JEFFERSON JOINT SCHOOL DISTRICT #251
RIGBY, IDAHO
ANNUAL FINANCIAL REPORT
and
COMPLIANCE REPORTS
with
INDEPENDENT AUDITORS' REPORT
For the Year Ended June 30, 2023

JEFFERSON JOINT SCHOOL DISTRICT #251
ANNUAL FINANCIAL AND COMPLIANCE REPORT
For the Year Ended June 30, 2023

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JEFFERSON JOINT SCHOOL DISTRICT #251
ANNUAL FINANCIAL AND COMPLIANCE REPORT
For the Year Ended June 30, 2023

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Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Jefferson Joint School District #251
Rigby, Idaho

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson Joint School District #251, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson Joint School District #251 as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Jefferson Joint School District #251, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Jefferson Joint School District #251'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.

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Rexburg • Idaho Falls

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess 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 Jefferson Joint School District #251's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Jefferson Joint School District #251's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of employer contributions-PERSI OPEB, employer's share of net OPEB asset, changes in total OPEB liabilities and related ratios, employer's share of net pension liability PERSI, schedule of employer contributions PERSI, and budgetary comparison information on pages 43 through 55 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jefferson Joint School District #251's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, and the schedule of expenditures of federal awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, 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,* we have also issued our report dated October 11, 2023, on our consideration of Jefferson Joint School District #251's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jefferson Joint School District #251'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 Jefferson Joint School District #251's internal control over financial reporting and compliance.

Searle Hart + Associates PLLC

Rexburg, Idaho
October 11, 2023

FINANCIAL SECTION

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF NET POSITION
June 30, 2023

		GOVERNMENTAL ACTIVITIES
ASSETS		
Cash and equivalents	$	26,888,127
Accounts receivable		640,230
Taxes receivable		3,398,407
Due from other governmental agencies		1,566,674
Inventory		165,764
Postemployment benefit asset		1,108,303
Intangible subscription IT asset, net		99,159
Capital assets		
Land and improvements not being depreciated		4,059,889
Construction in progress		285,370
Buildings		117,935,558
Equipment and vehicles		10,498,997
Less: Accumulated depreciation		(38,066,683)
Total Capital Assets		94,713,131
TOTAL ASSETS		128,579,796
DEFERRED OUTFLOWS OF RESOURCES		
Pension		14,482,475
Other post-employment benefits		993,901
Bond issue costs		109,281
Total Deferred Outflows of Resources		15,585,657

The notes to the financial statements are an integral part of this statement.

LIABILITIES	
Accounts payable	925,835
Other accrued expenses	5,613,265
Long-term liabilities	
Due within one year	
Bonds, leases and contracts	4,061,968
Accrued interest	998,917
Compensated absences	161,265
Postemployment benefit payable	921,901
Due in more than one year	
Bonds, leases and contracts	43,303,349
Net pension liability	28,585,532
TOTAL LIABILITIES	84,572,032
DEFERRED INFLOWS OF RESOURCES	
Pension	127,587
Other post-employment benefits	594,780
Premium on bonds	4,695,842
Total Deferred Inflows of Resources	5,418,209
NET POSITION	
Invested in capital assets, net of related debt	46,348,897
Restricted for:	
Capital Projects	7,414,654
Debt Service	9,178,209
Child Nutrition	1,963,549
Other Projects	2,808,765
Unrestricted	(13,538,862)
TOTAL NET POSITION	$ 54,175,212

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JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary government				
Governmental Activities:				
Instruction	$ 33,421,205	$ 26,510	$ 6,094,926	$ (27,299,769)
Support services	6,709,452	17,197	474,841	(6,217,414)
Plant maintenance & operations	5,087,251	-	-	(5,087,251)
General administration	7,812,871	-	-	(7,812,871)
Transportation	2,656,158	-	2,221,221	(434,937)
Food services	2,247,312	657,592	1,565,176	(24,544)
Interest on long-term debt	1,577,838	-	-	(1,577,838)
TOTAL GOVERNMENTAL ACTIVITIES	$ 59,512,087	$ 701,299	$ 10,356,164	(48,454,624)

General revenues:	
Taxes:	
Property taxes, levied for general purposes	1,518,085
Property taxes, levied for debt service	7,576,584
Property taxes, levied for capital improvements	-
Grants and contributions not restricted to specific programs	3,103,489
State aid - formula grants	39,599,815
Unrestricted investment earnings	552,303
Miscellaneous	2,854,913
Special item - gain on sale of assets	7,800
Gain or loss on pension expense	(8,416,876)
Transfers	-
TOTAL GENERAL REVENUES	46,796,113
Change in net position	(1,658,511)
Net position - Beginning-Restated (see Note 15)	55,833,723
NET POSITION - Ending	$ 54,175,212

The notes to the financial statements are an integral part of this statement.

JEFFERSON JOINT SCHOOL DISTRICT #251
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	GENERAL FUND	DEBT SERVICE	CAPITAL PROJECTS
ASSETS			
Cash and cash equivalents	$ 7,748,055	$ 6,547,450	$ 7,512,504
Taxes receivable, net	518,355	2,880,052	-
Due from other funds	951,577	-	-
Receivable from other governments	672,163	-	-
Other receivables	224,841	-	-
Inventory	68,603	-	-
TOTAL ASSETS	10,183,594	9,427,502	7,512,504
DEFERRED OUTFLOWS OF RESOURCES			
Expenditures unavailable for use	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 10,183,594	$ 9,427,502	$ 7,512,504
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 511,588	$ -	$ 97,850
Interfund payable	-	-	-
Other accrued expenses	5,166,374	-	-
TOTAL LIABILITIES	5,677,962	-	97,850
DEFERRED INFLOWS OF RESOURCES			
Revenue unavailable for use	43,305	249,293	-
FUND BALANCES			
Nonspendable:			
Inventories	68,603	-	-
Committed to:			
Board Policy 7100	3,254,776	-	-
Assigned:			
Debt service	-	9,178,209	-
Other purposes	1,128,675	-	7,414,654
Unassigned	10,273	-	-
TOTAL FUND BALANCES	4,462,327	9,178,209	7,414,654
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 10,183,594	$ 9,427,502	$ 7,512,504

The notes to the financial statements are an integral part of this statement.

OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ 5,080,118	$ 26,888,127
-	3,398,407
-	951,577
1,309,900	1,982,063
-	224,841
97,161	165,764
6,487,179	33,610,779
-	-
$ 6,487,179	$ 33,610,779
$ 316,397	$ 925,835
951,577	951,577
446,891	5,613,265
1,714,865	7,490,677
-	292,598
97,161	165,764
-	3,254,776
-	9,178,209
4,675,153	13,218,482
-	10,273
4,772,314	25,827,504
$ 6,487,179	$ 33,610,779

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JEFFERSON JOINT SCHOOL DISTRICT #251
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2023

Total fund balance, governmental funds	$	25,827,504
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		
Historical Cost		132,799,814
Accumulated Depreciation		(38,066,683)
Subscription IT assets		99,159
Certain other expenses unavailable for use are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		15,585,657
Certain other revenues unavailable for use are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		(5,418,209)
Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable for use in the funds.		272,599
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consisted of:		
General obligation bonds		(47,365,317)
Postemployment benefit asset		1,108,303
Accrued compensated absences		(161,265)
Accrued interest payable		(998,917)
Postemployment benefit payable		(921,901)
Net pension liability		(28,585,532)
Net position of governmental activities in the Statement of Net Position	$	54,175,212

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

	GENERAL FUND	DEBT SERVICE	CAPITAL PROJECTS
REVENUES			
Property taxes	$ 1,343,750	$ 7,576,584	$ -
Food service	-	-	-
Other local	315,740	-	-
State apportionment base	35,011,573	-	-
State apportionment transportation	2,221,221	-	-
State apportionment benefits	4,503,242	-	-
Investment earnings	360,970	93,601	78,446
Other State revenue	2,683,875	1,833,300	-
Federal grants and assistance	-	-	-
TOTAL REVENUES	46,440,371	9,503,485	78,446
EXPENDITURES			
Instruction	30,108,182	-	-
Support services	3,340,367	-	-
Plant maintenance & operations	6,111,099	-	-
General administration	4,123,067	-	-
Central services	-	-	-
Transportation	2,363,277	-	-
Food service	-	-	-
Debt service:			
Principal	-	4,271,968	-
Interest and other charges	-	1,922,275	-
Capital outlay	-	-	447,980
TOTAL EXPENDITURES	46,045,992	6,194,243	447,980
Excess (deficiency) of revenues over expenditures	394,379	3,309,242	(369,534)
OTHER FINANCING SOURCES (USES)			
Proceeds from refunding of bonds	-	-	5,000,000
Transfers in	56,430	-	-
Transfers out	(425,479)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(369,049)	-	5,000,000
SPECIAL ITEM			
Proceeds from sale of assets	-	-	-
Net change in fund balances	25,330	3,309,242	4,630,466
Fund balances - Beginning	4,436,997	5,868,967	2,784,188
FUND BALANCES - Ending	$ 4,462,327	$ 9,178,209	$ 7,414,654

 The notes to the financial statements are an integral part of this statement.

OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ -	$ 8,920,334
658,212	658,212
2,612,702	2,928,442
-	35,011,573
-	2,221,221
-	4,503,242
19,286	552,303
4,923,056	9,440,231
2,747,248	2,747,248
10,960,504	66,982,806
4,551,172	34,659,354
3,223,714	6,564,081
239,323	6,350,422
101,602	4,224,669
-	-
-	2,363,277
2,247,312	2,247,312
-	4,271,968
-	1,922,275
454,222	902,202
10,817,345	63,505,560
143,159	3,477,246
-	5,000,000
425,479	481,909
(56,430)	(481,909)
369,049	5,000,000
7,800	7,800
520,008	8,485,046
4,252,306	17,342,458
$ 4,772,314	$ 25,827,504

JEFFERSON JOINT SCHOOL DISTRICT #251
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Net change in fund balances - total governmental funds:	$	8,485,046
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlays $2,264,804 exceeded depreciation $3,219,859 in the current period.		(955,055)
Property tax revenues (including penalties and interest) in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund.		174,335
Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold.		-
Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure, In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds.		(893,032)
Governmental funds do not report the pension contribution expense and revenue because it does not provide current financial resources. In contrast, the Statement of Activities reports the expense and revenue. Thus, the change in net position differs from the change in fund balance by this pension contribution expense and revenue.		(8,227,853)
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Accrued interest not reflected on Governmental funds		(148,075)
Postemployment benefit not reflected on Governmental funds		(60,253)
Amortization of bond costs		(18,880)
Compensated absences not reflected on Governmental funds		(14,744)
Change in net position of governmental activities	$	(1,658,511)

The notes to the financial statements are an integral part of this statement.

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2023

	PREMIUM STABILIZATION EXPENDABLE TRUST FUND
ASSETS	
Cash and cash equivalents	$ 334,261
Receivable from general fund	-
Claims Reserve	59,000
Inventory of house for sale	-
TOTAL ASSETS	393,261
LIABILITIES	
Accounts payable	22,015
Interfund payable	-
Due to student groups	-
TOTAL LIABILITIES	22,015
NET POSITION	
Held in trust for employee benefits	$ 371,246

JEFFERSON JOINT SCHOOL DISTRICT #251
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2023

	PREMIUM STABILIZATION EXPENDABLE TRUST FUND
ADDITIONS	
Contributions:	
District contributions	$ -
Plan members	-
Total contributions	-
Investment earnings:	
Interest	16,516
Other Additions:	
Miscellaneous	291,215
Transfers in	-
Total other additions	291,215
Total additions	307,731
DEDUCTIONS	
Benefits	-
Administrative	262,576
Total deductions	262,576
Change in net position	45,155
Net position - beginning	326,091
Net position - ending	$ 371,246

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

JEFFERSON JOINT SCHOOL DISTRICT #251
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For the Year Ended June 30, 2023

NOTES INDEX

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10 Nonmonetary Transactions

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13. Deferred Outflows/Inflows of Resources

14. Subsequent Events

15. Net position restatement

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jefferson Joint School District #251 (District) is the basic level of government exercising oversight responsibility for all activities related to public school education in Jefferson Joint School District, Jefferson County, Idaho. The Board of Trustees, a seven-member group, is elected by the public and as such has governance responsibility over all activities related to public elementary and secondary school education within the jurisdiction of the school district. The Board of Trustees have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The District is not included in any other governmental "reporting entity."

The District prepares its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No.* 69 of the American Institute of Certified Public Accountants.

In 2003, the District implemented GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments,* GASB Statement No. 37, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments: Omnibus* which provides additional guidance for the implementation of GASB Statement No. 34, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures* which changes note disclosure requirements for governmental entities.

GASB Statement No. 34 established a new financial reporting model for state and local governments that included the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities and the use of account groups to the already required fund financial statements and notes. The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve fiscal accountability and should, therefore, be retained. The GASB also determined that government-wide financial statements are needed to allow users of financial reports to assess a government's operational accountability. The new GASB model integrates fund based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

A. Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. Based on these considerations, the District's basic financial statements do not include any other entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are; that is has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments.

Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. The governmental activities are supported by tax revenues and intergovernmental revenues. The District has no business-type activities that rely, to a significant extent, on fees and charges for support.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Buildings, furniture, fixtures, equipment and vehicles of the District are depreciated using the straight line method over the following estimated useful lives:

Category of Asset	Estimated Useful Lives
Buildings and improvements	20-50
Equipment	5-20
Vehicles	8

D. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated vacation leave balances. The liability has been calculated using vesting method, in which leave amounts for employees who currently are eligible to receive termination payments are included. The entire compensated absences owed are reported in the government-wide financial statements.

E. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as deferred outflows/inflows of resources in the applicable governmental activities statement of net position. For other long-term obligations, only that portion expected to be financed from expendable, available financial resources is reported as a deferred outflows/inflows of resources in a governmental fund. For bonds issued after June 30, 2004, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

F. <u>Leases</u>

The District accounts for leases in accordance with GASB 87. Leases are evaluated using the criteria outlined in GASB 87 to determine whether they will be classified as operating leases or finance leases. The District determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. The District determines if an arrangement conveys the right to use an identified assets and whether the District obtains substantially all of the economic benefit from and has the ability to direct the use of the asset. The District recognizes a lease liability and right-of-use (ROU) asset at the commencement date of the lease. At September 30, 2022, operating lease ROU assets and related current and long-term portions of operating lease liabilities have been presented in the balance sheet.

Lease liabilities: a lease liability is measured based on the present value of its future lease payments. The discount rate is the rate implicit in the lease if it is readily determinable; otherwise, the District uses its incremental borrowing rate. The District's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow ana mount equal to the lese payments under similar terms and in a similar economic environment and geographic location.

ROU assets: a ROU assets is measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability, plus (minus) unamortized initial direct costs, plus (minus) any prepaid (accrued lease payments), less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the lease of the term. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the lease term or the remaining useful life of the asset.

G. <u>Subscription IT assets</u>

The District accounts for subscription IT assets in accordance with GASB 96. Subscription based information technology arrangements (SBITAs) are contracts that convey the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT asset), as specified in the contract for a period of time in an exchange or exchange-like transaction. When the subscription term during which the District has a noncancellable right to use the underlying IT asset is over 12 months the district recognizes a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability. At September 30, 2022, the subscription IT asset net of accumulated amortization of the right-to-use subscription asset has been presented in the balance sheet.

H. <u>Use of Estimates</u>

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

I. Fund Accounting

According to generally accepted accounting principles for governmental units, the District's financial operations are accounted for in the following funds:

GOVERNMENTAL FUND TYPES

General Fund
This fund accounts for the general operating (sometimes called the Maintenance & Operations, or M&O) fund of the District. It is used to account for all financial resources except those required to be accounted for in any other fund.

Special Revenue Funds
These funds account for federal and state funded grants as well as locally funded educational programs whose expenditures are limited to specific purposes. Such grants have been awarded to the district with the purpose of accomplishing specified educational tasks defined in the grant agreements.

Debt Service Fund
This fund accounts for the use of taxes levied and other revenues collected for the retirement of debt principal, interest and related costs.

Capital Projects Fund
This fund is used to account for the school plant facility tax levied and other resources to be used for the construction, purchase and maintenance of school buildings, buses, and equipment.

Fiduciary Fund Types

Trust and Custodial Funds
Trust and custodial funds are used to account for assets held by the district in a trustee capacity or as an agent for student groups and employees.

J. Budgets

Annual budgets are prepared and adopted by the board of Trustees before the beginning of the fiscal year which is July 1st. Budgets are prepared on the GAAP basis of accounting. Annual appropriated budgets are adopted for the general, special revenue, debt service, and capital projects funds. All annual appropriations lapse at fiscal yearend. The District amended it budgets during the year to adjust for updated information. The amended budgets were approved by the Board of Trustees.

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

The District budgets transfers from the general fund to other funds to cover the costs incurred by these funds in excess of the revenues generated. Certain indirect costs are charged to several special revenue funds through budgeted transfers from the special revenue funds to the general fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

K. Property Tax

Property taxes are collected by the County Treasurer and remitted to the District monthly. Taxes are payable in semi-annual installments due December 31 and June 30 of each year after which time they become delinquent. Taxes levied but not received by the district by June 30 have been accrued and taxes still unpaid after sixty days beyond the fiscal year are shown as deferred inflows of resources.

L. Nonspendable and Spendable Fund Balances

Fund balance is separated into nonspendable and spendable fund balance. Nonspendable fund balance includes amounts that cannot be spent because they are either: (1) not in spendable form; or (2) legally or contractually required to be maintained intact. Spendable amounts are classified into restricted, committed, assigned and unassigned. The following is a list of nonspendable and spendable fund balance designations for Jefferson School District #251.

Nonspendable for inventories. This fund balance cannot be spent. It is designated to be used for inventories.

Committed to Board Policy 7100. This fund balance is committed for 7% of gross revenue as mandated by Board Policy 7100.

Assigned for debt service. This designation was created to segregate a portion of the fund balance account for debt service, including both principal payments and interest payments. The designation was established to satisfy restrictions imposed by various bond agreements.

Assigned for other purposes. This reserve indicates fund balances that can only be spent for purposes authorized by the funding source.

Unassigned. This fund balance is not assigned to any specific purpose. The District will use the unassigned fund balance for expenditures in the subsequent fiscal year.

M. Net Position

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position invested in capital assets, net of related debt excluded unspent debt proceeds. Net position are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted resources are used first to fund appropriation.

The District first applied restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

O. Other Post-Employment Benefits – Healthcare Benefits

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

P. Other Post-Employment Benefits – Sick Leave Plan

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.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as those financial instruments which have a maturity date of three months or less from the date of acquisition.

Deposits
The carrying amount of the Districts deposits with financial institutions was $8,160,363 and the bank balance was $8,066,842. The amount not covered by FDIC insurance was $7,427,895.

Investments
Statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies and repurchase agreements. The District's investments at year end consisted of $19,063,002 invested in the Idaho State Investment Pool. The Idaho State Investment Pool is not covered by Federal Deposit Insurance, but is primarily invested in government-backed securities. The Idaho State Treasurer provides oversight for investments by or through any department or institution of the State of Idaho. Amounts held by the State Investment Pool were held in the following investments: government agency notes, commercial paper, corporate bonds, U.S. treasury notes, money market accounts, repurchase agreements, and purchased accrued interest. All investments for the State Investment Pool are not collateralized. The investments held by the State Investment Pool are carried at cost plus accrued interest which is the fair market value also. Information necessary to determine the level of collateralization for the State Investment Pool was unavailable.

2. CASH AND CASH EQUIVALENTS (cont.)

Investments

The District had the following accounts. All deposits are carried at cost plus accrued interest.

Depository Account:	Bank Balance
Insured	$638,947
Uninsured and uncollateralized	7,427,895
Total deposits	$8,066,842
Investments:	
Uncollateralized and held by Idaho State Investment Pool in the pool's safekeeping agent in the pool's name unrated fund	$19,063,002

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	BALANCE 7/1/2022	ADDITIONS	DELETIONS	BALANCE 6/30/2023
Capital assets not being depreciated				
Construction in progress	$ 128,065	$ 285,370	$ (128,065)	$ 285,370
Land				
Elementary	1,196,959	-	-	1,196,959
Secondary	1,973,261	-	-	1,973,261
Other	889,668	-	-	889,668
Total capital assets not being depreciated	4,187,953	285,370	(128,065)	4,345,258
Capital assets being depreciated				
Buildings				
Elementary	53,053,576	125,199	-	53,178,775
Secondary	61,678,630	795,349	-	62,473,979
Admin.	2,270,903	11,901	-	2,282,804
	117,003,109	932,449	-	117,935,558
Accumulated depreciation	(27,764,300)	(2,417,544)	-	(30,181,844)
Net buildings	89,238,809	(1,485,095)	-	87,753,714
Equipment				
Elementary	997,799	125,087	-	1,122,886
Secondary	1,830,632	15,117	-	1,845,749
Admin.	595,437	61,013	-	656,450
	3,423,868	201,217	-	3,625,085
Accumulated depreciation	(2,332,690)	(199,626)	3,596	(2,528,720)
Net equipment	1,091,178	1,591	3,596	1,096,365
Vehicles	7,022,452	-	(148,539)	6,873,913
Accumulated depreciation	(5,063,211)	(441,447)	148,539	(5,356,119)
Net vehicles	1,959,241	(441,447)	-	1,517,794
Total capital assets being depreciated	92,289,228	(1,924,951)	3,596	90,367,873
Capital assets, net	$ 96,477,181	$ (1,639,581)	$ (124,469)	$ 94,713,131

3. CAPITAL ASSETS (cont.)

In the government-wide Statement of Activities the column labeled "Expenses" includes charges for depreciation expense to the following functions or programs:

EXPENSE	
Instruction	$ 2,372,396
Transportation	441,447
General administration	45,148
Plant maintenance and operations	196,030
Total	$ 3,055,021

The School District's capitalization policy is to capitalize equipment and buildings over $10,000. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

4. INTANGIBLE RIGHT-TO-USE SUBSCRIPTION IT ASSETS

Intangible right-to-use subscription IT assets for the year ended June 30, 2023 are as follows:

	BALANCE 7/1/2022	ADDITIONS	DELETIONS	BALANCE 6/30/2023
Subscription IT assets				
Linewize - school manager	$ 25,126	$ -	$ -	$ 25,126
Classwize	40,793	-	-	40,793
Linewize monitor	46,431	-	-	46,431
FamilyZone local gateway	7,650	-	-	7,650
iStation math, reading, remote PD package	177,475	-	-	177,475
Accumulated amortization	(99,158)	(99,158)	-	(198,316)
Total Subscription IT assets	$ 198,317	$ (99,158)	$ -	$ 99,159

5. OTHER POST-EMPLOYMENT BENEFITS (OPEB) - HEALTH CARE BENEFITS

Plan Description

Jefferson Joint School District #251's Employee Group Benefits Plan is a single-employer defined benefit healthcare plan administered by Blue Cross of Idaho. Blue Cross provides medical and prescription drug insurance benefits to eligible retirees and their eligible dependents. Delta Dental and Willamette Dental provide dental insurance benefits to eligible retirees and their eligible dependents. A retiree who retires with the Public Employee Retirement System of Idaho (PERSI) is eligible to keep the District's health insurance as a retiree until age 65, or until the retiree is eligible for coverage under Medicare. Retirement eligibility is determined based on a minimum of reaching age 55 with at least 5 years of membership with a PERSI employer. The retiree is on the same medical plan as the District's active employees.

Funding Policy

The contribution requirement of plan members is established by the District's insurance committee in conjunction with our insurance provider. The required contribution is based on a projected pay-as-you-go financing requirements. For fiscal year 2023, the District contributed approximately $58,109 of the annual required contribution of $175,115. Retirees are required to pay 100% of the premiums for both the retiree and the dependent coverage.

Net Other Post-Employment Benefit Liability

The Net Other Post-Employment Benefit Liability (NOL) was measured as of June 30, 2023, and the total other post-employment benefit liability was determined by an actuarial valuation as of June 30, 2023.

Plan Members

Plan participants as of June 30, 2023 are summarized by status as follows:

	Accrued Liability	Annual Required Contribution	Participant Counts
Active participants	$912,807	$174,660	469
Inactive participants	9,094	455	6
	$921,901	$175,115	475

5. OTHER POST-EMPLOYMENT BENEFITS (OPEB) - HEALTH CARE BENEFITS (cont.)

Actuarial Methods and Assumptions

The District does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis and there is not a trust for accumulating plan assets. The following actuarial methods and assumptions were used in the June 30, 2023 accounting valuation:

Valuation Timing	June 30, 2023
Actuarial Cost Method	Entry age normal
Projected Payroll Increases	3.75%
Discount Rate	4.11%
Health Cost Trend Rates	Medical trend is 6.8% from the year ending June 30, 2023, then gradually decreasing to an ultimate rate of 3.9% for 2074 and beyond. Dental trend if 1.9% for 2023 and then 3.5% from the year ending June 30, 2024 and gradually lowering to 2.0% for 2027 and beyond. Prescription drug trend is 6.8% from the year ended June 30, 2023, then gradually decreasing to an ultimate rate of 3.9% for 2074 and beyond, as shown in the June 30, 2023 valuation report.
Retirement	Based on PERSI with 36% of males and 44% of females eligible at age 65, 100% of males and 100% of females first year eligible at age 70.
Participation	40% of future retirees are assumed to elect medical coverage, 40% of future retirees are assumed to elect dental coverage, and 70% of the future retirees who elect medical or dental coverage and are married are assumed to elect spousal coverage as well.
Mortality	RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale AA with adjustments, set back one years for males and two years for females.
Retiree Contributions	The retiree contributions are a weighted average of all retiree contributions for the period July 1, 2022 to June 30, 2023. The cost of Medical and Prescription Drug was $7,942 for a retiree or surviving spouse, and $9,419 for a spouse. For Dental it was $383 for a retiree or surviving spouse, and $383 for a spouse.

5. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – HEALTHCARE BENEFITS (cont.)

Actuarial Methods and Assumptions (Cont.)

Total OPEB Liability	June 30, 2023
Actuarially Determined Contribution (ADC)	$175,115
Total OPEB Liability (TOL)	$921,901
Covered Employee Payroll	$23,088,167
TOL as a Percentage of Payroll	3.99%
Participants	475

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. There have been no significant changes between the valuation date and the fiscal year end. Any significant changes during this period must be reflected as prescribed by GASB 75.

Discount Rate	
Discount Rate	4.02%
20 Year Tax-Exempt Municipal Bond Index	4.11%

The discount rate was based on the average of multiple 6/30/23 municipal bond interest rate sources.

Other Key Actuarial Assumptions

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

Changes in total OPEB liability	Increase (Decrease) Total OPEB Liability
Balance as of June 30, 2022	$861,648
Changes for the year:	
Service Cost	128,425
Benefit Payments	(58,109)
Interest	38,644
Differences in experience	48,227
Changes of assumptions or other inputs	(96,934)
Net Change in TOL	60,253
Balance as of June 30, 2023	$921,901

5. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – HEALTHCARE BENEFITS (cont.)

Actuarial Methods and Assumptions (Cont.)

Sensitivity Analysis

The following presents the total OPEB liability of the school district, calculated using the discount rate of 4.02%, as well as what the school district's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease 3.02%	**Discount Rate 4.02%**	**1% Increase 5.02%**
Total June 30, 2023 OPEB liability	(816,643)	(921,901)	(1,047,131)

Other Post-employment benefits Expense and Deferred Outflows of Resources and Deferred Inflows for Resources Related to Other Post-employment Benefits

Schedule of Deferred Inflow/Outflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 48,277	$ -
Changes in assumptions or other inputs	-	96,934
Amortization	-	-
	$ 48,277	$ 96,934

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other post-employment benefits will be recognized in OPEB expense as follows:

Year ended June 30:	
2023	(10,567)
2024	(10,567)
2025	(10,567)
2026	(10,567)
2027	(10,567)
2028	(10,567)
Thereafter	(77,058)

6. CHANGES IN LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

The general obligation bond issue 200 series was refunded by refunding bond 2015 series issued $4,950,000. The cash flows required to service the old debt are $12,287,750. The cash flows required to service the new debt are $9,393,250. This results in an economic gain of $2,894,500 over time from this advanced refunding transaction.

The debt balance at June 30, 2016 defeased through the 2015 advanced refunding was $9,655,000 and was called March 1, 2018.

In November 2018, the District issued $31,665,000 of general obligation bonds for the construction of a new elementary school and improvements to existing schools.

In December 2007, and early 2010, the District issued $5,000,000 of Qualified School Construction Bonds, $21,805,000 general obligation Build America Bonds, and $3,195,000 general obligation bonds.

In December 2010, the District issued $15,000,000 general obligation QSCB bonds.

The 2010-A bond issue was refunded by refunding bond 2019 series issued $13,480,000. The cash flows required to service the old debt are $20,386,434. The cash flows to service new debt are $13,550,875. This results in an economic gain of $4,167,684 over time from this advanced refunding transaction.

In June 2023, the District issued $4,955,000 of general obligation bonds for the construction of a gym at Roberts Elementary School.

A summary of general long-term debt transactions of the District, for the year ended June 30, 2023, follows:

	BALANCE 7/1/2022	ADDITIONS	RETIREMENT	BALANCE 6/30/2023	DUE WITHIN ONE YEAR
General obligation bond	$ 46,682,285	$ 4,955,000	$ 4,271,968	$ 47,365,317	$ 4,061,968
Pension Liability (Asset)	(551,406)	29,136,938	-	28,585,532	-
OPEB - Healthcare Plan	861,648	60,253	-	921,901	921,901
Accrued interest	850,842	148,075	-	998,917	998,917
Compensated absences	146,521	14,744	-	161,265	161,265
Total	$ 47,989,890	$ 34,315,010	$ 4,271,968	$ 78,032,932	$ 6,144,051

6. CHANGES IN LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS (cont.)

Debt service requirements to amortize bond and lease debt to maturity as of June 30, 2023, are as follows:

	PRINCIPAL	INTEREST	TOTAL
2024	$ 4,061,968	$ 2,066,241	$ 6,128,209
2025	6,586,968	1,934,250	8,521,218
2026	6,906,968	1,621,500	8,528,468
2027	4,472,353	1,352,000	5,824,353
2028	4,642,353	1,168,250	5,810,603
2029-2033	9,634,707	4,488,750	14,123,457
2034-2038	11,060,000	2,075,750	13,135,750
Total	$ 47,365,317	$ 14,706,741	$ 62,072,058

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

PRINCIPAL	Balance 7/1/2022	New Debt	Debt Retired	Balance 6/30/2023
2019 Series	$ 9,690,000	$ -	$ (1,320,000)	$ 8,370,000
2018 Series	27,650,000	-	(940,000)	26,710,000
2015 GO	745,000	-	(745,000)	-
2009 QSCB	1,538,463	-	(384,616)	1,153,847
2010 Series A, B & C	7,058,823	-	(882,353)	6,176,470
2023 Series	-	4,955,000	-	4,955,000
Totals	$ 46,682,286	$ 4,955,000	$ (4,271,969)	$ 47,365,317
INTEREST TO BE PROVIDED				
2019 Series	$ 1,587,750	$ -	$ (451,500)	$ 1,136,250
2018 Series	14,434,500	-	(1,486,750)	12,947,750
2015 GO	11,175	-	(11,175)	-
2009 QSCB	271,250	-	(77,500)	193,750
2010 Series A, B & C	-	-	-	-
2023 Series	-	428,991	-	428,991
Totals	$ 16,304,675	$ 428,991	$ (2,026,925)	$ 14,706,741

7. PENSION PLANS

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.

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2023, it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percentage of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The District's contributions were $3,116,159 for the year ended June 30, 2023.

7. PENSION PLANS (cont.)

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

At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2023, the District's proportion was 0.7257499 percent.

For the year ended June 30, 2023, the District recognized pension expense (revenue) of $24,830,994. At June 30, 2023, 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	$ 3,143,365	$ 127,587
Changes of assumptions	4,660,299	-
Net difference between projected and actual earnings	6,577,193	-
Contributions made subsequent to measurement date	-	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	101,618	-
Total	$ 14,482,475	$ 127,587

A portion of deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date of $3,116,159 for the year ended June 30, 2023, will be recognized as a reduction of the net pension liability in the subsequent year.

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

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

Year ended June 30:	
2023	3,408,478
2024	3,700,227
2025	1,711,351
2026	5,433,213

7. PENSION PLANS (cont.)

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

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return (net of investment expenses)	6.35%
Cost-of-living adjustment	1.00%

Contributing Members, Service Retirement Members, and Beneficiaries Continued

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

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

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on the 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 policy is somewhat more conservative than the current allocation of System's assets.

7. PENSION PLANS (cont.)

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

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

Discount Rate

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

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35%, 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%) or 1-percentage-point higher (7.35%) 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)	50,450,663	28,585,532	10,689,487

7. PENSION PLANS (cont.)

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, 2023, 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.

8. PAYROLL EXPENDITURES AND RELATED LIABILITIES

Many employee contracts were signed for the nine-month period September 1, 2022 through May 31, 2023, to be paid over the twelve months of September 1, 2022 through August 31, 2023. The financial statements reflect the salary expense for this period. The accrued payroll reflects the final two months of these contracts.

9. RISK MANAGEMENT

The District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty and liability coverage through commercial insurance carriers. Settled claims have not exceeded insurance coverage in any of the previous three years.

10.NONMONETARY TRANSACTIONS

The District received $122,630 in USDA Commodities during the 2022-2023 fiscal year. The commodities received are valued at the average wholesale price as determined by the distributing agency. All commodities received by the District were treated as revenue and expense of the fund receiving the commodities.

11. INTERFUND TRANSFERS AND BALANCES

During the course of its operations, the District had numerous transactions between funds to finance operations and provide services. To the extent that certain transactions between funds had not been paid or received as of June 30, 2023, balances of interfund amounts receivable or payable have been recorded. The interfund balances as of June 30, 2023, were as follows:

	Receivable	Payable
General Fund	$ 951,577	$ -
Various Other Special Revenue Funds	-	951,577
TOTAL	$ 951,577	$ 951,577

Interfund transfers for the year ended June 30, 2023, consisted of the following:

	TRANSFER IN	TRANSFER OUT
General Fund	$ 56,430	$ 425,479
E-Rate	150,000	-
Child Nutrition	56,789	22,500
School Plan Facilities	218,690	
Other Special Revenue Funds	-	33,930
TOTAL	$ 481,909	$ 481,909

A transfer was made from the General Fund to various funds to provide for budgeted expenditures of $425,479. The funds went to School Plant Facilities and various Other Governmental Funds.

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – SICK LEAVE PLAN

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

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

OPEB Benefits

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

Employer Contributions

The contribution rate for employers 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 $129,020 for the year ended June 30, 2023.

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

At June 30, 2023, the District reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, 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, 2022, the District's proportion was 1.4558591 percent.

For the year ended June 30, 2023, the District recognized OPEB expense (expense offset) of $142,328. $594,780 reported as deferred outflows of resources related to OPEBs resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2023.

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – SICK LEAVE PLAN (Cont.)

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 of 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, 2022 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	7.05%, net of investment expenses

The long-term expected rate of return on OPEB plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produced the long-term expected rate of return by weighting 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 the System's assets.

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

Asset Class	Target Allocation	Expected Rate of Return (Arithmetic)
Broad U.S. Equity	39.3%	8.53%
Global EX U.S. Equity	10.7%	9.09%
Fixed Income	50.0%	2.80%
Cash Equivalents	0.0%	2.25%

12. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – SICK LEAVE PLAN (Cont.)

Discount Rate

The discount rate used to measure the total OPEB liability was 5.45%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the OPEB plan's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Sensitivity of the net OPEB asset to changes in the discount rate.

The following presents the District'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 the discount rate that is 1-percentage-point lower (4.45%) or 1-percentage-point higher (6.45%) than the current rate:

	1% Decrease	**Discount Rate**	**1% Increase**
	3.02%	**4.02%**	**5.02%**
Total June 30, 2023 OPEB liability	(816,643)	(921,901)	(1,047,131)

OPEB Expense		
Service cost and interest	$	128,425
Expected investment return		38,644
Benefit payments		(58,109)
Deferred outflow/(inflow)		(50,593)
OPEB expense	$	58,367

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 issued 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.

13. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District's deferred outflows of resources consist of bond issue expenses from previous bond issues.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District's deferred inflows of resources for the Statement of Net Position consists of bond premiums from outstanding bonds that will reduce the interest expense in future periods. The District has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that amounts become available.

A summary of deferred inflows and outflows follows:

	DEFERRED INFLOWS OF RESOURCES	DEFERRED OUTFLOWS OF RESOURCES
Bond Issue Expenses	$ -	$ 109,282
Bond Premiums	4,695,842	-
Pension Outflows	-	14,482,475
Pension Inflows	127,587	-
OPEB - Outflows	-	993,901
OPEB - Inflows	594,780	
	$ 5,418,209	$ 15,585,658

Deferred inflows of resources at June 30, 2023, represent revenues that are not available for use by the District to liquidate current year liabilities. A summary of deferred inflows by fund follows:

	GENERAL	DEBT SERVICE	OTHER GOVERNMENTAL	TOTAL
Property tax	$ 43,305	$ 249,293	$ -	$ 292,598
Other revenue	-	-	-	-
TOTAL	$ 43,305	$ 249,293	$ -	$ 292,598

14. SUBSEQUENT EVENTS

Subsequent events have been considered through the report date of October 11, 2023. There were no subsequent events that will have a material impact on the operation of the District.

15. NET POSITION RESTATEMENT

The District adopted GASB 96 *Subscription-Based Information Technology Arrangements* in the fiscal year 2022-2023. The result was a prior period adjustment that increased net position by $198,317 which is the cost of the subscription-based information technology arrangements net of the accumulated amortization.

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REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - GENERAL FUND
For the year ended June 30, 2023

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Property taxes	$ 10,000	$ 1,392,135	$ 1,343,750	$ (48,385)
Food service	-	-	-	-
Other local	149,000	322,159	315,740	(6,419)
State apportionment base	34,796,367	35,076,367	35,011,573	(64,794)
State apportionment transportation	1,934,083	1,754,083	2,221,221	467,138
State apportionment benefits	4,425,377	4,425,377	4,503,242	77,865
Investment earnings	25,000	325,000	360,970	35,970
Other State revenue	2,357,412	2,478,366	2,683,875	205,509
Federal grants and assistance	-	-	-	-
TOTAL REVENUES	43,697,239	45,773,487	46,440,371	666,884
EXPENDITURES				
Instruction	28,969,211	30,630,748	30,108,182	522,566
Support services	2,766,311	3,261,233	3,340,367	(79,134)
Plant maintenance and operation	5,315,578	6,480,223	6,111,099	369,124
General administration	3,883,095	3,840,095	4,123,067	(282,972)
Central services	-	-	-	-
Transportation	2,383,267	2,383,267	2,363,277	19,990
Food service	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	43,317,462	46,595,566	46,045,992	549,574
Excess (deficiency) of revenues over expenditures	379,777	(822,079)	394,379	1,216,458
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	-	-	-	-
Proceeds from sale of bonds	-	-	-	-
Transfers in	51,213	51,213	56,430	(5,217)
Transfers out	(430,000)	(430,000)	(425,479)	4,521
TOTAL OTHER FINANCING SOURCES (USES)	(378,787)	(378,787)	(369,049)	(696)
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	-	-
Net change in fund balances	$ 990	$ (1,200,866)	25,330	$ 1,226,196
Fund balances - Beginning			4,436,997	
FUND BALANCES - Ending			$ 4,462,327	

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - DEBT SERVICE
For the year ended June 30, 2023

	BUDGETED AMOUNTS		ACTUAL	VARIANCE FAVORABLE
	ORIGINAL	FINAL	AMOUNTS	(UNFAVORABLE)
REVENUES				
Property taxes	$ 11,105,663	$ 10,597,363	$ 7,576,584	$ (3,020,779)
Food service	-	-	-	-
Transportation fees	-	-	-	-
Other local	-	-	-	-
State apportionment base	-	-	-	-
State apportionment transportation	-	-	-	-
State apportionment benefits	-	-	-	-
Investment earnings	2,000	2,000	93,601	91,601
Other State revenue	1,325,000	1,833,300	1,833,300	-
Federal grants and assistance	-	-	-	-
TOTAL REVENUES	12,432,663	12,432,663	9,503,485	(2,929,178)
EXPENDITURES				
Instruction	-	-	-	-
Support services	-	-	-	-
Plant maintenance and operation	-	-	-	-
General administration	-	-	-	-
Central services	-	-	-	-
Transportation	-	-	-	-
Food service	-	-	-	-
Debt Service:				
Principal	4,271,968	4,271,968	4,271,968	-
Interest and other charges	2,108,800	2,108,800	1,922,275	186,525
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	6,380,768	6,380,768	6,194,243	186,525
Excess (deficiency) of revenues over expenditures	6,051,895	6,051,895	3,309,242	(2,742,653)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(11,576,246)	(11,576,246)	-	11,576,246
TOTAL OTHER FINANCING SOURCES (USES)	(11,576,246)	(11,576,246)	-	11,576,246
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	-	-
Net change in fund balances	$ (5,524,351)	$ (5,524,351)	3,309,242	$ 8,833,593
Fund balances - Beginning			5,868,967	
FUND BALANCES - Ending			$ 9,178,209	

JEFFERSON JOINT SCHOOL DISTRICT #251
BUDGET AND ACTUAL (WITH VARIANCES) - CAPITAL PROJECTS
For the year ended June 30, 2023

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Food service	-	-	-	-
Transportation fees	-	-	-	-
Other local	-	-	-	-
State apportionment base	-	-	-	-
State apportionment transportation	-	-	-	-
State apportionment benefits	-	-	-	-
Investment earnings	5,000	5,000	78,446	73,446
Other State revenue	-	-	-	-
Federal grants and assistance	-	-	-	-
TOTAL REVENUES	5,000	5,000	78,446	73,446
EXPENDITURES				
Instruction	-	-	-	-
Support services	-	-	-	-
Plant maintenance and operation	-	-	-	-
General administration	-	-	-	-
Central services	-	-	-	-
Transportation	-	-	-	-
Food service	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital Outlay	2,793,652	2,793,652	447,980	2,345,672
TOTAL EXPENDITURES	2,793,652	2,793,652	447,980	2,345,672
Excess (deficiency) of revenues over expenditures	(2,788,652)	(2,788,652)	(369,534)	2,419,118
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of bonds	-	-	5,000,000	(5,000,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	5,000,000	(5,000,000)
SPECIAL ITEM				
Proceeds from sale capital assets	-	-	-	-
Net change in fund balances	$ (2,788,652)	$ (2,788,652)	4,630,466	$ 7,419,118
Fund balances - Beginning			2,784,188	
FUND BALANCES - Ending			$ 7,414,654	

JEFFERSON JOINT SCHOOL DISTRICT #251
NOTES TO THE BUDGET TO ACTUAL COMPARISON
For the Year Ended June 30, 2023

1. The legally adopted budget for Jefferson Joint School District #251is based on the modified accrual basis of accounting.

2. Actual expenditures did not exceed the budgeted amount in any major fund.

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS – HEALTHCARE
For the Year Ended June 30, 2023

Total OPEB Liability	2023	2022	2021
Service Cost	$ 128,425	$ 157,039	$ 168,725
Interest on total OPEB Liability	38,644	23,170	35,321
Changes of benefit terms	48,227	-	(450,749)
Effect of assumptions changes or inputs	(96,934)	(161,594)	(67,261)
Expected benefit payments	(58,109)	(41,040)	(58,309)
Net change in total OPEB liability	60,253	(22,425)	(372,273)
Total OPEB liability, beginning	861,648	884,073	1,256,346
Total OPEB liability, ending	$ 921,901	$ 861,648	$ 884,073
Covered employee payroll	23,088,167	$ 20,355,634	$ 19,619,888
Total OPEB liability as a % of covered employee payroll	3.99%	4.23%	4.51%

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

Data is measured as of June 30, 2022, 2021, 2020, 2019, and 2018

2020	2019
$ 158,197	$ 142,420
37,984	38,604
-	(291,880)
87,462	121,920
(34,133)	(36,613)
91,313	(25,549)
1,006,836	1,032,384
$ 1,256,346	$ 1,006,835
$ 16,529,221	$ 15,931,779
7.60%	6.32%

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EMPLOYER CONTRIBUTIONS PERSI OPEB PLAN – SICK LEAVE PLAN
For the Year Ended June 30, 2023

	2023	2022	2021
Statutorily required contribution	$ 130,537	$ 132,960	$ 140,422
Contributions in relation to the statutorily required contribution	$ 142,328	$ (53)	$ 130,548
Contribution (deficiency) excess	$ (11,791)	$ 133,013	$ 9,873
Employer's covered-employee payroll	$ 23,544,445	$ 21,796,682	$ 21,940,920
Contributions as a percentage of covered-employee payroll	0.60%	0%	0.60%

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

Data reported is measured as of June 30, 2022, 2021, 2020, 2019, and 2018

2020	2019
$ 137,535	$ 122,128
$ 240,687	$ 213,724
$ (103,151)	$ (91,596)
$ 20,225,777	$ 17,960,035
1.19%	1.19%

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITY (ASSET) – SICK LEAVE PLAN
For the Year Ended June 30, 2023

	2023	2022	2021
Employer's portion of the net OPEB asset	1.4558591%	1.4558591%	1.4558591%
Employer's proportionate share of the total OPEB liability (asset)	$ 4,072,835	$ 4,018,900	$ 3,390,385
Employer's proportion of the plan fiduciary net position	$ 5,181,138	$ 6,133,105	$ 5,182,993
Employer's proportional share of the net OPEB liability (asset)	$ (1,108,303)	$ (2,114,205)	$ (1,792,608)
Employer's covered employee payroll	$ 23,544,445	$ 21,796,682	$ 21,940,920
Employer's proportional share of the net OPEB liability (asset) as a percentage of its covered employee payroll	4.71%	9.70%	8.17%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	127.21%	153.0%	153.0%

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

Data reported is measured as of June 30, 2022, 2021, 2020, 2019, and 2018

	2020	2019
Employer's portion of the net OPEB asset	1.4646947%	1.3700952%
Employer's proportionate share of the total OPEB liability (asset)	$ 3,642,729	$ 3,184,353
Employer's proportion of the plan fiduciary net position	$ 5,045,619	$ 4,320,778
Employer's proportional share of the net OPEB liability (asset)	$ (1,402,890)	$ (1,136,425)
Employer's covered employee payroll	$ 20,225,777	$ 17,960,035
Employer's proportional share of the net OPEB liability (asset) as a percentage of its covered employee payroll	6.94%	6.33%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	138.5%	135.7%

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY PERSI – BASE PLAN
LAST 10 – FISCAL YEARS*

	PERSI BASE PLAN				
Fiscal Year	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 payroll	Plan fiduciary net position as a percentage of the total pension liability
2015	0.53486680%	$ 3,937,457	$ 14,457,157	27.24%	94.95%
2016	0.53347030%	$ 7,024,936	$ 14,889,740	47.18%	91.38%
2017	0.54659180%	$ 11,080,255	$ 15,826,184	70.01%	87.26%
2018	0.54977740%	$ 8,641,556	$ 16,985,677	50.88%	90.68%
2019	0.57259840%	$ 8,445,926	$ 18,325,417	46.09%	91.69%
2020	0.60992480%	$ 6,962,122	$ 20,627,973	33.75%	93.79%
2021	0.64480810%	$ 14,973,297	$ 22,865,108	65.49%	88.22%
2022	0.68917757%	$ (551,406)	$ 25,949,348	-2.12%	100.36%
2023	0.72574990%	$ 28,585,533	$ 28,496,861	100.31%	83.09%

*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 use for which information is available.

Data reported is measured as of June 30.

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EMPLOYER CONTRIBUTIONS PERSI – BASE PLAN
LAST 10 – FISCAL YEARS*

	PERSI BASE PLAN				
Fiscal Year	Statutorily Required Contribution	Contribution in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2015	$ 1,738,540	$ 1,663,362	$ 75,178	$ 14,457,157	11.51%
2016	$ 1,744,992	$ 1,790,380	$ (45,388)	$ 14,889,740	11.59%
2017	$ 1,624,812	$ 1,825,804	$ (200,992)	$ 15,826,184	11.53%
2018	$ 1,853,916	$ 1,959,227	$ (105,311)	$ 16,985,677	11.53%
2019	$ 2,223,637	$ 2,113,685	$ 109,952	$ 18,325,417	11.53%
2020	$ 2,333,819	$ 2,379,200	$ (45,381)	$ 20,627,973	12.14%
2021	$ 2,529,847	$ 2,776,790	$ (246,943)	$ 22,865,108	12.13%
2022	$ 2,756,608	$ 3,148,443	$ (391,835)	$ 25,949,348	12.13%
2023	$ 3,116,159	$ 3,116,159	$ -	$ 26,105,408	11.94%

*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 use for which information is available.

Data is reported is measured as of June 30.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
PERSI – BASE PLAN
For the Year Ended June 30, 2023

Methods and Assumptions Used in Calculations of Actuarily Determined Contributions

The actuarially determined contribution rates in the employer's contributions are calculated as of June 30, 2022. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule.

	PERSI Base Plan
Valuation Date	June 30, 2022
Actuarial cost method	Entry age normal
Amortization Method	Level percentage of projected payroll open
Remaining amortization period	100+ years
Asset valuation method	Fair Market Value
Investment rate of return*	6.35%
Projected salary increases including inflation	3.05%
Postretirement benefit increase	1.00%
Implied price inflation rate	2.30%
Discount rate - actuarial accrued liability	6.35%

*net of investment expenses

SUPPLEMENTARY INFORMATION

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2023

	ED FOUNDATION FUND	DRIVER'S ED	PRO TECHNICAL
ASSETS			
Cash and cash equivalents	$ 174,518	$ -	$ -
Receivable from other governments	-	47,027	23,741
Taxes receivable, net	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
TOTAL ASSETS	174,518	47,027	23,741
DEFERRED OUTFLOWS OF RESOURCES			
Expenditures unavailable for use	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 174,518	$ 47,027	$ 23,741
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 1,682	$ 1,210	$ 20,708
Other accrued expenses	-	6,333	3,033
Interfund payable	-	17,270	-
TOTAL LIABILITIES	1,682	24,813	23,741
DEFERRED INFLOWS OF RESOURCES			
Revenue unavailable for use	-	-	-
FUND BALANCES			
Assigned - other purposes	172,836	22,214	-
Unassigned	-	-	-
TOTAL FUND BALANCES	172,836	22,214	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 174,518	$ 47,027	$ 23,741

STATE TECHNOLOGY	IDAHO SUBSTANCE ABUSE	TITLE I BASIC	MIGRANT ED	IDEA PART B SCHOOL AGE
$ 99,197	$ 78,016	$ -	$ -	$ -
-	-	178,116	12,419	278,318
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
99,197	78,016	178,116	12,419	278,318
-	-	-	-	-
$ 99,197	$ 78,016	$ 178,116	$ 12,419	$ 278,318
$ -	$ 78,016	$ 4,264	$ 30	$ 142
-	-	91,030	1,400	82,226
-	-	82,822	10,989	195,950
-	78,016	178,116	12,419	278,318
-	-	-	-	-
99,197	-	-	-	-
-	-	-	-	-
99,197	-	-	-	-
$ 99,197	$ 78,016	$ 178,116	$ 12,419	$ 278,318

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2023

	IDEA PART B PRESCHOOL	TITLE IV STUDENT SUPPORT & ENRICHMENT	PERKINS PRO TECHNICAL
ASSETS			
Cash and cash equivalents	$ -	$ -	$ -
Receivable from other governments	7,556	-	66,085
Taxes receivable, net	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
	7,556	-	66,085
DEFERRED OUTFLOWS OF RESOURCES			
Expenditures unavailable for use	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 7,556	$ -	$ 66,085
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ -	$ -	$ 3,961
Other accrued expenses	5,023	-	662
Interfund payable	2,533	-	61,462
TOTAL LIABILITIES	7,556	-	66,085
DEFERRED INFLOWS OF RESOURCES			
Revenue unavailable for use	-	-	-
FUND BALANCES			
Assigned - other purposes	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 7,556	$ -	$ 66,085

LANGUAGE INSTRUCTION	IMPROVING TEACHER QUALITY	MEDICAID	E-RATE	CHILD NUTRITION
$ -	$ -	$ -	$ 147,434	$ 2,032,739
1,525	29,065	182,326	-	181
-	-	-	-	-
-	-	-	-	-
-	-	-	-	97,161
1,525	29,065	182,326	147,434	2,130,081
-	-	-	-	-
$ 1,525	$ 29,065	$ 182,326	$ 147,434	$ 2,130,081
$ -	$ -	$ 165	$ 147,434	$ 19,297
-	18,838	69,045	-	147,235
1,525	10,227	113,116	-	-
1,525	29,065	182,326	147,434	166,532
-	-	-	-	-
-	-	-	-	1,963,549
-	-	-	-	-
-	-	-	-	1,963,549
$ 1,525	$ 29,065	$ 182,326	$ 147,434	$ 2,130,081

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2023

	SCHOOL PLANT FACILITIES	CARES ACT ESSERF	SCHOOLS ACCOUNTS
ASSETS			
Cash and cash equivalents	$ 2,177,913	$ -	$ 350,298
Receivable from other governments	-	-	-
Taxes receivable, net	-	-	-
Due from other funds	-	-	-
Inventory	-	-	-
	2,177,913	-	350,298
DEFERRED OUTFLOWS OF RESOURCES			
Expenditures unavailable for use	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 2,177,913	$ -	$ 350,298
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 30,054	$ -	$ 1,061
Other accrued expenses	-	-	-
Interfund payable	-	-	-
TOTAL LIABILITIES	30,054	-	1,061
DEFERRED INFLOWS OF RESOURCES			
Revenue unavailable for use	-	-	-
FUND BALANCES			
Assigned - other purposes	2,147,859	-	349,237
Unassigned	-	-	-
TOTAL FUND BALANCES	2,147,859	-	349,237
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,177,913	$ -	$ 350,298

ESSER II	ESSER III	ARP-IDEA	FED DRUG FREE	TWENTY-FIRST CENTURY	SLFRF ADDITIONAL COMPENSATION
$ -	$ -	$ -	$ -	$ -	$ -
28,179	327,237	88,152	845	39,128	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,179	327,237	88,152	845	39,128	-
-	-	-	-	-	-
$ 28,179	$ 327,237	$ 88,152	$ 845	$ 39,128	$ -
$ -	$ -	$ -	$ 79	$ 5,713	$ -
2,818	-	-	-	19,248	-
25,361	327,237	88,152	766	14,167	-
28,179	327,237	88,152	845	39,128	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 28,179	$ 327,237	$ 88,152	$ 845	$ 39,128	$ -

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2023

	MISCELLANEOUS GRANTS	TOTAL NONMAJOR SPECIAL REVENUE
ASSETS		
Cash and cash equivalents	$ 20,003	$ 5,080,118
Receivable from other governments	-	1,309,900
Taxes receivable, net	-	-
Due from other funds	-	-
Inventory	-	97,161
	20,003	6,487,179
DEFERRED OUTFLOWS OF RESOURCES		
Expenditures unavailable for use	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 20,003	$ 6,487,179
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	$ 2,581	316,397
Other accrued expenses	-	446,891
Interfund payable	-	951,577
TOTAL LIABILITIES	2,581	1,714,865
DEFERRED INFLOWS OF RESOURCES		
Revenue unavailable for use	-	-
FUND BALANCES		
Assigned - other purposes	17,422	4,772,314
Unassigned	-	-
TOTAL FUND BALANCES	17,422	4,772,314
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 20,003	$ 6,487,179

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JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING STATEMENT OF
REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2023

	ED FOUNDATION FUND	DRIVER'S ED	PRO TECHNICAL
REVENUES			
Property taxes	$ -	$ -	$ -
Intergovernmental-State	-	21,749	288,060
Intergovernmental-Federal	-	-	-
Food service	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Other local	309,005	26,510	-
TOTAL REVENUES	309,005	48,259	288,060
EXPENDITURES			
Instruction	239,813	52,935	288,060
Support services	-	-	-
General administration	-	-	-
Plant maintenance & operations	-	-	-
Food service	-	-	-
Capital outlay	-	-	-
Debt service-principal	-	-	-
Debt service-interest	-	-	-
TOTAL EXPENDITURES	239,813	52,935	288,060
Excess (deficiency) of revenues over expenditures	69,192	(4,676)	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
SPECIAL ITEM			
Proceeds from sale of equipment	-	-	-
Net change in fund balances	69,192	(4,676)	-
Fund balance - Beginning	103,644	26,890	-
FUND BALANCES - Ending	$ 172,836	$ 22,214	$ -

STATE TECHNOLOGY	IDAHO SUBSTANCE ABUSE	TITLE I BASIC	MIGRANT ED	IDEA PART B SCHOOL AGE
$ -	$ -	$ -	$ -	$ -
492,318	78,016	-	-	-
-	-	684,997	19,678	1,019,034
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
492,318	78,016	684,997	19,678	1,019,034
-	-	605,771	19,378	1,000,736
602,092	78,016	64,824	-	1,548
-	-	3,402	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
602,092	78,016	673,997	19,378	1,002,284
(109,774)	-	11,000	300	16,750
-	-	-	-	-
-	-	(11,000)	(300)	(16,750)
-	-	(11,000)	(300)	(16,750)
-	-	-	-	-
(109,774)	-	-	-	-
208,971	-	-	-	-
$ 99,197	$ -	$ -	$ -	$ -

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2023

	IDEA PART B PRESCHOOL	TITLE IV STUDENT SUPPORT & ENRICHMENT	PERKINS PRO TECHNICAL
REVENUES			
Property taxes	$ -	$ -	$ -
Intergovernmental-State	-	-	-
Intergovernmental-Federal	32,206	59,184	66,085
Food service	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Other local	-	-	-
	32,206	59,184	66,085
EXPENDITURES			
Instruction	32,206	22,194	66,085
Support services	-	36,000	-
General administration	-	-	-
Plant maintenance & operations	-	-	
Food service	-	-	-
Capital outlay	-	-	-
Debt service-principal	-	-	-
Debt service-interest	-	-	-
	32,206	58,194	66,085
Excess (deficiency) of revenues over expenditures	-	990	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(990)	-
	-	(990)	-
SPECIAL ITEM			
Proceeds from sale of equipment	-	-	-
Net change in fund balances	-	-	-
Fund balance - Beginning	-	-	-
FUND BALANCES - Ending	$ -	$ -	$ -

LANGUAGE INSTRUCTION	IMPROVING TEACHER QUALITY	MEDICAID	E-RATE	CHILD NUTRITION
$ -	$ -	$ -	$ -	$ -
-	-	-	-	1,564,556
5,439	140,809	679,847	-	-
-	-	-	-	658,212
-	-	-	-	13,609
-	-	-	-	-
-	-	-	189,453	-
5,439	140,809	679,847	189,453	2,236,377
4,520	109,290	549,592	-	-
829	29,219	130,255	339,453	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	2,247,312
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
5,349	138,509	679,847	339,453	2,247,312
90	2,300	-	(150,000)	(10,935)
-	-	-	150,000	56,789
(90)	(2,300)	-	-	(22,500)
(90)	(2,300)	-	150,000	34,289
-	-	-	-	-
-	-	-	-	23,354
-	-	-	-	1,940,195
$ -	$ -	$ -	$ -	$ 1,963,549

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING STATEMENT OF
REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2023

	SCHOOL PLANT FACILITIES	CARES ACT ESSERF	SCHOOLS ACCOUNTS
REVENUES			
Property taxes	$ -	$ -	$ -
Intergovernmental-State	659,041	-	-
Intergovernmental-Federal	-	10,745	-
Food service	-	-	-
Investment earnings	5,677	-	-
Miscellaneous	-	-	-
Other local	177,705	-	1,833,667
	842,423	10,745	1,833,667
EXPENDITURES			
Instruction	-	-	-
Support services	-	10,745	1,923,868
General administration	-	-	-
Plant maintenance & operations	-	-	-
Food service	-	-	-
Capital outlay	454,222	-	-
Debt service-principal	-	-	-
Debt service-interest	-	-	-
	454,222	10,745	1,923,868
Excess (deficiency) of revenues over expenditures	388,201	-	(90,201)
OTHER FINANCING SOURCES (USES)			
Transfers in	218,690	-	-
Transfers out	-	-	-
	218,690	-	-
SPECIAL ITEM			
Proceeds from sale of equipment	7,800	-	-
Net change in fund balances	614,691	-	(90,201)
Fund balance - Beginning	1,533,168	-	439,438
FUND BALANCES - Ending	$ 2,147,859	$ -	$ 349,237

ESSER II	ESSER III	ARP-IDEA	FED DRUG FREE	TWENTY-FIRST CENTURY	SLFRF ADDITIONAL COMPENSATION
$ -	$ -	$ -	$ -	$ -	$ -
-	897,061	117,607	-	151,909	652,739
28,179	-	-	1,045	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,179	897,061	117,607	1,045	151,909	652,739
28,179	552,673	117,607	1,045	149,409	652,739
-	6,865	-	-	-	-
-	98,200	-	-	-	-
-	239,323	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
28,179	897,061	117,607	1,045	149,409	652,739
-	-	-	-	2,500	-
-	-	-	-	-	-
-	-	-	-	(2,500)	-
-	-	-	-	(2,500)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

JEFFERSON JOINT SCHOOL DISTRICT #251
COMBINING STATEMENT OF
REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2023

	MISCELLANEOUS GRANTS	TOTAL NONMAJOR SPECIAL REVENUE
REVENUES		
Property taxes	$ -	$ -
Intergovernmental-State	-	4,923,056
Intergovernmental-Federal	-	2,747,248
Food service	-	658,212
Investment earnings	-	19,286
Miscellaneous	-	-
Other local	76,362	2,612,702
	76,362	10,960,504
EXPENDITURES		
Instruction	58,940	4,551,172
Support services	-	3,223,714
General administration	-	101,602
Plant maintenance & operations	-	239,323
Food service	-	2,247,312
Capital outlay	-	454,222
Debt service-principal	-	-
Debt service-interest	-	-
	58,940	10,817,345
Excess (deficiency) of revenues over expenditures	17,422	143,159
OTHER FINANCING SOURCES (USES)		
Transfers in	-	425,479
Transfers out	-	(56,430)
	-	369,049
SPECIAL ITEM		
Proceeds from sale of equipment	-	7,800
Net change in fund balances	17,422	520,008
Fund balance - Beginning	-	4,252,306
FUND BALANCES - Ending	$ 17,422	$ 4,772,314

OTHER SUPPLEMENTARY INFORMATION

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Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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*

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Jefferson Joint School District #251
Rigby, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Jefferson Joint School District #251, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 11, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jefferson Joint School District #251's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jefferson Joint School District #251's internal control. Accordingly, we do not express an opinion on the effectiveness of Jefferson Joint School District #251'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.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jefferson Joint School District #251's financial statements

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

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.

Searle Hart + Associates PLLC

Rexburg, Idaho
October 11, 2023

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Jefferson Joint School District #251
Rigby, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Jefferson Joint School District #251'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 Jefferson Joint School District #251's major federal programs for the year ended June 30, 2023. Jefferson Joint School District #251's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jefferson Joint School District #251 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, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Jefferson Joint School District #251 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Jefferson Joint School District #251's compliance with the compliance requirements referred to above.

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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 Jefferson Joint School District #251's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain a 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 Jefferson Joint School District #251's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Jefferson Joint School District #251's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess 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 Jefferson Joint School District #251'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 Jefferson Joint School District #251'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 Jefferson Joint School District #251's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Searle Hart + Associates PLLC

Rexburg, Idaho
October 11, 2023

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

U.S. DEPARTMENT OF AGRICULTURE	**FEDERAL ASSISTANCE LISTINGS NUMBER**	**PASS THROUGH ENTITY ID#**	**PASS THROUGH TO SUBRECIPIENTS**	**FEDERAL EXPENDITURES**
Passed Through State Department of Education:				
School Breakfast Program	10.553	202323N119947	$ -	$ 222,459
National School Lunch Program	10.555	202323N119947	-	1,290,347
Supply Chain Assistance	10.555	202323N119947	-	165,225
Summer Food Service Program for Children	10.559	202222N109947	-	25,901
Fresh Fruit and Vegetable Program	10.582		-	29,845
Total Child Nutrition Cluster			-	1,733,777
Child and Adult Care Food Program	10.558	202323N119947	-	26,634
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	1,760,411
U.S. DEPARTMENT OF TREASURY				
Passed Through State Department of Education:				
COVID-19 SLFRF Staff Addtnl Compensation	21.027	SLFRP0142	-	652,739
TOTAL U.S. DEPARTMENT OF TREASURY			-	652,739
U.S. NATIONAL ENDOWMENT FOR THE HUMANITIES				
Passed Through State Department of Education:				
Idaho Commision for Library Grants-SFE and RE	45.310	LS-252457-OLS-22	-	8,499
U.S. DEPARTMENT OF EDUCATION				
Passed Through State Department of Education:				
IDEA Part B School Age	84.027	H027A220088	-	1,019,034
COVID-19 ARP-IDEA Part B School Age	84.027	H027X210088	-	97,142
IDEA Part B Preschool	84.173	H173A220030	-	20,464
COVID-19 ARP-IDEA Part B Preschool	84.173	H173X210030	-	32,206
Total Special Education Cluster (IDEA)			-	1,168,846
COVID-19 Cares Act-ESSERF-LMS	84.425D	S425D200043	-	2,606
COVID-19 Cares Act-ESSERF-SEL	84.425D	S425D200043	-	8,139
COVID-19 CRRSA Act-Esser II	84.425D	S425D200043	-	28,179
COVID-19 ARP-HCY Homeless II	84.425W	S425W210013	-	1,508
COVID-19-ESSER III Discretionary	84.425U	S425U210043	-	764,360
COVID-19-ARP-ESSER III Learning Loss	84.425U	S425U210043	-	131,193
Total 84.425			-	935,985
Title I-A Basic	84.010	S010A220012	-	684,997
Perkins Vocational Education	84.048	V048A210012	-	66,085
English Language Acquisition	84.365	S365A210012	-	5,439
Title IX-A Education of Homeless Children and Youth	84.196	S196A220013	-	1,045
Twenty-First Century Community Learning Ctrs	84.287	S287C22012	-	151,909
Title I-C Migrant	84.011	S011A220012	-	19,678
Title II-A Teacher Quality	84.367	S367A220011	-	140,809
Title IV-Student Support	84.424	S424A220013	-	59,184
TOTAL U.S. DEPARTMENT OF EDUCATION			-	3,233,977
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)				
Passed Through State Department of Education:				
Idaho Office of Drug Policy	93.959		-	2,669
TOTAL			$ -	$ 5,658,295

The accompanying notes are an integral part of this schedule.

JEFFERSON JOINT SCHOOL DISTRICT #251
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Jefferson Joint School District #251 under programs of the federal government for the year ended June 30, 2023. 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 Jefferson Joint School District #251, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Jefferson Joint School District #251.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3- NONMONETARY TRANSACTIONS

Nonmonetary assistance is reported for the Food Distribution Program at fair market value of commodities received which is established by the State Department of Education. The District held an undetermined amount of those commodities in inventory at June 30, 2023.

NOTE 4- DE MINIMIS INDIRECT COST RATE

Jefferson Joint School District #251 has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

JEFFERSON JOINT SCHOOL DISTRICT #251
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements
Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weaknesses Identified	____ YES	X NO
Significant Deficiencies Identified that are not considered to be material weaknesses	____ YES	X None Reported
Noncompliance Material to financial statements noted	____ YES	X NO

Federal Awards

Internal Control Over Major Programs:

Material Weaknesses Identified	____ YES	X NO
Significant Deficiencies Identified that are not considered to be material weaknesses	____ YES	X None Reported

Type of Auditor's Report Issued on Compliance For Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ YES	X NO

Identification of Major Programs:

84.027, 84.173	Special Education Cluster (IDEA)
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

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

Auditee Qualified as Low-Risk Auditee	X YES	____ NO

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported

JEFFERSON JOINT SCHOOL DISTRICT #251
STATUS OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023

None reported last year.