

Twin Falls School District No. 411

Year Ended June 30, 2022

Audited Financial Statements



TWIN FALLS SCHOOL DISTRICT NO. 411

Table of Contents

Financial Section

Independent Auditor's Report.....	1
-----------------------------------	---

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	5
---------------------------------	---

Statement of Activities	6
-------------------------------	---

Fund Financial Statements

Balance Sheet – Governmental Funds.....	7
---	---

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	10
---	----

Statement of Fiduciary Net Position.....	13
--	----

Statement of Changes in Fiduciary Net Position	14
--	----

Notes to Financial Statements	15
-------------------------------------	----

Required Supplementary Information

Budgetary Comparison Schedule – General and Major Special Revenue Funds	28
---	----

Schedule of Employer’s Share of Net Pension Asset and Liability and Schedule of Employer Contributions	30
--	----

Supplementary Information

Combining Balance Sheet – Nonmajor Governmental Funds.....	31
--	----

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	39
--	----

Schedule of Expenditures of Federal Awards.....	47
---	----

Other Reports and Schedules

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	48
---	----

Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	50
--	----

TWIN FALLS SCHOOL DISTRICT NO. 411

Table of Contents

Schedule of Findings and Questioned Costs.....	53
--	----



Independent Auditor's Report

Board of Trustees
Twin Falls School District No. 411

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Twin Falls School District No. 411 (the School) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Qualified Opinion on the Governmental Activities

In our opinion, except for the effects of the matter described in the Matter Giving Rise to the Qualified Opinion on the Governmental Activities section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the School, as of June 30, 2022, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Unmodified Opinions on All Other Opinion Units Described Below

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the School as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

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

Matter Giving Rise to the Qualified Opinion on the Governmental Activities

Management has elected not to adopt the provisions of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accounting principles generally accepted in the United States of America require recognition and measurement of an asset or liability, deferred outflows of resources, deferred inflows of resources, and expenses related to the other postemployment benefits as well as note disclosures and required supplementary information. The amount by which the departure would affect net position, assets, liabilities, deferred outflows of resources, deferred inflows of resources, expenses, note disclosures, and required supplementary information has not been determined.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or 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 5, 2022, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Quest CPAs PLLC

Payette, Idaho
October 5, 2022

TWIN FALLS SCHOOL DISTRICT NO. 411

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash & Investments	\$26,271,305
Receivables:	
Local Sources	5,982,315
State Sources	659,883
Federal Sources	21,622,077
Prepaid Expenses	215,299
Inventory	192,484
Total Current Assets	<u>54,943,363</u>
Noncurrent Assets	
Nondepreciable Capital Assets	3,413,909
Depreciable Net Capital Assets	94,475,334
Net Pension Asset	894,786
Total Noncurrent Assets	<u>98,784,029</u>
Total Assets	<u>153,727,392</u>
 Deferred Outflows of Resources	
Pension Items	<u>16,859,992</u>
Total Deferred Outflows of Resources	<u>16,859,992</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$170,587,384</u></u>
 Liabilities	
Current Liabilities	
Accounts Payable	\$608,807
Salaries & Benefits Payable	8,922,795
Unspent Grant Allocation	17,669,001
Accrued Interest	640,205
Long-Term Liabilities, Current	4,660,243
Total Current Liabilities	<u>32,501,051</u>
Noncurrent Liabilities	
Long-Term Liabilities, Noncurrent	<u>73,954,397</u>
Total Noncurrent Liabilities	<u>73,954,397</u>
Total Liabilities	<u>106,455,448</u>
 Deferred Inflows of Resources	
Pension Items	<u>28,624,639</u>
Total Deferred Inflows of Resources	<u>28,624,639</u>
Total Liabilities and Deferred Inflows of Resources	<u>135,080,087</u>
 Net Position	
Net Investment in Capital Assets	18,634,398
Restricted:	
Special Programs	4,540,771
Debt Service	8,323,516
Capital Projects	4,015,931
Unrestricted	<u>(7,319)</u>
Total Net Position	<u>35,507,297</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u><u>\$170,587,384</u></u>

TWIN FALLS SCHOOL DISTRICT NO. 411

Statement of Activities Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Changes in Net Position
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	
Governmental Activities					Governmental Activities
Instructional Programs					
Elementary School	\$14,221,040		\$1,827,563		(\$12,393,477)
Secondary School	14,358,381	\$45,035	1,185,446		(13,127,900)
Alternative School	1,492,828		101,448		(1,391,380)
Vocational-Technical	296,074		248,096		(47,978)
Special Education	5,081,636		1,066,516		(4,015,120)
Special Education Preschool	540,952		60,789		(480,163)
Gifted & Talented	153,701		3,580		(150,121)
Interscholastic	818,859		57,118		(761,741)
School Activity	93,578				(93,578)
Summer School	432,862		253,857		(179,005)
Detention Center	110,103		8,805		(101,298)
Support Service Programs					
Attendance - Guidance - Health	3,394,876		1,124,266		(2,270,610)
Special Education Support Services	3,407,414		1,516,167		(1,891,247)
Instructional Improvement	9,149,943		5,236,004		(3,913,939)
Educational Media	819,631		21,543		(798,088)
Board of Education	133,308		2,500		(130,808)
District Administration	2,363,304		87,675		(2,275,629)
School Administration	4,688,958		65,252		(4,623,706)
Business Operation	288,860		108,579		(180,281)
Central Service	256				(256)
Buildings - Care	4,251,092		2,576,287		(1,674,805)
Maintenance - Non-Student Occupied	1,672,023		855,064		(816,959)
Maintenance - Student Occupied	2,008,415		419,454		(1,588,961)
Maintenance - Grounds	147,787				(147,787)
Security	725,087		176,143		(548,944)
Pupil-To-School Transportation	2,591,628		29,777		(2,561,851)
Pupil-Activity Transportation	227,426		141,345		(86,081)
General Transportation	56,620				(56,620)
Non-Instructional Programs					
Child Nutrition	3,980,955	49,964	5,653,466		1,722,475
Community Services	74,992		69,442		(5,550)
Student Activities	1,579,601	1,747,204	30,217		197,820
Capital Assets - Student Occupied	8,103,632		27,196		(8,076,436)
Capital Assets - Non-Student Occupied	0				0
Debt Service - Principal	0				0
Debt Service - Interest	1,982,985				(1,982,985)
Total	\$89,248,807	\$1,842,203	\$22,953,595	\$0	(64,453,009)
General Revenues					
Local Taxes					17,051,597
Other Local Revenues					727,900
State Revenues					60,398,901
Federal Revenues					0
Pension Revenue (Expense)					1,705,443
Total					79,883,841
Change in Net Position					15,430,832
Net Position - Beginning					20,076,465
Net Position - Ending					\$35,507,297

TWIN FALLS SCHOOL DISTRICT NO. 411

Page 1 of 3

Balance Sheet - Governmental Funds

June 30, 2022

	General Fund	Child Nutrition Fund	Bond R & I Fund	Plant Facilities Fund
Assets				
Cash & Investments	\$13,575,226	\$1,851,148	\$6,296,025	\$2,483,228
Receivables:				
Local Sources	2,105,761		2,209,567	1,666,444
State Sources	659,883			
Federal Sources				
Prepaid Expenditures	215,299			
Inventory		192,484		
Due From Other Funds	2,588,372			
Total Assets	\$19,144,541	\$2,043,632	\$8,505,592	\$4,149,672
Liabilities				
Accounts Payable	\$173,043	\$136,394	\$900	\$12,938
Due To Other Funds				
Salaries & Benefits Payable	7,517,983	207,347		
Unspent Grant Allocation				
Total Liabilities	7,691,026	343,741	900	12,938
Deferred Inflows of Resources				
Unavailable Tax Revenues	145,141		181,176	121,831
Total Deferred Inflows of Resources	145,141	0	181,176	121,831
Fund Balances				
Nonspendable	215,299	192,484		
Restricted:				
Special Programs	1,086,464	1,507,407		
Debt Service			8,323,516	
Capital Projects				4,014,903
Committed - Contingency	2,807,000			
Unassigned	7,199,611			
Total Fund Balances	11,308,374	1,699,891	8,323,516	4,014,903
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$19,144,541	\$2,043,632	\$8,505,592	\$4,149,672

TWIN FALLS SCHOOL DISTRICT NO. 411

Page 2 of 3

Balance Sheet - Governmental Funds

June 30, 2022

	Other Governmental Funds	Total Governmental Funds
Assets		
Cash & Investments	\$2,065,678	\$26,271,305
Receivables:		
Local Sources	543	5,982,315
State Sources	0	659,883
Federal Sources	21,622,077	21,622,077
Prepaid Expenditures	0	215,299
Inventory	0	192,484
Due From Other Funds	0	2,588,372
Total Assets	\$23,688,298	\$57,531,735
Liabilities		
Accounts Payable	\$285,532	\$608,807
Due To Other Funds	2,588,372	2,588,372
Salaries & Benefits Payable	1,197,465	8,922,795
Unspent Grant Allocation	17,669,001	17,669,001
Total Liabilities	21,740,370	29,788,975
Deferred Inflows of Resources		
Unavailable Tax Revenues	0	448,148
Total Deferred Inflows of Resources	0	448,148
Fund Balances		
Nonspendable	0	407,783
Restricted:		
Special Programs	1,946,900	4,540,771
Debt Service	0	8,323,516
Capital Projects	1,028	4,015,931
Committed - Contingency	0	2,807,000
Unassigned	0	7,199,611
Total Fund Balances	1,947,928	27,294,612
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$23,688,298	\$57,531,735

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

Total Governmental Fund Balances	\$27,294,612
---	--------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	97,889,243
---	------------

Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	448,148
---	---------

Long-term liabilities, including accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	(79,254,845)
---	--------------

Net pension asset/liability and related pension deferred outflows and deferred inflows are not due and payable in the current period and therefore are not reported in the funds.	(10,869,861)
---	--------------

Net Position of Governmental Activities	\$35,507,297
--	--------------

TWIN FALLS SCHOOL DISTRICT NO. 411
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2022

Page 1 of 3

	General Fund	Child Nutrition Fund	Bond R & I Fund	Plant Facilities Fund
Revenues				
Local Taxes	\$5,805,152		\$6,488,370	\$4,750,000
Other Local Revenue	886,949	\$58,029	1,411	94,795
State Revenue	58,997,900	4,372	1,401,001	
Federal Revenue		5,627,466		
Total Revenues	65,690,001	5,689,867	7,890,782	4,844,795
Expenditures				
Instructional Programs				
Elementary School	15,018,078			
Secondary School	15,770,928			
Alternative School	1,391,380			
Vocational-Technical	42,612			
Special Education	4,018,535			
Special Education Preschool	480,163			
Gifted & Talented	151,749			
Interscholastic	736,521			75,325
School Activity	93,578			
Summer School	179,005			
Detention Center	101,298			
Support Service Programs				
Attendance - Guidance - Health	2,352,704			
Special Education Support Services	1,598,151			
Instructional Improvement	3,501,476			614,781
Educational Media	817,545			
Board of Education	131,108		2,200	
District Administration	2,214,981			60,648
School Administration	4,629,095			
Business Operation	178,339			1,942
Central Service	256			
Buildings - Care	1,437,157			237,648
Maintenance - Non-Student Occupied	504,378			20,274
Maintenance - Student Occupied	992,519			604,781
Maintenance - Grounds				147,787
Security	565,680			13,651
Pupil-To-School Transportation	2,561,851			
Pupil-Activity Transportation	99,189			
General Transportation				56,620
Non-Instructional Programs				
Child Nutrition	92,878	3,874,455		
Community Services	5,550			
Student Activities				
Capital Assets - Student Occupied				1,263,049
Capital Assets - Non-Student Occupied				582,707
Debt Service - Principal	55,103		4,630,000	
Debt Service - Interest	52,756		2,282,339	
Total Expenditures	59,774,563	3,874,455	6,914,539	3,679,213
Excess (Deficiency) of Revenues				
Over Expenditures	5,915,438	1,815,412	976,243	1,165,582
Other Financing Sources (Uses)				
Transfers In	115,525			
Transfers Out	(293,096)	(115,521)		(300,000)
Total Other Financing Sources (Uses)	(177,571)	(115,521)	0	(300,000)
Net Change in Fund Balances	5,737,867	1,699,891	976,243	865,582
Fund Balances - Beginning	5,570,507	0	7,347,273	3,149,321
Fund Balances - Ending	\$11,308,374	\$1,699,891	\$8,323,516	\$4,014,903

See Accompanying Notes

TWIN FALLS SCHOOL DISTRICT NO. 411
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2022

Page 2 of 3

	Nonmajor Governmental Funds	Total Governmental Funds
Revenues		
Local Taxes	\$0	\$17,043,522
Other Local Revenue	1,870,540	2,911,724
State Revenue	1,211,830	61,615,103
Federal Revenue	15,768,306	21,395,772
Total Revenues	18,850,676	102,966,121
Expenditures		
Instructional Programs		
Elementary School	1,825,629	16,843,707
Secondary School	1,235,449	17,006,377
Alternative School	101,448	1,492,828
Vocational-Technical	253,462	296,074
Special Education	1,063,101	5,081,636
Special Education Preschool	60,789	540,952
Gifted & Talented	1,952	153,701
Interscholastic	7,013	818,859
School Activity	0	93,578
Summer School	253,857	432,862
Detention Center	8,805	110,103
Support Service Programs		
Attendance - Guidance - Health	1,042,172	3,394,876
Special Education Support Services	1,809,263	3,407,414
Instructional Improvement	5,033,686	9,149,943
Educational Media	2,086	819,631
Board of Education	0	133,308
District Administration	87,675	2,363,304
School Administration	59,863	4,688,958
Business Operation	108,579	288,860
Central Service	0	256
Buildings - Care	2,576,287	4,251,092
Maintenance - Non-Student Occupied	1,147,371	1,672,023
Maintenance - Student Occupied	419,454	2,016,754
Maintenance - Grounds	0	147,787
Security	145,756	725,087
Pupil-To-School Transportation	29,777	2,591,628
Pupil-Activity Transportation	128,237	227,426
General Transportation	0	56,620
Non-Instructional Programs		
Child Nutrition	13,622	3,980,955
Community Services	69,442	74,992
Student Activities	1,579,601	1,579,601
Capital Assets - Student Occupied	27,196	1,290,245
Capital Assets - Non-Student Occupied	0	582,707
Debt Service - Principal	0	4,685,103
Debt Service - Interest	0	2,335,095
Total Expenditures	19,091,572	93,334,342
Excess (Deficiency) of Revenues Over Expenditures	(240,896)	9,631,779
Other Financing Sources (Uses)		
Transfers In	612,731	728,256
Transfers Out	(19,639)	(728,256)
Total Other Financing Sources (Uses)	593,092	0
Net Change in Fund Balances	352,196	9,631,779
Fund Balances - Beginning	1,595,732	17,662,833
Fund Balances - Ending	\$1,947,928	\$27,294,612

See Accompanying Notes

TWIN FALLS SCHOOL DISTRICT NO. 411
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2022

Page 3 of 3

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

Net Change in Fund Balances - Total Governmental Funds \$9,631,779

Amounts reported for governmental activities in the statement of activities are different because:

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the excess of capital outlays over (under) depreciation expense in the current period. (6,222,341)

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 8,075

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 4,685,103

Bond premiums are amortized against interest expense over the term of the bond. 301,155

In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds. 50,955

Changes in net pension asset/liability and related pension deferred outflows and deferred inflows do not provide or require current financial resources and therefore are not reflected in the funds. 6,976,106

Change in Net Position of Governmental Activities \$15,430,832

TWIN FALLS SCHOOL DISTRICT NO. 411

Statement of Fiduciary Net Position

June 30, 2022

	Private Purpose Trust Funds
Assets	
Cash & Investments	\$251,357
Total Assets	<u>\$251,357</u>
Liabilities	
Accounts Payable	\$71,090
Salaries & Benefits Payable	50,831
Total Liabilities	<u>121,921</u>
Net Position	
Restricted:	
Held in Trust	129,436
Total Net Position	<u>129,436</u>
Total Liabilities and Net Position	<u>\$251,357</u>

TWIN FALLS SCHOOL DISTRICT NO. 411

Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2022

	Private Purpose Trust Funds
Additions	
Trust Revenue	<u>\$57,525</u>
Total Additions	<u>57,525</u>
Deductions	
Trust Expenses	<u>388,548</u>
Total Deductions	<u>388,548</u>
Change in Net Position	(331,023)
Net Position - Beginning	<u>460,459</u>
Net Position - Ending	<u><u>\$129,436</u></u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Twin Falls School District No. 411 (the School) provides public school educational services as authorized by Section 33 of Idaho Code. The School's boundaries for taxing and school enrollment purposes are located within Twin Falls County.

These financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to school districts. The governmental accounting standards board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the School are discussed below.

Basic Financial Statements - Government-Wide Statements – The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. Currently, all the School's activities are categorized as governmental activities.

In the government-wide statement of net position, the activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The functions are also supported by general government revenues as reported in the statement of activities. The statement of activities reduces gross expenses (including depreciation when recorded) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function. Internal activity between funds (when two or more funds are involved) is eliminated in the government-wide statement of activities. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function) are normally covered by general revenues.

The School reports expenditures in accordance with the State Department of Education's "Idaho Financial Accounting Reporting Management System" (IFARMS). IFARMS categorizes all expenditures by function, program and object. Accordingly, there is no allocation of indirect costs.

The government-wide focus is more on the sustainability of the School as an entity and the change in the School's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

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

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the funds) for the determination of major funds.

TWIN FALLS SCHOOL DISTRICT NO. 411

Notes to Financial Statements

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Major governmental funds of the School include:

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

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Major special revenue funds include the child nutrition fund, which serves to account for providing nutritional meals to students (including subsidized meals).

Debt Service Funds – Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on long term debt. Major debt service funds include the bond redemption and interest fund, which accounts for accumulation of funds for the periodic payment of principal and interest on long term debt.

Capital Projects Funds – Capital projects funds are used to account for the acquisition of capital assets. Major capital project funds include the plant facilities fund, used to account for the maintenance of facilities and other capital assets.

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support School programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds. Fiduciary funds of the School include:

Private Purpose Trust Funds – Private purpose trust funds are used to account for the assets, and related income producing and disbursement activities, for which the School acts as a trustee.

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

Activities in the government-wide and fiduciary fund financial statements are presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within thirty days after year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which, if any, are recognized when due and payable.

Cash and Investments – Nearly all the cash and investment balances of the School's funds are pooled for investment purposes. The individual funds' portions of the pooled cash and investments are reported in each fund as cash and investments. Interest earned on pooled cash and investments is paid to the general fund unless Idaho Code specifies otherwise. Investments include the local government investment pool, reported and measured at amortized cost following the provisions of GASB 79 which provide for consistent measurement of investment value amongst pool participants.

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

Receivables – Receivables are reported net of any estimated uncollectible amounts.

Inventories – Material supplies on hand at year end are stated at the lower of cost or net realizable value using the first-in, first-out method.

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of \$25,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight line method.

Compensated Absences – The School provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is deemed to be immaterial and, accordingly, no liability is recorded. Compensated absences will be paid by the fund in which the employee works.

Other Post-Employment Benefits – The School does not provide benefits to retired employees other than retirement benefits funded through the Public Employees Retirement System of Idaho. However, certain retired employees can remain on the School insurance policy after retirement if the retired employee pays the average monthly cost. The difference between the age-adjusted monthly cost and the average monthly cost is referred to as an “implicit subsidy” since the medical insurance rate of a retired employee is generally higher than the medical insurance rate of a younger employee. GASB 75 requires that employers have actuarial calculations performed for these other post-employment benefits so that an asset or liability, deferred outflows of resources, deferred inflows of resources, and expenses can be recorded in the government-wide financial statements and related notes and required supplementary information can be prepared. Management believes the costs of implementing GASB 75 cannot be justified at this time. Accordingly, the School accounts for the other-post employment benefits for retirees on the pay-as-you-go basis. Other post-employment benefits will be paid by the fund in which the employee works.

Pensions – For purposes of measuring the net pension asset/liability and pension revenue/expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from the Base Plan’s fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Pension obligations will be paid by the fund in which the employee works.

Deferred Outflows/Inflows of Resources – The School’s financial statements may report deferred outflows/inflows of resources. Deferred outflows of resources represent a consumption of net assets that apply to a future period. Deferred inflows of resources represent an acquisition of net assets that apply to a future period. Deferred outflows/inflows of resources generally represent amounts that are not available in the current period.

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation,

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

Fund Balance Classifications – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity's governing body. Assigned portions represent amounts that are constrained by the government's intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the School first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the School first utilizes committed resources then assigned resources before using unassigned resources.

Property Taxes – The School is responsible for levying property taxes, but the taxes are collected by the respective county. Taxes are levied by the second Monday in September for each calendar year. Taxes are due in two installments – December 20th and June 20th. A lien is filed on real property three years from the date of delinquency.

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

Interfund Activity – Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

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

Custodial Credit Risk – The School maintains its cash at insured financial institutions. Periodically, balances may exceed federally insured limits. The School does not have a formal policy concerning custodial credit risk.

Risk Management – The School is exposed to various risks related to its operations. Insurance is utilized to the extent practical to minimize these risks.

Nonmonetary Transactions – Items received via food commodities programs are recognized at their stated fair market value.

Subsequent Events – Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

	Governmental Funds	Fiduciary Funds	Total
Cash - Deposits	\$25,620,997	\$251,357	\$25,872,354
Investments - Local Gov't Investment Pool	650,308		650,308
Total	\$26,271,305	\$251,357	\$26,522,662

Deposits – At year end, the carrying amounts of the School's deposits were \$25,872,354 and the bank balances were \$27,814,118. Of the bank balances, \$262,413 was insured and the remainder was secured by letters of credit.

Considerations for interest rate risk and credit rate risk relating to investments are shown below.

Interest rate risk:

	Investment Maturity Schedule (In Years)	
<u>Investment Type</u>	<u>Less Than 1</u>	<u>Total</u>
Local Gov't Invest Pool	\$650,308	\$650,308
Total	\$650,308	\$650,308

Credit rate risk:

	Investment Rating Schedule	
<u>Investment Type</u>	<u>Not Rated</u>	<u>Total</u>
Local Gov't Invest Pool	\$650,308	\$650,308
Total	\$650,308	\$650,308

Investments – State statutes authorize government entities to invest in certain bonds, notes, accounts, investment pools, and other obligations of the state, U.S. Government, and U.S. corporations pursuant to Idaho Code 67-1210 and 67-1210A. These statutes are designed to help minimize the custodial risk that deposits may not be returned in the event of the failure of the issuer or other counterparty, interest rate risk resulting from fair value losses arising from rising interest rates, or credit risks that an issuer or other counterparty will not fulfill its obligations. The School's investment policy complies with state statutes.

The local government investment pool is managed by the state treasurer's office and is invested in accordance with state statutes and regulations. The local government investment pool is not registered with the SEC and is a short-term investment pool. The state treasurer's office investment policy for the local government investment pool includes the following three primary objectives in order of priority: safety, liquidity, and yield. Participants have overnight availability to their funds, up to \$10 million. Withdrawals of \$10 million or more require three business days' notification. More information on the local governmental investment pool including regulatory information, ratings, and risk information can be found at www.sto.idaho.gov.

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

C. RECEIVABLES

Receivables consist of the following at year end:

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Local Sources					
Other Local Sources	\$78,060	\$543			\$78,603
Local Taxes	2,027,701		\$2,209,567	\$1,666,444	5,903,712
Total	<u>\$2,105,761</u>	<u>\$543</u>	<u>\$2,209,567</u>	<u>\$1,666,444</u>	<u>\$5,982,315</u>
State Sources					
Foundation Program	\$659,883				\$659,883
Total	<u>\$659,883</u>				<u>\$659,883</u>
Federal Sources					
Special Programs		\$21,622,077			\$21,622,077
Total		<u>\$21,622,077</u>			<u>\$21,622,077</u>

D. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	\$3,413,909			\$3,413,909
Total	<u>3,413,909</u>	<u>\$0</u>	<u>\$0</u>	<u>3,413,909</u>
Depreciable Capital Assets				
Buildings	189,724,156	1,783,068		191,507,224
Equipment	6,189,790			6,189,790
Subtotal	<u>195,913,946</u>	<u>1,783,068</u>	<u>0</u>	<u>197,697,014</u>
Accumulated Depreciation				
Buildings	89,662,017	7,551,114		97,213,131
Equipment	5,554,254	454,295		6,008,549
Subtotal	<u>95,216,271</u>	<u>8,005,409</u>	<u>0</u>	<u>103,221,680</u>
Total	<u>100,697,675</u>	<u>(6,222,341)</u>	<u>0</u>	<u>94,475,334</u>
Net Capital Assets	<u>\$104,111,584</u>	<u>(\$6,222,341)</u>	<u>\$0</u>	<u>\$97,889,243</u>

Depreciation expense of \$8,005,409 was charged to the capital assets – student occupied program.

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

E. LONG-TERM LIABILITIES

Bonded Debt – At year end, the School’s bonded debt was as follows:

	<u>Outstanding</u>
2014C - \$28,320,000 - general obligation refunding bonds due in annual principal installments and semiannual interest payments with interest at 2.00% - 5.00% through 2025/26, secured by future taxes, paid through the bond redemption and interest fund	\$13,800,000
2020 - \$61,385,000 - general obligation refunding bonds due in annual principal installments and semiannual interest payments with interest at 1.531% - 4.00% through 2035/36, secured by future taxes, paid through the bond redemption and interest fund	59,875,000
Total	<u><u>\$73,675,000</u></u>

Maturities on the bonds are estimated as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
6/30/23	\$4,300,000	\$2,092,814
6/30/24	4,505,000	1,909,038
6/30/25	4,670,000	1,738,432
6/30/26	4,845,000	1,552,526
6/30/27	5,040,000	1,354,826
6/30/28-32	28,240,000	3,812,744
6/30/33-36	22,075,000	776,830
Total	<u><u>\$73,675,000</u></u>	<u><u>\$13,237,210</u></u>

Notes Payable – At year end, the School had a note payable as follows:

Note payable, due in monthly payments of \$8,988 with interest at 7% through 2031/32, secured by a building, paid through the general fund	\$723,470
Total	<u><u>\$723,470</u></u>

Maturities on the note are estimated as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
6/30/23	\$59,088	\$48,771
6/30/24	63,360	44,499
6/30/25	67,940	39,919
6/30/26	72,852	35,007
6/30/27	78,118	29,741
6/30/28-32	382,112	58,313
Total	<u><u>\$723,470</u></u>	<u><u>\$256,250</u></u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

Changes in long-term liabilities are as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
2014C G.O.R. Bonds	\$16,920,000		\$3,120,000	\$13,800,000	\$3,235,000
2020 G.O.R. Bonds	61,385,000		1,510,000	59,875,000	1,065,000
Note Payable*	778,573		55,103	723,470	59,088
Bond Premium	4,517,325		301,155	4,216,170	301,155
Total	\$83,600,898	\$0	\$4,986,258	\$78,614,640	\$4,660,243

Interest and related costs during the year amounted to \$1,982,985 and were charged to the debt service – interest program in the statement of activities. *Due to the implementation of GASB No. 87 *Leases*, this previously reported capital lease has been reclassified as a financed purchase / note payable.

F. PENSION PLAN

Plan Description

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

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

Pension Benefits

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

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

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2021 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The School's contributions were \$5,270,663 for the year ended June 30, 2022.

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

At June 30, 2022, the School reported an asset for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The School's proportion of the net pension asset was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021, the School's proportion was 1.13295647 percent.

For the year ended June 30, 2022, the School recognized pension revenue (expense) of \$1,705,443. At June 30, 2022, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$1,318,343	\$520,110
Changes in assumptions or other inputs	10,270,986	
Net difference between projected and actual earnings on pension plan investments		28,104,529
Employer contributions subsequent to the measurement date	5,270,663	
Total	<u><u>\$16,859,992</u></u>	<u><u>\$28,624,639</u></u>

\$5,270,663 reported as deferred outflows of resources related to pensions resulting from School contributions made subsequent to the measurement date will be recognized as an adjustment to the pension expense in the year ending June 30, 2022.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2021 the beginning of the measurement period ended June 30, 2020 is 4.7 and 4.6 for the measurement period June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension revenue (expense) as follows:

TWIN FALLS SCHOOL DISTRICT NO. 411

Notes to Financial Statements

Year Ended	
6/30/23	(\$4,007,276)
6/30/24	(3,611,374)
6/30/25	(3,155,929)
6/30/26	(6,260,732)
Total	<u>(\$17,035,311)</u>

Actuarial Assumptions

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

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

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

Contributing Members, Service Retirement Members, and Beneficiaries

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

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions other than mortality. The total pension asset as of June 30, 2021 is based on the results of an actuarial valuation date of July 1, 2021.

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.

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

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

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

Capital Market Assumptions from Callan 2021

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

Investment Policy Assumptions from PERSI November 2019

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

Economic/Demographic Assumptions from Milliman 2021

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

Discount Rate

The discount rate used to measure the total pension asset was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected

TWIN FALLS SCHOOL DISTRICT NO. 411
Notes to Financial Statements

rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
School's proportionate share of the net pension liability (asset)	<u>\$31,104,655</u>	<u>(\$894,786)</u>	<u>(\$27,125,369)</u>

Pension plan fiduciary net position

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

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

Impacts on the School's net position

Depending on the annual performance of the Base Plan and the various non-financial factors that affect the collective Base Plan net pension asset or liability (as described above), the School may periodically experience a deficit in its net position. This can occur as a result of recording the School's allocable portion of the net pension asset or liability which is an estimated asset or liability that changes substantially from year to year depending on the factors described above but does not currently require cash outflows. As the net pension asset or liability of the Base Plan is closely monitored by PERSI's board (who makes changes to the contribution rates and other terms of the Base Plan when deemed necessary), such deficits are not deemed to be of substantial concern.

TWIN FALLS SCHOOL DISTRICT NO. 411

Notes to Financial Statements

G. INTERFUND BALANCES AND TRANSFERS

Interfund balances at year end consist of the following:

	Due To Fund	Due From Fund	
		Nonmajor Governmental	Total
General		\$2,588,372	\$2,588,372
Total		<u>\$2,588,372</u>	<u>\$2,588,372</u>

These interfund balances resulted from the time lag between when expenditures are incurred in a fund and when the fund is reimbursed for such expenditures.

Interfund transfers during the year consist of the following:

Fund	Transfer In	Transfer Out	Purpose
General	\$115,525	\$293,096	Support, Reimbursement
Child Nutrition		115,521	Reimbursement
Plant Facilities		300,000	Support
Nonmajor Governmental	612,731	19,639	Support
Total	<u>\$728,256</u>	<u>\$728,256</u>	

H. TAX ABATEMENTS

Idaho counties are authorized by state statute to transact certain property tax activity with property owners in their respective taxing districts. The counties collect the property taxes, then allocate and remit those collections among the taxing districts within the counties. The counties are authorized to cancel or reduce property taxes due to various reasons, including the circuit breaker program, agricultural and other exemptions, and section 63-602NN exemptions under Idaho code for real property improvements.

Twin Falls County entered into tax abatement agreements with local businesses under Idaho code section 63-602NN. Under the code, in exchange for investing in new plant and building facilities within Idaho, businesses receive exemption from local property taxes for a period of up to five years. For fiscal year ending June 30, 2022, Twin Falls County abated property taxes totaling \$1,353,897 related to the School.

TWIN FALLS SCHOOL DISTRICT NO. 411
 Budgetary Comparison Schedule - General and Major Special Revenue Funds
 Year Ended June 30, 2022

Page 1 of 2

General Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$7,005,152	\$5,805,152	\$5,805,152	\$0
Other Local Revenue	142,000	595,078	886,949	291,871
State Revenue	54,740,622	57,953,269	58,997,900	1,044,631
Federal Revenue	0	0	0	0
Total Revenues	61,887,774	64,353,499	65,690,001	1,336,502
Expenditures				
Instructional Programs				
Elementary School	15,269,286	14,923,542	15,018,078	(94,536)
Secondary School	15,535,895	15,468,003	15,770,928	(302,925)
Alternative School	1,292,555	1,417,550	1,391,380	26,170
Vocational-Technical	44,580	44,580	42,612	1,968
Special Education	4,099,947	4,238,344	4,018,535	219,809
Special Education Preschool	480,150	480,150	480,163	(13)
Gifted & Talented	150,635	153,072	151,749	1,323
Interscholastic	717,140	805,081	736,521	68,560
School Activity	99,510	99,510	93,578	5,932
Summer School	158,950	158,950	179,005	(20,055)
Detention Center	101,230	102,780	101,298	1,482
Support Service Programs				
Attendance - Guidance - Health	2,405,748	2,483,319	2,352,704	130,615
Special Education Support Services	1,608,695	1,431,195	1,598,151	(166,956)
Instructional Improvement	3,634,098	4,218,467	3,501,476	716,991
Educational Media	867,090	849,961	817,545	32,416
Board of Education	181,902	163,006	131,108	31,898
District Administration	2,227,370	2,280,227	2,214,981	65,246
School Administration	4,722,915	4,636,037	4,629,095	6,942
Business Operation	183,382	207,382	178,339	29,043
Central Service	300	300	256	44
Buildings - Care	1,592,961	1,597,118	1,437,157	159,961
Maintenance - Non-Student Occupied	512,056	554,875	504,378	50,497
Maintenance - Student Occupied	1,112,394	1,079,970	992,519	87,451
Maintenance - Grounds	0	0	0	0
Security	629,693	597,698	565,680	32,018
Pupil-To-School Transportation	2,242,500	2,257,500	2,561,851	(304,351)
Pupil-Activity Transportation	174,300	157,620	99,189	58,431
General Transportation	0	0	0	0
Non-Instructional Programs				
Child Nutrition	112,000	119,168	92,878	26,290
Community Services	8,250	8,250	5,550	2,700
Student Activities	0	0	0	0
Capital Assets - Student Occupied	2,807,000	2,809,471	0	2,809,471
Capital Assets - Non-Student Occupied	0	6,648	0	6,648
Debt Service - Principal	50,000	55,500	55,103	397
Debt Service - Interest	67,000	67,000	52,756	14,244
Total Expenditures	63,089,532	63,472,274	59,774,563	3,697,711 *
Excess (Deficiency) of Revenues Over Expenditures	(1,201,758)	881,225	5,915,438	5,034,213
Other Financing Sources (Uses)				
Transfers In	0	115,521	115,525	4
Transfers Out	0	(335,000)	(293,096)	41,904 *
Total Other Financing Sources (Uses)	0	(219,479)	(177,571)	41,908
Net Change in Fund Balances	(1,201,758)	661,746	5,737,867	5,076,121
Fund Balances - Beginning	2,832,000	5,570,507	5,570,507	0
Fund Balances - Ending	\$1,630,242	\$6,232,253	\$11,308,374	\$5,076,121

*Total expenditures (over) under appropriations are: \$3,739,615

TWIN FALLS SCHOOL DISTRICT NO. 411
 Budgetary Comparison Schedule - General and Major Special Revenue Funds
 Year Ended June 30, 2022

Page 2 of 2

Child Nutrition Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Other Local Revenue	\$576,420	\$55,754	\$58,029	\$2,275
State Revenue	1,000	4,372	4,372	0
Federal Revenue	3,420,000	5,232,152	5,627,466	395,314
Total Revenues	<u>3,997,420</u>	<u>5,292,278</u>	<u>5,689,867</u>	<u>397,589</u>
Expenditures				
Instructional Programs				
Buildings - Care	9,700	9,700	0	9,700
Non-Instructional Programs				
Child Nutrition	3,987,720	5,167,057	3,874,455	1,292,602
Total Expenditures	<u>3,997,420</u>	<u>5,176,757</u>	<u>3,874,455</u>	<u>1,302,302</u> *
Excess (Deficiency) of Revenues Over Expenditures	0	115,521	1,815,412	1,699,891
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	(115,521)	(115,521)	0 *
Total Other Financing Sources (Uses)	<u>0</u>	<u>(115,521)</u>	<u>(115,521)</u>	<u>0</u>
Net Change in Fund Balances	0	0	1,699,891	1,699,891
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$1,699,891</u>	<u>\$1,699,891</u>
<i>*Total expenditures (over) under appropriations are:</i>				<u>\$1,302,302</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Schedule of Employer's Share of Net Pension Asset and Liability
and Schedule of Employer Contributions
PERSI - Base Plan

Schedule of Employer's Share of Net Pension Asset and Liability*					
Fiscal Year Ended June 30	Employer's Portion of the Net Pension (Asset) Liability	Employer's Proportionate Share of the Net Pension (Asset) Liability	Covered Payroll	Employer's Proportional Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset) Liability
2015	1.0859835%	\$7,994,538	\$29,420,707	27.17%	94.95%
2016	1.0876726%	\$14,322,879	\$30,465,406	47.01%	91.38%
2017	1.0928287%	\$22,153,316	\$31,961,935	69.31%	87.26%
2018	1.1325949%	\$21,768,977	\$35,178,323	61.88%	90.68%
2019	1.1711875%	\$17,275,220	\$37,681,334	45.85%	91.69%
2020	1.1769621%	\$13,434,694	\$39,974,399	33.61%	93.79%
2021	1.1607021%	\$26,953,037	\$41,005,980	65.73%	88.22%
2022	1.1329565%	(\$894,786)	\$36,316,955	-2.46%	100.36%

*As of the measurement date of the net pension (asset) liability.

Schedule of Employer Contributions					
Fiscal Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$3,448,684	\$3,448,684	\$0	\$30,465,406	11.32%
2016	\$3,618,041	\$3,618,041	\$0	\$31,961,935	11.32%
2017	\$3,982,106	\$3,982,106	\$0	\$35,178,323	11.32%
2018	\$4,265,527	\$4,265,527	\$0	\$37,681,334	11.32%
2019	\$4,525,102	\$4,525,102	\$0	\$39,974,399	11.32%
2020	\$4,896,114	\$4,896,114	\$0	\$41,005,980	11.94%
2021	\$4,336,125	\$4,336,125	\$0	\$36,316,955	11.94%
2022	\$5,270,663	\$5,270,663	\$0	\$44,142,906	11.94%

Schedules above intended to show information for 10 years. Information for additional years will be presented as it becomes available.

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 1 of 8

	Special Revenue Funds			
	Forest Reserve	Jr Football	Student Activity	Driver Education
Assets				
Cash & Investments	\$59,924		\$1,587,892	\$41,928
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Prepaid Expenditures				
Inventory				
Due From Other Funds				
Total Assets	<u>\$59,924</u>	<u>\$0</u>	<u>\$1,587,892</u>	<u>\$41,928</u>
Liabilities				
Accounts Payable			\$23,547	\$3,327
Due To Other Funds				
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>23,547</u>	<u>3,327</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable				
Restricted:				
Special Programs	59,924		1,564,345	38,601
Debt Service				
Capital Projects				
Committed - Contingency				
Unassigned				
Total Fund Balances	<u>59,924</u>	<u>0</u>	<u>1,564,345</u>	<u>38,601</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$59,924</u>	<u>\$0</u>	<u>\$1,587,892</u>	<u>\$41,928</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 2 of 8

	Special Revenue Funds			
	Professional Technical	Technology	Substance Abuse	LEP Enhancement
Assets				
Cash & Investments	\$15,437	\$169,714	\$46,694	\$137,521
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Prepaid Expenditures				
Inventory				
Due From Other Funds				
Total Assets	<u>\$15,437</u>	<u>\$169,714</u>	<u>\$46,694</u>	<u>\$137,521</u>
Liabilities				
Accounts Payable	\$1,905	\$58,513	\$7,500	
Due To Other Funds				
Salaries & Benefits Payable	10,700		6,040	\$678
Unspent Grant Allocation				
Total Liabilities	<u>12,605</u>	<u>58,513</u>	<u>13,540</u>	<u>678</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable				
Restricted:				
Special Programs	2,832	111,201	33,154	136,843
Debt Service				
Capital Projects				
Committed - Contingency				
Unassigned				
Total Fund Balances	<u>2,832</u>	<u>111,201</u>	<u>33,154</u>	<u>136,843</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$15,437</u>	<u>\$169,714</u>	<u>\$46,694</u>	<u>\$137,521</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 3 of 8

	Special Revenue Funds			
	ESSER III	Title I-A ESSA IBP	ESSER I	Title I-C ESSA EMC
Assets				
Cash & Investments				
Receivables:				
Local Sources		\$153		
State Sources				
Federal Sources	\$15,766,247	1,218,828	\$3,362	\$322,790
Prepaid Expenditures				
Inventory				
Due From Other Funds				
Total Assets	<u>\$15,766,247</u>	<u>\$1,218,981</u>	<u>\$3,362</u>	<u>\$322,790</u>
Liabilities				
Accounts Payable	\$27,239	\$15,428		\$23,911
Due To Other Funds	249,940	416,214		5,028
Salaries & Benefits Payable	233,206	292,740		87,443
Unspent Grant Allocation	15,255,862	494,599	\$3,362	206,408
Total Liabilities	<u>15,766,247</u>	<u>1,218,981</u>	<u>3,362</u>	<u>322,790</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed - Contingency				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$15,766,247</u>	<u>\$1,218,981</u>	<u>\$3,362</u>	<u>\$322,790</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 4 of 8

	Special Revenue Funds			
	ESSER II	Title I-D ESSA N & DC	IDEA Part B 611 School Age 3-21	IDEA Part B 619 Pre-School Age 3-5
Assets				
Cash & Investments				
Receivables:				
Local Sources	\$390			
State Sources				
Federal Sources	1,630,173	\$25,517	\$1,429,820	\$50,356
Prepaid Expenditures				
Inventory				
Due From Other Funds				
Total Assets	<u>\$1,630,563</u>	<u>\$25,517</u>	<u>\$1,429,820</u>	<u>\$50,356</u>
Liabilities				
Accounts Payable	\$117,824		\$644	
Due To Other Funds	1,033,434	\$6,486	552,263	\$20,266
Salaries & Benefits Payable	184,172	6,575	279,841	6,793
Unspent Grant Allocation	295,133	12,456	597,072	23,297
Total Liabilities	<u>1,630,563</u>	<u>25,517</u>	<u>1,429,820</u>	<u>50,356</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed - Contingency				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$1,630,563</u>	<u>\$25,517</u>	<u>\$1,429,820</u>	<u>\$50,356</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 5 of 8

	Special Revenue Funds			
	IDEA Part B ARPA	School Based Medicaid	Title IV-A ESSA SS & AE	Perkins III Professional Technical Act
Assets				
Cash & Investments		\$5,540		
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$440,178		\$119,928	\$141,420
Prepaid Expenditures				
Inventory				
Due From Other Funds				
Total Assets	<u>\$440,178</u>	<u>\$5,540</u>	<u>\$119,928</u>	<u>\$141,420</u>
Liabilities				
Accounts Payable		\$5,540		
Due To Other Funds	\$26,567		\$16,271	\$133,872
Salaries & Benefits Payable	842		15,721	1,159
Unspent Grant Allocation	412,769		87,936	6,389
Total Liabilities	<u>440,178</u>	<u>5,540</u>	<u>119,928</u>	<u>141,420</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed - Contingency				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$440,178</u>	<u>\$5,540</u>	<u>\$119,928</u>	<u>\$141,420</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 6 of 8

	Special Revenue Funds			
	Title III ESSA ELA	Title II-A ESSA SEI	Refugee School Impact Grant	CRF Substitute Recruitment
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$165,872	\$195,460	\$52,485	
Prepaid Expenditures				
Inventory				
Due From Other Funds				
Total Assets	<u>\$165,872</u>	<u>\$195,460</u>	<u>\$52,485</u>	<u>\$0</u>
Liabilities				
Accounts Payable	\$112			
Due To Other Funds	9,277	\$74,682	\$15,663	
Salaries & Benefits Payable	6,745	48,413	11,308	
Unspent Grant Allocation	149,738	72,365	25,514	
Total Liabilities	<u>165,872</u>	<u>195,460</u>	<u>52,485</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed - Contingency				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$165,872</u>	<u>\$195,460</u>	<u>\$52,485</u>	<u>\$0</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 7 of 8

	Special Revenue Funds			
	CRF			
	Gear Up	K-4 / K-12 Learning Loss	Cultivating Readers	SLFRF
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$41,555		\$5,654	
Prepaid Expenditures				
Inventory				
Due From Other Funds				
Total Assets	<u>\$41,555</u>	<u>\$0</u>	<u>\$5,654</u>	<u>\$0</u>
Liabilities				
Accounts Payable				
Due To Other Funds	\$23,306		\$4,807	
Salaries & Benefits Payable	4,793			
Unspent Grant Allocation	13,456		847	
Total Liabilities	<u>41,555</u>	<u>\$0</u>	<u>5,654</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed - Contingency				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$41,555</u>	<u>\$0</u>	<u>\$5,654</u>	<u>\$0</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

Page 8 of 8

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Title IX-A EH</u>	<u>Insurance Adjustment</u>	<u>Total</u>
Assets			
Cash & Investments		\$1,028	\$2,065,678
Receivables:			
Local Sources			543
State Sources			0
Federal Sources	\$12,432		21,622,077
Prepaid Expenditures			0
Inventory			0
Due From Other Funds			0
Total Assets	<u>\$12,432</u>	<u>\$1,028</u>	<u>\$23,688,298</u>
Liabilities			
Accounts Payable	\$42		\$285,532
Due To Other Funds	296		2,588,372
Salaries & Benefits Payable	296		1,197,465
Unspent Grant Allocation	11,798		17,669,001
Total Liabilities	<u>12,432</u>	<u>\$0</u>	<u>21,740,370</u>
Deferred Inflows of Resources			
Unavailable Tax Revenues			0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable			0
Restricted:			
Special Programs			1,946,900
Debt Service			0
Capital Projects		1,028	1,028
Committed - Contingency			0
Unassigned			0
Total Fund Balances	<u>0</u>	<u>1,028</u>	<u>1,947,928</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$12,432</u>	<u>\$1,028</u>	<u>\$23,688,298</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 1 of 8

	Special Revenue Funds			
	Forest Reserve	Jr Football	Student Activity	Driver Education
Revenues				
Local Taxes				
Other Local Revenue		\$1	\$1,818,674	\$44,865
State Revenue				33,950
Federal Revenue	\$16,616			
Total Revenues	<u>16,616</u>	<u>1</u>	<u>1,818,674</u>	<u>78,815</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				71,777
Alternative School				
Vocational-Technical				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Detention Center				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instructional Improvement				
Educational Media				
Board of Education				
District Administration				
School Administration				
Business Operation				
Central Service				
Buildings - Care				5,760
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activities			1,579,601	
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>0</u>	<u>0</u>	<u>1,579,601</u>	<u>77,537</u>
Excess (Deficiency) of Revenues Over Expenditures	16,616	1	239,073	1,278
Other Financing Sources (Uses)				
Transfers In			19,635	
Transfers Out		(19,635)	(4)	
Total Other Financing Sources (Uses)	<u>0</u>	<u>(19,635)</u>	<u>19,631</u>	<u>0</u>
Net Change in Fund Balances	16,616	(19,634)	258,704	1,278
Fund Balances - Beginning	43,308	19,634	1,305,641	37,323
Fund Balances - Ending	<u>\$59,924</u>	<u>\$0</u>	<u>\$1,564,345</u>	<u>\$38,601</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 2 of 8

	Special Revenue Funds			
	Professional Technical	Technology	Substance Abuse	LEP Enhancement
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue	\$248,352	\$718,549	\$110,979	\$100,000
Federal Revenue		315,342		
Total Revenues	<u>248,352</u>	<u>1,033,891</u>	<u>110,979</u>	<u>100,000</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				5,018
Alternative School				
Vocational-Technical	253,462			
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Detention Center				
Support Service Programs				
Attendance - Guidance - Health			16,750	
Special Education Support Services				
Instructional Improvement		398,224	23,513	12,784
Educational Media				
Board of Education				
District Administration				
School Administration				
Business Operation				
Central Service				
Buildings - Care		751		
Maintenance - Non-Student Occupied		943,839		
Maintenance - Student Occupied				
Maintenance - Grounds				
Security			40,329	
Pupil-To-School Transportation				
Pupil-Activity Transportation	256			3,064
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activities				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>253,718</u>	<u>1,342,814</u>	<u>80,592</u>	<u>20,866</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,366)	(308,923)	30,387	79,134
Other Financing Sources (Uses)				
Transfers In		300,000		
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>300,000</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>(5,366)</u>	<u>(8,923)</u>	<u>30,387</u>	<u>79,134</u>
Fund Balances - Beginning	<u>8,198</u>	<u>120,124</u>	<u>2,767</u>	<u>57,709</u>
Fund Balances - Ending	<u><u>\$2,832</u></u>	<u><u>\$111,201</u></u>	<u><u>\$33,154</u></u>	<u><u>\$136,843</u></u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 3 of 8

	Special Revenue Funds			
	ESSER III	Title I-A ESSA IBP	ESSER I	Title I-C ESSA EMC
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$860,335	\$2,274,725		\$198,252
Total Revenues	<u>860,335</u>	<u>2,274,725</u>	<u>\$0</u>	<u>198,252</u>
Expenditures				
Instructional Programs				
Elementary School	157,201	989,163		29,988
Secondary School	69,525	362,774		1,736
Alternative School	33,706	22,020		
Vocational-Technical				
Special Education	61			
Special Education Preschool				
Gifted & Talented	18			
Interscholastic	13			
School Activity				
Summer School	184,795	5,753		63,309
Detention Center	8	1,650		
Support Service Programs				
Attendance - Guidance - Health	54,898	122,461		86,593
Special Education Support Services	569			
Instructional Improvement	316,030	695,405		51
Educational Media	10			
Board of Education				
District Administration	768	54,878		
School Administration	9,886	665		9,939
Business Operation	76			
Central Service				
Buildings - Care	37			
Maintenance - Non-Student Occupied	225			
Maintenance - Student Occupied	409			
Maintenance - Grounds				
Security	47			
Pupil-To-School Transportation	26,741			3,036
Pupil-Activity Transportation	5,017	2,059		3,600
General Transportation				
Non-Instructional Programs				
Child Nutrition	295			
Community Services		17,897		
Student Activities				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>860,335</u>	<u>2,274,725</u>	<u>0</u>	<u>198,252</u>
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See Auditor's Report

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 4 of 8

	Special Revenue Funds			
	ESSER II	Title I-D ESSA N & DC	IDEA Part B 611 School Age 3-21	IDEA Part B 619 Pre-School Age 3-5
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$5,868,984	\$38,849	\$1,702,160	\$54,079
Total Revenues	<u>5,868,984</u>	<u>38,849</u>	<u>1,702,160</u>	<u>54,079</u>
Expenditures				
Instructional Programs				
Elementary School	62,616			
Secondary School	70,097			
Alternative School	5,130			
Vocational-Technical				
Special Education	17,884		993,491	
Special Education Preschool	2,160			54,079
Gifted & Talented	1,934			
Interscholastic				
School Activity				
Summer School				
Detention Center		7,147		
Support Service Programs				
Attendance - Guidance - Health	413,909	31,702	307,331	
Special Education Support Services	3,167		344,166	
Instructional Improvement	1,841,591		20,137	
Educational Media	2,076			
Board of Education				
District Administration	5,042		4,257	
School Administration	8,999			
Business Operation	106,413			
Central Service				
Buildings - Care	2,568,652			
Maintenance - Non-Student Occupied	197,018			
Maintenance - Student Occupied	408,174			
Maintenance - Grounds				
Security	416			
Pupil-To-School Transportation				
Pupil-Activity Transportation	99,216		5,582	
General Transportation				
Non-Instructional Programs				
Child Nutrition	3,283			
Community Services	51,207			
Student Activities				
Capital Assets - Student Occupied			27,196	
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>5,868,984</u>	<u>38,849</u>	<u>1,702,160</u>	<u>54,079</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See Auditor's Report

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 5 of 8

	Special Revenue Funds			
	IDEA Part B ARPA	School Based Medicaid	Title IV-A ESSA SS & AE	Perkins III Professional Technical Act
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$63,023	\$1,148,901	\$136,020	\$135,032
Total Revenues	<u>63,023</u>	<u>1,148,901</u>	<u>136,020</u>	<u>135,032</u>
Expenditures				
Instructional Programs				
Elementary School			9,386	
Secondary School				133,644
Alternative School				
Vocational-Technical				
Special Education	49,581			
Special Education Preschool	4,550			
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Detention Center				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services		1,441,997		
Instructional Improvement	8,892		21,670	
Educational Media				
Board of Education				
District Administration				
School Administration				
Business Operation				
Central Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security			104,964	
Pupil-To-School Transportation				
Pupil-Activity Transportation				1,388
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activities				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>63,023</u>	<u>1,441,997</u>	<u>136,020</u>	<u>135,032</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(293,096)	0	0
Other Financing Sources (Uses)				
Transfers In		293,096		
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>293,096</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 6 of 8

	Special Revenue Funds			
	Title III ESSA ELA	Title II-A ESSA SEI	Refugee School Impact Grant	CRF Substitute Recruitment
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$73,522	\$321,442	\$135,910	\$312,520
Total Revenues	<u>73,522</u>	<u>321,442</u>	<u>135,910</u>	<u>312,520</u>
Expenditures				
Instructional Programs				
Elementary School	38,870		67,287	24,418
Secondary School			60,710	24,418
Alternative School				
Vocational-Technical				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Detention Center				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instructional Improvement	34,534	321,442	7,913	263,684
Educational Media				
Board of Education				
District Administration				
School Administration				
Business Operation				
Central Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation	118			
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activities				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>73,522</u>	<u>321,442</u>	<u>135,910</u>	<u>312,520</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See Auditor's Report

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 7 of 8

	Special Revenue Funds			
	CRF			
	Gear Up	K-4 / K-12 Learning Loss	Cultivating Readers	SLFRF
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$88,097	\$970,195	\$14,968	\$1,032,696
Total Revenues	<u>88,097</u>	<u>970,195</u>	<u>14,968</u>	<u>1,032,696</u>
Expenditures				
Instructional Programs				
Elementary School				446,700
Secondary School				435,750
Alternative School				40,592
Vocational-Technical				
Special Education				2,084
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Summer School				
Detention Center				
Support Service Programs				
Attendance - Guidance - Health				4,721
Special Education Support Services				19,364
Instructional Improvement	80,160	970,195	14,630	
Educational Media				
Board of Education				
District Administration				22,730
School Administration				30,374
Business Operation				2,090
Central Service				
Buildings - Care				1,087
Maintenance - Non-Student Occupied				6,289
Maintenance - Student Occupied				10,871
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation	7,937			
General Transportation				
Non-Instructional Programs				
Child Nutrition				10,044
Community Services			338	
Student Activities				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>88,097</u>	<u>970,195</u>	<u>14,968</u>	<u>1,032,696</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See Auditor's Report

TWIN FALLS SCHOOL DISTRICT NO. 411
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2022

Page 8 of 8

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Title IX-A EH</u>	<u>Insurance Adjustment</u>	<u>Total</u>
Revenues			
Local Taxes			\$0
Other Local Revenue		\$7,000	1,870,540
State Revenue			1,211,830
Federal Revenue	\$6,638		15,768,306
Total Revenues	<u>6,638</u>	<u>7,000</u>	<u>18,850,676</u>
Expenditures			
Instructional Programs			
Elementary School			1,825,629
Secondary School			1,235,449
Alternative School			101,448
Vocational-Technical			253,462
Special Education			1,063,101
Special Education Preschool			60,789
Gifted & Talented			1,952
Interscholastic		7,000	7,013
School Activity			0
Summer School			253,857
Detention Center			8,805
Support Service Programs			
Attendance - Guidance - Health	3,807		1,042,172
Special Education Support Services			1,809,263
Instructional Improvement	2,831		5,033,686
Educational Media			2,086
Board of Education			0
District Administration			87,675
School Administration			59,863
Business Operation			108,579
Central Service			0
Buildings - Care			2,576,287
Maintenance - Non-Student Occupied			1,147,371
Maintenance - Student Occupied			419,454
Maintenance - Grounds			0
Security			145,756
Pupil-To-School Transportation			29,777
Pupil-Activity Transportation			128,237
General Transportation			0
Non-Instructional Programs			
Child Nutrition			13,622
Community Services			69,442
Student Activities			1,579,601
Capital Assets - Student Occupied			27,196
Capital Assets - Non-Student Occupied			0
Debt Service - Principal			0
Debt Service - Interest			0
Total Expenditures	<u>6,638</u>	<u>7,000</u>	<u>19,091,572</u>
Excess (Deficiency) of Revenues			
Over Expenditures	0	0	(240,896)
Other Financing Sources (Uses)			
Transfers In			612,731
Transfers Out			(19,639)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>593,092</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>352,196</u>
Fund Balances - Beginning	<u>0</u>	<u>1,028</u>	<u>1,595,732</u>
Fund Balances - Ending	<u><u>\$0</u></u>	<u><u>\$1,028</u></u>	<u><u>\$1,947,928</u></u>

TWIN FALLS SCHOOL DISTRICT NO. 411

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
US Dept of Agriculture			
<i>Passed Through Idaho Dept of Education:</i>			
Child Nutrition Cluster:			
COVID-19 - School Breakfast Program	10.553	202121/202222N109947	\$718,553
COVID-19 - National School Lunch Program*	10.555	202121/202222N109947	2,981,145
COVID-19 - Summer Food Service Program for Children	10.559	202121/202222N109947	180,171
Fresh Fruit & Vegetable Program	10.582	202121/202221L160347	110,107
Total Child Nutrition Cluster			<u>3,989,976</u>
Total US Dept of Agriculture			<u>3,989,976</u>
US Dept of Treasury			
<i>Passed Through Idaho Dept of Education:</i>			
COVID-19 - Coronavirus Relief Fund	21.019	20-1892-0-1-806	1,282,715
COVID-19 - Coronavirus State & Local Fiscal Recovery Fund	21.027	SLFRP0142	1,032,696
Total US Dept of Treasury			<u>2,315,411</u>
Federal Communications Commission			
<i>Passed Through Universal Service Administrative Co:</i>			
COVID-19 - Emergency Connectivity Fund Program	32.009	None	315,342
Total Federal Communications Commission			<u>315,342</u>
US Dept of Education			
<i>Passed Through Idaho Dept of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027A	H027A20/210088	1,702,160
COVID-19 - Individuals with Disabilities Education Act/American Rescue Plan Act of 2021	84.027X	H027X210088	58,473
Total	84.027		<u>1,760,633</u>
Special Education - Preschool Grants	84.173A	H173A20/210030	54,079
COVID-19 - Individuals with Disabilities Education Act/American Rescue Plan Act of 2021	84.173X	H173X210030	4,550
Total	84.173		<u>58,629</u>
Total Special Education Cluster			<u>1,819,262</u>
Title I Grants to Local Educational Agencies	84.010A	S010A20/210012	2,144,136
Migrant Education - State Grant Program	84.011A	S011A200012	198,252
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013A	S010A20/210012	38,849
Career & Technical Education - Basic Grants to States	84.048A	V048A210012	135,032
Education for Homeless Children and Youth	84.196A	S196A20/210013	6,638
Special Education - State Personnel Development	84.323A	H323A200002	14,968
Gaining Early Awareness & Readiness for Undergraduate Programs	84.334A	P334S180012	88,097
English Language Acquisition State Grants	84.365A	S365A19/200012	73,522
Supporting Effective Instruction State Grants	84.367A	S367A20/210011	321,442
School Improvement Grants	84.377A	S010A20/210012	130,589
Student Support & Academic Enrichment	84.424A	S424A20/210013	136,020
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	S425D210043	5,868,984
COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund	84.425U	S425U210043	839,928
COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund - Homeless Children and Youth	84.425W	S425W210013	20,407
Total	84.425		<u>6,729,319</u>
Total US Dept of Education			<u>11,836,126</u>
US Dept of Health & Human Services			
<i>Passed Through Idaho Office of Refugees Jannus:</i>			
Refugee and Entrant Assistance - State Administered Programs	93.566	IOR-2003 RSIG	135,910
Total US Dept of Health & Human Services			<u>135,910</u>
Total Expenditures of Federal Awards			<u><u>\$18,592,765</u></u>

NOTES:

A. Basis of Presentation - The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the School under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School.

B. Summary of Significant Accounting Policies - Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The School has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

*C. **Nonmonetary Assistance** - Included in the National School Lunch Program award is USDA food commodities stated at a fair market value of \$399,447.



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

Board of Trustees
Twin Falls School District No. 411

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Twin Falls School District No. 411 (the School), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 5, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The

results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Quest CPAs PLLC

Payette, Idaho
October 5, 2022



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

Board of Trustees
Twin Falls School District No. 411

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Twin Falls School District No. 411's (the School'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 the School's major federal programs for the year ended June 30, 2022. The School'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, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 the School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School'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 the School'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 the School'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 internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in

internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

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

The purpose of this report in 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.

Quest CPAs PLLC

Payette, Idaho
October 5, 2022

TWIN FALLS SCHOOL DISTRICT NO. 411

Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report being issued: Unmodified

- Each Major Fund
- Aggreg Remain Fund Info

Qualified

- Gov't Activities

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Noncompliance material to the financial statements noted? No

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

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

Any audit findings that are required to be reported in accordance with 2 CFR section 200.516(a)? No

Major program identification:

- Child Nutrition Cluster – AL #10.553, 10.555, 10.559, 10.582
- COVID-19 - Coronavirus State & Local Fiscal Recovery Fund – AL #21.027
- Title I Grants to Local Educational Agencies – AL #84.010
- Migrant Education – State Grant Program – AL #84.011
- COVID-19 - Elementary and Secondary School Emergency Relief Fund – AL #84.425D, COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund – AL #84.425U, COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth – AL #84.425W

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

Auditee qualified as a low-risk auditee? No