

Preston School District No. 201

Year Ended June 30, 2024

Audited Financial Statements



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Quest CPAs PLLC

PRESTON SCHOOL DISTRICT NO. 201

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Independent Auditor's Report

Board of Trustees
Preston School District No. 201

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 Preston School District No. 201 (the School) as of and for the year ended June 30, 2024, 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, 2024, 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, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 is the responsibility of management and, 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 4, 2024, 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

Meridian, Idaho
October 4, 2024

PRESTON SCHOOL DISTRICT NO. 201

Statement of Net Position

June 30, 2024

	Governmental Activities
Assets	
Current Assets	
Cash & Investments	\$10,856,199
Receivables:	
Local Sources	308,784
State Sources	783,919
Federal Sources	2,207,467
Total Current Assets	<u>14,156,369</u>
Noncurrent Assets	
Nondepreciable Capital Assets	820,576
Depreciable Net Capital Assets	13,024,155
Total Noncurrent Assets	<u>13,844,731</u>
Total Assets	<u>28,001,100</u>
Deferred Outflows of Resources	
Pension Items	4,869,712
Total Deferred Outflows of Resources	<u>4,869,712</u>
Total Assets and Deferred Outflows of Resources	<u>\$32,870,812</u>
Liabilities	
Current Liabilities	
Salaries & Benefits Payable	\$1,821,363
Unspent Grant Allocation	570,195
Total Current Liabilities	<u>2,391,558</u>
Noncurrent Liabilities	
Long-Term Liabilities, Noncurrent	9,773,683
Total Liabilities	<u>12,165,241</u>
Deferred Inflows of Resources	
Pension Items	0
Total Deferred Inflows of Resources	<u>0</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,165,241</u>
Net Position	
Net Investment in Capital Assets	13,844,731
Restricted:	
Special Programs	2,157,512
Capital Projects	1,980,074
Unrestricted (Deficit)	2,723,254
Total Net Position	<u>20,705,571</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u>\$32,870,812</u>

PRESTON SCHOOL DISTRICT NO. 201

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Governmental Activities	Net (Expense) Revenue And Changes in Net Position
		Charges For Services	Operating Grants And Contributions		
Governmental Activities					
Instructional Programs					
Elementary School	\$3,762,052		\$212,505		(\$3,549,547)
Secondary School	5,211,998	\$9,246	410,017		(4,792,735)
Alternative School	455,290				(455,290)
Special Education	2,136,686		933,360		(1,203,326)
Special Education Preschool	33,587		15,127		(18,460)
Gifted & Talented	0				0
Interscholastic	0				0
School Activity	353,078				(353,078)
Support Service Programs					
Attendance - Guidance - Health	367,553				(367,553)
Special Education Support Services	528,565		15,000		(513,565)
Instruction Improvement	323,709		133,642		(190,067)
Educational Media	181,997				(181,997)
Instruction-Related Technology	1,003,262		839,743		(163,519)
Board of Education	8,150				(8,150)
District Administration	429,823		45,076		(384,747)
School Administration	1,027,082				(1,027,082)
Business Operation	222,540				(222,540)
Central Service	2,887				(2,887)
Buildings - Care	1,343,493				(1,343,493)
Maintenance - Non-Student Occupied	9,382		25,699		16,317
Maintenance - Student Occupied	748,030		227,465		(520,565)
Maintenance - Grounds	24,860				(24,860)
Security	22,467				(22,467)
Pupil-To-School Transportation	739,871				(739,871)
Pupil-Activity Transportation	346				(346)
General Transportation	2,022				(2,022)
Other Support Services	5,727				(5,727)
Non-Instructional Programs					
Child Nutrition	941,774	305,214	580,883		(55,677)
Community Services	982,184	1,144,583			162,399
Capital Assets - Student Occupied	1,067,440				(1,067,440)
Capital Assets - Non-Student Occupied	318,808				(318,808)
Total	<u>\$22,254,663</u>	<u>\$1,459,043</u>	<u>\$3,438,517</u>	<u>\$0</u>	<u>(17,357,103)</u>
General Revenues					
Local Taxes					1,239,096
Other Local Revenue					822,640
State Revenue					19,893,904
Federal Revenue					0
Pension Revenue (Expense)					(2,410,750)
Total					<u>19,544,890</u>
Change in Net Position					
					2,187,787
Net Position - Beginning					
					18,517,784
Net Position - Ending					
					<u>\$20,705,571</u>

PRESTON SCHOOL DISTRICT NO. 201

Balance Sheet - Governmental Funds

June 30, 2024

	General Fund	Child Nutrition Fund	Plant Facilities Fund
Assets			
Cash & Investments	\$6,905,861	\$700,867	\$1,730,018
Receivables:			
Local Sources	20,385		288,399
State Sources	783,919		
Federal Sources			
Due From Other Funds	1,636,899		
Total Assets	<u>\$9,347,064</u>	<u>\$700,867</u>	<u>\$2,018,417</u>
Liabilities			
Accounts Payable			
Due To Other Funds			
Salaries & Benefits Payable	\$1,758,182	\$62,711	
Unspent Grant Allocation			
Total Liabilities	<u>1,758,182</u>	<u>62,711</u>	<u>\$0</u>
Deferred Inflows of Resources			
Unavailable Tax Revenues	7,915		38,343
Total Deferred Inflows of Resources	<u>7,915</u>	<u>0</u>	<u>38,343</u>
Fund Balances			
Nonspendable			
Restricted:			
Special Programs		638,156	
Capital Projects			1,980,074
Unassigned	7,580,967		
Total Fund Balances	<u>7,580,967</u>	<u>638,156</u>	<u>1,980,074</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$9,347,064</u>	<u>\$700,867</u>	<u>\$2,018,417</u>

PRESTON SCHOOL DISTRICT NO. 201

Balance Sheet - Governmental Funds

June 30, 2024

	Nonmajor Governmental Funds	Total Governmental Funds
Assets		
Cash & Investments	\$1,519,453	\$10,856,199
Receivables:		
Local Sources	0	308,784
State Sources	0	783,919
Federal Sources	2,207,467	2,207,467
Due From Other Funds	0	1,636,899
Total Assets	<u>\$3,726,920</u>	<u>\$15,793,268</u>
Liabilities		
Accounts Payable	\$0	\$0
Due To Other Funds	1,636,899	1,636,899
Salaries & Benefits Payable	470	1,821,363
Unspent Grant Allocation	570,195	570,195
Total Liabilities	<u>2,207,564</u>	<u>4,028,457</u>
Deferred Inflows of Resources		
Unavailable Tax Revenues	0	46,258
Total Deferred Inflows of Resources	<u>0</u>	<u>46,258</u>
Fund Balances		
Nonspendable	0	0
Restricted:		
Special Programs	1,519,356	2,157,512
Capital Projects	0	1,980,074
Unassigned	0	7,580,967
Total Fund Balances	<u>1,519,356</u>	<u>11,718,553</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$3,726,920</u>	<u>\$15,793,268</u>

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

Total Governmental Fund Balances \$11,718,553

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. 13,844,731

Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds. 46,258

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. (9,773,683)

Pension deferred outflows/inflows are not due and payable in the current period and therefore are not reported in the funds. 4,869,712

Net Position of Governmental Activities \$20,705,571

PRESTON SCHOOL DISTRICT NO. 201

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2024

	General Fund	Child Nutrition Fund	Plant Facilities Fund
Revenues			
Local Taxes	\$310,784		\$924,672
Other Local Revenue	818,751	\$305,214	40,000
State Revenue	19,883,393		10,511
Federal Revenue		580,883	
Total Revenues	<u>21,012,928</u>	<u>886,097</u>	<u>975,183</u>
Expenditures			
Instructional Programs			
Elementary School	4,096,106		
Secondary School	5,548,045		
Alternative School	455,290		
Special Education	1,203,326		
Special Education Preschool	18,460		
Gifted & Talented			
Interscholastic			
School Activity	353,078		
Support Service Programs			
Attendance - Guidance - Health	367,553		
Special Education Support Services	353,652		
Instruction Improvement	190,067		
Educational Media	181,997		
Instruction-Related Technology	163,519		
Board of Education	8,150		
District Administration	384,747		
School Administration	1,027,082		
Business Operation	222,540		
Central Service	2,887		
Buildings - Care	1,340,342	3,151	
Maintenance - Non-Student Occupied	9,382		
Maintenance - Student Occupied	657,122		
Maintenance - Grounds	24,860		
Security	22,467		
Pupil-To-School Transportation	747,872		
Pupil-Activity Transportation	346		
General Transportation	2,022		
Other Support Services	5,727		
Non-Instructional Programs			
Child Nutrition	16,897	924,877	
Community Services			
Capital Assets - Student Occupied			135,523
Capital Assets - Non-Student Occupied			1,067,045
Total Expenditures	<u>17,403,536</u>	<u>928,028</u>	<u>1,202,568</u>
Excess (Deficiency) of Revenues Over Expenditures	3,609,392	(41,931)	(227,385)
Other Financing Sources (Uses)			
Transfers In			
Transfers Out	(484,878)		
Total Other Financing Sources (Uses)	<u>(484,878)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	3,124,514	(41,931)	(227,385)
Fund Balances - Beginning	4,456,453	680,087	2,207,459
Fund Balances - Ending	<u>\$7,580,967</u>	<u>\$638,156</u>	<u>\$1,980,074</u>

PRESTON SCHOOL DISTRICT NO. 201

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2024

	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues		
Local Taxes	\$0	\$1,235,456
Other Local Revenue	1,165,829	2,329,794
State Revenue	812,409	20,706,313
Federal Revenue	1,997,114	2,577,997
Total Revenues	<u>3,975,352</u>	<u>26,849,560</u>
Expenditures		
Instructional Programs		
Elementary School	212,505	4,308,611
Secondary School	464,164	6,012,209
Alternative School	0	455,290
Special Education	933,360	2,136,686
Special Education Preschool	15,127	33,587
Gifted & Talented	0	0
Interscholastic	0	0
School Activity	0	353,078
Support Service Programs		
Attendance - Guidance - Health	0	367,553
Special Education Support Services	174,913	528,565
Instruction Improvement	133,642	323,709
Educational Media	0	181,997
Instruction-Related Technology	839,743	1,003,262
Board of Education	0	8,150
District Administration	45,076	429,823
School Administration	0	1,027,082
Business Operation	0	222,540
Central Service	0	2,887
Buildings - Care	0	1,343,493
Maintenance - Non-Student Occupied	0	9,382
Maintenance - Student Occupied	90,908	748,030
Maintenance - Grounds	0	24,860
Security	0	22,467
Pupil-To-School Transportation	320,816	1,068,688
Pupil-Activity Transportation	0	346
General Transportation	0	2,022
Other Support Services	0	5,727
Non-Instructional Programs		
Child Nutrition	0	941,774
Community Services	982,184	982,184
Capital Assets - Student Occupied	0	135,523
Capital Assets - Non-Student Occupied	0	1,067,045
Total Expenditures	<u>4,212,438</u>	<u>23,746,570</u>
Excess (Deficiency) of Revenues Over Expenditures	(237,086)	3,102,990
Other Financing Sources (Uses)		
Transfers In	484,878	484,878
Transfers Out	0	(484,878)
Total Other Financing Sources (Uses)	<u>484,878</u>	<u>0</u>
Net Change in Fund Balances	247,792	3,102,990
Fund Balances - Beginning	1,271,564	8,615,563
Fund Balances - Ending	<u><u>\$1,519,356</u></u>	<u><u>\$11,718,553</u></u>

PRESTON SCHOOL DISTRICT NO. 201
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2024

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 \$3,102,990

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 or allocated over the appropriate term as amortization expense. This is the excess of capital outlays over (under) depreciation/amortization expense in the current period. 182,682

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 3,640

Changes in net pension asset/liability and related pension deferred outflows/inflows do not provide or require current financial resources and therefore are not reflected in the funds. (1,101,525)

Change in Net Position of Governmental Activities \$2,187,787

PRESTON SCHOOL DISTRICT NO. 201

Statement of Fiduciary Net Position

June 30, 2024

	Private Purpose Trust Funds
Assets	
Cash & Investments	\$140,485
Total Assets	<u>\$140,485</u>
Net Position	
Restricted:	
Held in Trust	\$140,485
Total Net Position	<u>\$140,485</u>

PRESTON SCHOOL DISTRICT NO. 201
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2024

	<u>Private Purpose Trust Funds</u>
Additions	
Contributions	
Investment Income	
Total Additions	<u>\$0</u>
Deductions	
Trust Expenses	28,012
Total Deductions	<u>28,012</u>
Change in Net Position	(28,012)
Net Position - Beginning	168,497
Net Position - Ending	<u>\$140,485</u>

PRESTON SCHOOL DISTRICT NO. 201
Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Preston School District No. 201 (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 Franklin and Bannock Counties.

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.

PRESTON SCHOOL DISTRICT NO. 201

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).

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 agency 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.

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.

PRESTON SCHOOL DISTRICT NO. 201
Notes to Financial Statements

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of \$5,000 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.

Leases/SBITAs and Amortization – Material long-term leases and subscription-based information technology arrangements (SBITAs) are reported in accordance with the provisions of GASB 87 *Leases* and GASB 96 *SBITAs*. When incurred, amortization over the appropriate lease or SBITA term 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,

PRESTON SCHOOL DISTRICT NO. 201

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.

PRESTON SCHOOL DISTRICT NO. 201
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	\$6,138,777	\$140,485	\$6,279,262
Investments - Local Gov't Investment Pool	4,717,422		4,717,422
Total	\$10,856,199	\$140,485	\$10,996,684

Deposits – At year end, the carrying amounts of the School's deposits were \$6,279,262 and the bank balances were \$6,735,387. Of the bank balances, \$750,000 was insured, and the remainder was uninsured and uncollateralized.

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

Interest rate risk:

	Investment Maturity Schedule (In Years)	
Investment Type	Less Than 1	Total
Local Gov't Invest Pool	\$4,717,422	\$4,717,422
Total	\$4,717,422	\$4,717,422

Credit rate risk:

	Investment Rating Schedule	
Investment Type	Not Rated	Total
Local Gov't Invest Pool	\$4,717,422	\$4,717,422
Total	\$4,717,422	\$4,717,422

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.

PRESTON SCHOOL DISTRICT NO. 201
Notes to Financial Statements

C. RECEIVABLES

Receivables consist of the following at year end:

	General Fund	Special Revenue Funds	Capital Projects Funds	Total
Local Sources				
Local Taxes	\$20,385		\$288,399	\$308,784
Total	<u>\$20,385</u>		<u>\$288,399</u>	<u>\$308,784</u>
State Sources				
Foundation Program	\$783,919			\$783,919
Total	<u>\$783,919</u>			<u>\$783,919</u>
Federal Sources				
Special Programs		\$2,207,467		\$2,207,467
Total		<u>\$2,207,467</u>		<u>\$2,207,467</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	\$820,576			\$820,576
Total	<u>820,576</u>	<u>\$0</u>	<u>\$0</u>	<u>820,576</u>
Depreciable Capital Assets				
Buildings	35,082,284	748,237		35,830,521
Equipment	5,167,785	45,545		5,213,330
Transportation	3,879,772	320,817		4,200,589
Subtotal	<u>44,129,841</u>	<u>1,114,599</u>	<u>0</u>	<u>45,244,440</u>
Accumulated Depreciation				
Buildings	23,496,227	716,611		24,212,838
Equipment	4,927,197	50,238		4,977,435
Transportation	2,864,944	165,068		3,030,012
Subtotal	<u>31,288,368</u>	<u>931,917</u>	<u>0</u>	<u>32,220,285</u>
Total	<u>12,841,473</u>	<u>182,682</u>	<u>0</u>	<u>13,024,155</u>
Net Capital Assets	<u>\$13,662,049</u>	<u>\$182,682</u>	<u>\$0</u>	<u>\$13,844,731</u>

Depreciation expense of \$931,917 was charged to the capital assets – student occupied program.

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Notes to Financial Statements

E. LONG-TERM LIABILITIES

Changes in long-term liabilities are as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Net Pension Liability	\$10,328,433		\$554,750	\$9,773,683	-
Total	<u>\$10,328,433</u>	<u>\$0</u>	<u>\$554,750</u>	<u>\$9,773,683</u>	<u>\$0</u>

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.

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.

PRESTON SCHOOL DISTRICT NO. 201

Notes to Financial Statements

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2023 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a 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 \$1,309,225 for the year ended June 30, 2024.

Pension asset/liabilities, pension revenue (expense), and deferred outflows/inflows of resources related to pensions

At June 30, 2024, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability 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, 2023, the School's proportion was 0.24491329%.

For the year ended June 30, 2024, the School recognized pension revenue (expense) of (\$2,410,750). At June 30, 2024, 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	\$1,675,283	
Changes in assumptions or other inputs	967,800	
Net difference between projected and actual earnings on pension plan investments	917,404	
Employer contributions subsequent to the measurement date	1,309,225	
Total	<u><u>\$4,869,712</u></u>	<u><u>\$0</u></u>

\$1,309,225 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 revenue (expense) in the year ending June 30, 2025.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2023 the beginning of the measurement period ended June 30, 2022 is 4.6 and 4.4 for the measurement period June 30, 2023.

PRESTON SCHOOL DISTRICT NO. 201

Notes to Financial Statements

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:

Year Ended	
6/30/25	(\$1,266,187)
6/30/26	(595,016)
6/30/27	(1,851,004)
6/30/28	151,719
Total	<u>(\$3,560,488)</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 liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Contributing members, service retirement members, and beneficiaries

General Employees and All Beneficiaries - Males	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries - Females	Pub-2010 General Tables, increased 21%
Teachers - Males	Pub-2010 Teacher Tables, increased 12%
Teachers - Females	Pub-2010 Teacher Tables, increased 21%
Fire & Police - Males	Pub-2010 Safety Tables, increased 21%
Fire & Police - Females	Pub-2010 Safety Tables, increased 26%
	5% of Fire & Police active member deaths are assumed to be duty related. This assumption was adopted July 1, 2021.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions other than mortality. The total pension liability as of June 30, 2023 is based on the results of an actuarial valuation date of July 1, 2023.

PRESTON SCHOOL DISTRICT NO. 201

Notes to Financial Statements

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2023.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.00%
Large Cap	18%	4.50%
Small/Mid Cap	11%	4.70%
International Equity	15%	4.50%
Emerging Markets Equity	10%	4.90%
Domestic Fixed	20%	-0.25%
TIPS	10%	-0.30%
Real Estate	8%	3.75%
Private Equity	8%	6.00%

Discount rate

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

PRESTON SCHOOL DISTRICT NO. 201

Notes to Financial Statements

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

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

	1% Decrease	Current	1% Increase
	(5.35%)	(6.35%)	(7.35%)
School's proportionate share of the net pension liability	<u>\$17,578,370</u>	<u>\$9,773,683</u>	<u>\$3,394,814</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.

Impact 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 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 liability which is an estimated 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 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.

G. INTERFUND BALANCES AND TRANSFERS

Interfund balances at year end consist of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	
	Nonmajor Governmental	<u>Total</u>
General	<u>\$1,636,899</u>	<u>\$1,636,899</u>
Total	<u>\$1,636,899</u>	<u>\$1,636,899</u>

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

PRESTON SCHOOL DISTRICT NO. 201

Notes to Financial Statements

Interfund transfers during the year consist of the following:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>
General		\$484,878	Capital Outlay, Depreciation, Support
Nonmajor Governmental	\$484,878		Capital Outlay, Depreciation, Support
Total	<u>\$484,878</u>	<u>\$484,878</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.

PRESTON SCHOOL DISTRICT NO. 201

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2024

General Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$792,400	\$792,400	\$310,784	(\$481,616)
Other Local Revenue	110,000	110,000	818,751	708,751
State Revenue	18,668,758	18,668,758	19,883,393	1,214,635
Federal Revenue	0	0	0	0
Total Revenues	19,571,158	19,571,158	21,012,928	1,441,770
Expenditures				
Instructional Programs				
Elementary School	5,212,494	5,212,494	4,096,106	1,116,388
Secondary School	6,602,067	6,602,067	5,548,045	1,054,022
Alternative School	413,475	413,475	455,290	(41,815)
Special Education	919,452	919,452	1,203,326	(283,874)
Special Education Preschool	19,374	19,374	18,460	914
Gifted & Talented	0	0	0	0
Interscholastic	0	0	0	0
School Activity	318,000	318,000	353,078	(35,078)
Support Service Programs				
Attendance - Guidance - Health	358,415	358,415	367,553	(9,138)
Special Education Support Services	500,938	500,938	353,652	147,286
Instruction Improvement	196,788	196,788	190,067	6,721
Educational Media	187,111	187,111	181,997	5,114
Instruction-Related Technology	196,492	196,492	163,519	32,973
Board of Education	7,500	7,500	8,150	(650)
District Administration	292,710	292,710	384,747	(92,037)
School Administration	1,047,839	1,047,839	1,027,082	20,757
Business Operation	302,395	302,395	222,540	79,855
Central Service	0	0	2,887	(2,887)
Buildings - Care	1,245,329	1,245,329	1,340,342	(95,013)
Maintenance - Non-Student Occupied	13,000	13,000	9,382	3,618
Maintenance - Student Occupied	628,324	628,324	657,122	(28,798)
Maintenance - Grounds	50,000	50,000	24,860	25,140
Security	0	0	22,467	(22,467)
Pupil-To-School Transportation	607,355	607,355	747,872	(140,517)
Pupil-Activity Transportation	23,500	23,500	346	23,154
General Transportation	55,000	55,000	2,022	52,978
Other Support Services	6,000	6,000	5,727	273
Non-Instructional Programs				
Child Nutrition	65,600	65,600	16,897	48,703
Community Services	0	0	0	0
Capital Assets - Student Occupied	0	0	0	0
Capital Assets - Non-Student Occupied	0	0	0	0
Total Expenditures	19,269,158	19,269,158	17,403,536	1,865,622 *
Excess (Deficiency) of Revenues				
Over Expenditures	302,000	302,000	3,609,392	3,307,392
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	(260,000)	(260,000)	(484,878)	(224,878) *
Total Other Financing Sources (Uses)	(260,000)	(260,000)	(484,878)	(224,878)
Net Change in Fund Balances	42,000	42,000	3,124,514	3,082,514
Fund Balances - Beginning	0	0	4,456,453	4,456,453
Fund Balances - Ending	\$42,000	\$42,000	\$7,580,967	\$7,538,967

*Total expenditures (over) under appropriations are: \$1,640,744

PRESTON SCHOOL DISTRICT NO. 201

Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended June 30, 2024

Child Nutrition Fund	Budgeted Amounts		Actual	Final Budget
	(GAAP Basis)			
	Original	Final	Amounts	Variance
				Positive
				(Negative)
Revenues				
Other Local Revenue	\$261,000	\$261,000	\$305,214	\$44,214
Federal Revenue	500,000	500,000	580,883	80,883
Total Revenues	<u>761,000</u>	<u>761,000</u>	<u>886,097</u>	<u>125,097</u>
Expenditures				
Support Service Programs				
Buildings - Care	22,000	22,000	3,151	18,849
Non-Instructional Programs				
Child Nutrition	739,000	739,000	924,877	(185,877)
Total Expenditures	<u>761,000</u>	<u>761,000</u>	<u>928,028</u>	<u>(167,028) *</u>
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	(41,931)	(41,931)
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0 *
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	(41,931)	(41,931)
Fund Balances - Beginning	0	0	680,087	680,087
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$638,156</u>	<u>\$638,156</u>

*Total expenditures (over) under appropriations are: (\$167,028)

PRESTON SCHOOL DISTRICT NO. 201
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	0.27576230%	\$2,030,042	\$7,470,760	27.17%	94.95%
2016	0.27113700%	\$3,570,433	\$7,621,661	46.85%	91.38%
2017	0.26579840%	\$5,388,142	\$7,776,316	69.29%	87.26%
2018	0.25153090%	\$3,953,634	\$8,168,622	48.40%	90.68%
2019	0.25420440%	\$3,749,559	\$8,618,569	43.51%	91.69%
2020	0.26303430%	\$3,002,463	\$8,933,693	33.61%	93.79%
2021	0.25960130%	\$6,028,285	\$9,239,305	65.25%	88.22%
2022	0.26839166%	(\$211,970)	\$10,032,404	-2.11%	100.36%
2023	0.26222562%	\$10,328,433	\$10,340,720	99.88%	83.09%
2024	0.24491329%	\$9,773,683	\$10,413,044	93.86%	83.83%

*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	\$862,772	\$862,772	\$0	\$7,621,661	11.32%
2016	\$880,279	\$880,279	\$0	\$7,776,316	11.32%
2017	\$924,688	\$924,688	\$0	\$8,168,622	11.32%
2018	\$975,622	\$975,622	\$0	\$8,618,569	11.32%
2019	\$1,011,294	\$1,011,294	\$0	\$8,933,693	11.32%
2020	\$1,103,173	\$1,103,173	\$0	\$9,239,305	11.94%
2021	\$1,197,869	\$1,197,869	\$0	\$10,032,404	11.94%
2022	\$1,234,682	\$1,234,682	\$0	\$10,340,720	11.94%
2023	\$1,243,317	\$1,243,317	\$0	\$10,413,044	11.94%
2024	\$1,309,225	\$1,309,225	\$0	\$10,316,982	12.69%

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

PRESTON SCHOOL DISTRICT NO. 201
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds			
	Forest Reserve	After School Funds	Student Activity	Securing Our Future
Assets				
Cash & Investments	\$194,850	\$5,445	\$780,530	\$136,557
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Due From Other Funds				
Total Assets	<u>\$194,850</u>	<u>\$5,445</u>	<u>\$780,530</u>	<u>\$136,557</u>
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</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	194,850	5,445	780,530	136,557
Capital Projects				
Unassigned				
Total Fund Balances	<u>194,850</u>	<u>5,445</u>	<u>780,530</u>	<u>136,557</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$194,850</u>	<u>\$5,445</u>	<u>\$780,530</u>	<u>\$136,557</u>

PRESTON SCHOOL DISTRICT NO. 201
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds			
	Driver Education	Professional Technical	Technology	Substance Abuse
Assets				
Cash & Investments		\$3,009	\$399,062	
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Due From Other Funds				
Total Assets	\$0	\$3,009	\$399,062	\$0
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable		\$97		
Unspent Grant Allocation				
Total Liabilities	\$0	97	\$0	\$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Nonspendable				
Restricted:				
Special Programs		2,912	399,062	
Capital Projects				
Unassigned				
Total Fund Balances	0	2,912	399,062	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$0	\$3,009	\$399,062	\$0

PRESTON SCHOOL DISTRICT NO. 201
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2024

	Special Revenue Funds			
	ESSER III	Title I-A ESSA IBP	IDEA Part B 611 School Age 3-21	IDEA Part B 619 Pre-School Age 3-5
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$1,327,225	\$279,176	\$465,478	\$15,127
Due From Other Funds				
Total Assets	<u>\$1,327,225</u>	<u>\$279,176</u>	<u>\$465,478</u>	<u>\$15,127</u>
Liabilities				
Accounts Payable				
Due To Other Funds	\$906,261	\$189,387	\$465,230	\$15,096
Salaries & Benefits Payable	9	85	248	31
Unspent Grant Allocation	420,955	89,704		
Total Liabilities	<u>1,327,225</u>	<u>279,176</u>	<u>465,478</u>	<u>15,127</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				
Capital Projects				
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>\$1,327,225</u>	<u>\$279,176</u>	<u>\$465,478</u>	<u>\$15,127</u>

PRESTON SCHOOL DISTRICT NO. 201
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds			
	School Based Medicaid	Title IV-A ESSA SS & AE	Perkins III Professional Technical Act	IDEA Mini Grants
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources		\$31,431	\$24,353	
Due From Other Funds				
Total Assets	\$0	\$31,431	\$24,353	\$0
Liabilities				
Accounts Payable				
Due To Other Funds		\$31,431	\$24,353	
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	\$0	31,431	24,353	\$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Nonspendable				
Restricted:				
Special Programs				
Capital Projects				
Unassigned				
Total Fund Balances	0	0	0	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$0	\$31,431	\$24,353	\$0

PRESTON SCHOOL DISTRICT NO. 201
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2024

	<u>Special Revenue Funds</u>			<u>Capital Projects</u>
	<u>Title II-A ESSA SEI</u>	<u>Cultivating Readers</u>	<u>Emergency Connectivity Fund</u>	<u>Bus Depreciation</u>
Assets				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$60,014	\$4,663		
Due From Other Funds				
Total Assets	<u>\$60,014</u>	<u>\$4,663</u>	<u>\$0</u>	<u>\$0</u>
Liabilities				
Accounts Payable				
Due To Other Funds	\$5,141			
Salaries & Benefits Payable				
Unspent Grant Allocation	54,873	\$4,663		
Total Liabilities	<u>60,014</u>	<u>4,663</u>	<u>\$0</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				
Capital Projects				
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>\$60,014</u>	<u>\$4,663</u>	<u>\$0</u>	<u>\$0</u>

PRESTON SCHOOL DISTRICT NO. 201
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Total
Assets	
Cash & Investments	\$1,519,453
Receivables:	
Local Sources	0
State Sources	0
Federal Sources	2,207,467
Due From Other Funds	0
Total Assets	\$3,726,920
 Liabilities	
Accounts Payable	\$0
Due To Other Funds	1,636,899
Salaries & Benefits Payable	470
Unspent Grant Allocation	570,195
Total Liabilities	2,207,564
 Deferred Inflows of Resources	
Unavailable Tax Revenues	0
Total Deferred Inflows of Resources	0
 Fund Balances	
Nonspendable	0
Restricted:	
Special Programs	1,519,356
Capital Projects	0
Unassigned	0
Total Fund Balances	1,519,356
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$3,726,920

PRESTON SCHOOL DISTRICT NO. 201

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	Forest Reserve	After School Funds	Student Activity	Securing Our Future
Revenues				
Local Taxes				
Other Local Revenue			\$1,144,583	
State Revenue				\$227,465
Federal Revenue	\$25,699			
Total Revenues	<u>25,699</u>	<u>\$0</u>	<u>1,144,583</u>	<u>227,465</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				
Alternative School				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Central Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				90,908
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services			982,184	
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Total Expenditures	<u>0</u>	<u>0</u>	<u>982,184</u>	<u>90,908</u>
Excess (Deficiency) of Revenues Over Expenditures	25,699	0	162,399	136,557
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	25,699	0	162,399	136,557
Fund Balances - Beginning	169,151	5,445	618,131	0
Fund Balances - Ending	<u>\$194,850</u>	<u>\$5,445</u>	<u>\$780,530</u>	<u>\$136,557</u>

PRESTON SCHOOL DISTRICT NO. 201

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	Driver Education	Professional Technical	Technology	Substance Abuse
Revenues				
Local Taxes				
Other Local Revenue	\$1,725		\$7,521	
State Revenue	54,074	\$203,940	274,274	\$52,656
Federal Revenue				
Total Revenues	<u>55,799</u>	<u>203,940</u>	<u>281,795</u>	<u>52,656</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School	74,040	201,028	37,037	112,086
Alternative School				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology			263,011	
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				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Total Expenditures	<u>74,040</u>	<u>201,028</u>	<u>300,048</u>	<u>112,086</u>
Excess (Deficiency) of Revenues				
Over Expenditures	(18,241)	2,912	(18,253)	(59,430)
Other Financing Sources (Uses)				
Transfers In	18,241			35,837
Transfers Out				
Total Other Financing Sources (Uses)	<u>18,241</u>	<u>0</u>	<u>0</u>	<u>35,837</u>
Net Change in Fund Balances	0	2,912	(18,253)	(23,593)
Fund Balances - Beginning	0	0	417,315	23,593
Fund Balances - Ending	<u>\$0</u>	<u>\$2,912</u>	<u>\$399,062</u>	<u>\$0</u>

PRESTON SCHOOL DISTRICT NO. 201

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	ESSER III	Title I-A ESSA IBP	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	\$349,387	\$189,472	\$465,478	\$15,127
Total Revenues	<u>349,387</u>	<u>189,472</u>	<u>465,478</u>	<u>15,127</u>
Expenditures				
Instructional Programs				
Elementary School	22,510	163,241		
Secondary School		14,531		
Alternative School				
Special Education			465,098	
Special Education Preschool				15,127
Gifted & Talented				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement	52,769		380	
Educational Media				
Instruction-Related Technology	240,732			
Board of Education				
District Administration	33,376	11,700		
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				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Total Expenditures	<u>349,387</u>	<u>189,472</u>	<u>465,478</u>	<u>15,127</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	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

PRESTON SCHOOL DISTRICT NO. 201

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue Funds			
	School Based Medicaid	Title IV-A ESSA SS & AE	Perkins III Professional Technical Act	IDEA Mini Grants
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$468,262	\$34,334	\$24,353	\$15,000
Total Revenues	<u>468,262</u>	<u>34,334</u>	<u>24,353</u>	<u>15,000</u>
Expenditures				
Instructional Programs				
Elementary School		26,754		
Secondary School		1,089	24,353	
Alternative School				
Special Education	468,262			
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services	159,913			15,000
Instruction Improvement		6,491		
Educational Media				
Instruction-Related Technology				
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				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Total Expenditures	<u>628,175</u>	<u>34,334</u>	<u>24,353</u>	<u>15,000</u>
Excess (Deficiency) of Revenues Over Expenditures	(159,913)	0	0	0
Other Financing Sources (Uses)				
Transfers In	159,913			
Transfers Out				
Total Other Financing Sources (Uses)	<u>159,913</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

PRESTON SCHOOL DISTRICT NO. 201

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	<u>Special Revenue Funds</u>			<u>Capital Projects</u>
	<u>Title II-A ESSA SEI</u>	<u>Cultivating Readers</u>	<u>Emergency Connectivity Fund</u>	<u>Bus Depreciation</u>
Revenues				
Local Taxes				
Other Local Revenue				\$12,000
State Revenue				
Federal Revenue	\$69,316	\$4,686	\$336,000	
Total Revenues	<u>69,316</u>	<u>4,686</u>	<u>336,000</u>	<u>12,000</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School				
Alternative School				
Special Education				
Special Education Preschool				
Gifted & Talented				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement	69,316	4,686		
Educational Media				
Instruction-Related Technology			336,000	
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				320,816
Pupil-Activity Transportation				
General Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Total Expenditures	<u>69,316</u>	<u>4,686</u>	<u>336,000</u>	<u>320,816</u>
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	0	(308,816)
Other Financing Sources (Uses)				
Transfers In				270,887
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>270,887</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>(37,929)</u>
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>37,929</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

PRESTON SCHOOL DISTRICT NO. 201
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2024

	Total
Revenues	
Local Taxes	\$0
Other Local Revenue	1,165,829
State Revenue	812,409
Federal Revenue	1,997,114
Total Revenues	3,975,352
Expenditures	
Instructional Programs	
Elementary School	212,505
Secondary School	464,164
Alternative School	0
Special Education	933,360
Special Education Preschool	15,127
Gifted & Talented	0
Interscholastic	0
School Activity	0
Support Service Programs	
Attendance - Guidance - Health	0
Special Education Support Services	174,913
Instruction Improvement	133,642
Educational Media	0
Instruction-Related Technology	839,743
Board of Education	0
District Administration	45,076
School Administration	0
Business Operation	0
Central Service	0
Buildings - Care	0
Maintenance - Non-Student Occupied	0
Maintenance - Student Occupied	90,908
Maintenance - Grounds	0
Security	0
Pupil-To-School Transportation	320,816
Pupil-Activity Transportation	0
General Transportation	0
Other Support Services	0
Non-Instructional Programs	
Child Nutrition	0
Community Services	982,184
Capital Assets - Student Occupied	0
Capital Assets - Non-Student Occupied	0
Total Expenditures	4,212,438
Excess (Deficiency) of Revenues	
Over Expenditures	(237,086)
Other Financing Sources (Uses)	
Transfers In	484,878
Transfers Out	0
Total Other Financing Sources (Uses)	484,878
Net Change in Fund Balances	247,792
Fund Balances - Beginning	1,271,564
Fund Balances - Ending	\$1,519,356

PRESTON SCHOOL DISTRICT NO. 201
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

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:			
School Breakfast Program	10.553	202323/202424N119947	\$75,138
National School Lunch Program*	10.555	202323/202424N119947	505,745
Total Child Nutrition Cluster			<u>580,883</u>
Total US Dept of Agriculture			<u>580,883</u>
Federal Communications Commission			
<i>Passed Through Universal Service Administrative Co:</i>			
COVID-19 - Emergency Connectivity Fund Program	32.009	ECF202115150	336,000
Total Federal Communications Commission			<u>336,000</u>
US Dept of Education			
<i>Passed Through Idaho Dept of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027A	H027A220088	480,478
Special Education - Preschool Grants	84.173A	H173A220030	15,127
Total Special Education Cluster			<u>495,605</u>
Title I Grants to Local Educational Agencies	84.010A	S010A220012	189,472
Career & Technical Education - Basic Grants to States	84.048A	V048A220012	24,353
Special Education - State Personnel Development	84.323A	H323A200002	4,686
Supporting Effective Instruction State Grants	84.367A	S367A220011	69,316
Student Support & Academic Enrichment	84.424A	S424A220013	34,334
COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund	84.425U	S425U210043	349,387
Total US Dept of Education			<u>1,167,153</u>
Total Expenditures of Federal Awards			<u>\$2,084,036</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, 2024. 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. No awards were passed through to subrecipients. 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 \$76,918.



**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
Preston School District No. 201

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 Preston School District No. 201 (the School), as of and for the year ended June 30, 2024, 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 4, 2024. In our report, we expressed a qualified opinion on the governmental activities as management has elected not to adopt the provisions of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

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

Meridian, Idaho
October 4, 2024



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

Board of Trustees
Preston School District No. 201

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Preston School District No. 201’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, 2024. 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Quest CPAs PLLC

Meridian, Idaho
October 4, 2024

PRESTON SCHOOL DISTRICT NO. 201
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

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:

- a. Child Nutrition Cluster – AL #10.553, 10.555
- b. COVID-19 – American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund – AL #84.425U

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

Auditee qualified as a low-risk auditee? No