

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE , IDAHO
ANNUAL FINANCIAL REPORT
JUNE 30, 2022

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
ANNUAL FINANCIAL REPORT
JUNE 30, 2022

TABLE OF CONTENTS

Independent Auditor's Report	1 - 3
Statement of Net Position	4 - 5
Statement of Activities	6 - 7
Balance Sheet	8 - 9
Statement of Revenues, Expenditures and Changes in Fund Balance	10 - 11
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	12
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	13
Statement of Fiduciary Net Position	14
Statement of Changes in Fiduciary Net Position	14
Notes to Basic Financial Statements	15 - 41
Required Supplementary Information	42
Budgetary Comparison Schedule - General Fund	43 - 47
Food Service	48
Schedule of Employer's Share of Net Pension Liability	49
Schedule of Employer's Contributions	49
Schedule of Employer's Share of Net OPEB Asset	50
Schedule of Employer's Contributions - OPEB	50
Notes to Required Supplementary Information	51 - 53
Supplemental Information	54
Combining Balance Sheet - Nonmajor Special Revenue Funds	55 - 59
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Special Revenue Funds	60 - 64
Schedule of Change in Net Assets - Agency Funds	65
Schedule of Expenditures of Federal Awards	66 - 67
Report on Compliance and Internal Control	68 - 69
Report on Compliance with Major Programs	70 - 72
Schedule of Findings and Questioned Costs	73 - 74
Summary Schedule of Prior Audit Findings	75
Corrective Action Plan	76

R. MICHAEL BURR

Certified Public Accountant

P.O. Box 2229

(208) 736-8747

Twin Falls, ID 83303-2229

INDEPENDENT AUDITOR'S REPORT

Chairman and Board of Trustees
Shoshone Joint School District No. 312
Shoshone, ID 83352

September 30, 2022

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Shoshone Joint School District No. 312, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Shoshone Joint School District No. 312's basic financial statements as listed in the table of contents.

In my opinion, the 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 Shoshone Joint School District No. 312 as of June 30, 2022, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Shoshone Joint School District No. 312 and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Change in Accounting Principle

As described in Note 15 to the financial statements, in 2022, the District adopted new accounting guidance, GASB Statement No. 87 - Leases. My opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Shoshone Joint School District No. 312'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

My 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 my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- 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 Shoshone Joint School District No. 312'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Shoshone Joint School District No. 312's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Required Supplementary Information

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

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

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Shoshone Joint School District No. 312's basic financial statements. The accompanying combining nonmajor and major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and schedule of changes in net position - fiduciary

funds, 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 my opinion, the combining and individual nonmajor fund financial statements, schedule of changes in net position - fiduciary funds, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated September 30, 2022, on my consideration of the Shoshone Joint School District No. 312's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Shoshone Joint School District No. 312'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 Shoshone Joint School District No. 312's internal control over financial reporting and compliance.

R. Michael Burr

R. Michael Burr
Certified Public Accountant

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Governmental Activities</u>
<u>ASSETS</u>	
<u>CURRENT ASSETS</u>	
Cash and Cash Equivalents	\$ 238,870
Restricted - Cash and Cash Equivalents	264,644
Investments	1,538,660
Net Receivables	125,502
Inventory	<u>44,714</u>
<u>TOTAL CURRENT ASSETS</u>	\$ 2,212,390
<u>NONCURRENT ASSETS</u>	
Long-Term Receivables	\$ 4,391
Net OPEB Asset	266,622
Net Pension Asset	62,549
Lease Asset (net)	55,542
Capital Assets (net)	<u>2,604,363</u>
<u>TOTAL NONCURRENT ASSETS</u>	<u>2,993,467</u>
<u>TOTAL ASSETS</u>	<u>5,205,857</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
OPEB Obligations	\$ 69,358
Pension Obligations	<u>1,171,116</u>
<u>TOTAL DEFERRED OUTFLOWS OF RESOURCES</u>	<u>1,240,474</u>
<u>LIABILITIES</u>	
<u>CURRENT LIABILITIES</u>	
Accounts Payable	\$ 36,058
Salaries and Benefits Payable	449,119
Interest Payable	672
Current Portion of Long-Term Debt	<u>29,482</u>
<u>TOTAL CURRENT LIABILITIES</u>	515,331
<u>NONCURRENT LIABILITIES</u>	
Lease Liability (net of current portion)	\$ 45,163
Capital Lease Payable (net of current portion)	<u>0</u>
<u>TOTAL NONCURRENT LIABILITIES</u>	<u>45,163</u>
<u>TOTAL LIABILITIES</u>	<u>560,494</u>

See accompanying notes to the basic financial statements

	Governmental Activities
<u>DEFERRED INFLOWS OF RESOURCES</u>	
OPEB Sources	\$ 121,784
Pension Sources	<u>2,000,977</u>
<u>TOTAL DEFERRED INFLOWS OF RESOURCES</u>	<u>2,122,761</u>
 <u>NET POSITION</u>	
Invested in Capital Assets, net of related debt	\$ 2,584,588
Non-spendable:	
Inventory	44,714
Restricted for:	
Debt Service	10,321
Capital Projects	71,997
Private Grants	6,525
Federal and State Programs	99,305
Unrestricted	<u>945,626</u>
<u>TOTAL NET POSITION</u>	<u>\$ 3,763,076</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Primary Government Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Instruction	\$ 3,002,768	\$ 7,950	\$ 3,302,716	
Support	564,826		347,501	\$ 126,108
General Administrative	692,109			
Custodial/Maintenance	408,921		44,824	
Student Transportation	184,705		172,696	
Non-Instructional - Food Service	344,923	4,253	372,033	
Debt Service - Interest on Debt	4,558			
Total Governmental Activities	5,202,810	12,203	4,239,770	\$ 126,108
Business-Type Activities				
None				
Total Business-Type Activities	0	0	0	0
Total Primary Government	\$ 5,202,810	\$ 12,203	\$ 4,239,770	\$ 126,108

General Revenue
Property Taxes
State Formula Support
Local Revenue
Gain (Loss) on Sale of Assets
Investment Earnings

Total General Revenue

Changes in Net Position

Net Position - Beginning

Net Position - Ending

**Net (Expense) Revenue and
Changes in Net Assets**

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ 307,898	\$ 307,898	
(91,217)	(91,217)	
(692,109)	(692,109)	
(364,097)	(364,097)	
(12,009)	(12,009)	
31,363	31,363	
<u>(4,558)</u>	<u>(4,558)</u>	
<u>0</u>	<u>0</u>	<u>0</u>
<u>(824,729)</u>	<u> </u>	<u>(824,729)</u>
0	\$ 0	0
<u>(824,729)</u>	<u> </u>	<u>(824,729)</u>
312,771	312,771	
968,682	968,682	
135,173	135,173	
900	900	
<u>4,691</u>	<u> </u>	<u>4,691</u>
<u>1,422,217</u>	<u> </u>	<u>1,422,217</u>
597,488	0	597,488
<u>3,165,588</u>	<u> </u>	<u>3,165,588</u>
<u>\$ 3,763,076</u>	<u> </u>	<u>\$ 3,763,076</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Food Service Fund	Debt Service Fund
ASSETS			
Cash and Cash Equivalents	\$ 238,870		
Restricted - Cash and Cash Equivalents	6,525	\$ 117,080	\$ 10,321
Investments	1,538,660		
Property Taxes Receivable	88,133		
Due From Other Governments	9,518		
Interfund Receivables	<u>309,580</u>		
TOTAL ASSETS	<u>\$ 2,191,286</u>	<u>\$ 117,080</u>	<u>\$ 10,321</u>
LIABILITIES			
Accounts Payable	\$ 19,533	\$ 11,700	
Contracts and Benefits Payable	425,569	6,075	
Interfund Payables			
TOTAL LIABILITIES	<u>445,102</u>	<u>17,775</u>	<u>\$ 0</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows from Property Taxes	<u>4,391</u>		
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>4,391</u>	<u>0</u>	<u>0</u>
FUND BALANCES			
Restricted - Special Revenue Funds		99,305	
Restricted - ICFG	1,034		
Restricted - Library	766		
Restricted - Reader Board	4,725		
Restricted - Debt Service Fund			10,321
Restricted - Capital Projects Fund			
Unassigned	<u>1,735,268</u>		
TOTAL FUND BALANCES	<u>1,741,793</u>	<u>99,305</u>	<u>10,321</u>
TOTAL LIABILITIES ,DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 2,191,286</u>	<u>\$ 117,080</u>	<u>\$ 10,321</u>

See accompanying notes to the basic financial statements

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Food Service Fund	Debt Service Fund
<u>REVENUES</u>			
Property Taxes	\$ 310,246		\$ 1,396
Property Tax Penalty and Interest	2,366		
State Foundation Support	3,826,035		
Other State Support/Grants	283,844		
Federal Revenue/Grants		\$ 372,033	
Other Local Revenue	<u>86,855</u>	<u>4,253</u>	
<u>TOTAL REVENUES</u>	<u>4,509,346</u>	<u>376,286</u>	<u>1,396</u>
<u>EXPENDITURES</u>			
Instructional	2,479,470		
Support	227,476		
General Administrative	733,400		
Custodial/Maintenance	418,489		
Student Transportation	165,171		
Non-Instructional - Food Service	7,983	347,322	
Capital Expenditures	31,452	426	
Debt Service - Principal	30,945		
Debt Service - Interest	<u>2,160</u>		
<u>TOTAL EXPENDITURES</u>	<u>4,096,546</u>	<u>347,748</u>	<u>0</u>
<u>EXCESS REVENUES OVER (UNDER) EXPENDITURES</u>	<u>412,800</u>	<u>28,538</u>	<u>1,396</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Investment Earnings	4,691		
Proceeds from Lease Financing			
Sale of Personal Property	900		
Operating Transfers In (Out)	<u>14,569</u>		
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>20,160</u>	<u>0</u>	<u>0</u>
<u>EXCESS REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</u>	<u>432,960</u>	<u>28,538</u>	<u>1,396</u>
<u>FUND BALANCE - BEGINNING</u>	<u>1,308,833</u>	<u>70,767</u>	<u>8,925</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ 1,741,793</u>	<u>\$ 99,305</u>	<u>\$ 10,321</u>

See accompanying notes to the basic financial statements

<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
		\$ 311,642
		2,366
		3,826,035
	\$ 108,530	392,374
	744,118	1,116,151
	<u>56,268</u>	<u>147,376</u>
<u>\$ 0</u>	<u>908,916</u>	<u>5,795,944</u>
		629,327
		347,501
		733,400
3,130		421,619
		165,171
		355,305
	123,608	155,486
	25,000	55,945
		2,160
<u>3,130</u>	<u>1,125,436</u>	<u>5,572,860</u>
<u>(3,130)</u>	<u>(216,520)</u>	<u>223,084</u>
		4,691
		0
		900
	<u>(14,569)</u>	<u>0</u>
<u>0</u>	<u>(14,569)</u>	<u>5,591</u>
		(3,130)
		(231,089)
		228,675
<u>75,127</u>	<u>(9,828)</u>	<u>1,453,824</u>
<u>\$ 71,997</u>	<u>\$ (240,917)</u>	<u>\$ 1,682,499</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2022

Total Governmental Fund Balances \$ 1,682,499

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund balances \$7,589,965 net of accumulated depreciation of \$5,051,602.

Intangible lease assets used in governmental activities are not financial resources and, therefore, are not reported in the fund balances, \$69,427 net of accumulated amortization of \$13,885..

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. 4,391

Supplies purchased are reported as expenditures for fund reporting but
are expensed as used for government-wide statements. 44,714

Interest is recorded when paid for funds but is reported when payable in the current period for government wide statements. (672)

Amounts resulting from OPEB assets as a result of GASB 75 are not recorded in the fund statements:

-Deferred Outflows OPEB Obligations	69,358
-Deferred Inflows OPEB Sources	(121,784)
-Net OPEB Asset	266,622

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

-Deferred Outflows Pension Obligations	1,171,116
-Deferred Inflows Pension Sources	(2,000,977)
-Net Pension Liability	62,549

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

- Lease Liability	(57,479)
- Capital Lease	(17,166)

Net Changes 2,080,577

Net Position of Governmental Activities \$ 3,763,076

See accompanying notes to the basic financial statements

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Governmental Fund Balances \$ 228,675

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

- Depreciation	\$ (201,437)
- Amortization	(13,885)
- Capital Expenditures	96,709

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(1,237)
--	---------

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of Net Assets.	67,893
--	--------

Changes in net pension liability and related pension source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds.	405,145
---	---------

Changes in net OPEB asset and related OPEB source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds.	14,526
---	--------

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	1,099
--	-------

<u>Net Changes</u>	<u>368,813</u>
--------------------	----------------

<u>Change in Net Position of Governmental Activities</u>	<u>\$ 597,488</u>
--	-------------------

See accompanying notes to the basic financial statements

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	<u>Agency Funds</u>
<u>Assets</u>	
Cash and Cash Equivalents	\$ 95,271
Investments	<u>12,163</u>
<u>Total Assets</u>	<u>107,434</u>
<u>Liabilities</u>	
Accounts Payable	0
<u>Total Liabilities</u>	0
<u>Net Position</u>	
Restricted for Organizations	<u>107,434</u>
<u>Total Net Position</u>	<u>\$ 107,434</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

<u>Additions</u>	
Dues and Contributions	\$ 220,297
<u>Total Contributions</u>	<u>220,297</u>
<u>Investment Earnings</u>	
Interest, Dividends, and Other	25
<u>Total Investment Earnings</u>	<u>25</u>
<u>Total Additions</u>	<u>220,322</u>
<u>Deductions</u>	
Student Group Expenditures	<u>180,949</u>
<u>Total Deductions</u>	<u>180,949</u>
<u>Net Increase (decrease) in Fiduciary Net Position</u>	<u>39,373</u>
Net Position - Beginning	<u>68,061</u>
Net Position - Ending	<u>\$ 107,434</u>

See accompanying notes to the basic financial statements

NOTES TO BASIC
FINANCIAL STATEMENTS

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Shoshone Joint School District No. 312 are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the District's financial activities for the year ended June 30, 2022.

The District is governed by an elected Board of Trustees which possesses final decision making authority and is held primarily accountable for those decisions. The Board is responsible for approving the budget, establishing spending limitations, funding any deficits, and borrowing funds and/or issuing bonds to finance school system operations and construction. All operations controlled by the Board are included within these financial statements.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

B - REPORTING ENTITY

These financial statements present the District (the primary government) and any component units of the District. As defined by GASB No. 14, component units are legally separate entities that are included in the District's reporting entity because of the significance of their operating or financial relationships with the District. Based on this definition, the District has no component units.

The District contributes to the multi-employer Public Employee Retirement System of Idaho (PERSI). Persi is administered by the State of Idaho. A ten year history is provided in PERSI's annual report.

The District was established approximately 1900 under the laws and regulations of the State of Idaho. Idaho Code 33-301 *School Districts Bodies Corporate* states that each school district, now or hereafter established, when validly organized and existing, is declared to be a body corporate and politic, and in its corporate capacity may sue and be sued and may acquire, hold and convey real and personal property necessary to its establishment, extension and existence. It shall have authority to issue negotiable coupon bonds and incur such other debt, in the amounts and manner, as provided by law. Title 33 of Idaho statutes dictates the laws that the District must operate under. The District is governed by a Board of Trustees.

C - BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's federal grants, state grants, debt service, capital projects, plant facilities, and general administrative services are classified as governmental activities. The District has no services classified as business-type activities.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Neither fiduciary funds nor component units that are fiduciary in nature are included in the Statement of Net Positions.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities. The functions are also supported by general government revenues (local revenue, education foundation support, grants, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (instruction, support, administrative, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.).

The District does not allocate indirect costs. All interfund activity has been eliminated.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

D - BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

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

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District can electively add funds, as major funds, which had a specific community focus. The nonmajor funds are combined in a column in the fund financial statements. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The funds of the financial reporting entity are described below:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the primary operating fund of the District and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects

Capital Project Funds - The Capital Project Fund is used to account for resources restricted, committed or assigned for the acquisition or construction of specific capital projects or items. The reporting entity includes only one Capital Project Fund and it is used to account for the acquisition of capital assets with transfers made from the General Fund.

Debt Service Fund - The Debt Service Fund accounts for all financial resources restricted, committed or assigned for the payment of interest and principle on the general long-term debt of the District. Ad valorem taxes are used for the payment of principal and interest on the District's judgment.

PROPRIETARY FUNDS

Enterprise Funds - Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The District has no enterprise funds.

FIDUCIARY FUNDS (Not included in government-wide statements)

Agency Funds - Agency funds account for assets held by the District in a purely custodial capacity. The reporting entity includes one agency fund. Since agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations. The agency fund maintained by the District is the student body account.

E - MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item 2. below.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

1. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
2. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.
3. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

BASIS OF ACCOUNTING

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

1. Accrual - Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.
1. Modified Accrual - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Property tax revenues are recognized in the period for which levied provided they are also available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

F - ASSETS, LIABILITIES, AND EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, “cash and cash equivalents” includes all demand, savings accounts, and certificates of deposits of the District.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price. Additional cash and investment disclosures are presented in Note 2.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods/services type transactions are classified as "due to/from other funds." Short-term interfund loans are reported as "interfund receivable/payable ." Long-term interfund loans (noncurrent portion) are reported as "advances to/from other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 7 for details of interfund transactions, including receivables and payables at year-end. All interfund activity has been eliminated in the government-wide statement of activity.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectable accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, grants, and State foundation funding. Business-type activities report utilities and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Allowances for uncollectable accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Inventories

In the government-wide statements, materials, supplies and food commodities are carried in an inventory account at the lower of cost or market and are subsequently charged to expenditures when consumed. Inventories also include plant maintenance, operating, and instructional supplies. In the fund financial statements, inventory items are recorded as expenditures when purchased.

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets are related to bond proceeds to be used for a capital construction project of the District and to state and federal grants. For expenditures that apply to both restricted and unrestricted resources, the District uses restricted funds first.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrance Accounting

Encumbrances for goods or purchased services are documented by purchase orders or contracts and can represent a reservation of fund balances in the governmental fund financial statements. The District does not use encumbrance accounting. Therefore, there is no reservation of fund balance.

Deferred Outflows of Resources

Deferred outflows of resources are decreases in net assets that relate to future periods and are reported in a separate section of its government-wide and governmental funds financial statements. Deferred outflows of resources from pension obligations affect the government-wide statements and no deferred outflows effect the governmental funds financial statements in the current year.

Deferred Inflows of Resources

Deferred inflows of resources reflects an increase in net assets that applies to a future period(s) and is because the District will not recognize the related revenues until a future event occurs. The District's governmental funds report a separate section for deferred inflows of resources and has only one type of item which occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, deferred property taxes and grants are reported in the governmental funds balance sheet. The deferred outflows of resources reported in its government-wide financial statements is a deferred amount arising from the bond premium arising from when the bond was issued and pension sources. This deferred premium amount is being amortized over the remaining life of the bond as part of investment income.

Capital Assets

The accounting treatment over capital assets (property, plant, and equipment) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. For fund financial statements, the District has maintained a \$500 limit before an item is recorded as a capital expenditure. The limits for the government-wide statements vary and are shown below.

Government-wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 2003.

Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets are not required to be valued and reported on the District's financial statements and the District has not elected to report them. Therefore, the value of any infrastructure assets purchased prior to July 1, 2003, are not included in these statements.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation based on its capitalization amount. The range of estimated useful lives and capitalization limits by type of asset are as follows:

<u>Description</u>	<u>Life</u>	<u>Capitalization Amount</u>
Aggregate Cost of Library Books	3	\$5,000
Automobiles	5 - 15	\$5,000
Office and Light-weight Equipment	5 - 15	\$5,000
Heavy Equipment	7 - 20	\$10,000
Buildings and Improvements	40	\$15,000
Infrastructure	50	\$50,000

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Liability for Compensated Absences

Employees are allowed to accrue 5 days personal leave each year. At the end of the year, the employees are paid for all unused personal days. The days are paid at the rate paid to substitutes and is included in their June pay check. Therefore, no liability for compensated absences has been incurred or recorded at year end.

Vacation and sick days are not allowed to be carried over at the District level. Therefore, there is no liability associated with vacation or sick leave days.

Long-Term Debt

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight line method. Bond premiums are reported in the deferred inflows of resources section in the statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

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

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Other Post Employment Benefits (OPEB)

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense;(expense offset), information about the fiduciary net position of the Public 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 same basis as they are reported by the Sick Leave Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Budget

The Board of Trustees adopts a budget on a basis consistent with the GAAP with minor changes for most funds. The District is required to present the adopted and final amended budget of the general fund and all other funds shown as major funds in the fund financial statements. These items are presented in the required supplementary information section following the notes to the financial statements.

The following procedures are followed in establishing the budget for the District:

1. At least 28 days prior to its annual meeting, the board of trustees shall have prepared a budget in a form prescribed by the state superintendent of public education, and shall have notified the public of the budget hearing.
2. At the public hearing or a special meeting held no later than 14 days after the public hearing, the board of trustees shall adopt a budget for the ensuing year.
3. The board of trustees shall publish a summary statement of the budget and a complete copy of the budget shall be submitted to the Idaho State Board of Education.
4. The District may amend the budget any time during the year but the above procedures must be followed each time a budget amendment is made.

Equity Classifications (Net Position and Fund Balance)

Government-wide Financial Statements

When the District incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used. Net position on the Statement of Net Position include the following:

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment in Capital Assets, Net of Related Debt - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted net position—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position—All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - Includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed Fund Balance - Includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision making authority, the Board of Trustees. Formal action is done by making and approving a motion of the Board.

Assigned Fund Balance - Includes amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Board delegates, in Policy 7211, to the Superintendent or designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

Unassigned Fund Balance - Includes the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned. If the Board chooses not to adopt a policy addressing the order of spending, the default approach of reducing committed, then assigned, then unassigned fund balances will be used.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

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

2 - CASH AND INVESTMENTS

The District's funds are required to be deposited and invested under the terms of Idaho Code Sections 33-701 and 67-1210. Under Idaho Code, the District, at its own discretion, may invest funds in time deposits and certificates of deposits provided by the depository bank at interest rates approximating United States treasury bill rates.

The classifications of risk associated with cash and investments are concentration of credit risk, interest rate risk, credit risk, and custodial credit risk. These are defined as:

Concentration of Credit Risk - The risk of loss attributed to the magnitude of a government's investment in a single issuer.

Interest Rate Risk - The exposure to an unfavorable change in interest rates.

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Custodial Credit Risk - The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The District does not have formal investment policies to limit the concentration of credit risk or the interest rate risk.

At June 30, 2022, the District had a carrying value of cash deposits of \$598,785 and a bank balance of \$664,569. Based on the above definitions, the District is subject to \$400,133 of concentration of credit risk.

Restricted cash is to be used as follows:

Capital projects and plant maintenance	\$ 71,997
State and Federal grants	175,801
Private Grants	6,525
Debt Service	<u>10,321</u>
 Total	 <u>\$ 264,644</u>

Fiduciary funds cash balance is \$95,271.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

2 - CASH AND INVESTMENTS (Continued)

Idaho Code authorizes the District to invest in obligations of the U.S. Treasury and U.S. agencies, municipal securities and repurchase agreements. The carrying value of investments owned at year end was \$1,550,823 (Idaho State Local Government Investment Pool) which approximates market value. The Idaho State Local Government Investment Pool has no credit rating. \$12,163 is for fiduciary funds.

Investments by the District in the State Treasury Pool are considered unclassified as to credit risk because they are not evidence by securities that exists in physical or book entry form.

NOTE 3 - TAXES RECEIVABLE AND DEFERRED TAX REVENUES

The District's property tax is levied each October on the value listed as of the prior January 1 for all property located in the District. A revaluation of all property is required to be completed no less than every five years. The market value for the list of January 1, 2021, upon which the 2021 levy was based was \$280,457,419.

The tax rates assessed, per \$100 of valuation, for the year ended June 30, 2022, and maximum levy rates limited by Idaho Code Section 33-802 are as follows:

Type	Rate	Maximum Rate
General	0.00000%	Not Allowed
Tort	0.00650%	No Limit
Supplemental	10.69681%	Voter Approved
Bond	0.00000%	No Limit

At June 30, 2022, the components of taxes receivable are as follows:

Property Tax year	General Fund	Debt Service Fund	Total
2021	\$ 83,370	\$ 0	\$ 83,370
2020	3,441	0	3,441
2019	1,322	0	1,322
Total	\$ 88,133	\$ 0	\$ 88,133

For fund financial statements, the recognition of revenue on taxes receivable shall not exceed 60 days collection after the June 30, 2022, year end. The collections for the 60 day period have been estimated based on prior years collection percentages. Property taxes uncollected by August 31, 2022, are deferred inflows of resources (deferred revenue). The components of deferred inflows of resources are as follows:

Fund	Amount
General Fund	\$ 4,391
Total	\$ 4,391

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 - TAXES RECEIVABLE AND DEFERRED TAX REVENUES (Continued)

For government-wide statements, an allowance for uncollectable taxes is calculated. However, historical information shows that the uncollectable amount is immaterial to these statements and no allowance will be recorded until it becomes a material amount. Also, the above deferred amounts are not included in the government-wide statements.

Due to State legislation passed in 2006, schools are no longer allowed to levy for general M & O property tax revenue.

NOTE 4 - DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives support from the State of Idaho through the School Foundation Program. All federal grants received by the District are passed through the State Department of Education. Amounts due from federal and state governments at June 30, 2022, are as follows:

Source - Description	General Fund	Special Revenue	Total
State - Foundation	\$ 9,518		\$ 9,518
Federal Grants		\$ 32,242	32,242
Total	\$ 9,518	\$ 32,242	\$ 41,760

NOTE 5 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The District controls risk of loss by having adequate insurance coverage. The District believes that the type and coverage amount is proper and adequate to provide protection from any losses as listed below:

Workers Compensation Insurance	Limited by State Law
General Liability	\$ 1,000,000
Building	16,780,950
Auto	1,000,000
Criminal Acts	300,000
Computer Data	500,000
Umbrella	2,000,000

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 - CAPITAL ASSET ACTIVITY

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

	Primary Government - Governmental Activities			
	Beginning Balance	Additions	Retirements	Ending Balance
Other capital assets:				
Elementary-				
Construction-in-process	\$ 66,000		\$ 66,000	\$ 0
Buildings and Improvements	2,153,243	\$ 133,309		2,286,552
Library	447,972			447,972
Equipment	114,957			114,957
Total Elementary	<u>2,782,172</u>	<u>133,309</u>	<u>\$ 66,000</u>	<u>2,849,481</u>
Middle School-				
Buildings and Improvements	1,314,374			1,314,374
Library	138,751			138,751
Equipment	0			0
Total Middle School	<u>1,453,125</u>	<u>0</u>	<u>0</u>	<u>1,453,125</u>
High School-				
Buildings and Improvements	1,417,312			1,417,312
Library	144,261			144,261
Equipment	111,940			111,940
Total High School	<u>1,673,513</u>	<u>0</u>	<u>0</u>	<u>1,673,513</u>
Administration-				
Buildings and Improvements	821,897			821,897
Intangible Lease Assets	0	69,427	7,000	62,427
Equipment	46,546	29,400		75,946
Total Administration	<u>868,443</u>	<u>98,827</u>	<u>7,000</u>	<u>960,270</u>
Non-Instructional-				
Buildings and Improvements	64,286			64,286
Equipment	67,827			67,827
Total Non-Instructional	<u>132,113</u>	<u>0</u>	<u>0</u>	<u>132,113</u>
Transportation-				
Buildings and Improvements	88,868			88,868
Heavy Equipment (Busses)	568,022			568,022
Total Transportation	<u>656,890</u>	<u>0</u>	<u>0</u>	<u>656,890</u>
Total	<u>7,566,256</u>	<u>232,136</u>	<u>73,000</u>	<u>7,725,392</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 - CAPITAL ASSET ACTIVITY (Continued)

Less: Accumulated Depreciation for:

	Primary Government - Governmental Activities			
	Beginning Balance	Additions	Retirements	Ending Balance
Other capital assets:				
Elementary-				
Buildings and Improvements	\$ (1,385,931)	\$ (50,946)		\$ (1,436,877)
Library	(437,917)	(10,053)		(447,970)
Equipment	(46,541)	(7,850)		(54,391)
Total Elementary	<u>(1,870,389)</u>	<u>(68,849)</u>	\$ 0	<u>(1,939,238)</u>
Middle School-				
Buildings and Improvements	(749,030)	(32,859)		(781,889)
Library	(141,759)	(1,504)		(143,263)
Equipment	0			0
Total Middle School	<u>(890,789)</u>	<u>(34,363)</u>	0	<u>(925,152)</u>
High School-				
Buildings and Improvements	(860,009)	(35,433)		(895,442)
Library	(139,749)			(139,749)
Equipment	(107,655)	(2,143)		(109,798)
Total High School	<u>(1,107,413)</u>	<u>(37,576)</u>	0	<u>(1,144,989)</u>
Administration-				
Buildings and Improvements	(375,769)	(20,546)		(396,315)
Intangible Lease Asset	0	(13,885)		(13,885)
Equipment	(23,532)	(5,437)	(7,000)	(21,969)
Total Administration	<u>(399,301)</u>	<u>(39,868)</u>	(7,000)	<u>(432,169)</u>
Non-Instructional-				
Buildings and Improvements	(22,498)	(1,607)		(24,105)
Equipment	(62,420)	(1,710)		(64,130)
Total Non-Instructional	<u>(84,918)</u>	<u>(3,317)</u>	0	<u>(88,235)</u>
Transportation-				
Buildings and Improvements	(17,954)	(3,093)		(21,047)
Heavy Equipment (Busses)	(486,401)	(28,256)		(514,657)
Total Transportation	<u>(504,355)</u>	<u>(31,349)</u>	0	<u>(535,704)</u>
Total	<u>(4,857,165)</u>	<u>(215,322)</u>	(7,000)	<u>(5,065,487)</u>
Net	<u>\$ 2,868,227</u>	<u>\$ 16,814</u>	<u>\$ 66,000</u>	<u>\$ 2,659,905</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 - CAPITAL ASSET ACTIVITY (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 132,938
Support	7,850
General Administration	36,928
Custodial/Maintenance	2,940
Student Transportation	31,349
Non-instructional	3,317
Total	\$ 215,322

As of June 30, 2022, there was a gross amount of \$539,508 of school busses (heavy equipment and busses) recorded from purchases under capital leases. There are no sub-leases or contingent rentals actually incurred or remaining from these assets. Total accumulated depreciation on the busses is \$502,438..

GASB 87 results with \$69,427 of intangible lease assets for their copier lease being recorded with \$13,885 current year amortization and \$13,885 accumulated amortization.

NOTE 7 - INTERFUND TRANSACTIONS

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

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Paying Fund</u>	<u>Amount</u>
<u>Transfers:</u>			
To cover current expenditures	Special Rev.	General Fund	\$ 14,569
<u>Due to/from:</u>			
To cover current expenditures	Special Rev.	General Fund	\$ 309,580

NOTE 8 - CONTINGENCIES

The District is not aware of any pending or threatened litigation which would adversely affect the District. The District has received several federal/state grants for specific purposes that were subject to review and audit of compliance conditions of the programs. Some of these programs require unobligated amounts at September 30, 2022, to be returned. Since this amount is not capable of being measured at year end, no accrual has been recorded. The reports on internal accounting controls and compliance elements are contained as listed in the table of contents. This audit found no elements of non-compliance with the terms and conditions of the individual programs audited.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 - RETIREMENT PLAN

Plan Description

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

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

Employee membership data related to the PERSI Base Plan, as of June 30, 2021 was as follows:

Retirees and beneficiaries currently receiving benefits	50,891
Terminated employees entitled to but not yet receiving benefits	14,539
Active plan members	<u>73,563</u>
Total	<u><u>138,993</u></u>

Pension Benefits

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

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.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 - RETIREMENT PLAN (Continued)

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020 it was 7.16% for general employees and 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 employer contributions required and paid were \$360,975, \$352,202 and \$339,198 for the three years ended June 30, 2022, 2021, and 2020, respectively.

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

At June 30, 2022, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021, the District's proportion was .0791982 percent,

For the year ended June 30, 2022, the District recognized pension expense (revenue) of \$(405,145). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 92,158	\$ 36,358
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	717,983	1,964,619
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	-
District contributions subsequent to the measurement date	360,975	-
Total	\$ 1,171,116	\$ 2,000,977

\$360,975 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 - RETIREMENT PLAN (Continued)

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

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

Year ended <u>June 30,</u>	
2022	\$ (280,125)
2023	\$ (252,450)
2024	\$ (220,612)
2025	\$ (437,650)
Thereafter - Additional future deferred inflows and outflows of resources may impact these numbers.	\$ -

Actuarial Assumptions

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

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

Inflation	2.30%
Salary increases	3.05%
Investment rate of return	6.35%, net of pension plan investment expense
Cost of Living (COLA) Adjustments	1%

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

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

Assumptions used to calculate the above figures were derived from a 2021 Experience Study which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2021 is based on the results of an actuarial valuation date July 1, 2021.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 - RETIREMENT PLAN (Continued)

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

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

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

Asset Allocation	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	-0.20%
Broad Us Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assume Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Invest. Exp.		5.15%	3.06%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Exp.			4.14%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by PERSI Board			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			6.35%

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 - RETIREMENT PLAN (Continued)

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	<u>\$ 3,771,463</u>	<u>\$ 1,839,087</u>	<u>\$ 241,326</u>

Pension plan fiduciary net position

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

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

Payables to the pension plan

At June 30, 2022, the District reported payables to the defined benefit pension plan of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 - DEBT

The following is a summary of the District's long-term debt obligations and transactions for the year ended June 30, 2022:

		Amount Outstanding Beginning	Issued	Retired	Amount Outstanding Ending
2018 School Bus Lease	5.030%	\$ 33,510		\$ 16,344	\$ 17,166
2021 Modular Lease	0.000%	25,000		25,000	0
Lease Liability	5.990%		\$ 69,427	11,948	57,479
2017 School Bus Lease	3.248%	<u>14,600</u>		<u>14,600</u>	<u>0</u>
Total		<u>\$ 73,110</u>	<u>\$ 69,427</u>	<u>\$ 67,892</u>	<u>\$ 74,645</u>

The capital leases have no special assessments made for funding of the leases.

The annual requirements to amortize the capital lease obligations as of June 30, 2022, are as follows:

2017 Bus Lease:

Year Ended June 30,	Principal	Interest	Total
2023	\$ 17,166	\$ 864	\$ 18,030
	<u>\$ 17,166</u>	<u>\$ 864</u>	<u>\$ 18,030</u>

GASB 87 requires the reporting of leases once referred to as operating leases as lease liabilities and the offsetting asset as an intangible lease asset. In July, 2021, the District entered into a lease for photocopiers with Valley Office Systems. The general information and terms are as follows:

Asset Value	\$ 69,427.00
Major Class	Photocopier Equipment
Commencement Date	July 1, 2021
Implied Interest Rate	5.99%
Payment Amount	\$ 1,287.08
Payment Frequency	Monthly
Number of Payments	63
Variable Payments	None
Other Payments	None
Residual Value Guarantees	None
Total Cash Outflows for Year	\$ 15,444.96
Impairment Loss Commitments	None
Commitments Prior to Lease Term	None

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 - DEBT (Continued)

The annual requirements to amortize the liability as of June 30, 2022, is as follows:

2022 Lease Liability (Copiers)		Principal	Interest	Total
Year Ended June 30,				
2023	\$ 12,316	\$ 3,129	\$ 15,445	
2024	13,074	2,371	15,445	
2025	13,879	1,566	15,445	
2026	14,733	711	15,444	
2027	3,477	38	3,515	
	<u>\$ 57,479</u>	<u>\$ 7,815</u>	<u>\$ 65,294</u>	

NOTE 11 - DEFICIT FUND BALANCES

The following are the nonmajor funds that had deficit fund balances at year end:

Title I-C Migrant	\$ (1,209)
Special Education—Grants to States (IDEA, Part B)	(59,119)
Improving Teacher Quality	(5,138)
Title I-A	(33,438)
Medicaid Match	(135,075)
CVRF - Blended Learning	(1,152)
Drivers' Education	(296)
Coronavirus State & Local Fiscal Recovery	(8,462)
Title III	(3,690)
Special Education—Preschool IDEA	(247)
CVRF - Special Distributions	(3,032)
ESSER II Fund - Cares Act	(480)
ESSER III Fund - Cares Act	(48,254)

NOTE 12 - MAINTENANCE OF EFFORT

Under federal law, local educational agencies (LEAs) that receive Individuals with Disabilities Education Act, Part B (IDEA-B) funds must maintain local or combined local and state expenditures in each subsequent year of funding. This requirement is called "maintenance of effort" (MOE). Below is the MOE for the District.

Account	For the year ended June 30,			
	2022	2021	2020	2019
100-521XXX	\$ 248,046	\$ 159,030	\$ 219,595	\$ 204,629
100-522XXX	0	0	0	0
100-616XXX	33,069	35,697	21,301	9,863
Transportation	0	0	0	5,000
Maintenance of Effort	<u>\$ 281,115</u>	<u>\$ 194,727</u>	<u>\$ 240,896</u>	<u>\$ 219,492</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 12 - MAINTENANCE OF EFFORT (Continued)

In 2021, the District met a \$51,913 exception which allowed them to reduce the maintenance of effort for the current fiscal year.

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Shoshone Joint School District #312 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 and various participating political subdivisions. The cost to administer the plan is financed through the and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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

Other Post Employment 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 .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. The District's contributions were \$0 for the year ended June 30, 2022.

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

At June 30, 2022, the District reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2021, the District's proportion was .1835982 percent.

For the year ended June 30, 2022, the District recognized OPEB expense (expense offset) of \$(14,526) reported as deferred outflows of resources related to OPEBs resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS (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, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	5.45%, net of pension plan investment expense

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 from Callen 2021

Asset Class	Target Allocation	Long-Term Nominal Real Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	50.00%	2.80%	-0.20%
Broad US Equities	39.30%	8.00%	6.00%
Developed Foreign Equities	10.70%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		40.00%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

	Long-Term Expected Real Rate of Return (Arithmetic)		
<u>Investment Policy Assumptions from PERSI November 2019</u>			
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.14%		
Portfolio Standard Deviation	14.16%		
<u>Economic/Demographic Assumptions from Milliman 2021</u>			
Valuation Assumptions Chosen by PERSI Board	3.15%		
Long-Term Expected Real Rate of Return, Net of Investment Expenses	2.30%		
Assumed Inflation	5.45%		
Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses			
<u>Discount Rate</u>			
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.			
<u>Sensitivity of the net OPEB Asset to Changes in the Discount Rate</u>			
The following presents the Employer's proportionate share of the net OPEB asset calculated using the discount rate of 5.45 percent, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.45 percent) or 1-percentage-point higher (6.45 percent) than the current rate:			
	Current	1%	
	1% Decrease (4.45%)	Discount Rate (5.45%)	Increase (6.45%)
Employer's proportionate share of the net OPEB liability (asset)	\$ (231,366)	\$ (266,622)	\$ (299,553)

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.

Payables to the OPEB Plan

At June 30, 2022, the District reported payables to the defined benefit OPEB plan of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14 - EARNINGS ON INVESTMENTS

The components of earnings on investments are:

Interest Income	\$ 4,691
Net per Fund Statements	4,691
Other Earnings	0
Net per Government-Wide Statements	<u>\$ 4,691</u>

NOTE 15 - GASB 87 LEASES

The District implemented the standards of GASB 87 Leases this year. Under these standards, the District has no adjustments to make to beginning net position amounts. Other required disclosures are included in notes 6 and 10.

REQUIRED SUPPLEMENTAL
INFORMATION SECTION

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance With Final Budget - Favorable (Unfavorable)
	Original	Final		
<u>Budgetary Fund Balance - Beginning</u>	\$ 0	\$ 0	\$ 1,308,833	\$ 1,308,833
Resources (Inflows)				
<u>Local Revenue</u>				
Property Taxes	300,000	300,000	310,246	10,246
Property Tax Penalty and Interest	4,871	4,871	2,366	(2,505)
Earnings on Investments	20,000	20,000	4,691	(15,309)
Other Local Revenue	28,385	28,385	86,855	58,470
<u>Total Local Revenue</u>	<u>353,256</u>	<u>353,256</u>	<u>404,158</u>	<u>50,902</u>
<u>State Revenue</u>				
Base Support Program	2,816,168	2,816,168	3,273,243	457,075
Transportation Support	108,413	108,413	172,696	64,283
Benefit Apportionment	404,268	404,268	380,096	(24,172)
Other State Support	174,234	174,234	189,311	15,077
Lottery / State Maintenance Revenue	53,476	53,476	49,709	(3,767)
Revenue in Lieu of Taxes	44,790	44,790	44,824	34
<u>Total State Revenue</u>	<u>3,601,349</u>	<u>3,601,349</u>	<u>4,109,879</u>	<u>508,530</u>
<u>Other Financing Sources</u>				
Proceeds from Debt Financing	0	0		0
Transfer In	129,644	129,644	15,000	(114,644)
Proceeds from Sale of Property	0	0	900	900
<u>Total Other Financing Sources</u>	<u>129,644</u>	<u>129,644</u>	<u>15,900</u>	<u>(113,744)</u>
<u>Amounts Available for Appropriations</u>	<u>4,084,249</u>	<u>4,084,249</u>	<u>5,838,770</u>	<u>1,754,521</u>
Charges to Appropriations (Outflows)				
<u>Instructional</u>				
<u>Elementary School Program</u>				
Salaries	639,933	639,933	611,042	28,891
Benefits	206,047	206,047	184,682	21,365
Purchased Services	2,700	2,700	120	2,580
Supplies	22,300	22,300	22,788	(488)
Capital Expenditure	2,000	2,000	590	1,410
<u>Total Elementary School Program</u>	<u>872,980</u>	<u>872,980</u>	<u>819,222</u>	<u>53,758</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance With Final Budget - Favorable (Unfavorable)
	Original	Final		
<u>Secondary School Program</u>				
Salaries	\$ 932,784	\$ 932,784	\$ 928,427	\$ 4,357
Benefits	303,503	303,503	284,135	19,368
Purchased Services	7,250	7,250	667	6,583
Supplies	21,000	21,000	20,466	534
Capital Expenditure	500	500	0	500
Total Secondary School Program	1,265,037	1,265,037	1,233,695	31,342
<u>Alternative School Program</u>				
Salaries	62,178	62,178	62,391	(213)
Benefits	20,085	20,085	18,422	1,663
Purchased Services	0	0	149	(149)
Supplies	8,000	8,000	2,567	5,433
Total Alternative School Program	90,263	90,263	83,529	6,734
<u>Special Education Program</u>				
Salaries	130,640	130,640	187,292	(56,652)
Benefits	34,933	34,933	51,432	(16,499)
Purchased Services	4,250	4,250	3,070	1,180
Supplies	4,000	4,000	6,252	(2,252)
Total Special Education Program	173,823	173,823	248,046	(74,223)
<u>Interscholastic</u>				
Salaries	65,268	65,268	69,629	(4,361)
Benefits	12,336	12,336	12,206	130
Purchased Services	10,250	10,250	9,282	968
Supplies	3,000	3,000	4,451	(1,451)
Total Interscholastic	90,854	90,854	95,568	(4,714)
Total Instructional	2,492,957	2,492,957	2,480,060	12,897

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance With Final Budget - Favorable (Unfavorable)
	Original	Final		
<u>Support</u>				
<u>Guidance</u>				
Salaries	\$ 43,614	\$ 43,614	\$ 45,833	\$ (2,219)
Benefits	16,059	16,059	15,099	960
Purchased Services	10,250	10,250	12,361	(2,111)
Supplies	0	0	131	(131)
<u>Total Guidance</u>	<u>69,923</u>	<u>69,923</u>	<u>73,424</u>	<u>(3,501)</u>
<u>Ancillary Services</u>				
Purchased Services	25,000	25,000	33,069	(8,069)
<u>Total Ancillary Services</u>	<u>25,000</u>	<u>25,000</u>	<u>33,069</u>	<u>(8,069)</u>
<u>Instructional Improvement</u>				
Salaries	23,115	23,115	27,428	(4,313)
Benefits	5,016	5,016	7,554	(2,538)
Purchased Services	0	0	0	0
Supplies	0	0	0	0
<u>Total Instructional Improvement</u>	<u>28,131</u>	<u>28,131</u>	<u>34,982</u>	<u>(6,851)</u>
<u>Educational Media Program</u>				
Salaries	60,024	60,024	60,524	(500)
Benefits	13,439	13,439	12,650	789
Purchased Services	1,000	1,000	743	257
Supplies	1,500	1,500	12,084	(10,584)
<u>Total Educational Media Program</u>	<u>75,963</u>	<u>75,963</u>	<u>86,001</u>	<u>(10,038)</u>
<u>Total Support</u>	<u>199,017</u>	<u>199,017</u>	<u>227,476</u>	<u>(28,459)</u>
<u>General Administrative</u>				
<u>District Administration</u>				
Salaries	118,500	118,500	127,546	(9,046)
Benefits	32,325	32,325	30,975	1,350
Purchased Services	19,800	19,800	22,319	(2,519)
Supplies	750	750	4,652	(3,902)
Liability Insurance	0	0	0	0
<u>Total District Administration</u>	<u>171,375</u>	<u>171,375</u>	<u>185,492</u>	<u>(14,117)</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance With Final Budget - Favorable (Unfavorable)
	Original	Final		
<u>School Administration</u>				
Salaries	\$ 239,411	\$ 239,411	\$ 239,508	\$ (97)
Benefits	78,323	78,323	72,905	5,418
Purchased Services	12,000	12,000	7,085	4,915
Supplies	5,000	5,000	1,619	3,381
Capital Expenditures	1,000	1,000	1,462	(462)
Total School Administration	335,734	335,734	322,579	13,155
<u>Business Operations</u>				
Salaries	98,047	98,047	99,483	(1,436)
Benefits	34,464	34,464	44,295	(9,831)
Purchased Services	69,726	69,726	69,181	545
Supplies	10,000	10,000	13,832	(3,832)
Total Business Operations	212,237	212,237	226,791	(14,554)
Total General Administrative	719,346	719,346	734,862	(15,516)
<u>Custodial / Maintenance</u>				
<u>Custodians</u>				
Salaries	46,528	46,528	41,771	4,757
Benefits	15,824	15,824	12,446	3,378
Purchased Services	97,700	97,700	93,002	4,698
Supplies	20,000	20,000	11,579	8,421
Liability Insurance	32,000	32,000	30,384	1,616
Total Custodians	212,052	212,052	189,182	22,870
<u>Maintenance</u>				
Salaries	83,354	83,354	74,450	8,904
Benefits	35,637	35,637	31,203	4,434
Purchased Services	56,450	56,450	81,762	(25,312)
Supplies	0	0	23,613	(23,613)
Capital Expenditures	62,155	62,155	600	61,555
Total Maintenance	237,596	237,596	211,628	25,968

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance With Final Budget - Favorable (Unfavorable)
	Original	Final		
<u>Grounds Maintenance</u>				
Purchased Services	\$ 18,600	\$ 18,600	\$ 17,178	\$ 1,422
Supplies	0	0	1,101	(1,101)
Capital Outlay	0	0	14,100	(14,100)
<u>Grounds Maintenance</u>	<u>18,600</u>	<u>18,600</u>	<u>32,379</u>	<u>(13,779)</u>
<u>Total Custodial / Maintenance</u>	<u>468,248</u>	<u>468,248</u>	<u>433,189</u>	<u>35,059</u>
<u>Student Transportation</u>				
<u>School Transportation</u>				
Salaries	84,294	84,294	80,081	4,213
Benefits	23,473	23,473	22,933	540
Purchased Services	38,205	38,205	33,113	5,092
Supplies	31,000	31,000	20,729	10,271
Capital Outlay	20,000	20,000	14,700	5,300
Debt Service - Principal	0	0	30,945	(30,945)
Debt Service - Interest	0	0	2,160	(2,160)
<u>Total School Transportation</u>	<u>196,972</u>	<u>196,972</u>	<u>204,661</u>	<u>(7,689)</u>
<u>Activity Transportation</u>				
Salaries	0	0	7,725	(7,725)
Benefits	0	0	590	(590)
<u>Total Activity Transportation</u>	<u>0</u>	<u>0</u>	<u>8,315</u>	<u>(8,315)</u>
<u>Total Transportation</u>	<u>196,972</u>	<u>196,972</u>	<u>212,976</u>	<u>(16,004)</u>
<u>Non-Instructional</u>				
Benefits	<u>7,709</u>	<u>7,709</u>	<u>7,983</u>	<u>(274)</u>
<u>Total Non-Instructional</u>	<u>7,709</u>	<u>7,709</u>	<u>7,983</u>	<u>(274)</u>
<u>Interfund Transfers</u>	<u>0</u>	<u>0</u>	<u>431</u>	<u>(431)</u>
<u>Total Charges to Appropriations</u>	<u>4,084,249</u>	<u>4,084,249</u>	<u>4,096,977</u>	<u>(12,728)</u>
<u>Ending Budgetary Fund Balance</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,741,793</u>	<u>\$ 1,741,793</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance With Final Budget - Favorable (Unfavorable)
	Original	Final		
<u>Budgetary Fund Balance - Beginning</u>	\$ 0	\$ 0	\$ 70,767	\$ 70,767
<u>Resources (Inflows)</u>				
<u>Local Revenue</u>				
Children Meal Sales	0	0	171	171
Adult Meal Sales	2,000	2,000	3,297	1,297
Other Local Revenue	1,000	1,000	785	(215)
<u>Total Local Revenue</u>	<u>3,000</u>	<u>3,000</u>	<u>4,253</u>	<u>1,253</u>
<u>Federal Revenue</u>				
Federal Revenue	290,414	290,414	348,854	58,440
Commodity Revenue	0	0	23,179	23,179
<u>Total Federal Revenue</u>	<u>290,414</u>	<u>290,414</u>	<u>372,033</u>	<u>81,619</u>
<u>Other Financing Sources</u>				
Transfers In	0	0	0	0
<u>Amounts Available for Appropriations</u>	<u>293,414</u>	<u>293,414</u>	<u>447,053</u>	<u>153,639</u>
<u>Charges to Appropriations (Outflows)</u>				
<u>Non-Instructional</u>				
Salaries	103,770	103,770	101,816	1,954
Benefits	32,384	32,384	30,169	2,215
Purchased Services	3,100	3,100	15,383	(12,283)
Supplies	152,160	152,160	199,954	(47,794)
Capital Outlay	2,000	2,000	426	1,574
<u>Total Non-Instructional</u>	<u>293,414</u>	<u>293,414</u>	<u>347,748</u>	<u>(54,334)</u>
<u>Total Charges to Appropriations</u>	<u>293,414</u>	<u>293,414</u>	<u>347,748</u>	<u>(54,334)</u>
<u>Ending Budgetary Fund Balance</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 99,305</u>	<u>\$ 99,305</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - BASE PLAN
LAST 10 FISCAL YEARS *

Year Ended June 30,	Employer's portion of net pension liability	Employer's proportionate share of the net pension liability	Employer's covered-employee payroll	Employer's proportional share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2021	0.0797795%	\$ 1,852,585	\$ 2,949,770	62.80%	88.22%
2020	0.0809558%	\$ 924,088	\$ 2,840,857	32.53%	93.79%
2019	0.0818480%	\$ 1,207,272	\$ 2,749,586	43.91%	91.69%
2018	0.0835319%	\$ 1,312,978	\$ 2,633,347	49.86%	90.68%
2017	0.0833824%	\$ 1,690,289	\$ 2,594,445	65.15%	87.26%
2016	0.0810877%	\$ 1,067,618	\$ 2,442,017	43.72%	91.38%
2015	0.0819885%	\$ 603,564	\$ 2,378,177	25.38%	94.95%
2014	*	*	*	*	*
2013	*	*	*	*	*
2012	*	*	*	*	*

Data reported is measured as of July 1, 2020

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - BASE PLAN
LAST 10 FISCAL YEARS *

Year Ended June 30,	Statutorily required	Contributions in relation to the statutorily required contribution	Contribution (deficiency) excess	Employer's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2021	\$ 352,202	\$ 352,202	\$ -	\$ 2,949,770	11.94%
2020	\$ 339,198	\$ 339,198	\$ -	\$ 2,840,857	11.94%
2019	\$ 311,253	\$ 311,253	\$ -	\$ 2,749,586	11.32%
2018	\$ 298,095	\$ 298,095	\$ -	\$ 2,633,347	11.32%
2017	\$ 293,691	\$ 293,691	\$ -	\$ 2,594,445	11.32%
2016	\$ 276,436	\$ 276,436	\$ -	\$ 2,442,017	11.32%
2015	\$ 269,210	\$ 283,405	\$ 14,195	\$ 2,378,177	11.92%
2014	*	*	*	*	*
2013	*	*	*	*	*
2012	*	*	*	*	*

Data reported is measured as of June 30, 2022

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

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB ASSET
PERSI - SICK LEAVE
LAST 10 FISCAL YEARS *

Year Ended June 30,	Employer's portion of net OPEB asset	Employer's proportionate share of the net OPEB asset	Employer's covered-employee payroll	Employer's proportional share of the net OPEB asset as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB asset
2021	0.1835982%	\$ 226,066	\$ 2,903,996	7.78%	152.87%
2020	0.1922919%	\$ 184,178	\$ 2,840,857	6.48%	138.51%
2019	0.1795857%	\$ 162,454	\$ 2,749,586	5.91%	135.69%
2018	*	*	*	*	*
2017	*	*	*	*	*
2016	*	*	*	*	*
2015	*	*	*	*	*
2014	*	*	*	*	*
2013	*	*	*	*	*
2012	*	*	*	*	*

Data reported is measured as of June 30, 2020

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - OPEB PLAN
LAST 10 FISCAL YEARS *

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution (deficiency) excess	Employer's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2021	\$ -	\$ -	\$ -	\$ 2,903,996	0.00%
2020	\$ 16,462	\$ 16,462	\$ -	\$ 2,840,857	0.58%
2019	\$ 31,542	\$ 31,542	\$ -	\$ 2,749,586	1.15%
2018	*	*	*	*	*
2017	*	*	*	*	*
2016	*	*	*	*	*
2015	*	*	*	*	*
2014	*	*	*	*	*
2013	*	*	*	*	*
2012	*	*	*	*	*

Data reported is measured as of June 30, 2022

* 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.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 - RECONCILIATION OF BUDGET TO GAAP

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with accounting principles generally accepted in the United States of America follows:

	<u>General Fund</u>	<u>Food Service</u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	\$ 5,838,770	\$ 447,053
<u>Differences - Budget to GAAP</u>		
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(1,308,833)	(70,767)
Proceeds from sale of assets are inflows of budgetary resources but are not revenues for financial reporting purposes	(900)	0
Earnings from investments are inflows of budgetary resources but are not revenues for financial reporting purposes	(4,691)	0
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(15,000)	0
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 4,509,346</u>	<u>\$ 376,286</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 4,096,977	\$ 347,748
<u>Differences - Budget to GAAP</u>		
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	0	0
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 4,096,977</u>	<u>\$ 347,748</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 2 - REQUIRED FUND DISCLOSURE

The following funds had excess actual expenditures over budgeted expenditures:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Overage</u>
General Fund	\$ 4,084,249	\$ 4,096,977	\$ (12,728)
Food Service	293,414	347,748	(54,334)

NOTE 3 - BUDGETING PROCEDURE

The Board of Trustees adopts a budget on a basis consistent with the GAAP with minor changes for most funds. The District is required to present the adopted and final amended budget of the general fund and all other funds shown as major funds in the fund financial statements. These items are presented in the required supplementary information section following the notes to the financial statements.

The following procedures are followed in establishing the budget for the District:

- A) At least 28 days prior to its annual meeting, the board of trustees shall have prepared a budget in a form prescribed by the state superintendent of public education, and shall have notified the public of the budget hearing.
- B) At the public hearing or a special meeting held no later than 14 days after the public hearing, the board of trustees shall adopt a budget for the ensuing year.
- C) The board of trustees shall publish a summary statement of the budget and a complete copy of the budget shall be submitted to the Idaho State Board of Education.
- D) The District may amend the budget any time during the year but the above procedures must be followed each time a budget amendment is made.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 4 - PENSION DISCLOSURES

The following information is required to be disclosed as it relates to the pension:

- Changes of benefit terms: None

- Changes in composition of the population covered by the benefit terms: None

- Changes of assumptions:

	Prior Year	Current Year
Inflation	3.00%	2.30%
Salary increases including inflation	3.75%	3.05%
Investment rate of return - net of investment expenses	7.05%	6.35%

NOTE 5 - OPEB DISCLOSURES

The following information is required to be disclosed as it relates to the pension:

- Changes of benefit terms: None

- Changes in composition of the population covered by the benefit terms: None

- Changes of assumptions:

	Prior Year	Current Year
Inflation	3.00%	2.30%
Salary increases including inflation	3.75%	3.05%
Investment rate of return - net of investment expenses	7.05%	5.45%

SUPPLEMENTAL INFORMATION SECTION

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Drivers Education	Coronavirus State & Local Fiscal Recovery	Vocational Education	Basic Technology Grant
<u>ASSETS</u>				
Cash			\$ 19,641	\$ 35,840
Interfund Receivable				
Due From Other Governments				
<u>TOTAL ASSETS</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 19,641</u>	<u>\$ 35,840</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 69		\$ 46	
Interfund Payable	227	\$ 8,462		
Contracts and Benefits Payable				
<u>TOTAL LIABILITIES</u>	<u>\$ 296</u>	<u>8,462</u>	<u>46</u>	<u>\$ 0</u>
<u>FUND BALANCES</u>				
Restricted	(296)	(8,462)	19,595	35,840
<u>TOTAL FUND BALANCES</u>	<u>(296)</u>	<u>(8,462)</u>	<u>19,595</u>	<u>35,840</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 19,641</u>	<u>\$ 35,840</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Title I-A Local Program	Title I-C Migrant	Special Education - Grants to States (IDEA, Part B)	Special Education - Preschool (IDEA Preschool)
<u>ASSETS</u>				
Cash				
Interfund Receivable				
Due From Other Governments				
<u>TOTAL ASSETS</u>	\$ 0	\$ 0	\$ 0	\$ 0
<u>LIABILITIES</u>				
Accounts Payable	\$ 663			
Interfund Payable	21,454	\$ 388	\$ 56,126	\$ 247
Contracts and Benefits Payable	11,321	821	2,993	
<u>TOTAL LIABILITIES</u>	33,438	1,209	59,119	247
<u>FUND BALANCES</u>				
Restricted	(33,438)	(1,209)	(59,119)	(247)
<u>TOTAL FUND BALANCES</u>	(33,438)	(1,209)	(59,119)	(247)
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	\$ 0	\$ 0	\$ 0	\$ 0

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Medicaid Match	Federal REAP Program	Title III NCLB English Language Acquisition	Improving Teacher Quality
<u>ASSETS</u>				
Cash				
Interfund Receivable				
Due From Other Governments	\$ 32,242	_____	_____	_____
<u>TOTAL ASSETS</u>	<u>\$ 32,242</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>LIABILITIES</u>				
Accounts Payable				\$ 4,047
Interfund Payable	\$ 167,317	_____	\$ 1,350	1,091
Contracts and Benefits Payable	_____	_____	2,340	_____
<u>TOTAL LIABILITIES</u>	<u>167,317</u>	<u>\$ 0</u>	<u>3,690</u>	<u>5,138</u>
<u>FUND BALANCES</u>				
Restricted	(135,075)	0	(3,690)	(5,138)
<u>TOTAL FUND BALANCES</u>	<u>(135,075)</u>	<u>0</u>	<u>(3,690)</u>	<u>(5,138)</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 32,242</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	State Drug Free	CVRF - Special Distribution	Title IV Student Support	ESSER II Fund (Cares Act)
<u>ASSETS</u>				
Cash	\$ 3,240			
Interfund Receivables				
Prepaid Expenditure				
Due From Other Governments				
<u>TOTAL ASSETS</u>	<u>\$ 3,240</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>LIABILITIES</u>				
Accounts Payable				
Interfund Payables		\$ 3,032		\$ 480
Contracts and Benefits Payable				
<u>TOTAL LIABILITIES</u>	<u>\$ 0</u>	<u>3,032</u>	<u>\$ 0</u>	<u>480</u>
<u>FUND BALANCES</u>				
Restricted	3,240	(3,032)	0	(480)
<u>TOTAL FUND BALANCES</u>	<u>3,240</u>	<u>(3,032)</u>	<u>0</u>	<u>(480)</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 3,240</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	ESSER III Fund (Cares Act)	CVRF - Blended Learning	CVRF - Learning Loss	Total
<u>ASSETS</u>				
Cash				\$ 58,721
Interfund Receivables				0
Prepaid Expenditure				0
Due From Other Governments				<u>32,242</u>
<u>TOTAL ASSETS</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 90,963</u>
<u>LIABILITIES</u>				
Accounts Payable				\$ 4,825
Interfund Payables	\$ 48,254	\$ 1,152		309,580
Contracts and Benefits Payable				<u>17,475</u>
<u>TOTAL LIABILITIES</u>	<u>48,254</u>	<u>1,152</u>	<u>\$ 0</u>	<u>331,880</u>
<u>FUND BALANCES</u>				
Restricted	(48,254)	(1,152)	0	(240,917)
<u>TOTAL FUND BALANCES</u>	<u>(48,254)</u>	<u>(1,152)</u>	<u>0</u>	<u>(240,917)</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 90,963</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Drivers Education	Coronavirus State & Local Fiscal Recovery	Vocational Education	Basic Technology Grant
<u>REVENUES</u>				
Local	\$ 7,650			\$ 48,618
State	6,300		\$ 24,876	69,558
Federal	<u> </u>	<u>\$ 65,212</u>	<u> </u>	<u> </u>
<u>TOTAL REVENUES</u>	<u>13,950</u>	<u>65,212</u>	<u>33,294</u>	<u>118,176</u>
<u>EXPENDITURES</u>				
Instructional	10,614		32,237	105,798
Support		74,105		
Administrative				
Custodial/Maintenance				
Non-Instructional - Food Service				
Capital Expenditures	<u> </u>	<u> </u>	<u> </u>	<u>49,874</u>
<u>TOTAL EXPENDITURES</u>	<u>10,614</u>	<u>74,105</u>	<u>32,237</u>	<u>155,672</u>
<u>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</u>	<u>3,336</u>	<u>(8,893)</u>	<u>1,057</u>	<u>(37,496)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Interfund Transfers	<u> </u>	<u>431</u>	<u> </u>	<u>65,404</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>0</u>	<u>431</u>	<u>0</u>	<u>65,404</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>3,336</u>	<u>(8,462)</u>	<u>1,057</u>	<u>27,908</u>
<u>FUND BALANCE - BEGINNING</u>	<u>(3,632)</u>	<u>0</u>	<u>18,538</u>	<u>7,932</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ (296)</u>	<u>\$ (8,462)</u>	<u>\$ 19,595</u>	<u>\$ 35,840</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Title I-A Local Program	Title I-C Migrant	Special Education - Grants to States (IDEA, Part B)	Special Education - Preschool (IDEA Preschool)
<u>REVENUES</u>				
Local				
State				
Federal	\$ 149,529	\$ 6,134	\$ 81,538	\$ 3,242
<u>TOTAL REVENUES</u>	<u>149,529</u>	<u>6,134</u>	<u>81,538</u>	<u>3,242</u>
<u>EXPENDITURES</u>				
Instructional	73,745	5,570	121,611	3,489
Support	87,310			
Administrative				
Custodial/Maintenance				
Non-Instructional - Food Service				
Capital Expenditures	780			
<u>TOTAL EXPENDITURES</u>	<u>161,835</u>	<u>5,570</u>	<u>121,611</u>	<u>3,489</u>
<u>EXCESS (DEFICIENCY) OF</u>				
<u>REVENUE OVER EXPENDITURES</u>	<u>(12,306)</u>	<u>564</u>	<u>(40,073)</u>	<u>(247)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Interfund Transfers	(15,000)			
<u>TOTAL OTHER FINANCING</u>	<u>(15,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(27,306)</u>	<u>564</u>	<u>(40,073)</u>	<u>(247)</u>
<u>FUND BALANCE - BEGINNING</u>	<u>(6,132)</u>	<u>\$ (1,773)</u>	<u>(19,046)</u>	<u>0</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ (33,438)</u>	<u>\$ (1,209)</u>	<u>\$ (59,119)</u>	<u>\$ (247)</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Medicaid Match	Federal REAP Program	Title III NCLB English Language Acquisition	Improving Teacher Quality
<u>REVENUES</u>				
Local				
State				
Federal	\$ 111,011	\$ 34,146	\$ 13,942	\$ 3,716
<u>TOTAL REVENUES</u>	<u>111,011</u>	<u>34,146</u>	<u>13,942</u>	<u>3,716</u>
<u>EXPENDITURES</u>				
Instructional	244,262		15,081	
Support				8,794
Administrative				
Custodial/Maintenance				
Non-Instructional - Food Service				
Capital Expenditures				
<u>TOTAL EXPENDITURES</u>	<u>244,262</u>	<u>0</u>	<u>15,081</u>	<u>8,794</u>
<u>EXCESS (DEFICIENCY) OF</u>				
<u>REVENUE OVER EXPENDITURES</u>	<u>(133,251)</u>	<u>34,146</u>	<u>(1,139)</u>	<u>(5,078)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Interfund Transfers		(34,146)		
<u>TOTAL OTHER FINANCING</u>	<u>SOURCES (USES)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(133,251)</u>	<u>0</u>	<u>(1,139)</u>	<u>(5,078)</u>
<u>FUND BALANCE - BEGINNING</u>	<u>(1,824)</u>	<u>0</u>	<u>\$ (2,551)</u>	<u>\$ (60)</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ (135,075)</u>	<u>\$ 0</u>	<u>\$ (3,690)</u>	<u>\$ (5,138)</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	State Drug Free	CVRF - Special Distribution	Title IV Student Support	ESSER II Fund (Cares Act)
<u>REVENUES</u>				
Local				
State	\$ 7,796			
Federal	<u> </u>	\$ 16,920	\$ 10,147	<u> </u>
<u>TOTAL REVENUES</u>	<u>7,796</u>	<u>16,920</u>	<u>10,147</u>	<u>\$ 0</u>
<u>EXPENDITURES</u>				
Instructional		16,920		
Support	3,460		10,147	480
Administrative				
Custodial/Maintenance				
Non-Instructional - Food Service				
Debt - Principal				
Capital Expenditures				
<u>TOTAL EXPENDITURES</u>	<u>3,460</u>	<u>16,920</u>	<u>10,147</u>	<u>480</u>
<u>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</u>	<u>4,336</u>	<u>0</u>	<u>0</u>	<u>(480)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Debt Proceeds				
Interfund Transfers		(4,000)		
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>0</u>	<u>(4,000)</u>	<u>0</u>	<u>0</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>4,336</u>	<u>(4,000)</u>	<u>0</u>	<u>(480)</u>
<u>FUND BALANCE - BEGINNING</u>	<u>(1,096)</u>	<u>968</u>	<u>0</u>	<u>0</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ 3,240</u>	<u>\$ (3,032)</u>	<u>\$ 0</u>	<u>\$ (480)</u>

Continued

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	ESSER III Fund (Cares Act)	CVRF - Blended Learning	CVRF - Learning Loss	Total
<u>REVENUES</u>				
Local				\$ 56,268
State				108,530
Federal	<u>\$ 190,002</u>		<u>\$ 50,161</u>	<u>744,118</u>
<u>TOTAL REVENUES</u>	<u>190,002</u>	<u>\$ 0</u>	<u>50,161</u>	<u>908,916</u>
<u>EXPENDITURES</u>				
Instructional				629,327
Support	113,044		50,161	347,501
Administrative				0
Custodial/Maintenance				0
Non-Instructional - Food Service				0
Debt - Principal	25,000			25,000
Capital Expenditures	<u>72,954</u>			<u>123,608</u>
<u>TOTAL EXPENDITURES</u>	<u>210,998</u>	<u>0</u>	<u>50,161</u>	<u>1,125,436</u>
<u>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</u>	<u>(20,996)</u>	<u>0</u>	<u>0</u>	<u>(216,520)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Debt Proceeds				0
Interfund Transfers	<u>(27,258)</u>			<u>(14,569)</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(27,258)</u>	<u>0</u>	<u>0</u>	<u>(14,569)</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(48,254)</u>	<u>0</u>	<u>0</u>	<u>(231,089)</u>
<u>FUND BALANCE - BEGINNING</u>	<u>0</u>	<u>(1,152)</u>	<u>0</u>	<u>(9,828)</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ (48,254)</u>	<u>\$ (1,152)</u>	<u>\$ 0</u>	<u>\$ (240,917)</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF CHANGE IN NET POSITION - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Student Group</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers In (Out)</u>	<u>Ending Balance</u>
Elementary	\$ 6,359.78	\$ 19,954.53	\$ 11,886.72		\$ 14,427.59
ACA-DECA	353.35	959.34	545.54		767.15
Annual	1,898.66	2,867.80	3,094.36	359.30	2,031.40
Art	2,241.11	1,496.83	861.93	20.00	2,896.01
B.P.A.	2,898.10	124.00	7.02		3,015.08
Cheerleaders	(25.35)	28,132.57	30,797.32	2,249.35	(440.75)
Youth Athletic Programs	1,389.70	600.00	714.31	(550.00)	725.39
Boys/Girls Idaho Prep BB	869.20				869.20
Class of 2022	1,672.16	5,699.52	9,846.78	3,240.87	765.77
Class of 2023	2,870.12	2,847.42	1,851.40	(423.47)	3,442.67
Class of 2024	1,838.82	681.78	77.56	(983.83)	1,459.21
Class of 2025	854.99	615.25	90.04	12.36	1,392.56
College Program	44.15	6,989.92	1,319.92		5,714.15
Drama	1,392.07	645.00	691.34	444.90	1,790.63
Drug Free Graduation	1,086.34	7,103.90	7,386.51		803.73
Enrichment Fund	2,285.21	2,620.50	2,492.51		2,413.20
Future Farmers of America	7,931.16	1,170.98	1,493.25		7,608.89
General Athletics	5,478.09	54,481.40	49,430.63	2,573.65	13,102.51
Greenhouse	8,243.04	15,009.79	12,172.75		11,080.08
IPAD Use Fee	5,728.54	8,453.00	877.84		13,303.70
Jr. Honor Society	43.90				43.90
High Desert	0.00		59.12	378.46	319.34
Junior High	778.45	969.00	496.86	(200.00)	1,050.59
Milk Machine Fund	4,884.63	2,080.75	2,426.78		4,538.60
Music	184.04	1,645.00	85.61	(20.00)	1,723.43
National Honor Society	(7.87)	149.61	8.47		133.27
Organizational Fund	927.68	27,185.22	22,424.08	(614.46)	5,074.36
Northside Tournament	0.00	24,639.31	17,448.32	(7,127.56)	63.43
Shop	1,105.66	515.00			1,620.66
Fuel Up To Play	2,531.05		38.97	(64.00)	2,428.08
Leadership	269.28				269.28
Hunting Club	267.62	300.00	569.53	222.45	220.54
Spanish Club	137.89		39.44		98.45
Student Council	1,529.01	2,384.56	1,714.08	481.98	2,681.47
Total	<u>\$ 68,060.58</u>	<u>\$ 220,321.98</u>	<u>\$ 180,948.99</u>	<u>\$ 0.00</u>	<u>\$ 107,433.57</u>

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass- Through Agency's Number	Cluster Amount	Total Federal Expenditure	Expenditure to Sub recipients
<u>U.S. Department of Agriculture</u>					
<u>Pass-through Programs</u>					
National School Lunch Program - Cash	10.555	Note 3	\$ 182,806		
National School Lunch Program - Commodities	10.555	Note 3	23,179		
Summer Food Service Program for Children	10.559	Note 3	17,652		
National School Breakfast Program	10.553	Note 3	<u>104,396</u>		
<u>Total Child Nutrition Cluster</u>				\$ 328,033	
Fresh Fruit and Vegetable Program	10.582	Note 3		<u>15,462</u>	
<u>Total U.S. Department of Agriculture</u>				<u>343,495</u>	
<u>U.S. Department of Education</u>					
Direct Programs -					
Rural and Low Income Education Grant	84.358			<u>34,146</u>	
<u>Subtotal U.S. Department of Education</u>					
<u>Direct Programs</u>				<u>34,146</u>	
<u>Pass-through Programs -</u>					
Title I Grants to Local Educational Agencies	84.010	Note 3		176,835	
Special Education—Grants to States (IDEA, Part B)	84.027	Note 3	\$ 121,611		
Special Education—Preschool (IDEA Preschool)	84.173	Note 3	<u>3,489</u>		
<u>Total Special Education Cluster (IDEA)</u>				125,100	
Title I-C Migrant Education	84.011	Note 3		5,570	
Title III NCLB English Language Acquisition	84.365	Note 3		15,081	
Title II-A NCLB Improving Teacher Quality	84.367	Note 3		8,794	
Student Support and Academic Enrichment Grants	84.424	Note 3		10,147	
Vocational Education Basic Grants to States	84.048A	Note 3		8,418	
<u>Covid 19 Grants</u>					
Elementary and Secondary School Emergency Relief	84.425U	Note 3	\$ 233,714		
Elem. and Sec. S. E. R. –Homeless Children and Youth	84.425W	Note 3	<u>4,062</u>		
<u>Total 84.425 Section 1 ESF</u>				237,776	
<u>Subtotal U.S. Department of Education</u>					
<u>Pass-through Programs</u>				<u>587,721</u>	<u>0</u>
<u>Total U.S. Department of Education</u>				<u>621,867</u>	<u>0</u>
<u>U.S. Department of Treasury</u>					
Pass-through Programs -					
<u>Covid 19 Grants</u>					
Corona Virus State & Local Fiscal Recovery	21.027	Note 3		74,105	
Corona Virus Relief Fund	21.019	Note 3		<u>71,081</u>	
<u>Total U.S. Department of Treasury</u>				<u>145,186</u>	
<u>Total</u>				\$ 1,110,548	\$ -

See accompanying notes to Schedule of Expenditures of Federal Awards.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Shoshone Joint School District No. 312 under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Shoshone Joint School District No. 312, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Shoshone Joint School District No. 312.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

NOTE 3 - PASS-THROUGH NUMBER

Grant revenue is passed through the Idaho State Department of Education. The department has assigned no pass-through number. The State fund number is 0348.

NOTE 4 - FOOD DISTRIBUTION

Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and used.

R. MICHAEL BURR

Certified Public Accountant

P.O. Box 2229

(208) 736-8747

Twin Falls, ID 83303-2229

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

Chairman and Board of Trustees
Shoshone Joint School District No. 312
Shoshone, ID 83352

September 30, 2022

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Shoshone Joint School District No. 312, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Shoshone Joint School District No. 312's basic financial statements and have issued my report thereon dated September 30, 2022.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Shoshone Joint School District No. 312's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shoshone Joint School District No. 312's internal control. Accordingly, I do not express an opinion on the effectiveness of Shoshone Joint School District No. 312's internal control.

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001.

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*
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Shoshone Joint School District No. 312's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Shoshone Joint School District No. 312's Response to Findings

Shoshone Joint School District No. 312's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. Shoshone Joint School District No. 312's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

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

Sincerely,

R. Michael Burr

R. Michael Burr
Certified Public Accountant

R. MICHAEL BURR

Certified Public Accountant

P.O. Box 2229

Twin Falls, ID 83303-2229

(208) 736-8747

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

Chairman and Board of Trustees
Shoshone Joint School District No. 312
Shoshone, ID 83352

September 30, 2022

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited Shoshone Joint School District No. 312'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 Shoshone Joint School District No. 312's major federal programs for the year ended June 30, 2022. Shoshone Joint School District No. 312's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, Shoshone Joint School District No. 312 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

I am required to be independent of Shoshone Joint School District No. 312 and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of Shoshone Joint School District No. 312'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 Shoshone Joint School District No. 312's federal programs.

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

Auditor's Responsibilities for the Audit of Compliance

My 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 Shoshone Joint School District No. 312's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Uniform Guidance* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Shoshone Joint School District No. 312's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Uniform Guidance*, I:

- 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 Shoshone Joint School District No. 312'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 Shoshone Joint School District No. 312'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 Shoshone Joint School District No. 312's internal control over compliance. Accordingly, no such opinion is expressed.

I am 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 I 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.

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

Page Three

My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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.

Sincerely,

R. Michael Burr

R. Michael Burr
Certified Public Accountant

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses a unmodified opinion on the general purpose financial statements of Shoshone Joint School District No. 312.
2. One significant deficiency disclosed during the audit of the financial statements is reported in the Auditor's Reports on Internal Control over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards. Item 2022-001 of the conditions is not reported as a material weakness.
3. No instances of noncompliance material to the general purpose financial statements of Shoshone Joint School District No. 312, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs was disclosed during the audit. No material weaknesses were reported.
5. The auditor's report on compliance for the major federal award programs for Shoshone Joint School District No. 312 expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:

National School Lunch Program Cluster Cares Act - Education Stabilization Fund	10.555, 10.553, 10.559, 10.556 84.425U, 84.425W
---	--
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Shoshone Joint School District No. 312 was determined not to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

MATERIAL WAEKNESSES

None

SIGNIFICANT DEFICIENCIES

2022-001 Segregation of Duties

Statement of Condition: Only two people are employed by the District in the accounting department which does not allow for a strict segregation of duties.

Criteria: Segregation of duties is an internal control that should be in place to provide reasonable assurance that one person does not have complete control over the entire accounting system.

SHOSHONE JOINT SCHOOL DISTRICT NO. 312
SHOSHONE, IDAHO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

Cause: There are not enough personnel hired to allow for a strict segregation of duties.

Effect: May allow for misstatement of general purpose financial statements and misuse of assets.

Recommendation: Hire additional staff to provide a proper segregation of duties.

Views of Responsible Official and Planned Corrective Actions: We concur with the recommendation. However, due to a lack of financial resources to pay for the additional staff and other controls currently in place, no action will be taken at this point.

NONCOMPLIANCE

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

Questioned Costs

None

Shoshone Joint School District No. 312
61 EAST HWY 24
SHOSHONE, IDAHO 83352
(208) 886-2338

Summary Schedule of Prior Audit Findings

2021-001 Lack of Segregation of Duties

We believe that this finding applies only to the financial reporting and does not effect the federal award programs. No corrective action was taken.

Shoshone Joint School District No. 312

61 EAST HWY 24
SHOSHONE, IDAHO 83352
(208) 886-2338

Idaho Department of Education
Boise, Idaho

September 30, 2022

Shoshone Joint School District No. 312 respectfully submits the following corrective action plan for the year ended June 30, 2022. The name and address of the independent public accounting firm is R. Michael Burr CPA, P.O. Box 2229, Twin Falls, ID, 83301.

Audit Period: Year ended June 30, 2022

The findings from the September 30, 2022, schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section A of the schedule, Summary of Audit Results, does not include findings and is not addressed.

A. Findings - Financial Statement Audit

Reportable Condition - 2022-001 Segregation of Duties

Recommendation: Hire additional staff to provide for a proper segregation of duties.

Action Taken: We agree with the findings; however, the lack of segregation of duties does not effect the federal award programs. Until sufficient funds are provided to employ additional District personnel, we will continue to have a lack of segregation of duties at the general financial statement level..

B. Findings - Federal Award Programs

None

If the Idaho Department of Education has any questions regarding the plan, please call Shannon Harris at (208) 886-2338

Sincerely



Superintendent