

# Homedale Joint School District No. 370

Year Ended June 30, 2023

## Audited Financial Statements



HOMEDALE JOINT SCHOOL DISTRICT NO. 370

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**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

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## **Independent Auditor's Report**

Board of Trustees  
Homedale Joint School District No. 370

### **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 Homedale Joint School District No. 370 (the School) as of and for the year ended June 30, 2023, 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, 2023, 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, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Qualified and Unmodified Opinions***

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

### ***Matter Giving Rise to the Qualified Opinion on the Governmental Activities***

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

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

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

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

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

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

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

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

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

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

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

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

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

### ***Supplementary Information***

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2023, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

### ***Quest CPAs PLLC***

Payette, Idaho  
October 17, 2023

# HOMEDALE JOINT SCHOOL DISTRICT NO. 370

## Statement of Net Position

June 30, 2023

	<u>Governmental Activities</u>
<b>Assets</b>	
Current Assets	
Cash & Investments	\$9,541,116
Receivables:	
Local Sources	865,466
State Sources	208,833
Federal Sources	2,697,630
Prepaid Expenses	161,848
Inventory	36,345
Total Current Assets	<u>13,511,238</u>
Noncurrent Assets	
Cash & Investments	1,560,752
Nondepreciable Capital Assets	10,725,696
Depreciable Net Capital Assets	6,102,755
Total Noncurrent Assets	<u>18,389,203</u>
<b>Total Assets</b>	<u>31,900,441</u>
<b>Deferred Outflows of Resources</b>	
Pension Items	3,282,112
<b>Total Deferred Outflows of Resources</b>	<u>3,282,112</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u><u>\$35,182,553</u></u>
<b>Liabilities</b>	
Current Liabilities	
Accounts Payable	\$9,039
Salaries & Benefits Payable	1,178,056
Unspent Grant Allocation	2,288,302
Accrued Interest	131,658
Long-Term Liabilities, Current	750,920
Total Current Liabilities	<u>4,357,975</u>
Noncurrent Liabilities	
Long-Term Liabilities, Noncurrent	17,662,410
Total Noncurrent Liabilities	<u>17,662,410</u>
<b>Total Liabilities</b>	<u>22,020,385</u>
<b>Deferred Inflows of Resources</b>	
Pension Items	23,323
<b>Total Deferred Inflows of Resources</b>	<u>23,323</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>22,043,708</u>
<b>Net Position</b>	
Net Investment in Capital Assets	3,508,913
Restricted:	
Special Programs	979,286
Debt Service	1,592,801
Capital Projects	5,678,493
Unrestricted	1,379,352
<b>Total Net Position</b>	<u>13,138,845</u>
<b>Total Liabilities and Deferred Inflows of Resources and Net Position</b>	<u><u>\$35,182,553</u></u>

See Accompanying Notes



**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Statement of Activities  
Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue And Changes in Net Position
		Charges For Services	Operating Grants And Contributions	
<b>Governmental Activities</b>				<b>Governmental Activities</b>
Instructional Programs				
Elementary School	\$2,902,721		\$747,222	(\$2,155,499)
Secondary School	2,432,811		555,398	(1,877,413)
Vocational - Technical	198,849			(198,849)
Special Education	799,523			(799,523)
Interscholastic	0			0
School Activity	332,335			(332,335)
Summer School	36,222		36,222	0
Support Service Programs				
Attendance - Guidance - Health	343,565			(343,565)
Special Education Support Services	0			0
Instruction Improvement	61,221		10,297	(50,924)
Educational Media	65,267			(65,267)
Instruction-Related Technology	0			0
Board of Education	17,647			(17,647)
District Administration	458,110		17,073	(441,037)
School Administration	691,928			(691,928)
Administrative Technology	466,085		137,197	(328,888)
Buildings - Care	632,129			(632,129)
Maintenance - Non-Student Occupied	0			0
Maintenance - Student Occupied	399,068			(399,068)
Maintenance - Grounds	0			0
Security	40,216		17,069	(23,147)
Pupil-To-School Transportation	514,220			(514,220)
Pupil-Activity Transportation	24,299			(24,299)
Other Support Services	21,610			(21,610)
Non-Instructional Programs				
Child Nutrition	730,331	\$125,306	540,569	(64,456)
Community Services	0			0
Student Activity	494,854	561,936		67,082
Capital Assets - Student Occupied	292,063		75,000	(217,063)
Capital Assets - Non-Student Occupied	55,052		9,300	(45,752)
Debt Service - Principal	0			0
Debt Service - Interest	321,730			(321,730)
<b>Total</b>	<b>\$12,331,856</b>	<b>\$687,242</b>	<b>\$2,145,347</b>	<b>\$0</b>
<b>General Revenues</b>				
Local Taxes				2,367,209
Other Local Revenues				629,110
State Revenues				9,435,579
Federal Revenues				0
Pension Revenue (Expense)				(1,324,097)
<b>Total</b>				<b>11,107,801</b>
<b>Change in Net Position</b>				<b>1,608,534</b>
<b>Net Position - Beginning</b>				<b>11,530,311</b>
<b>Net Position - Ending</b>				<b>\$13,138,845</b>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Balance Sheet - Governmental Funds

June 30, 2023

	<b>General Fund</b>	<b>Child Nutrition Fund</b>	<b>Bond R &amp; I Fund</b>	<b>Capital Construction Fund</b>
<b>Assets</b>				
Cash & Investments	\$3,342,368	\$220,066	\$1,224,481	\$4,490,169
Receivables:				
Local Sources	221,899		419,507	
State Sources	208,833			
Federal Sources		7,783		
Prepaid Expenses	161,848			
Due From Other Funds	287,898			
Inventory		36,345		
<b>Total Assets</b>	<u>\$4,222,846</u>	<u>\$264,194</u>	<u>\$1,643,988</u>	<u>\$4,490,169</u>
<b>Liabilities</b>				
Accounts Payable	\$4,669			
Due To Other Funds				
Salaries & Benefits Payable	992,210	\$48,256		
Unspent Grant Allocation		741		
<b>Total Liabilities</b>	<u>996,879</u>	<u>48,997</u>	<u>\$0</u>	<u>\$0</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues	27,632		51,187	
<b>Total Deferred Inflows of Resources</b>	<u>27,632</u>	<u>0</u>	<u>51,187</u>	<u>0</u>
<b>Fund Balances</b>				
Nonspendable	161,848	36,345		
Restricted:				
Special Programs		178,852		
Debt Service			1,592,801	
Capital Projects				4,490,169
Committed	166,293			
Unassigned	2,870,194			
<b>Total Fund Balances</b>	<u>3,198,335</u>	<u>215,197</u>	<u>1,592,801</u>	<u>4,490,169</u>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<u>\$4,222,846</u>	<u>\$264,194</u>	<u>\$1,643,988</u>	<u>\$4,490,169</u>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Balance Sheet - Governmental Funds

June 30, 2023

	<b>Plant Facilities Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash & Investments	\$996,778	\$828,006	\$11,101,868
Receivables:			
Local Sources	224,060	0	865,466
State Sources		0	208,833
Federal Sources		2,689,847	2,697,630
Prepaid Expenses			161,848
Due From Other Funds		0	287,898
Inventory		0	36,345
<b>Total Assets</b>	<b>\$1,220,838</b>	<b>\$3,517,853</b>	<b>\$15,359,888</b>
<b>Liabilities</b>			
Accounts Payable		\$4,370	\$9,039
Due To Other Funds		287,898	287,898
Salaries & Benefits Payable		137,590	1,178,056
Unspent Grant Allocation		2,287,561	2,288,302
<b>Total Liabilities</b>	<b>\$0</b>	<b>2,717,419</b>	<b>3,763,295</b>
<b>Deferred Inflows of Resources</b>			
Unavailable Tax Revenues	32,514	0	111,333
<b>Total Deferred Inflows of Resources</b>	<b>32,514</b>	<b>0</b>	<b>111,333</b>
<b>Fund Balances</b>			
Nonspendable		0	198,193
Restricted:			
Special Programs		800,434	979,286
Debt Service		0	1,592,801
Capital Projects	1,188,324	0	5,678,493
Committed		0	166,293
Unassigned		0	2,870,194
<b>Total Fund Balances</b>	<b>1,188,324</b>	<b>800,434</b>	<b>11,485,260</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$1,220,838</b>	<b>\$3,517,853</b>	<b>\$15,359,888</b>

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

<b>Total Governmental Fund Balances</b>	\$11,485,260
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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.	16,828,451
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Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	111,333
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(18,544,988)
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Pension deferred outflows/inflows are not due and payable in the current period and therefore are not reported in the funds.	3,258,789
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<b>Net Position of Governmental Activities</b>	<u><u>\$13,138,845</u></u>
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**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2023

	<u>General Fund</u>	<u>Child Nutrition Fund</u>	<u>Bond R &amp; I Fund</u>	<u>Capital Construction Fund</u>
<b>Revenues</b>				
Local Taxes	\$565,324		\$1,156,533	
Other Local Revenue	209,680	\$127,231	29,428	\$340,606
State Revenue	9,094,340		341,239	
Federal Revenue		540,569		
<b>Total Revenues</b>	<u>9,869,344</u>	<u>667,800</u>	<u>1,527,200</u>	<u>340,606</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	2,449,492			
Secondary School	2,191,409			
Vocational - Technical	198,849			
Special Education	799,523			
Interscholastic				
School Activity	332,335			
Summer School				
Support Service Programs				
Attendance - Guidance - Health	343,565			
Special Education Support Services				
Instruction Improvement	50,924			
Educational Media	65,267			
Instruction-Related Technology				
Board of Education	17,647			
District Administration	441,037			
School Administration	691,928			
Administrative Technology	287,398			
Buildings - Care	632,129			
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied	377,156			
Maintenance - Grounds				
Security	22,547			
Pupil-To-School Transportation	514,220			
Pupil-Activity Transportation	24,299			
Other Support Services	7,480			
Non-Instructional Programs				
Child Nutrition	12,626	717,705		
Community Services				
Student Activity				
Capital Assets - Student Occupied				2,673,271
Capital Assets - Non-Student Occupied				6,171,433
Debt Service - Principal			690,000	
Debt Service - Interest			465,700	
<b>Total Expenditures</b>	<u>9,459,831</u>	<u>717,705</u>	<u>1,155,700</u>	<u>8,844,704</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	409,513	(49,905)	371,500	(8,504,098)
<b>Other Financing Sources (Uses)</b>				
Transfers In	45,832			
Transfers Out	(132,367)	(19,630)		
<b>Total Other Financing Sources (Uses)</b>	<u>(86,535)</u>	<u>(19,630)</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	322,978	(69,535)	371,500	(8,504,098)
<b>Fund Balances - Beginning</b>	<u>2,875,357</u>	<u>284,732</u>	<u>1,221,301</u>	<u>12,994,267</u>
<b>Fund Balances - Ending</b>	<u>\$3,198,335</u>	<u>\$215,197</u>	<u>\$1,592,801</u>	<u>\$4,490,169</u>

Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2023

	<b>Plant Facilities Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>			
Local Taxes	\$606,612	\$0	\$2,328,469
Other Local Revenue	31,894	692,513	1,431,352
State Revenue		282,155	9,717,734
Federal Revenue		1,207,623	1,748,192
<b>Total Revenues</b>	<u>638,506</u>	<u>2,182,291</u>	<u>15,225,747</u>
<b>Expenditures</b>			
Instructional Programs			
Elementary School		807,630	3,257,122
Secondary School		555,480	2,746,889
Vocational - Technical		0	198,849
Special Education		0	799,523
Interscholastic		0	0
School Activity		0	332,335
Summer School		36,222	36,222
Support Service Programs			
Attendance - Guidance - Health		0	343,565
Special Education Support Services		0	0
Instruction Improvement		10,297	61,221
Educational Media		0	65,267
Instruction-Related Technology		0	0
Board of Education		0	17,647
District Administration		17,073	458,110
School Administration		0	691,928
Administrative Technology		178,687	466,085
Buildings - Care		0	632,129
Maintenance - Non-Student Occupied		0	0
Maintenance - Student Occupied		239,918	617,074
Maintenance - Grounds		0	0
Security		17,669	40,216
Pupil-To-School Transportation		0	514,220
Pupil-Activity Transportation		0	24,299
Other Support Services		14,130	21,610
Non-Instructional Programs			
Child Nutrition		0	730,331
Community Services		0	0
Student Activity		494,854	494,854
Capital Assets - Student Occupied		0	2,673,271
Capital Assets - Non-Student Occupied	97,859	124,540	6,393,832
Debt Service - Principal		0	690,000
Debt Service - Interest		0	465,700
<b>Total Expenditures</b>	<u>97,859</u>	<u>2,496,500</u>	<u>22,772,299</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	540,647	(314,209)	(7,546,552)
<b>Other Financing Sources (Uses)</b>			
Transfers In		390,408	436,240
Transfers Out	(258,041)	(26,202)	(436,240)
<b>Total Other Financing Sources (Uses)</b>	<u>(258,041)</u>	<u>364,206</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	282,606	49,997	(7,546,552)
<b>Fund Balances - Beginning</b>	905,718	750,437	19,031,812
<b>Fund Balances - Ending</b>	<u>\$1,188,324</u>	<u>\$800,434</u>	<u>\$11,485,260</u>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
Year Ended June 30, 2023

**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** (\$7,546,552)

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. 8,953,189

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 38,740

Repayment of long-term liability principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 825,920

In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds. 8,050

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. (670,813)

**Change in Net Position of Governmental Activities** \$1,608,534

## HOMEDALE JOINT SCHOOL DISTRICT NO. 370

### Notes to Financial Statements

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#### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity** – Homedale Joint School District No. 370 (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 Owyhee and Canyon 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.



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### Notes to Financial Statements

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

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

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

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

*Capital Projects Funds* – Capital projects funds are used to account for the acquisition of capital assets. Major capital project funds include the capital construction fund, used to account for the facility construction and betterments and 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 scholarship 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,

## HOMEDALE JOINT SCHOOL DISTRICT NO. 370

### Notes to Financial Statements

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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.

**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

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### Notes to Financial Statements

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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, 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 20<sup>th</sup> and June 20<sup>th</sup>. 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.

**Concentrations of 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 concentrations of credit risk.

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Notes to Financial Statements

**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.

**B. CASH AND INVESTMENTS**

Cash and investments consist of the following at year end:

Cash - Deposits	(\$569,754)
Investments - Local Gov't Investment Pool	10,110,870
Investments - Diversified Bond Fund	1,560,752
<b>Total</b>	<u><u>\$11,101,868</u></u>

**Deposits** – At year end, the carrying amounts of the School's deposits were (\$569,754) and the bank balances were \$489,536. Of the bank balances, \$250,000 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:**

<u>Investment Type</u>	<b>Investment Maturity Schedule (In Years)</b>		
	<u>Less Than 1</u>	<u>1-5</u>	<u>Total</u>
Local Gov't Invest Pool	\$10,110,870		\$10,110,870
Diversified Bond Fund		\$1,560,752	1,560,752
<b>Total</b>	<u><u>\$10,110,870</u></u>	<u><u>\$1,560,752</u></u>	<u><u>\$11,671,622</u></u>

**Credit rate risk:**

<u>Investment Type</u>	<b>Investment Rating Schedule</b>	
	<u>Not Rated</u>	<u>Total</u>
Local Gov't Invest Pool	\$10,110,870	\$10,110,870
Diversified Bond Fund	1,560,752	1,560,752
<b>Total</b>	<u><u>\$11,671,622</u></u>	<u><u>\$11,671,622</u></u>

**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

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Notes to Financial Statements

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 and the diversified bond fund including regulatory information, ratings, and risk information can be found at [www.sto.idaho.gov](http://www.sto.idaho.gov).

**C. RECEIVABLES**

Receivables consist of the following at year end:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Local Sources					
Local Taxes	\$205,785		\$419,507	\$224,060	\$849,352
Other Local Sources	16,114				16,114
<b>Total</b>	<u>\$221,899</u>		<u>\$419,507</u>	<u>\$224,060</u>	<u>\$865,466</u>
State Sources					
Foundation Program	\$208,833				\$208,833
<b>Total</b>	<u>\$208,833</u>				<u>\$208,833</u>
Federal Sources					
Special Programs		\$2,697,630			\$2,697,630
<b>Total</b>		<u>\$2,697,630</u>			<u>\$2,697,630</u>

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Notes to Financial Statements

**D. CAPITAL ASSETS**

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

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Nondepreciable Capital Assets</b>				
Land	\$495,329			\$495,329
Construction in Progress	1,385,663	\$8,844,704		10,230,367
<b>Total</b>	<u>1,880,992</u>	<u>8,844,704</u>	<u>\$0</u>	<u>10,725,696</u>
<b>Depreciable Capital Assets</b>				
Buildings	12,270,466	237,025		12,507,491
Equipment	613,601	52,983		666,584
Transportation	1,568,755	110,540		1,679,295
Subtotal	<u>14,452,822</u>	<u>400,548</u>	<u>0</u>	<u>14,853,370</u>
<b>Accumulated Depreciation</b>				
Buildings	6,768,458	209,590		6,978,048
Equipment	531,542	19,645		551,187
Transportation	1,158,552	62,828		1,221,380
Subtotal	<u>8,458,552</u>	<u>292,063</u>	<u>0</u>	<u>8,750,615</u>
<b>Total</b>	<u>5,994,270</u>	<u>108,485</u>	<u>0</u>	<u>6,102,755</u>
<b>Net Capital Assets</b>	<u><u>\$7,875,262</u></u>	<u><u>\$8,953,189</u></u>	<u><u>\$0</u></u>	<u><u>\$16,828,451</u></u>

Depreciation expense of \$292,063 was charged to the capital assets – student occupied program.

**E. LONG-TERM LIABILITIES**

At year end, the School's bonded debt was as follows:

2021 - \$11,975,000 - general obligation bonds for capital improvements due in annual installments with interest at 4.00% through 2036/37, secured by future taxes, paid through the bond redemption and interest fund	<u>\$11,285,000</u>
<b>Total</b>	<u><u>\$11,285,000</u></u>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Notes to Financial Statements

Maturities on the bonds are estimated as follows:

<b>Year Ended</b>	<b>Principal</b>	<b>Interest</b>
6/30/24	\$615,000	\$439,100
6/30/25	640,000	414,000
6/30/26	665,000	387,900
6/30/27	695,000	360,700
6/30/28	720,000	332,400
6/30/29-33	4,065,000	1,196,500
6/30/34-37	3,885,000	318,500
<b>Total</b>	<b>\$11,285,000</b>	<b>\$3,449,100</b>

Changes in long-term liabilities are as follows:

<b>Description</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
2021 G.O. Bonds	\$11,975,000		\$690,000	\$11,285,000	\$615,000
Bond Premium	2,038,800		135,920	1,902,880	135,920
Net Pension Liability	0	\$5,225,450		5,225,450	-
<b>Total</b>	<b>\$14,013,800</b>	<b>\$5,225,450</b>	<b>\$825,920</b>	<b>\$18,413,330</b>	<b>\$750,920</b>

Interest and related costs of \$321,730 were charged to the debt service – interest program in the statement of activities.

**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](http://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

## HOMEDALE JOINT SCHOOL DISTRICT NO. 370

### Notes to Financial Statements

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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.

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, 2022 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 \$653,284 for the year ended June 30, 2023.

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

At June 30, 2023, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2022, the School's proportion was 0.13266745 percent.



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Notes to Financial Statements

For the year ended June 30, 2023, the School recognized pension revenue (expense) of (\$1,324,097). At June 30, 2023, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$574,609	\$23,323
Changes in assumptions or other inputs	851,905	
Net difference between projected and actual earnings on pension plan investments	1,202,314	
Employer contributions subsequent to the measurement date	653,284	
<b>Total</b>	<u>\$3,282,112</u>	<u>\$23,323</u>

\$653,284 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, 2024.

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

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

<b>Year Ended</b>	
6/30/24	(\$623,072)
6/30/25	(676,403)
6/30/26	(312,836)
6/30/27	(993,194)
<b>Total</b>	<u>(\$2,605,505)</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.

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Notes to Financial Statements

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

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return, 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, 2022 is based on the results of an actuarial valuation date of July 1, 2022.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on 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 2022.

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Notes to Financial Statements

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
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.

*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:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>(5.35%)</b>	<b>(6.35%)</b>	<b>(7.35%)</b>
School's proportionate share of the net pension liability	<u>\$9,222,407</u>	<u>\$5,225,450</u>	<u>\$1,954,044</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](http://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

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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	\$287,898	\$287,898
<b>Total</b>	<u>\$287,898</u>	<u>\$287,898</u>

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

Interfund transfers during the year consist of the following:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>
General	\$45,832	\$132,367	Depreciation, Indirect Costs, Support, Balance Transfer
Child Nutrition		19,630	Indirect Costs
Plant Facility		258,041	Support
Nonmajor Governmental	390,408	26,202	Depreciation, Indirect Costs, Support, Balance Transfer
<b>Total</b>	<u>\$436,240</u>	<u>\$436,240</u>	

**H. CANYON OWYHEE SCHOOL SERVICE AGENCY**

The School is involved in a cooperative effort with the Marsing, Notus, Parma, and Wilder School Districts to provide special and vocational education to the School's students through the Canyon Owyhee School Service Agency (COSSA). During the year, the School paid COSSA \$1,005,852 for instruction of School students served by COSSA.

**I. 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.

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Budgetary Comparison Schedule -  
General and Major Special Revenue Funds  
Year Ended June 30, 2023

General Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Local Taxes	\$772,750	\$574,164	\$565,324	(\$8,840)
Other Local Revenue	74,834	384,200	209,680	(174,520)
State Revenue	8,850,542	9,108,118	9,094,340	(13,778)
Federal Revenue	0	0	0	0
<b>Total Revenues</b>	<b>9,698,126</b>	<b>10,066,482</b>	<b>9,869,344</b>	<b>(197,138)</b>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	2,439,104	2,621,695	2,449,492	172,203
Secondary School	2,203,224	2,216,767	2,191,409	25,358
Vocational - Technical	198,849	254,704	198,849	55,855
Special Education	859,507	859,507	799,523	59,984
Interscholastic	0	0	0	0
School Activity	303,115	333,554	332,335	1,219
Summer School	0	0	0	0
Support Service Programs				
Attendance - Guidance - Health	368,496	359,080	343,565	15,515
Special Education Support Services	0	0	0	0
Instruction Improvement	41,550	49,158	50,924	(1,766)
Educational Media	88,255	67,840	65,267	2,573
Instruction-Related Technology	0	0	0	0
Board of Education	17,100	17,600	17,647	(47)
District Administration	419,619	442,841	441,037	1,804
School Administration	681,335	681,335	691,928	(10,593)
Administrative Technology	283,120	283,120	287,398	(4,278)
Buildings - Care	552,292	550,697	632,129	(81,432)
Maintenance - Non-Student Occupied	0	0	0	0
Maintenance - Student Occupied	330,440	350,180	377,156	(26,976)
Maintenance - Grounds	0	0	0	0
Security	19,500	19,500	22,547	(3,047)
Pupil-To-School Transportation	540,147	555,887	514,220	41,667
Pupil-Activity Transportation	33,025	33,025	24,299	8,726
Other Support Services	13,180	13,180	7,480	5,700
Non-Instructional Programs				
Child Nutrition	14,055	14,235	12,626	1,609
Community Services	0	0	0	0
Student Activity	0	0	0	0
Capital Assets - Student Occupied	473,024	473,024	0	473,024
Capital Assets - Non-Student Occupied	0	0	0	0
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
<b>Total Expenditures</b>	<b>9,878,937</b>	<b>10,196,929</b>	<b>9,459,831</b>	<b>737,098 *</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	<b>(180,811)</b>	<b>(130,447)</b>	<b>409,513</b>	<b>539,960</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	38,926	46,181	45,832	349
Transfers Out	(82,272)	(82,309)	(132,367)	(50,058) *
<b>Total Other Financing Sources (Uses)</b>	<b>(43,346)</b>	<b>(36,128)</b>	<b>(86,535)</b>	<b>(49,709)</b>
<b>Net Change in Fund Balances</b>	<b>(224,157)</b>	<b>(166,575)</b>	<b>322,978</b>	<b>490,251</b>
<b>Fund Balances - Beginning</b>	<b>2,417,533</b>	<b>2,715,977</b>	<b>2,875,357</b>	<b>(159,380)</b>
<b>Fund Balances - Ending</b>	<b>\$2,193,376</b>	<b>\$2,549,402</b>	<b>\$3,198,335</b>	<b>\$330,871</b>

\*Total expenditures (over) under appropriations are: \$687,040

Budgetary Comparison Schedule -  
 General and Major Special Revenue Funds  
 Year Ended June 30, 2023

Child Nutrition Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Other Local Revenue	\$51,500	\$106,000	\$127,231	\$21,231
Federal Revenue	564,275	434,820	540,569	105,749
<b>Total Revenues</b>	<u>615,775</u>	<u>540,820</u>	<u>667,800</u>	<u>126,980</u>
<b>Expenditures</b>				
Non-Instructional Programs				
Child Nutrition	643,790	730,651	717,705	12,946
<b>Total Expenditures</b>	<u>643,790</u>	<u>730,651</u>	<u>717,705</u>	<u>12,946 *</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	(28,015)	(189,831)	(49,905)	139,926
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	(20,000)	(20,000)	(19,630)	370 *
<b>Total Other Financing Sources (Uses)</b>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(19,630)</u>	<u>370</u>
<b>Net Change in Fund Balances</b>	<u>(48,015)</u>	<u>(209,831)</u>	<u>(69,535)</u>	<u>140,296</u>
<b>Fund Balances - Beginning</b>	<u>70,000</u>	<u>271,121</u>	<u>284,732</u>	<u>13,611</u>
<b>Fund Balances - Ending</b>	<u>\$21,985</u>	<u>\$61,290</u>	<u>\$215,197</u>	<u>\$153,907</u>
				<u>\$13,316</u>

*\*Total expenditures (over) under appropriations are:*

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
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\***

<b>Fiscal Year Ended June 30</b>	<b>Employer's Portion of the Net Pension (Asset) Liability</b>	<b>Employer's Proportionate Share of the Net Pension (Asset) Liability</b>	<b>Covered Payroll</b>	<b>Employer's Proportional Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset) Liability</b>
2015	0.13827380%	\$1,017,912	\$3,846,561	26.46%	94.95%
2016	0.13732950%	\$1,808,406	\$3,880,323	46.60%	91.38%
2017	0.13267450%	\$2,689,516	\$4,088,489	65.78%	87.26%
2018	0.13167220%	\$2,069,661	\$4,359,620	47.47%	90.68%
2019	0.13550310%	\$1,998,694	\$4,359,620	45.85%	91.69%
2020	0.13351900%	\$1,524,082	\$4,534,841	33.61%	93.79%
2021	0.13153070%	\$3,054,317	\$4,683,652	65.21%	88.22%
2022	0.13480694%	(\$106,468)	\$5,030,812	-2.12%	100.36%
2023	0.13266745%	\$5,225,450	\$5,231,675	99.88%	83.09%

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

**Schedule of Employer Contributions**

<b>Fiscal Year Ended June 30</b>	<b>Actuarially Determined Contribution</b>	<b>Contributions in Relation to Actuarially Determined Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2015	\$435,431	\$435,431	\$0	\$3,846,561	11.32%
2016	\$439,253	\$439,253	\$0	\$3,880,323	11.32%
2017	\$462,817	\$462,817	\$0	\$4,088,489	11.32%
2018	\$493,509	\$493,509	\$0	\$4,359,620	11.32%
2019	\$513,344	\$513,344	\$0	\$4,534,841	11.32%
2020	\$559,228	\$559,228	\$0	\$4,683,652	11.94%
2021	\$600,679	\$600,679	\$0	\$5,030,812	11.94%
2022	\$624,662	\$624,662	\$0	\$5,231,675	11.94%
2023	\$653,284	\$653,284	\$0	\$5,471,390	11.94%

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

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
Combining Balance Sheet - Nonmajor Governmental Funds  
June 30, 2023

	Special Revenue Funds			
	Leadership Premiums	Preschool Community Center	Student Activity	Local School Facilities
<b>Assets</b>				
Cash & Investments		\$25,818	\$440,276	\$311,000
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Prepaid Expenses				
Due From Other Funds				
Inventory				
<b>Total Assets</b>	\$0	\$25,818	\$440,276	\$311,000
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable		\$19,424		
Unspent Grant Allocation				
<b>Total Liabilities</b>	\$0	19,424	\$0	\$0
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	0	0	0	0
<b>Fund Balances</b>				
Nonspendable				
Restricted:				
Special Programs		6,394	440,276	311,000
Debt Service				
Capital Projects				
Committed				
Unassigned				
<b>Total Fund Balances</b>	0	6,394	440,276	311,000
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	\$0	\$25,818	\$440,276	\$311,000



**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2023

	<b>Special Revenue Funds</b>			
	<b>Driver Education</b>	<b>Professional Technical</b>	<b>Limited English Proficiency</b>	<b>Technology</b>
<b>Assets</b>				
Cash & Investments	\$25,250	\$4,370	\$18,384	\$2,908
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Prepaid Expenses				
Due From Other Funds				
Inventory				
<b>Total Assets</b>	<b>\$25,250</b>	<b>\$4,370</b>	<b>\$18,384</b>	<b>\$2,908</b>
<b>Liabilities</b>				
Accounts Payable		\$4,370		
Due To Other Funds				
Salaries & Benefits Payable			\$3,778	
Unspent Grant Allocation				
<b>Total Liabilities</b>	<b>\$0</b>	<b>4,370</b>	<b>3,778</b>	<b>\$0</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances</b>				
Nonspendable				
Restricted:				
Special Programs	25,250		14,606	2,908
Debt Service				
Capital Projects				
Committed				
Unassigned				
<b>Total Fund Balances</b>	<b>25,250</b>	<b>0</b>	<b>14,606</b>	<b>2,908</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$25,250</b>	<b>\$4,370</b>	<b>\$18,384</b>	<b>\$2,908</b>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2023

	Special Revenue Funds			
	Substance Abuse	ESSER III	Title I-A ESSA IBP	ESSER I
<b>Assets</b>				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources		\$1,552,867	\$99,920	
Prepaid Expenses				
Due From Other Funds				
Inventory				
<b>Total Assets</b>	\$0	\$1,552,867	\$99,920	\$0
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds		\$64,530	\$37,065	
Salaries & Benefits Payable		16,110	45,299	
Unspent Grant Allocation		1,472,227	17,556	
<b>Total Liabilities</b>	\$0	1,552,867	99,920	\$0
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	0	0	0	0
<b>Fund Balances</b>				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed				
Unassigned				
<b>Total Fund Balances</b>	0	0	0	0
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	\$0	\$1,552,867	\$99,920	\$0

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2023

	<b>Special Revenue Funds</b>			
	<b>Title I-C</b>		<b>Title IV-A</b>	<b>Title III</b>
	<b>ESSA EMC</b>	<b>ESSER II</b>	<b>ESSA SS &amp; AE</b>	<b>ESSA ELA</b>
<b>Assets</b>				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$111,347	\$834,888	\$14,702	\$10,813
Prepaid Expenses				
Due From Other Funds				
Inventory				
<b>Total Assets</b>	<b>\$111,347</b>	<b>\$834,888</b>	<b>\$14,702</b>	<b>\$10,813</b>
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds	\$32,199	\$114,561	\$3,290	\$1,525
Salaries & Benefits Payable	39,347		3,269	2,209
Unspent Grant Allocation	39,801	720,327	8,143	7,079
<b>Total Liabilities</b>	<b>111,347</b>	<b>834,888</b>	<b>14,702</b>	<b>10,813</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances</b>				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed				
Unassigned				
<b>Total Fund Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$111,347</b>	<b>\$834,888</b>	<b>\$14,702</b>	<b>\$10,813</b>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Balance Sheet - Nonmajor Governmental Funds  
 June 30, 2023

	Special Revenue Funds			Capital Project
	Title II-A ESSA SEI	Gear Up	SLFRF	Bus Depreciation Fund
<b>Assets</b>				
Cash & Investments				
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$20,161	\$45,149		
Prepaid Expenses				
Due From Other Funds				
Inventory				
<b>Total Assets</b>	\$20,161	\$45,149	\$0	\$0
<b>Liabilities</b>				
Accounts Payable				
Due To Other Funds	\$5,579	\$29,149		
Salaries & Benefits Payable	6,308	1,846		
Unspent Grant Allocation	8,274	14,154		
<b>Total Liabilities</b>	20,161	45,149	\$0	\$0
<b>Deferred Inflows of Resources</b>				
Unavailable Tax Revenues				
<b>Total Deferred Inflows of Resources</b>	0	0	0	0
<b>Fund Balances</b>				
Nonspendable				
Restricted:				
Special Programs				
Debt Service				
Capital Projects				
Committed				
Unassigned				
<b>Total Fund Balances</b>	0	0	0	0
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	\$20,161	\$45,149	\$0	\$0

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
Combining Balance Sheet - Nonmajor Governmental Funds  
June 30, 2023

	<b>Capital Project Building Maintenance Fund</b>	<b>Total</b>
<b>Assets</b>		
Cash & Investments		\$828,006
Receivables:		
Local Sources		0
State Sources		0
Federal Sources		2,689,847
Prepaid Expenses		0
Due From Other Funds		0
Inventory		0
<b>Total Assets</b>	<b>\$0</b>	<b>\$3,517,853</b>
<b>Liabilities</b>		
Accounts Payable		\$4,370
Due To Other Funds		287,898
Salaries & Benefits Payable		137,590
Unspent Grant Allocation		2,287,561
<b>Total Liabilities</b>	<b>\$0</b>	<b>2,717,419</b>
<b>Deferred Inflows of Resources</b>		
Unavailable Tax Revenues		0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>
<b>Fund Balances</b>		
Nonspendable		0
Restricted:		
Special Programs		800,434
Debt Service		0
Capital Projects		0
Committed		0
Unassigned		0
<b>Total Fund Balances</b>	<b>0</b>	<b>800,434</b>
<b>Total Liabilities and Deferred Inflows of Resources and Fund Balances</b>	<b>\$0</b>	<b>\$3,517,853</b>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2023

	<b>Special Revenue Funds</b>			
	<b>Leadership Premiums</b>	<b>Preschool Community Center</b>	<b>Student Activity</b>	<b>Local School Facilities</b>
<b>Revenues</b>				
Local Taxes				
Other Local Revenue		\$96,277	\$561,936	\$25,000
State Revenue				
Federal Revenue				
<b>Total Revenues</b>	<u>\$0</u>	<u>96,277</u>	<u>561,936</u>	<u>25,000</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School		139,133		
Secondary School				
Vocational - Technical				
Special Education				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Administrative Technology				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity			494,854	
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				14,000
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<u>0</u>	<u>139,133</u>	<u>494,854</u>	<u>14,000</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	0	(42,856)	67,082	11,000
<b>Other Financing Sources (Uses)</b>				
Transfers In		49,250		
Transfers Out	(206)			
<b>Total Other Financing Sources (Uses)</b>	<u>(206)</u>	<u>49,250</u>	<u>0</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	(206)	6,394	67,082	11,000
<b>Fund Balances - Beginning</b>	206	0	373,194	300,000
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$6,394</u>	<u>\$440,276</u>	<u>\$311,000</u>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2023

	<b>Special Revenue Funds</b>			
	<b>Driver Education</b>	<b>Professional Technical</b>	<b>Limited English Proficiency</b>	<b>Technology</b>
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				
State Revenue		\$93,958	\$33,931	\$137,197
Federal Revenue				
<b>Total Revenues</b>	<u>\$0</u>	<u>93,958</u>	<u>33,931</u>	<u>137,197</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School			18,352	
Secondary School	82	93,958	6,440	
Vocational - Technical				
Special Education				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Administrative Technology				178,687
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<u>82</u>	<u>93,958</u>	<u>24,792</u>	<u>178,687</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(82)	0	9,139	(41,490)
<b>Other Financing Sources (Uses)</b>				
Transfers In				
Transfers Out			(1,240)	
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>(1,240)</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	(82)	0	7,899	(41,490)
<b>Fund Balances - Beginning</b>	<u>25,332</u>	<u>0</u>	<u>6,707</u>	<u>44,398</u>
<b>Fund Balances - Ending</b>	<u>\$25,250</u>	<u>\$0</u>	<u>\$14,606</u>	<u>\$2,908</u>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2023

	Special Revenue Funds			
	Substance Abuse	ESSER III	Title I-A ESSA IBP	ESSER I
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				
State Revenue	\$17,069			
Federal Revenue		\$306,591	\$282,079	\$1,030
<b>Total Revenues</b>	17,069	306,591	282,079	1,030
<b>Expenditures</b>				
Instructional Programs				
Elementary School		170,002	239,886	1,030
Secondary School		136,589	1,391	
Vocational - Technical				
Special Education				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement			10,297	
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration			17,073	
School Administration				
Administrative Technology				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security	17,669			
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	17,669	306,591	268,647	1,030
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(600)	0	13,432	0
<b>Other Financing Sources (Uses)</b>				
Transfers In				
Transfers Out			(13,432)	
<b>Total Other Financing Sources (Uses)</b>	0	0	(13,432)	0
<b>Net Change in Fund Balances</b>	(600)	0	0	0
<b>Fund Balances - Beginning</b>	600	0	0	0
<b>Fund Balances - Ending</b>	\$0	\$0	\$0	\$0



**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2023

	<b>Special Revenue Funds</b>			
	<b>Title I-C</b>		<b>Title IV-A</b>	<b>Title III</b>
	<b>ESSA EMC</b>	<b>ESSER II</b>	<b>ESSA SS &amp; AE</b>	<b>ESSA ELA</b>
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$149,319	\$188,541	\$34,636	\$20,153
<b>Total Revenues</b>	<u>149,319</u>	<u>188,541</u>	<u>34,636</u>	<u>20,153</u>
<b>Expenditures</b>				
Instructional Programs				
Elementary School	78,217		32,987	19,758
Secondary School	27,769	188,541		
Vocational - Technical				
Special Education				
Interscholastic				
School Activity				
Summer School	36,222			
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Administrative Technology				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Other Support Services				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	<u>142,208</u>	<u>188,541</u>	<u>32,987</u>	<u>19,758</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	7,111	0	1,649	395
<b>Other Financing Sources (Uses)</b>				
Transfers In				
Transfers Out	(7,111)		(1,649)	(395)
<b>Total Other Financing Sources (Uses)</b>	<u>(7,111)</u>	<u>0</u>	<u>(1,649)</u>	<u>(395)</u>
<b>Net Change in Fund Balances</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances - Beginning</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances - Ending</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
 Combining Statement of Revenues, Expenditures, and Changes in  
 Fund Balances - Nonmajor Governmental Funds  
 Year Ended June 30, 2023

	Special Revenue Funds			Capital Project
	Title II-A ESSA SEI	Gear Up	SLFRF	Bus Depreciation Fund
<b>Revenues</b>				
Local Taxes				
Other Local Revenue				\$9,300
State Revenue				
Federal Revenue	\$45,552	\$38,565	\$141,157	
<b>Total Revenues</b>	45,552	38,565	141,157	9,300
<b>Expenditures</b>				
Instructional Programs				
Elementary School	43,383		64,882	
Secondary School		38,565	62,145	
Vocational - Technical				
Special Education				
Interscholastic				
School Activity				
Summer School				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Administrative Technology				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
Other Support Services			14,130	
Non-Instructional Programs				
Child Nutrition				
Community Services				
Student Activity				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				110,540
Debt Service - Principal				
Debt Service - Interest				
<b>Total Expenditures</b>	43,383	38,565	141,157	110,540
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	2,169	0	0	(101,240)
<b>Other Financing Sources (Uses)</b>				
Transfers In				101,240
Transfers Out	(2,169)			
<b>Total Other Financing Sources (Uses)</b>	(2,169)	0	0	101,240
<b>Net Change in Fund Balances</b>	0	0	0	0
<b>Fund Balances - Beginning</b>	0	0	0	0
<b>Fund Balances - Ending</b>	\$0	\$0	\$0	\$0

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**  
Combining Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Nonmajor Governmental Funds  
Year Ended June 30, 2023

	<u>Capital Project Building Maintenance Fund</u>	<u>Total</u>
<b>Revenues</b>		
Local Taxes		\$0
Other Local Revenue		692,513
State Revenue		282,155
Federal Revenue		1,207,623
<b>Total Revenues</b>	<u>\$0</u>	<u>2,182,291</u>
<b>Expenditures</b>		
Instructional Programs		
Elementary School		807,630
Secondary School		555,480
Vocational - Technical		0
Special Education		0
Interscholastic		0
School Activity		0
Summer School		36,222
Support Service Programs		
Attendance - Guidance - Health		0
Special Education Support Services		0
Instruction Improvement		10,297
Educational Media		0
Instruction-Related Technology		0
Board of Education		0
District Administration		17,073
School Administration		0
Administrative Technology		178,687
Buildings - Care		0
Maintenance - Non-Student Occupied		0
Maintenance - Student Occupied	239,918	239,918
Maintenance - Grounds		0
Security		17,669
Pupil-To-School Transportation		0
Pupil-Activity Transportation		0
Other Support Services		14,130
Non-Instructional Programs		
Child Nutrition		0
Community Services		0
Student Activity		494,854
Capital Assets - Student Occupied		0
Capital Assets - Non-Student Occupied		124,540
Debt Service - Principal		0
Debt Service - Interest		0
<b>Total Expenditures</b>	<u>239,918</u>	<u>2,496,500</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(239,918)	(314,209)
<b>Other Financing Sources (Uses)</b>		
Transfers In	239,918	390,408
Transfers Out		(26,202)
<b>Total Other Financing Sources (Uses)</b>	<u>239,918</u>	<u>364,206</u>
<b>Net Change in Fund Balances</b>	0	49,997
<b>Fund Balances - Beginning</b>	0	750,437
<b>Fund Balances - Ending</b>	<u>\$0</u>	<u>\$800,434</u>

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>US Dept of Agriculture</b>			
<i>Passed Through Idaho Dept of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	202222/202323N109947	\$74,540
National School Lunch Program*	10.555	202222/202323N109947	403,694
Summer Food Service Program for Children	10.559	202222N119947	6,533
Fresh Fruit & Vegetable Program	10.582	202222/202323L160347	48,399
Total Child Nutrition Cluster			<u>533,166</u>
Child Nutrition-Technology Innovation Grant	10.541	202120N760330	7,403
<b>Total US Dept of Agriculture</b>			<u>540,569</u>
<b>US Dept of Treasury</b>			
<i>Passed Through Idaho Dept of Education:</i>			
COVID-19 - Coronavirus State & Local Fiscal Recovery Fund	21.027	SLFRP0142	141,157
<b>Total US Dept of Treasury</b>			<u>141,157</u>
<b>US Dept of Education</b>			
<i>Passed Through Idaho Dept of Education:</i>			
Title I Grants to Local Educational Agencies	84.010A	S010A21/220012	282,079
Migrant Education - State Grant Program	84.011A	S011A21/220012	149,319
Gaining Early Awareness & Readiness for Undergrad. Programs	84.334A	P334S180012	38,565
English Language Acquisition State Grants	84.365A	S365A21/220012	20,153
Supporting Effective Instruction State Grants	84.367A	S367A21/220011	45,552
Student Support & Academic Enrichment Program	84.424A	S424A21/220013	34,636
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	S425D20/210043	189,571
COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund	84.425U	S425U210043	306,411
COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth	84.425W	S425W210013	180
Total	84.425		<u>496,162</u>
<b>Total US Dept of Education</b>			<u>1,066,466</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$1,748,192</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, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of 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

\*C. **Nonmonetary Assistance** - Included in the National School Lunch Program award is USDA food commodities stated at a fair market value of \$38,999.



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**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  
Homedale Joint School District No. 370

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 Homedale Joint School District No. 370 (the School), as of and for the year ended June 30, 2023, 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 17, 2023. 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***

Payette, Idaho  
October 17, 2023



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

Board of Trustees  
Homedale Joint School District No. 370

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

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

We have audited Homedale Joint School District No. 370'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, 2023. 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, 2023.

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

***Quest CPAs PLLC***

Payette, Idaho  
October 17, 2023

**HOMEDALE JOINT SCHOOL DISTRICT NO. 370**

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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**SUMMARY OF AUDITOR'S RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report being issued: Unmodified

- Each Major Fund
- Aggreg Remain Fund Info Qualified
- Gov't Activities

*Internal control over financial reporting:*

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

Noncompliance material to the financial statements noted? No

**FEDERAL AWARDS**

*Internal control over major programs:*

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

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

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

Major program identification:

- Child Nutrition Cluster – AL #10.553, 10.555, 10.559, 10.582
- COVID-19 - Elementary and Secondary School Emergency Relief Fund – AL #84.425D, COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund – AL #84.425U, COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth – AL #84.425W

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

Auditee qualified as a low-risk auditee? No