables, increased 26%
- 5% of Fire and Police active member deaths are assumed to be duty
- Disabled Members- Males Pub-2010 Disabled tables, increased 38%
- Disables Members- Females Pub-2010 Disabled tables, increased 36%

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

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

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



# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 10: Pension Plan (Continued)

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 2023.

#### Capital Market Assumptions

| Asset Class             | Target Allocation | Long-Term Expected Rate of Return |
|-------------------------|-------------------|-----------------------------------|
| Cash                    | 0.00 %            | 0.00 %                            |
| Large Cap               | 18.00 %           | 4.50 %                            |
| Small/Mid Cap           | 11.00 %           | 4.70 %                            |
| International Equity    | 15.00 %           | 4.50 %                            |
| Emerging Markets Equity | 10.00 %           | 4.90 %                            |
| Domestic Markets Equity | 20.00 %           | (0.25)%                           |
| TIPS                    | 10.00 %           | (0.30)%                           |
| Real Estate             | 8.00 %            | 3.75 %                            |
| Private Equity          | 8.00 %            | 6.00 %                            |

#### Discount Rate

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

#### Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

|   | 1% Decrease<br>5.35% | Current Single<br>Discount Rate<br>Assumption 6.35% | 1% Increase<br>7.35% |
|---|----------------------|---|----------------------|
| Employer's proportionate share of the net Pension liability (asset) | \$ 96,878,217        | \$ 53,864,887                                       | \$ 18,709,556        |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 10: Pension Plan (Continued)

#### *Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov).

#### *Payables to the Pension Plan*

At June 30, 2024, the District reported no payables to the defined benefit pension plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

### Note 11: Post-Retirement Benefits

The District funds post-retirement benefits on a current basis through PERSI. At January 1, 2020, the required contribution rate went to 0.0% which lasted through 2023. Contribution requirements are set to resume in fiscal year 2024. At the time of retirement, a sum equal to one-half of the monetary value of unused sick leave, calculated at the rate of pay at that time, is transferred from the sick leave account to the employee's retirement account. This money shall then be used to pay premiums for health, accident, dental, and life insurance.

### Note 12: Long-Term Debt

Changes in long-term liabilities for the year ended June 30, 2024, were as follows:

| <b>Governmental activities</b> | Restated<br>Balance<br>7/1/2023 | Additions           | Reductions            | Balance<br>06/30/24  | Amounts due<br>Within One<br>Year |
|--------------------------------|---------------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Bonds payable:                 |                                 |                     |                       |                      |                                   |
| Bonds payable*                 | \$ 4,925,000                    | \$ -                | \$ (4,925,000)        | \$ -                 | \$ -                              |
| Premium on bonds               | 352,061                         | -                   | (352,061)             | -                    | -                                 |
| <b>Total bonds payable</b>     | <b>5,277,061</b>                | <b>-</b>            | <b>(5,277,061)</b>    | <b>-</b>             | <b>-</b>                          |
| Net pension liability          | 52,660,516                      | 1,204,371           | -                     | 53,864,887           | -                                 |
| OPEB                           | 2,701,799                       | -                   | (2,496,037)           | 205,762              | -                                 |
| Compensated absences           | 218,029                         | 83,888              | -                     | 301,917              | 301,917                           |
| Lease liability**              | 613,878                         | 99,532              | (568,829)             | 144,581              | 123,666                           |
| SBITAs liability***            | 524,261                         | 393,125             | (461,774)             | 455,612              | 268,921                           |
| <b>Total</b>                   | <b>\$ 61,995,544</b>            | <b>\$ 1,780,916</b> | <b>\$ (8,803,701)</b> | <b>\$ 54,972,759</b> | <b>\$ 694,504</b>                 |

\* See Note 13 for additional information on bond obligations

\*\* See Note 15 for additional information on lease agreements and liabilities

\*\*\* See Note 16 for additional information on SBITA agreements and liabilities

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 12: Long-Term Debt (Continued)

Payment on the general obligation bonds are made by the debt service fund from property taxes and state bond levy equalization funds. Payment on the employment benefits is from the fund in which the employee works.

On August 6, 2020, the District issued \$5,430,000 in general obligation refunding bonds. The District completed the advanced refunding in 2021 and again in 2022. The 2022 refunding was completed to reduce its total debt service payments over the next 8 years. In September 2023, the remaining balance of the bond liability was paid off.

### Note 13: General Obligation Bond Issues

The District had two general obligation bond issues (2012B Series, and 2020 refunding Series) outstanding at the beginning of the year. The 2020 general refunding bonds were originally \$5,430,000 due in principal payments of \$710,000 to \$720,000 through September 15, 2023, interest at .84%. The 2012B general obligation bond was originally \$29,670,000 and was due in annual installments of \$1,080,000 to \$1,685,000 through September 15, 2028, interest from 3.0% to 4.0%, including a net unamortized bond premium of \$503,593. Both general obligation bonds were paid off in fiscal year 2024.

Payments on the general obligation bonds are made by the debt service fund from property taxes and state bond levy equalization support.

There are no future debt service requirements as of fiscal year ended June 30, 2024.

Changes to bond principal payable and future interest payable are summarized as follows:

| <i>Principal</i>                 | 2012B        | 2020       | Total        |
|----------------------------------|--------------|------------|--------------|
| Balance at July 1, 2023          | \$ 4,205,000 | \$ 720,000 | \$ 4,925,000 |
| Bonds retired during fiscal year | (4,205,000)  | (720,000)  | (4,925,000)  |
| Balances at June 30, 2024        | \$ -         | \$ -       | \$ -         |

  

| <i>Interest</i>                           | 2012C Series | 2016A Series | Total      |
|---|--------------|--------------|------------|
| Balance at July 1, 2023                   | \$ 170,100   | \$ 3,024     | \$ 173,124 |
| Interest paid on bonds during fiscal year | (170,100)    | (3,024)      | (173,124)  |
| Balances at June 30, 2024                 | \$ -         | \$ -         | \$ -       |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### Note 14: Legal Debt Margin

The District is subject to a statutory limitation by the Idaho Code for bonded indebtedness payable principally from property taxes. The limit of bonded indebtedness is 5% of property market value for assessment purposes less the aggregate outstanding debt. At June 30, 2024, the limit for the District was 5% of \$10,059,362,133 or \$502,968,107. The Debt Service Fund had \$2,069,256 available and the general obligation debt was \$0 leaving a legal debt margin of \$500,898,851.

### Note 15: Leases

The District has the following leases outstanding at year end.

Yost/Pacific Office – This agreement is made of 1 master lease agreement with several addendums. Lease agreements are dated between September 2020 through May 2022 with combined monthly installments of \$3,745, including imputed interest at 1.38%. The agreements expire between May and September 2025. These leases are for office equipment. \$ 45,049

Enterprise – Lease agreements for 14 vehicles dated July 2023 with monthly installments of \$7,250 and including imputed interest at 3.640%, through August 2025. 99,532

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|       |  |  |  |    |         |
|-------|--|--|--|----|---------|
| Total |  |  |  | \$ | 144,581 |
|-------|--|--|--|----|---------|

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Future minimum lease payments as of June 30, 2024, are:

|       | Principal  | Interest | Total      |
|-------|------------|----------|------------|
| 2025  | \$ 123,666 | \$ 2,284 | \$ 125,950 |
| 2026  | 20,915     | 77       | 20,992     |
| Total | \$ 144,581 | \$ 2,361 | \$ 146,942 |

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### Note 16: Subscription Based Information Technology Arrangements (SBITAs)

The District is has contracts with the following companies and terms:

BorderLan – Two agreements dated July 2020 and amended July 2022. These agreements have annual payments of \$21,630 and \$18,968, respectively, and an interest rate of 3.12%. The agreements expire In June 2025 and 2026, respectively. These agreements cover Secure Cloud and Behavior monitoring.

Tyler Technologies – Several agreements dated May 2022. These agreements have varying payments on a set schedule and paid annually, and an interest rate of 3.12%. The agreements expire in April 2025 to April 2026. These agreements cover transportation and other cloud services.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 16: Subscription Based Information Technology Arrangements (SBITAs) (Continued)

Compunet – An agreement dated March 2022. This agreement has annual payments of \$23,618 and an interest rate of 3.12%. The agreement expires in February 2027. The agreement covers Smart License services.

Blackboard – Several agreements dated July 2022. These agreements have combined annual payments of \$39,440 and an interest rate of 3.12%. The agreements expire in June 2025. These agreements cover student cloud services.

Tyler Tech ERP Pro – An agreement dated July 2023. This agreement has annual payments of \$121,024 and an interest rate of 10%. The agreement expires in June 2026. The agreement covers cloud services.

Tyler Warehouse – An agreement dated June 2024. This agreement has annual payments of \$25,123 and an interest rate of 10%. The agreement expires in June 2026. The agreement covers cloud services.

The following represents the subscription-based liabilities for the District and liability outstanding at June 30:

|  | Restated<br>Balance<br>7/1/2023 | Additions         | Reductions          | Balance<br>06/30/24 | Amounts due<br>Within One<br>Year |
|--|---------------------------------|-------------------|---------------------|---------------------|-----------------------------------|
| BorderLan - Linewize                   | \$ 42,486                       | \$ -              | \$ (20,912)         | \$ 21,574           | \$ 21,574                         |
| Tyler Technologies -<br>Transportation | 36,489                          | -                 | (17,501)            | 18,988              | 18,988                            |
| Tyler Technologies - Other             | 265,494                         | -                 | (229,688)           | 35,806              | 17,149                            |
| BorderLan Schoolmanager                | 35,207                          | -                 | (17,163)            | 18,044              | 18,044                            |
| Component CiscoFlex 3                  | 67,117                          | -                 | (21,679)            | 45,438              | 22,365                            |
| Blackboard Community                   | 46,827                          | -                 | (23,049)            | 23,778              | 23,778                            |
| Blackboard Website                     | 30,641                          | -                 | (15,082)            | 15,559              | 15,559                            |
| Tyler Tech ERP Pro                     | -                               | 327,019           | (98,349)            | 228,670             | 108,647                           |
| Tyler Warehouse                        | -                               | 66,106            | (18,351)            | 47,755              | 22,817                            |
| <b>Total</b>                           | <b>\$ 524,261</b>               | <b>\$ 393,125</b> | <b>\$ (461,774)</b> | <b>\$ 455,612</b>   | <b>\$ 268,921</b>                 |

Future minimum lease payments as of June 30, 2024 are:

|              | Principal         | Interest         | Total             |
|--------------|-------------------|------------------|-------------------|
| 2025         | \$ 268,921        | \$ 17,969        | \$ 286,890        |
| 2026         | 186,691           | 1,975            | 188,666           |
| <b>Total</b> | <b>\$ 455,612</b> | <b>\$ 19,944</b> | <b>\$ 475,556</b> |

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

### Note 17: Accounting Changes to or within the Financial Reporting Entity

During 2024, the District had changes to major and nonmajor funds from the prior year. The District had one new major fund as of June 30, 2024 - Child Nutrition, with two major funds from prior year dropping off and being included in nonmajor as of June 30, 2024 - ESSER II and ESSER III. Changes to or within the District is as follows:

| <i>Year Ended June 30, 2023</i>  | 6/30/2023<br>As Previously<br>Reported | Change to or<br>within the<br>Financial<br>Reporting<br>Entity | As Restated   |
|----------------------------------|--|--|---------------|
| Governmental Fund:s              |  |  |               |
| Major Funds:                     |  |  |               |
| General Fund                     | \$ 11,499,119                          | \$ -   | \$ 11,499,119 |
| Debt Service                     | 6,387,046                              | -  | 6,387,046     |
| Capital Projects                 | 1,736,922                              | -  | 1,736,922     |
| Child Nutrition Fund             | -                                      | 1,272,213  | 1,272,213     |
| ESSER III                        | 1,622                                  | (1,622)  | -             |
| Nonmajor Funds                   | 2,920,450                              | (1,270,591)  | 1,649,859     |
| Ending net position, as restated | \$ 22,545,159                          | \$ -   | \$ 22,545,159 |

### Note 18: Non-Monetary Transactions

The District received \$254,005 in USDA Commodities during the 2023-2024 fiscal year. The commodities received are valued at the average wholesale price as determined by the distributing agency. All commodities received by the District were treated as revenue and expense of the fund receiving the commodities.

### Note 19: Impact of Pending Accounting Principles

The following GASB pronouncements have been issued, but are effective in the future:

GASB Statement No. 101, Compensated Absences, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The District has not determined the effect of this Statement.

GASB Statement No. 102, Certain Risk Disclosures, requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The District has not determined the effect of this Statement.

# Idaho Falls School District #91

## Notes to Financial Statements

June 30, 2024

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### **Note 20: Subsequent Events**

Management of the District evaluated subsequent events through November 5, 2024, which is the date the financial statements were available to be issued. There were no events identified by management that were required to be disclosed in these financial statements.

## **Required Supplemental Information**

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# Idaho Falls School District #91

## Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual

| Year Ended June 30, 2024            | General Fund      |                   |                   | Variance with<br>Final Amended<br>Budget |
|-------------------------------------|-------------------|-------------------|-------------------|--|
|                                     | Original Budget   | Final Budget      | Actual            |  |
| <b>Revenues</b>                     |                   |                   |                   |  |
| Property taxes                      | \$ 6,800,000      | \$ 6,952,135      | \$ 2,903,124      | \$ (4,049,011)                           |
| Transportation fees                 | 100,000           | 120,000           | 121,581           | 1,581                                    |
| Earnings on investments             | 50,000            | 700,000           | 1,608,556         | 908,556                                  |
| Tuition                             | -                 | 4,000             | 40,240            | 36,240                                   |
| Rental                              | 5,000             | 3,000             | 10,589            | 7,589                                    |
| Contributions                       | 20,000            | -                 | 71,360            | 71,360                                   |
| Other Local Revenue                 | 375,000           | 513,000           | 929,381           | 416,381                                  |
| State apportionment                 |                   |                   |                   |  |
| Base                                | 49,402,376        | 58,640,495        | 61,752,781        | 3,112,286                                |
| Transportation                      | 2,000,000         | 2,400,000         | 3,526,174         | 1,126,174                                |
| Exceptional Child                   | 150,000           | 85,000            | 120,461           | 35,461                                   |
| Benefits                            | 9,722,856         | 8,064,807         | 7,793,880         | (270,927)                                |
| Other school support                | 500,000           | 946,957           | 946,957           | -  |
| Property tax replacement            | 151,500           | 144,374           | 359,708           | 215,334                                  |
| Other state revenue                 | 5,371,713         | 4,782,536         | 7,573,651         | 2,791,115                                |
| Vocational education                | 30,000            | -                 | 476,679           | 476,679                                  |
| <b>Total revenues</b>               | <b>74,678,445</b> | <b>83,356,304</b> | <b>88,235,122</b> | <b>4,878,818</b>                         |
| <b>Expenditures</b>                 |                   |                   |                   |  |
| Instruction                         |                   |                   |                   |  |
| Elementary                          | \$ 20,308,135     | 23,568,241        | 23,013,299        | 554,942                                  |
| Secondary                           | 17,633,145        | 21,544,249        | 21,175,217        | 369,032                                  |
| Alternative school                  | 857,480           | 1,140,381         | 925,212           | 215,169                                  |
| Instruction - Vocational            | 1,637,119         | 2,033,986         | 2,335,728         | (301,742)                                |
| Exceptional child                   | 4,427,066         | 6,470,925         | 6,344,270         | 126,655                                  |
| Special education preschool program | 386,230           | 392,221           | 392,155           | 66                                       |
| Gifted and talented                 | 260,210           | 289,498           | 286,734           | 2,764                                    |
| Interscholastic program             | 1,258,464         | 974,321           | 1,186,569         | (212,248)                                |
| School activity                     | 154,616           | 168,910           | 106,175           | 62,735                                   |
| Summer school                       | 18,500            | 18,803            | 11,119            | 7,684                                    |
| Detention center                    | 113,116           | 155,845           | 154,848           | 997                                      |
| <b>Total instruction</b>            | <b>47,054,081</b> | <b>56,757,380</b> | <b>55,931,326</b> | <b>826,054</b>                           |
| Support services                    |                   |                   |                   |  |
| Attendance, guidance, and health    | 3,168,533         | 3,822,625         | 3,770,802         | 51,823                                   |
| Special education support services  | 1,077,471         | 1,531,123         | 1,761,693         | (230,570)                                |
| Instructional improvement           | 1,536,250         | 499,690           | 507,700           | (8,010)                                  |
| Educational media                   | 644,902           | 589,465           | 572,432           | 17,033                                   |
| Instruction related technology      | 1,418,406         | 1,862,894         | 1,847,875         | 15,019                                   |
| Support                             | 100,000           | 151,681           | 1,168             | 150,513                                  |
| Other support services              | -                 | -                 | (19,108)          | 19,108                                   |
| <b>Total support services</b>       | <b>7,945,562</b>  | <b>8,457,478</b>  | <b>8,442,562</b>  | <b>14,916</b>                            |

See notes to required supplementary information.

# Idaho Falls School District #91

## Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Continued)

| Year Ended June 30, 2024               | General Fund        |                              |                      |                               |
|--|---------------------|------------------------------|----------------------|-------------------------------|
|  |                     | Original and<br>Final Budget | Actual               | Variance with<br>Final Budget |
| <b>Administration</b>                  |                     |                              |                      |                               |
| Board of education                     | 507,500             | 596,001                      | 495,029              | 100,972                       |
| District administration                | 1,698,339           | 2,337,917                    | 2,036,660            | 301,257                       |
| School administration                  | 4,873,453           | 5,598,610                    | 5,477,974            | 120,636                       |
| Total administration                   | 7,079,292           | 8,532,528                    | 8,009,663            | 522,865                       |
| <b>Business operations</b>             |                     |                              |                      |                               |
| Business operations                    | 903,437             | 715,288                      | 698,206              | 17,082                        |
| Central Services                       | 123,150             | 126,682                      | 130,920              | (4,238)                       |
| Administrative technology services     | 367,881             | 502,745                      | 495,461              | 7,284                         |
| Total business administration services | 1,394,468           | 1,344,715                    | 1,324,587            | 20,128                        |
| <b>Operations</b>                      |                     |                              |                      |                               |
| Building care (custodial)              | 3,280,010           | 3,579,338                    | 3,678,839            | (99,501)                      |
| Maintenance                            | 3,071,762           | 3,305,297                    | 3,177,766            | 127,531                       |
| Security                               | 268,000             | 250,000                      | 368,053              | (118,053)                     |
| Total operations                       | 6,619,772           | 7,134,635                    | 7,224,658            | (90,023)                      |
| Transportation                         | 3,455,779           | 4,777,577                    | 4,258,132            | 519,445                       |
| Debt Service Totals                    | -                   | -                            | 310,503              | (310,503)                     |
| Total expenditures                     | 73,548,954          | 87,004,313                   | 85,501,431           | 1,502,882                     |
| Revenues over (under) expenditures     | \$ 1,129,491        | (3,648,009)                  | 2,733,691            | 6,381,700                     |
| <b>Other financing sources (uses)</b>  |                     |                              |                      |                               |
| Transfers In                           | 125,000             | 125,000                      | 28,278               | (96,722)                      |
| Transfers Out                          | (185,000)           | (304,454)                    | (439,186)            | (134,732)                     |
| Total other financing sources (uses)   | (60,000)            | (179,454)                    | (410,908)            | (231,454)                     |
| Net change in fund balance             | <u>\$ 1,069,491</u> | <u>\$ (3,827,463)</u>        | 2,322,783            | <u>\$ 6,150,246</u>           |
| Fund balance at beginning of year      |                     |                              | <u>11,499,119</u>    |                               |
| Fund balance at end of year            |                     |                              | <u>\$ 13,821,902</u> |                               |

# Idaho Falls School District #91

## Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual

| Year Ended June 30, 2024                    | Child Nutrition     |                     |                     | Variance with<br>Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
|   | Original Budget     | Final Budget        | Actual              |                               |
| <b>Revenues</b>                             |                     |                     |                     |                               |
| Earnings on investments                     | -                   | -                   | 32,902              | 32,902                        |
| Contributions                               | -                   | -                   | 42,211              | 42,211                        |
| Other Local Revenue                         | 230,000             | 230,000             | 934,460             | 704,460                       |
| Federal grants and assistance               | 3,667,850           | 3,667,850           | 3,053,147           | (614,703)                     |
| <b>Total revenues</b>                       | <b>3,897,850</b>    | <b>3,897,850</b>    | <b>4,062,720</b>    | <b>164,870</b>                |
| <b>Expenditures</b>                         |                     |                     |                     |                               |
| Instruction                                 |                     |                     |                     |                               |
| Total instruction                           | -                   | -                   | -                   | -                             |
| Total support services                      | -                   | -                   | -                   | -                             |
| Total administration                        | -                   | -                   | -                   | -                             |
| Total business administration services      | -                   | -                   | -                   | -                             |
| Noninstructional                            | 4,862,850           | 4,785,304           | 4,122,389           | 662,915                       |
| <b>Total expenditures</b>                   | <b>4,862,850</b>    | <b>4,785,304</b>    | <b>4,122,389</b>    | <b>662,915</b>                |
| Revenues over (under) expenditures          | \$ (965,000)        | (887,454)           | (59,669)            | 827,785                       |
| <b>Other financing sources (uses)</b>       |                     |                     |                     |                               |
| Transfers In                                | 185,000             | 107,454             | 319,401             | 211,947                       |
| <b>Total other financing sources (uses)</b> | <b>185,000</b>      | <b>107,454</b>      | <b>319,401</b>      | <b>211,947</b>                |
| Net change in fund balance                  | <u>\$ (780,000)</u> | <u>\$ (780,000)</u> | 259,732             | <u>\$ 1,039,732</u>           |
| Fund balance at beginning of year           |                     |                     | <u>1,272,213</u>    |                               |
| Fund balance at end of year                 |                     |                     | <u>\$ 1,531,945</u> |                               |

# Idaho Falls School District #91

## Schedule of Changes in Total OPEB Liability and Related Ratios

Last ten Fiscal Years  
(schedule to be built prospectively from 2018)

|  | 2024               | 2023             | 2022             | 2021             | 2020             | 2019             | 2018             |
|--|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Calendar year ending December 31   |                    |                  |                  |                  |                  |                  |                  |
| Total OPEB liability:  |                    |                  |                  |                  |                  |                  |                  |
| Service cost   | \$ 5,135           | \$ 205,352       | \$ 271,412       | \$ 265,440       | 293,486          | 293,108          | 272,179          |
| Interest on the total OPEB liability   | 6,447              | 96,320           | 66,780           | 65,251           | 123,575          | 120,091          | 128,384          |
| Changes of benefit changes   | -                  | -                | -                |                  |                  |                  |                  |
| Differences between expected and actual experience of the total OPEB liability | -                  | -                | (498,746)        |                  | (812,206)        |                  | (139,951)        |
| Effect of assumption changes or inputs   | (809)              | (140,003)        | 214,213          |                  | 38,790           | 91,322           | 96,445           |
| Effect of economic/demographic gains or losses                                 | 49,926             | -                | -                |                  |                  |                  |                  |
| Expected benefit payments  | (62,653)           | (218,400)        | (254,822)        | (276,608)        | (243,990)        | (284,458)        | (253,787)        |
| Other changes  | (2,494,083)        | -                | -                |                  |                  |                  |                  |
| <b>Net change in total OPEB liability</b>                                      | <b>(2,496,037)</b> | <b>(56,731)</b>  | <b>(201,163)</b> | <b>54,083</b>    | <b>(600,345)</b> | <b>220,063</b>   | <b>103,270</b>   |
| <b>Total OPEB liability, beginning</b>   | <b>2,701,799</b>   | <b>2,758,530</b> | <b>2,959,693</b> | <b>2,905,610</b> | <b>3,505,955</b> | <b>3,285,892</b> | <b>3,182,622</b> |
| <b>Total OPEB liability, ending (a)</b>  | <b>205,762</b>     | <b>2,701,799</b> | <b>2,758,530</b> | <b>2,959,693</b> | <b>2,905,610</b> | <b>3,505,955</b> | <b>3,285,892</b> |
| <br>   |                    |                  |                  |                  |                  |                  |                  |
| Covered-employee payroll   | 53,000,427         | 46,391,289       | 46,391,289       | 40,366,648       | 40,366,648       | 33,378,450       | 32,172,000       |
| Net OPEB liability as a percentage<br>of covered-employee payroll              | 0.39 %             | 5.82 %           | 5.95 %           | 7.33 %           | 7.20 %           | 10.50 %          | 10.21 %          |

\*The District switched to the State Retiree Healthcare plan for other post-employment benefits in fiscal year 2024. The difference in beginning total OPEB liability and ending total OPEB liability is showing as other changes. Refer to Note 8 for further information about the plan.

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

# Idaho Falls School District #91

## Schedule of Employer's Proportionate Share of Net OPEB Asset

### PERSI - Base Plan

#### Last 10 Fiscal Years

|   | 2023         | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Employer's portion of net OPEB asset  | 3.1604601 %  | 3.1604601 %  | 3.1604601 %  | 3.1604601 %  | 3.2767099 %  | 3.29566310 % | 3.33184485 % |
| Employer's proportionate share of the net OPEB asset  | \$ 2,293,432 | \$ 2,405,966 | \$ 4,589,634 | \$ 3,891,493 | \$ 3,138,446 | \$ 2,733,586 | \$ 2,547,338 |
| Employer's covered-employee valuation payroll   | 57,451,258   | 52,655,460   | 48,427,157   | 44,699,028   | 42,708,247   | 40,806,676   | 38,949,285   |
| Employer's proportional share of the net OPEB asset as a percentage of its covered-employee payroll | 3.992 %      | 4.569 %      | 9.477 %      | 8.706 %      | 7.349 %      | 6.699 %      | 6.540 %      |
| Plan fiduciary net position as a percentage of the total OPEB asset                                 | 124.33 %     | 127.21 %     | 152.61 %     | 152.87 %     | 138.51 %     | 135.69 %     | 136.78 %     |

\* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available. Data reported is measured as of June 30, 2023 (measurement date).

## Schedule of Employer Contributions

### PERSI - OPEB Plan

#### Last 10 Fiscal Years\*

|  | 2024          | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Statutorily required contribution                                  | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ (281,604)  | \$ (538,124)  | \$ (514,005)  |
| Contributions in relation to the statutorily required contribution | 0             | 0             | 0             | 0             | 283,929       | 538,124       | 514,005       |
| Contribution deficiency (excess)                                   | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 2,325      | \$ 0          | \$ 0          |
| Employer's covered payroll   | \$ 57,693,488 | \$ 57,451,258 | \$ 52,655,460 | \$ 48,427,157 | \$ 44,699,028 | \$ 42,708,247 | \$ 40,806,676 |
| Contribution as a percentage of covered payroll                    | -             | -             | -             | %             | 0.63 %        | 1.26 %        | 1.26 %        |

\* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available. Data reported is measured as of June 30, 2023 (measurement date).

# Idaho Falls School District #91

## Schedule of Employer's Proportionate Share of Net Pension Liability

### PERSI - Base Plan

#### Last 10 Fiscal Years

|   | 2023          | 2022           | 2021           | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          | 2014         |
|---|---------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Employer's portion of net pension liability   | 1.3497703%    | 1.3369828%     | 1.2995385%     | 1.2574123%    | 1.2617045%    | 1.2610880%    | 1.2540293%    | 1.2689501%    | 12747356%     | 1.3247276%   |
| Employer's proportionate share of the net pension asset   | \$ 53,864,887 | \$ (2,052,698) | \$ (1,026,349) | \$ 29,198,776 | \$ 14,402,005 | \$ 18,601,268 | \$ 19,711,186 | \$ 25,723,567 | \$ 16,786,194 | \$ 9,752,068 |
| Employer's covered payroll  | 57,451,258    | 52,655,460     | 48,427,157     | 44,699,028    | 42,708,247    | 40,806,676    | 38,949,285    | 36,883,746    | 35,429,127    | 35,623,545   |
| Employer's proportional share of the net pension liability as a percentage of its covered payroll | 93.76 %       | (3.90)%        | (2.12)%        | 65.32 %       | 33.72 %       | 45.58 %       | 50.61 %       | 69.74 %       | 47.38 %       | 27.38 %      |
| Plan fiduciary net position as a percentage of the total pension liability                        | 83.83 %       | 83.09 %        | 100.36 %       | 88.22 %       | 93.79 %       | 91.68 %       | 90.68 %       | 87.26 %       | 91.38 %       | 94.95 %      |

## Schedule of Employer Contributions

### PERSI - Base Plan

#### Last 10 Fiscal Years

| County Fiscal Year   | 2024         | 2023         | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016          | 2015          |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Statutorily required contribution                                  | \$ 7,100,304 | \$ 6,859,680 | \$ 6,287,062 | \$ 5,782,203 | \$ 5,337,064 | \$ 4,834,574 | \$ 4,619,316 | \$ 4,409,059 | \$ 4,175,240  | \$ 4,010,577  |
| Contributions in relation to the statutorily required contribution | 7,100,304    | 6,859,680    | 6,287,062    | 5,782,203    | 5,337,064    | 4,834,574    | 4,619,316    | 4,409,059    | 4,175,240     | 4,010,577     |
| Contribution deficiency (excess)                                   | -            | -            | -            | -            | -            | -            | -            | -            | -             | -             |
| Employer's covered payroll   | 57,693,488   | 57,451,258   | 52,655,460   | 48,427,157   | 44,699,028   | 42,708,247   | 40,806,676   | 38,949,285   | \$ 36,883,746 | \$ 35,429,127 |
| Contribution as a percentage of covered payroll                    | 12.31 %      | 11.94 %      | 11.94 %      | 11.94 %      | 11.94 %      | 11.32 %      | 11.32 %      | 11.32 %      | 11.32 %       | 11.32 %       |

# Idaho Falls School District #91

## Notes to Required Supplementary Information

*Fiscal Year Ended June 30, 2024*

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### Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund, Debt Service Fund, Capital Projects Fund, and Child Nutrition Fund. All annual appropriations lapse at year end.

Expenditures exceeded the budgeted amounts for the following non-major Funds.

|                          |              |              |            |
|--------------------------|--------------|--------------|------------|
| Public School Technology | \$ 1,362,529 | \$ 1,591,662 | \$ 229,133 |
| Medicaid                 | 2,300,000    | 2,504,281    | 204,281    |

### OPEB Notes

Change of benefit terms - There are no changes of benefit terms.

Changes of assumptions - Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period.

## **Supplementary Information**

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# Idaho Falls School District #91

## Combining Balance Sheet - All Nonmajor Funds

| <i>June 30, 2024</i>                     | Forest Reserve Fund | E-rate            | School Activities | State Professional<br>Technical | Public School<br>Technology | Idaho Substance<br>Abuse | School Safety    | Title I Fund      | Migrant Education |
|--|---------------------|-------------------|-------------------|---------------------------------|-----------------------------|--------------------------|------------------|-------------------|-------------------|
| <b>Assets</b>                            |                     |                   |                   |                                 |                             |                          |                  |                   |                   |
| Cash and cash equivalents                | \$ 192,592          | \$ (8,280)        | \$ 929,104        | \$ 329,126                      | \$ 577,631                  | \$ 179,009               | \$ 99,506        | \$ 222,892        | \$ 43,595         |
| Federal grants receivable                | -                   | -                 | -                 | -                               | -                           | -                        | -                | 685,089           | 2,491             |
| Other receivables                        | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                 | -                 |
| <b>Total assets</b>                      | <b>\$ 192,592</b>   | <b>\$ (8,280)</b> | <b>\$ 929,104</b> | <b>\$ 329,126</b>               | <b>\$ 577,631</b>           | <b>\$ 179,009</b>        | <b>\$ 99,506</b> | <b>\$ 907,981</b> | <b>\$ 46,086</b>  |
| <b>Liabilities and fund equity</b>       |                     |                   |                   |                                 |                             |                          |                  |                   |                   |
| <b>Liabilities</b>                       |                     |                   |                   |                                 |                             |                          |                  |                   |                   |
| Accounts payable                         | \$ -                | \$ -              | \$ 57,941         | \$ 994                          | \$ 8,180                    | -                        | \$ -             | \$ 215            | -                 |
| Accrued wages                            | -                   | -                 | -                 | 8,985                           | -                           | -                        | -                | 200,259           | 2,417             |
| Accrued employee benefits                | -                   | -                 | -                 | 5,237                           | 580                         | -                        | -                | 59,863            | 1,558             |
| Interfund payable                        | -                   | 40,305            | -                 | 229,269                         | -                           | -                        | -                | 647,644           | 42,112            |
| <b>Total liabilities</b>                 | <b>-</b>            | <b>40,305</b>     | <b>57,941</b>     | <b>244,485</b>                  | <b>8,760</b>                | <b>-</b>                 | <b>-</b>         | <b>907,981</b>    | <b>46,087</b>     |
| <b>Fund equity</b>                       |                     |                   |                   |                                 |                             |                          |                  |                   |                   |
| Restricted                               | 192,592             | -                 | 871,163           | 84,641                          | 568,871                     | 179,009                  | 99,506           | -                 | -                 |
| Unassigned (deficit)                     | -                   | (48,585)          | -                 | -                               | -                           | -                        | -                | -                 | (1)               |
| <b>Total fund equity</b>                 | <b>192,592</b>      | <b>(48,585)</b>   | <b>871,163</b>    | <b>84,641</b>                   | <b>568,871</b>              | <b>179,009</b>           | <b>99,506</b>    | <b>-</b>          | <b>(1)</b>        |
| <b>Total liabilities and fund equity</b> | <b>\$ 192,592</b>   | <b>\$ (8,280)</b> | <b>\$ 929,104</b> | <b>\$ 329,126</b>               | <b>\$ 577,631</b>           | <b>\$ 179,009</b>        | <b>\$ 99,506</b> | <b>\$ 907,981</b> | <b>\$ 46,086</b>  |

# Idaho Falls School District #91

## Combining Balance Sheet - All Nonmajor Funds

| <i>June 30, 2024</i>                     | ESSER II            | Title I - Delinquent | IDEA School-age   | IDEA - Preschool  | IDEA - ARPA       | Medicaid          | Title IVA - Student<br>Support & Academic<br>Enrichment | Perkins III<br>Professional<br>Technical | Title III         |
|--|---------------------|----------------------|-------------------|-------------------|-------------------|-------------------|---|--|-------------------|
| <b>Assets</b>                            |                     |                      |                   |                   |                   |                   |   |  |                   |
| Cash and cash equivalents                | \$ 1,642,609        | \$ 40,620            | \$ (77,701)       | \$ 95,091         | \$ 208,393        | \$ 128,921        | \$ 25,150   | \$ (88,315)                              | \$ 46,393         |
| Federal grants receivable                | -                   | 27,869               | 661,303           | 32,917            | -                 | -                 | 206,305   | 347,410                                  | 60,136            |
| Other receivables                        | -                   | -                    | -                 | -                 | -                 | 808,546           | -   | -  | -                 |
| <b>Total assets</b>                      | <b>\$ 1,642,609</b> | <b>\$ 68,489</b>     | <b>\$ 583,602</b> | <b>\$ 128,008</b> | <b>\$ 208,393</b> | <b>\$ 937,467</b> | <b>\$ 231,455</b>                                       | <b>\$ 259,095</b>                        | <b>\$ 106,529</b> |
| <b>Liabilities and fund equity</b>       |                     |                      |                   |                   |                   |                   |   |  |                   |
| <b>Liabilities</b>                       |                     |                      |                   |                   |                   |                   |   |  |                   |
| Accounts payable                         | - \$                | 143 \$               | 152 \$            | 23 \$             | -                 | \$ 1,050          | \$ 832  | \$ 300                                   | \$ 60             |
| Accrued wages                            | -                   | 10,522               | 187,694           | 11,641            | -                 | 146,228           | 9,227   | -  | 12,544            |
| Accrued employee benefits                | 85                  | 4,332                | 75,754            | 4,416             | -                 | 65,544            | 2,868   | 283                                      | 6,844             |
| Interfund payable                        | 1,642,524           | 53,492               | 320,002           | 93,470            | 208,393           | 724,645           | 218,531   | 251,380                                  | 36,638            |
| <b>Total liabilities</b>                 | <b>1,642,609</b>    | <b>68,489</b>        | <b>583,602</b>    | <b>109,550</b>    | <b>208,393</b>    | <b>937,467</b>    | <b>231,458</b>  | <b>251,963</b>                           | <b>56,086</b>     |
| <b>Fund equity</b>                       |                     |                      |                   |                   |                   |                   |   |  |                   |
| Restricted                               | -                   | -                    | -                 | 18,458            | -                 | -                 | (3)   | 7,132                                    | 50,443            |
| Unassigned (deficit)                     | -                   | -                    | -                 | -                 | -                 | -                 | -   | -  | -                 |
| <b>Total fund equity</b>                 | <b>-</b>            | <b>-</b>             | <b>-</b>          | <b>18,458</b>     | <b>-</b>          | <b>-</b>          | <b>(3)</b>  | <b>7,132</b>                             | <b>50,443</b>     |
| <b>Total liabilities and fund equity</b> | <b>\$ 1,642,609</b> | <b>\$ 68,489</b>     | <b>\$ 583,602</b> | <b>\$ 128,008</b> | <b>\$ 208,393</b> | <b>\$ 937,467</b> | <b>\$ 231,455</b>                                       | <b>\$ 259,095</b>                        | <b>\$ 106,529</b> |

# Idaho Falls School District #91

## Combining Balance Sheet - All Nonmajor Funds

| <i>June 30, 2024</i>                     | Supporting Effective<br>Instruction | ESSER III           | Learning Loss - ARPA | Expendable<br>Foundation | Total<br>Nonmajor Funds |
|--|-------------------------------------|---------------------|----------------------|--------------------------|-------------------------|
| <b>Assets</b>                            |                                     |                     |                      |                          |                         |
| Cash and cash equivalents                | \$ 276,460                          | \$ (984,130)        | \$ 956,008           | \$ 19,168                | 4,853,842               |
| Federal grants receivable                | 96,575                              | 2,253,828           | 1                    | -                        | 4,373,924               |
| Other receivables                        | -                                   | -                   | -                    | -                        | 808,546                 |
| <b>Total assets</b>                      | <b>\$ 373,035</b>                   | <b>\$ 1,269,698</b> | <b>\$ 956,009</b>    | <b>\$ 19,168</b>         | <b>10,036,312</b>       |
| <b>Liabilities and fund equity</b>       |                                     |                     |                      |                          |                         |
| <b>Liabilities</b>                       |                                     |                     |                      |                          |                         |
| Accounts payable                         | \$ 5,164                            | \$ 2,835            | \$ -                 | \$ -                     | 77,889                  |
| Accrued wages                            | -                                   | 47,433              | -                    | -                        | 636,950                 |
| Accrued employee benefits                | 24                                  | 20,120              | 100                  | -                        | 247,608                 |
| Interfund payable                        | 367,846                             | 1,199,308           | 955,908              | -                        | 7,031,467               |
| <b>Total liabilities</b>                 | <b>373,034</b>                      | <b>1,269,696</b>    | <b>956,008</b>       | <b>-</b>                 | <b>7,993,914</b>        |
| <b>Fund equity</b>                       |                                     |                     |                      |                          |                         |
| Restricted                               | 1                                   | -                   | 1                    | 19,168                   | 2,090,982               |
| Unassigned (deficit)                     | -                                   | -                   | -                    | -                        | (48,586)                |
| <b>Total fund equity</b>                 | <b>1</b>                            | <b>-</b>            | <b>1</b>             | <b>19,168</b>            | <b>2,042,396</b>        |
| <b>Total liabilities and fund equity</b> | <b>\$ 373,035</b>                   | <b>\$ 1,269,696</b> | <b>\$ 956,009</b>    | <b>\$ 19,168</b>         | <b>10,036,310</b>       |

# Idaho Falls School District #91

## Combining Schedule of Revenues, Expenditures and Changes In Fund Balances - All Nonmajor Funds

| Year Ended June 30, 2024                | Forest Reserve Fund | E-rate            | School Activities | State Professional<br>Technical | Public School<br>Technology | Idaho Substance<br>Abuse | School Safety    | Title I Fund     | Migrant Education |
|---|---------------------|-------------------|-------------------|---------------------------------|-----------------------------|--------------------------|------------------|------------------|-------------------|
| <b>Revenues</b>                         |                     |                   |                   |                                 |                             |                          |                  |                  |                   |
| Other local                             | \$ -                | -                 | 1,552,768         | 31,838                          | -                           | -                        | -                | -                | -                 |
| Other state revenue                     | -                   | -                 | -                 | 545,180                         | 987,955                     | 128,080                  | 380,000          | -                | -                 |
| Federal contracts and grants            | 28,516              | -                 | -                 | -                               | -                           | -                        | -                | 3,141,779        | 33,525            |
| <b>Total revenues</b>                   | <b>28,516</b>       | <b>-</b>          | <b>1,552,768</b>  | <b>577,018</b>                  | <b>987,955</b>              | <b>128,080</b>           | <b>380,000</b>   | <b>3,141,779</b> | <b>33,525</b>     |
| <b>Expenditures</b>                     |                     |                   |                   |                                 |                             |                          |                  |                  |                   |
| Instruction                             |                     |                   |                   |                                 |                             |                          |                  |                  |                   |
| Elementary                              | 3,350               | -                 | -                 | -                               | 1                           | -                        | -                | 1,746,692        | 6                 |
| Secondary                               | 1,250               | -                 | -                 | -                               | -                           | -                        | -                | 336,414          | 1                 |
| Alternative School                      | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Exceptional Child                       | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Preschool                               | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Student Activities                      | -                   | -                 | 1,550,507         | -                               | -                           | -                        | -                | -                | -                 |
| Vocational                              | -                   | -                 | -                 | 137,524                         | -                           | -                        | -                | -                | -                 |
| Detention center program                | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Support services                        |                     |                   |                   |                                 |                             |                          |                  |                  |                   |
| Attendance, guidance, and health        | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Special ed support services             | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Instructional improvement               | -                   | -                 | -                 | (1,048)                         | 18,292                      | 4,076                    | -                | 812,510          | 26,254            |
| Educational media                       | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Instruction related technology          | -                   | 8,280             | -                 | -                               | 1,433,503                   | -                        | -                | -                | -                 |
| School administration                   | -                   | -                 | -                 | -                               | -                           | -                        | -                | 246,163          | 7,265             |
| Operations                              | -                   | -                 | -                 | -                               | -                           | 91,840                   | 280,494          | -                | -                 |
| Transportation                          | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Facility acquisition                    | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Debt service:                           |                     |                   |                   |                                 |                             |                          |                  |                  |                   |
| Debt Service - Principal                | -                   | -                 | -                 | -                               | 116,700                     | -                        | -                | -                | -                 |
| Debt Service - Interest                 | -                   | -                 | -                 | -                               | 23,166                      | -                        | -                | -                | -                 |
| <b>Total expenditures</b>               | <b>4,600</b>        | <b>8,280</b>      | <b>1,550,507</b>  | <b>136,476</b>                  | <b>1,591,662</b>            | <b>95,916</b>            | <b>280,494</b>   | <b>3,141,779</b> | <b>33,526</b>     |
| Revenue over (under) expenditures       | 23,916              | (8,280)           | 2,261             | 440,542                         | (603,707)                   | 32,164                   | 99,506           | -                | (1)               |
| <b>Other financing sources (uses)</b>   |                     |                   |                   |                                 |                             |                          |                  |                  |                   |
| Net transfers                           | -                   | -                 | -                 | -                               | -                           | -                        | -                | -                | -                 |
| Proceeds from long-term obligations     | -                   | -                 | -                 | -                               | 393,125                     | -                        | -                | -                | -                 |
| Total other financing sources (uses)    | -                   | -                 | -                 | -                               | 393,125                     | -                        | -                | -                | -                 |
| <b>Net change in fund balances</b>      | <b>23,916</b>       | <b>(8,280)</b>    | <b>2,261</b>      | <b>440,542</b>                  | <b>(210,582)</b>            | <b>32,164</b>            | <b>99,506</b>    | <b>-</b>         | <b>(1)</b>        |
| <b>Fund balances, beginning of year</b> | <b>168,676</b>      | <b>(40,305)</b>   | <b>868,902</b>    | <b>(355,901)</b>                | <b>779,453</b>              | <b>146,845</b>           | <b>-</b>         | <b>-</b>         | <b>-</b>          |
| <b>Fund balances, end of year</b>       | <b>\$ 192,592</b>   | <b>\$(48,585)</b> | <b>\$ 871,163</b> | <b>\$ 84,641</b>                | <b>\$ 568,871</b>           | <b>\$ 179,009</b>        | <b>\$ 99,506</b> | <b>-</b>         | <b>(1)</b>        |

# Idaho Falls School District #91

## Combining Schedule of Revenues, Expenditures and Changes In Fund Balances - All Nonmajor Funds

| Year Ended June 30, 2024                | ESSER II | Title I - Delinquent | IDEA School-age | IDEA - Preschool | IDEA - ARPA | Medicaid  | Title IVA - Student Support & Academic Enrichment | Perkins III Professional Technical | Title III |        |
|---|----------|----------------------|-----------------|------------------|-------------|-----------|---|------------------------------------|-----------|--------|
| <b>Revenues</b>                         |          |                      |                 |                  |             |           |   |                                    |           |        |
| Other local                             | \$       | -\$                  | -\$             | -\$              | -\$         | -\$       | -\$   | -\$                                | -         |        |
| Other state revenue                     |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Federal contracts and grants            |          | 93,975               | 1,593,383       | 100,880          | -           | 2,504,280 | 211,229   | 188,855                            | 92,874    |        |
| <b>Total revenues</b>                   |          | 93,975               | 1,593,383       | 100,880          | -           | 2,504,280 | 211,229   | 188,855                            | 92,874    |        |
| <b>Expenditures</b>                     |          |                      |                 |                  |             |           |   |                                    |           |        |
| Instruction                             |          |                      |                 |                  |             |           |   |                                    |           |        |
| Elementary                              |          | -                    | -               | -                | -           | -         | 38,229  | -                                  | 48,178    |        |
| Secondary                               |          | -                    | -               | -                | -           | -         | 41,746  | -                                  | 44,696    |        |
| Alternative School                      |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Exceptional Child                       |          | -                    | 1,561,172       | -                | -           | 2,114,351 | -   | -                                  | -         |        |
| Preschool                               |          | -                    | -               | 82,421           | -           | 8,950     | -   | -                                  | -         |        |
| Student Activities                      |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Vocational                              |          | -                    | -               | -                | -           | -         | -   | 179,412                            | -         |        |
| Detention center program                |          | 71,475               | -               | -                | -           | -         | -   | -                                  | -         |        |
| Support services                        |          |                      |                 |                  |             |           |   |                                    |           |        |
| Attendance, guidance, and health        |          | 22,500               | -               | -                | -           | -         | -   | -                                  | -         |        |
| Special ed support services             |          | -                    | 12,750          | -                | -           | 313,676   | -   | -                                  | -         |        |
| Instructional improvement               |          | -                    | 19,461          | -                | -           | -         | -   | -                                  | -         |        |
| Educational media                       |          | -                    | -               | -                | -           | -         | 88,904  | -                                  | -         |        |
| Instruction related technology          |          | -                    | -               | -                | -           | -         | 30,636  | -                                  | -         |        |
| School administration                   |          | -                    | -               | -                | -           | 67,304    | 902   | 9,443                              | -         |        |
| Operations                              |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Transportation                          |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Facility acquisition                    |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Debt service:                           |          |                      |                 |                  |             |           |   |                                    |           |        |
| Debt Service - Principal                |          | -                    | -               | -                | -           | -         | 10,456  | -                                  | -         |        |
| Debt Service - Interest                 |          | -                    | -               | -                | -           | -         | 359   | -                                  | -         |        |
| <b>Total expenditures</b>               |          | 93,975               | 1,593,383       | 82,421           | -           | 2,504,281 | 211,232   | 188,855                            | 92,874    |        |
| Revenue over (under) expenditures       |          | -                    | -               | 18,459           | -           | (1)       | (3)   | -                                  | -         |        |
| <b>Other financing sources (uses)</b>   |          |                      |                 |                  |             |           |   |                                    |           |        |
| Net transfers                           |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Proceeds from long-term obligations     |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| Total other financing sources (uses)    |          | -                    | -               | -                | -           | -         | -   | -                                  | -         |        |
| <b>Net change in fund balances</b>      |          | -                    | -               | 18,459           | -           | (1)       | (3)   | -                                  | -         |        |
| <b>Fund balances, beginning of year</b> |          | -                    | -               | (1)              | -           | 1         | -   | 7,132                              | 50,443    |        |
| <b>Fund balances, end of year</b>       | \$       | -\$                  | -\$             | -\$              | 18,458 \$   | -\$       | -\$   | (3)\$                              | 7,132 \$  | 50,443 |

# Idaho Falls School District #91

## Combining Schedule of Revenues, Expenditures and Changes In Fund Balances - All Nonmajor Funds

| Year Ended June 30, 2024                    | Supporting Effective<br>Instruction | ESSER III        | Learning Loss - ARPA | Expendable<br>Foundation | Total<br>Nonmajor Funds |
|---|-------------------------------------|------------------|----------------------|--------------------------|-------------------------|
| <b>Revenues</b>                             |                                     |                  |                      |                          |                         |
| Other local                                 | \$ -                                | \$ -             | \$ -                 | \$ -                     | 1,584,606               |
| Other state revenue                         | -                                   | -                | -                    | -                        | 2,041,215               |
| Federal contracts and grants                | 186,651                             | 3,460,439        | 2                    | -                        | 11,636,388              |
| <b>Total revenues</b>                       | <b>186,651</b>                      | <b>3,460,439</b> | <b>2</b>             | <b>-</b>                 | <b>15,262,209</b>       |
| <b>Expenditures</b>                         |                                     |                  |                      |                          |                         |
| Instruction                                 |                                     |                  |                      |                          |                         |
| Elementary                                  | 45,833                              | 79,516           | -                    | -                        | 1,961,805               |
| Secondary                                   | 47,157                              | 178,099          | -                    | 3,825                    | 653,188                 |
| Alternative School                          | 2,502                               | 2                | -                    | -                        | 2,504                   |
| Exceptional Child                           | -                                   | -                | -                    | -                        | 3,675,523               |
| Preschool                                   | -                                   | -                | -                    | -                        | 91,371                  |
| Student Activities                          | -                                   | -                | -                    | -                        | 1,550,507               |
| Vocational                                  | -                                   | 600              | -                    | -                        | 317,536                 |
| Detention center program                    | -                                   | -                | -                    | -                        | 71,475                  |
| Support services                            |                                     |                  |                      |                          |                         |
| Attendance, guidance, and health            | -                                   | 301,042          | -                    | -                        | 323,542                 |
| Special ed support services                 | -                                   | -                | -                    | -                        | 326,426                 |
| Instructional improvement                   | 61,694                              | 1,017,648        | -                    | -                        | 1,958,887               |
| Educational media                           | -                                   | -                | -                    | -                        | 88,904                  |
| Instruction related technology              | -                                   | 266,702          | -                    | -                        | 1,739,121               |
| School administration                       | 29,464                              | 180,691          | -                    | -                        | 541,232                 |
| Operations                                  | -                                   | 1,255,252        | -                    | -                        | 1,627,586               |
| Transportation                              | -                                   | 49,040           | -                    | -                        | 49,040                  |
| Facility acquisition                        | -                                   | 105,191          | -                    | -                        | 105,191                 |
| Debt service:                               |                                     |                  |                      |                          |                         |
| Debt Service - Principal                    | -                                   | -                | -                    | -                        | 127,156                 |
| Debt Service - Interest                     | -                                   | -                | -                    | -                        | 23,525                  |
| <b>Total expenditures</b>                   | <b>186,650</b>                      | <b>3,433,783</b> | <b>-</b>             | <b>3,825</b>             | <b>15,234,519</b>       |
| Revenue over (under) expenditures           | 1                                   | 26,656           | 2                    | (3,825)                  | 27,690                  |
| <b>Other financing sources (uses)</b>       |                                     |                  |                      |                          |                         |
| Net transfers                               | -                                   | (28,278)         | -                    | -                        | (28,278)                |
| Proceeds from long-term obligations         | -                                   | -                | -                    | -                        | 393,125                 |
| <b>Total other financing sources (uses)</b> | <b>-</b>                            | <b>(28,278)</b>  | <b>-</b>             | <b>-</b>                 | <b>364,847</b>          |
| <b>Net change in fund balances</b>          | <b>1</b>                            | <b>(1,622)</b>   | <b>2</b>             | <b>(3,825)</b>           | <b>392,537</b>          |
| <b>Fund balances, beginning of year</b>     | <b>-</b>                            | <b>1,622</b>     | <b>(1)</b>           | <b>22,993</b>            | <b>1,649,859</b>        |
| <b>Fund balances, end of year</b>           | <b>\$ 1</b>                         | <b>\$ -</b>      | <b>\$ 1</b>          | <b>\$ 19,168</b>         | <b>\$ 2,042,396</b>     |

# Idaho Falls School District #91

## Schedule of Taxes Receivable

| <i>Year Ended June 30, 2024</i>                     | General Fund     |                  |                   | Debt Service   |            |                   | Capital Projects |                   |               |
|---|------------------|------------------|-------------------|----------------|------------|-------------------|------------------|-------------------|---------------|
|   | Total            | 2023             | 2022<br>and prior | Total          | 2023       | 2022<br>and prior | 2023             | 2022<br>and prior |               |
| Unavailable balance at July1, 2023                  | \$ 269,510       | \$ -             | \$ 269,510        | \$ 227,125     | \$ -       | \$ 227,125        | \$ 98,783        | \$ -              | \$ 98,783     |
| <b>Additions</b>                                    |                  |                  |                   |                |            |                   |                  |                   |               |
| Roll charges applicable to 2023                     | 2,830,682        | 2,830,682        | -                 | -              | -          | -                 | 2,438,837        | 2,438,837         | -             |
| Subsequent additions and cancellations              | (12,351)         | (7,562)          | (4,789)           | (4,308)        | -          | (4,308)           | (8,249)          | (6,503)           | (1,746)       |
| <b>Total additions</b>                              | <b>3,087,841</b> | <b>2,823,120</b> | <b>264,721</b>    | <b>222,817</b> | <b>-</b>   | <b>222,817</b>    | <b>2,430,588</b> | <b>2,432,334</b>  | <b>97,037</b> |
| <b>Deductions</b>                                   |                  |                  |                   |                |            |                   |                  |                   |               |
| Collections received                                | 1,964,169        | 1,790,891        | 173,278           | 144,875        | -          | 144,875           | 1,608,158        | 1,544,608         | 63,550        |
| Current amount due on taxes collected by the county | 905,232          | 892,364          | 12,868            | 12,134         | (1)        | 12,135            | 772,113          | 767,446           | 4,667         |
| <b>Total deductions</b>                             | <b>2,869,401</b> | <b>2,683,255</b> | <b>186,146</b>    | <b>157,009</b> | <b>(1)</b> | <b>157,010</b>    | <b>2,380,271</b> | <b>2,312,054</b>  | <b>68,217</b> |
| Unavailable balance at June 30, 2024                | \$ 218,440       | \$ 139,865       | \$ 78,575         | \$ 65,808      | \$ 1       | \$ 65,807         | \$ 149,100       | \$ 120,280        | \$ 28,820     |

# Idaho Falls School District #91

## Schedule of Liquidity Analysis of the General Fund Balance

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|   |               |
|---|---------------|
| Fund balance of the General fund at June 30, 2024 | \$ 13,821,902 |
| Less nonspendable-inventories                     | (261,875)     |
| Less assigned for other purposes                  | (3,464,148)   |
| Less assigned for encumbrances                    | (311,007)     |
| Less assigned for budget purposes                 | (5,334,356)   |
| <hr/>   |               |
| Remaining unassigned balance                      | \$ 4,450,516  |
| <hr/>   |               |



# **Annual Federal Compliance Section**

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# Idaho Falls School District #91

## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

| <i>Federal Grantor / Pass-Through Grantor / Program Title</i> | <i>Federal AL<br/>Number</i> | Pass-Through<br>Entity Identifying<br>Number | <i>Disbursements<br/>/ Expenditures</i> |
|---|------------------------------|--|---|
| <b>United States Department of Agriculture</b>                |                              |  |   |
| <b>Passed through Idaho State Department of Education:</b>    |                              |  |   |
| <b>Child Nutrition Cluster</b>                                |                              |  |   |
| School Breakfast Program                                      | 10.553                       | 201919NI109947                               | \$ 418,038                              |
| Fresh Fruit and Vegetables Program                            | 10.582                       | 201919LI60347                                | 89,354                                  |
| Summer Food Service Program for Children                      | 10.559                       | 202020NI109947                               | 30,680                                  |
| National School Lunch Program - cash                          | 10.555                       | 201919NI109947                               | 2,020,669                               |
| COVID-19 - Supply Chain Assistance                            | 10.555                       | 202323N890347                                | 211,311                                 |
| COVID-19 - Supply Chain Assistance                            | 10.555                       | 202221N890347                                | 5,839                                   |
| Non-Cash Assistance (Commodities)                             |                              |  |   |
| National School Lunch Program-commodities                     | 10.555                       | 202020NI109947                               | 254,005                                 |
| Total AL# 10.555  |                              |  | 2,491,824                               |
| Total Child Nutrition Cluster                                 |                              |  | 3,029,896                               |
| Total Passed through the Idaho Department of Education        |                              |  | 3,029,896                               |
| <b>Passed through Bonneville County:</b>                      |                              |  |   |
| Federal Forest  | 10.665                       |  | 4,600                                   |
| Total U.S. Department of Agriculture                          |                              |  | 3,034,496                               |
| <b>United States Department of Education</b>                  |                              |  |   |
| <b>Passed through Idaho State Department of Education:</b>    |                              |  |   |
| Title I Basic and Concentration                               | 84.010                       | S010A220012                                  | 1,323,536                               |
|   |                              | S010A230012                                  | 1,709,767                               |
| Title I School improvement CSI UP 2 (483)                     | 84.010                       | S010A220012                                  | 85,392                                  |
|   | 84.010                       | S010A230012                                  | 23,085                                  |
| Title I Delinquent  | 84.010                       | S010A220012                                  | 30,943                                  |
|   |                              | S010A230012                                  | 63,032                                  |
| Total AL# 84.010  |                              |  | 3,235,755                               |
| Migrant Education Program                                     | 84.011                       | S011A220012                                  | 9,199                                   |
|   |                              | S011A230012                                  | 24,325                                  |
| Total AL# 84.011  |                              |  | 33,524                                  |
| ARP - HCY Homeless II   | 84.425W                      | S425W210013                                  | 50,596                                  |
| ARP - ESSERF 3- Discretionary                                 | 84.425U                      | S425U210043                                  | 3,411,468                               |
| Total ESSER Funds   |                              |  | 3,462,064                               |

See Independent Accountant's Audit Report.

# Idaho Falls School District #91

## Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

| <i>Federal Grantor / Pass-Through Grantor / Program Title</i>           | <i>Federal AL<br/>Number</i> | <i>Pass-Through<br/>Entity Identifying<br/>Number</i> | <i>Disbursements<br/>/ Expenditures</i> |
|---|------------------------------|---|---|
| Special Education Cluster   |                              |   |   |
| Special Education - School-age  | 84.027                       | H027A230088   | 1,580,738                               |
| IDEA- Schoolage - Restraint & Seclusion                                 | 84.027                       | H027X210088   | 6,747                                   |
| IDEA- Schoolage - Restraint & Seclusion                                 | 84.027                       | H027A220088   | 5,098                                   |
| IDEA- SPED Ind 14 PSO Survey  | 84.027                       | H027A21088  | 800                                     |
| <b>Total AL# 84.027</b>   |                              |   | <b>1,593,383</b>                        |
| Special Education - Preschool   | 84.173                       | H173A230030   | \$ 100,880                              |
| <b>Total AL# 84.173</b>   |                              |   | <b>100,880</b>                          |
| <b>Total Special Education Cluster</b>                                  |                              |   | <b>1,694,263</b>                        |
| English Language Acquisition  | 84.365                       | S365A220012   | 46,371                                  |
|   |                              | S365A230012   | 46,503                                  |
| Supporting Effective Instruction  | 84.367                       | S367A220011   | 35,284                                  |
|   |                              | S367A230011   | 151,367                                 |
| <b>Total Supporting Effective Instruction</b>                           |                              |   | <b>186,651</b>                          |
| Title IV - Student Support and Academic Enrichment                      | 84.424                       | S424A220013   | 76,314                                  |
|   |                              | S424A230013   | 134,915                                 |
| <b>Total Student Support and Academic Enrichment</b>                    |                              |   | <b>211,229</b>                          |
| <b>Total Passed through Idaho Department of Education</b>               |                              |   | <b>8,916,360</b>                        |
| <b>Passed through Idaho State Department of Professional Technical:</b> |                              |   |   |
| Vocational Education  | 84.048                       | V048A190012   | 188,855                                 |
| <b>Total U.S. Department of Education</b>                               |                              |   | <b>9,105,215</b>                        |
| <b>Total Expenditures of Federal Awards</b>                             |                              |   | <b>\$ 12,139,711</b>                    |

See Independent Accountant's Audit Report.

# Idaho Falls School District #91

## Notes to Schedule of Expenditures of Federal Awards

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### **Note A: General**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Idaho Falls School District #91 under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with requirements of the 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 or changes in net position of the District.

### **Note B: Basis of Accounting**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

### **Note C: Nonmonetary Transactions**

Nonmonetary assistance is reported for the Food Distribution Program at fair market value of commodities received which is established by the State Department of Education. The District held an undetermined amount of those commodities in inventory at June 30, 2024.

### **Note D: Indirect Cost Rate**

The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

### **Note E: Subrecipients**

The District has no subrecipients or subrecipient expenditures.

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

Board of Trustees  
Idaho Falls School District #91  
Idaho Falls, Idaho

We have audited, 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Idaho Falls School District #91, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Idaho Falls School District #91's basic financial statements, and have issued our report thereon dated November 5, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Idaho Falls School District #91's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Idaho Falls School District #91's internal control. Accordingly, we do not express an opinion on the effectiveness of the Idaho Falls School District #91'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 reasonable possibility that a material misstatement of the Idaho Falls School District #91's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Idaho Falls School District #91's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Idaho Falls School District #91 in a separate letter dated November 1, 2024.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Idaho Falls School District #91'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 Idaho Falls School District #91's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Idaho Falls, Idaho  
November 5, 2024

## **Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Trustees  
Idaho Falls School District #91  
Idaho Falls, Idaho

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited Idaho Falls School District #91's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024. Idaho Falls School District #91's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Idaho Falls School District #91 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended June 30, 2024.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Idaho Falls School District #91 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Idaho Falls School District #91's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Idaho Falls School District #91's federal programs.

### ***Auditor's Responsibility for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Idaho Falls School District #91's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Idaho Falls School District #91's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Idaho Falls School District #91's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Idaho Falls School District #91's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Idaho Falls School District #91's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Report on Internal Control Over Compliance***

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



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

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

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

*Wipfli LLP*

Wipfli LLP

Idaho Falls, Idaho  
November 5, 2024

# Idaho Falls School District #91

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

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### Section I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   No

#### Federal Awards

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ Yes      X   No

#### Identification of major programs

| <u>AL Number(s)</u> | <u>Federal Program or Cluster</u> |
|---------------------|-----------------------------------|
| 84.027              | IDEA                              |
| 84.173              | IDEA- Preschool                   |
| 84.425W, 84.425U    | Education Stabilization Fund      |

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes      X   No

# Idaho Falls School District #91

## Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

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The following summarizes the prior audit findings and corrective action taken:

**Finding 2023-001** Financial Statement Preparation - **Implemented**

**Finding 2023-002** Account Reconciliations - **Implemented**

**Finding 2023-003** Schedule of Expenditures of Federal Awards (SEFA) Preparation - **Implemented**