

COEUR D'ALENE SCHOOL DISTRICT NO. 271

**FINANCIAL STATEMENT
JUNE 30, 2021**

**Coeur d'Alene School District No. 271
June 30, 2021**

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**Coeur d'Alene School District No. 271
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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Coeur d'Alene School District No. 271
Coeur d'Alene, ID 83814

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coeur d'Alene School District No. 271, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Coeur d'Alene School District No. 271's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Coeur d'Alene School District No. 271's 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Coeur d'Alene School District No. 271, as of June 30, 2021, 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.

INDEPENDENT AUDITOR'S REPORT (CONCLUDED)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Coeur d'Alene School District No. 271's financial statements. The combining and individual nonmajor fund financial statements, and the Schedule of Expenditures of Federal Awards required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, the schedule of changes in deposit balances of individual schools, and the Schedule of Expenditures of Federal Awards is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the 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 29, 2021 on our consideration of Coeur d'Alene School District No. 271's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Coeur d'Alene School District No. 271's internal control over financial reporting and compliance.

Magnuson, McHugh & Company, P.A.

Magnuson, McHugh & Company, P.A.

October 29, 2021

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

The management's discussion and analysis of the Coeur d'Alene School District's (the "School District") financial performance provides an overall review of financial activities for the fiscal year. Efforts have been made to provide comparison to prior year data when such data is available.

FINANCIAL HIGHLIGHTS

State Revenue Decreases for 2020-21 Fiscal Year

First reporting period enrollment decreased by 1,016 students during the 2020-21 fiscal year as compared to the same reporting period in 2019-2020. Declining enrollment, together with maintained holdbacks and state cuts resulted in a \$4.38M decrease in state revenues for the general fund compared to prior year. State revenues in the general fund came in \$2.5M below budget during the 2020-21 fiscal year. The variance to budget was due to a larger decrease in enrollment than was expected in the 2020-21 budget process.

General Fund Balance Decreases over the 2020-21 Fiscal Year

The School District's ending fund balance decreased by just under \$1.9M in the general fund compared to the prior year. There were a number of factors causing the decrease in fund balance:

- As discussed above, enrollment dropped by 1,016 students, mainly at the elementary level. Enrollment drives state revenues and an unexpected drop in enrollment can create a deficit spending situation if expenditures cannot be cut in response.
- Due to the unexpected nature of the drop in enrollment, and the uncertainty whether or not the students would return, it was determined by District leadership that expenditures should not be cut in proportion to the drop in enrollment to ensure that a sudden return of students could be accommodated. The District has a legal obligation to accommodate any students residing within District boundaries who wish to enroll at any time of a school year. This legal obligation is not waived if the student was previously disenrolled from the District, so the District must be prepared for an instance where families who suddenly left the District wish to suddenly return.

At the close of the 2020-21 fiscal year, the \$4,496,102 fund balance consists of just over \$3.8M committed to contingency reserve and \$140,000 assigned due to various budget carryover caused by COVID-related factors. The ending unassigned fund balance exceeds the minimum fund balance requirements outlined in board policy 7215.

These fund balances do not reflect the balances of federal COVID relief funds available to the District. Federal COVID relief fund revenues are recorded in the District's financial statements only on a reimbursement basis, so available balances are not reflected on financial statements. This practice is to remain in compliance with Governmental Accounting Standards. At year end, the District had roughly \$20M in unspent federal COVID relief funds available for drawdown. The plan for spending these funds has been discussed and approved in public board meetings and is planned over the course of the next three years. These funds are mainly allocated to backfill cuts and enrollment based reductions in state education funding, with line items addressing additional needs caused by learning loss, system-wide staff compensation in a tight labor market, and infrastructure maintenance for technology and HVAC systems.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

FINANCIAL HIGHLIGHTS (CONCLUDED)

Supplemental Property Tax Levy Revenue Represents 26.19% of General Fund Revenues

In the 2020-21 fiscal year, the School District's supplemental property tax levy generated \$20.2M, 26.19% of the total General Fund revenues for the 2020-21 fiscal year. This revenue comes from a 2-year supplemental property tax levy which has been renewed as of March 9th, 2021, for another two years to expire in June 2023. The levy continues to fund competitive salaries districtwide, school police officers and other safety/security support, curriculum, technology, the replacement cycle for our aging bus fleet, classroom supplies, professional development, basic costs for athletic and competitive activities, nursing staff, and elementary enrichment programs like art and music. The levy supports these programs due to insufficient funding from the state. Beyond these programs, Coeur d'Alene is proud to offer teachers a salary and benefits package that remains competitive with school districts across the state. Coeur d'Alene's competitive teacher salaries are funded by the levy.

REVENUE AND RESOURCES

Enrollment and Attendance - A key component in preparing the annual budget is a projection of funding from the state. The majority of this funding is based on a formula which measures average daily attendance (ADA). ADA is converted within the formula to support units, which are key drivers of the state funding formula along with staff experience averages.

The School District's ADA (based on the best 28 weeks of attendance) generated 509 support units for the year, compared to 525 from the 2019-20 fiscal year. Final 2020-21 units came in higher than projected, due to the state formula exceptions that safeguarded the School District from an even lower total. Even though units were higher than projected mid-year, they were significantly lower than budget, as the sharp drop in enrollment was not expected in the spring of 2020 when the 2020-21 budget was set.

The 2020-21 decrease compared to prior year was due to a sustained drop in enrollment caused by COVID, as well as the way the state calculated units during the closure in March of 2020, which inflated units for prior year. School districts received \$22,810 per support unit in 2020-21. This was cut from the 2019-20 amount of \$28,090 per unit, and is still down from the pre-COVID amount of \$28,416 per unit. The budgeted projection for support units for the 2021-22 fiscal year is 495 Best 28 Weeks units.

State Support – State support revenue decreased \$4.38M due to cuts in the state formula and an unbudgeted drop in enrollment.

Bond Interest Stabilization Payment – In 2020-21, the School District received a bond interest stabilization payment of \$127,355. This revenue helps reduce the burden on the local property taxpayer for bond interest.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

EXPENDITURES

There were many significant expenditure changes for the 2020-21 fiscal year in the general fund. All are tied to COVID-related cuts, federal COVID relief allocations, and additional unbudgeted costs to respond to COVID:

- The first round of COVID relief funds, ESSER I funds, were allocated to the School District in spring of 2020. The School District budgeted this whole allocation, just under \$1.7M, as a revenue to the general fund to offset state funding cuts and maintain operations at a pre-COVID level. Later, in the fall of 2020, the State Department of Education notified districts that these funds must be accounted for in a special revenue fund and not the general fund. Because the revenues could no longer be allocated to the general fund as was budgeted, the District moved allowable general fund expenditures to the ESSER I special revenue fund in order to have the same net effect on the general fund as was budgeted. Even though revenues and expenditures would show a variance to budget from this change, the net impact on ending fund balance is the same for the general fund.
- Accounting for the above variance caused by federal COVID relief awards and expenditures, district operations expenditures tracked within 1% compared to budget. A small variance was expected, due to the District awarding a half-step of experience and education lanes late in the fiscal year in response to the announcement of the ESSER II & III funds and short-term budget stability created by those funds.
- Governor Little announced the second round of COVID federal relief available to Idaho districts in October of 2020. The District's final allocation of Coronavirus Relief Funds came in at \$3.49M. At the time of the announcement, the funds were to expire within three months. These funds were to be accounted for in the general fund and could only go towards unbudgeted costs to mitigate COVID or operate during the pandemic. The funds were fully used in 2020-21 to address unbudgeted costs to respond to COVID in our District. Examples of these costs are HVAC filters, cleaning supplies, masks, remote learning tools and curriculum, staffing for the new online school, technology and infrastructure for remote learning, and additional pay to address new responsibilities and additional work caused by COVID. These revenues, due to their requirement that they be used for previously unbudgeted costs, created a significant variance to budget in both revenues and expenditures.
- Completed 2017 Construction Bond projects:
 - Northwest Expedition Academy was completed in the 2020-21 fiscal year and opened in fall 2020.
 - \$1M in bond funds remained at completion of the projects. The funds have been allocated to security upgrades and HVAC at CHS. The needed upgrades for the CHS HVAC system will likely exceed funding available due to a dramatic increase in construction costs since the project was originally bid in 2017.
- Last year's PERSI Sick Leave benefit rate holiday continued for the full fiscal year. In January 2020, PERSI enacted an employer-side benefit holiday for the sick leave benefit, which is 1.16% on all PERSI-eligible salaries. This accounted for a total savings of roughly \$560,000 across all funds for the 2020-21 fiscal year. This rate holiday has been extended until July 1 of 2022. In the 2022-23 fiscal year, the District must add these costs back into the budget.

OVERVIEW OF THE FINANCIAL STATEMENTS

The comprehensive annual financial report consists of three parts: 1) Management's Discussion and Analysis; 2) basic financial statements, including notes to the financial statements; and 3) other required supplementary information.

The basic financial statements consist of two kinds of statements that present different views of the School District's financial activities.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

The statement of net position and statement of activities provide information on a School District wide basis. The statements present a total view of the School District's finances. School District wide statements contain useful long-term information, as well as information for the just-completed fiscal year.

The remaining statements are fund financial statements that focus on individual parts of the School District. Fund statements generally report operations in more detail than the School District wide statements.

The notes to the financial statements provide further detailed explanations of selected areas addressed in the statements. In addition, they provide disclosures so statement users have a complete picture of the School District's financial activities and position.

Required supplementary information further explains and supports the financial statements by including a comparison of the School District's budget data for the year.

DISTRICTWIDE STATEMENTS

The districtwide statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The two School District wide statements report the School District's net position and how they have changed. Net position (the difference between the School District's assets and liabilities) is one way to measure the School District's overall financial position.

Increases or decreases in the School District's net position are one indicator of whether its financial position is improving or deteriorating, respectively.

To assess the overall financial condition of the School District, additional non-financial factors, such as changes in the School District's property tax base and the condition of school buildings and other facilities, should be considered.

In the School District wide financial statements, the School District's activities are all classified as governmental activities. Governmental activities include all regular and special education, all educational support activities, administration, transportation, and food services. In addition, the School District reports internal service activities on a separate statement. Most of these activities are supported by property taxes and formula aid from the State of Idaho.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

DISTRICTWIDE STATEMENTS (CONTINUED)

**Table 1
Statement of Net Position**

	June 30, 2021	June 30, 2020
ASSETS:		
Cash and cash equivalents	\$ 20,728,902	\$ 20,732,642
Receivables	15,311,516	15,148,006
Prepaid expenses	436,675	434,056
Inventory	133,229	73,146
Net OPEB asset - PERSI	4,202,453	3,298,124
Land	6,385,555	6,509,555
Construction in progress	2,407,372	17,438,681
Capital assets, net of accumulated depreciation	106,528,255	91,190,880
Total assets	156,133,957	154,825,090
DEFERRED OUTFLOWS OF RESOURCES:		
Proportionate share of deferred outflows of OPEB resources	584,344	124,003
Deferred outflows of OPEB resources - District	1,035,930	971,139
Proportionate share of deferred outflows of pension resources	15,041,822	8,844,436
Total deferred outflows of resources	16,662,096	9,939,578
LIABILITIES:		
Accounts payable	3,285,139	2,075,425
Accrued payroll and related costs	11,497,844	10,045,378
Interest payable	468,373	501,915
Long-term liabilities:		
Due in one year	3,434,262	3,458,589
Bonds payable	43,277,519	46,921,954
Net pension liability	35,166,956	16,401,860
Total OPEB liability - District	4,287,274	4,085,445
Total liabilities	101,417,367	83,490,566
DEFERRED INFLOWS OF RESOURCES:		
Proportionate share of deferred inflows of OPEB resources	1,075,033	190,627
Deferred inflows of OPEB resources - District	73,368	73,368
Proportionate share of deferred inflows of pension resources	1,148,279	7,767,086
Total deferred inflows of resources	2,296,680	8,031,081
NET POSITION:		
Net investment in capital assets	68,848,663	65,048,949
Restricted for:		
Child nutrition	634,789	214,617
Debt service	7,119,857	7,286,163
State and federal title programs	2,686,942	3,442,554
Other projects	979,413	4,006,015
Unrestricted	(11,187,658)	(6,755,277)
Total net position	\$ 69,082,006	\$ 73,243,021

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

DISTRICTWIDE STATEMENTS (CONCLUDED)

Table 2
Changes in Net Position from Operating Results

	<u>June 30, 2021</u>		<u>June 30, 2020</u>	
REVENUES:				
Program Revenues:				
Charges for services	\$ 2,085,929		\$ 3,700,758	
Operating grants and contributions	17,824,483		10,732,825	
Capital grants and contributions	58,824		198,487	
	<u>19,969,236</u>	19.1%	<u>14,632,070</u>	14.5%
General Revenues:				
Taxes levied for general purposes	20,597,949		20,396,319	
Taxes levied for capital outlay	-		105,406	
Taxes levied for debt service	4,449,689		4,040,546	
	<u>25,047,638</u>		<u>24,542,271</u>	
State revenues	56,441,107		60,814,571	
Federal forest	44,771		49,526	
Total state and federal revenues	<u>56,485,878</u>	54.1%	<u>60,864,097</u>	60.4%
Other Revenues:				
Interest on investment earnings	129,622		736,442	
Student Body funds	1,475,908		-	
Gain/(loss) on disposal of assets	1,386,645		(1,780)	
Total other revenues	<u>2,992,175</u>	2.9%	<u>734,662</u>	0.7%
Total Revenues	<u>104,494,927</u>	100.0%	<u>100,773,100</u>	100.0%
EXPENSES:				
Instructional services:				
Elementary programs	25,756,288		25,574,136	
Secondary programs	21,240,072		19,130,314	
Alternative school programs	1,420,214		1,367,111	
Exceptional child programs	12,414,591		12,451,535	
Activity programs	1,300,281		1,378,176	
Summer programs	30,198		66,380	
Detention programs	281,760		274,936	
Total instructional services	<u>62,443,404</u>	59.8%	<u>60,242,588</u>	59.8%
Support services:				
Pupil support	7,201,432		6,514,069	
General administration	5,257,570		5,352,794	
School administration	7,252,266		6,351,357	
Business operations	1,760,298		1,951,298	
Maintenance	7,376,778		7,017,799	
Transportation	3,646,301		3,466,331	
Security	850,006		841,456	
Other support services	2,095,417		2,250,399	
Student Body funds	1,251,659		-	
Total support services	<u>36,691,727</u>	35.1%	<u>33,745,503</u>	33.5%
Non-instructional services:				
Food services	3,492,442		3,606,425	
Community services	1,007,426		996,170	
Net amortization on premium/discount	790,417		168,804	
Change in OPEB obligation	(343,226)		9,022	
Change in net pension liability	12,736,125		5,706,690	
Unallocated actual PERSI contributions	(6,787,222)		(6,416,559)	
Total non-instructional services	<u>10,895,962</u>	10.4%	<u>4,070,552</u>	4.0%
Total Expenses	<u>110,031,093</u>	105.3%	<u>98,058,643</u>	97.3%
Change in net position	<u>\$ (5,536,166)</u>	-5.3%	<u>\$ 2,714,457</u>	2.7%

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "major" funds and not on the School District as a whole. Funds are accounting devices that the School District uses to keep track of sources of funding and spending on particular programs and to demonstrate compliance with various regulatory requirements.

Some funds are required by state law and by bond requirements.

The School District establishes other funds to control and manage money for particular purposes (like repaying its long-term debt) or to show that it is properly using certain revenues (like capital project funds).

Two Types of District Funds

Governmental Funds - Most of the School District's basic services are included in governmental funds, which generally focus on: 1) how cash and other financial assets that can readily be converted to cash flow in and out; and 2) the balances left at year-end that are available for funding future basic services. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or less financial resources that can be spent in the near future to finance the School District's programs. Governmental fund statements do not report on long-term commitments like those reported on the districtwide statements. Therefore, an explanation of the differences between the governmental funds and the districtwide statements is included as a separate statement.

The School District calculation of net position uses a historical cost of school buildings. This method may not accurately reflect their true value, especially as it relates to our older structures.

As shown in Table 2, an analysis of the 2020-21 fiscal year activity was characterized by the following:

- **School District Revenues** – Total revenues increased by 3.69%
 - Total state revenues in the 2020-21 fiscal year decreased 7.2% due to a sharp drop in enrollment along with state holdbacks in education funding. Both events causing this drop in state revenues were caused by factors related to COVID.
 - Federal funding from COVID relief packages offset the drop in state revenues and, combined with the proceeds from the sale of the Hayden Lake soccer fields for \$1.52M caused an increase in overall revenues.
- **School District Expenditures** –
 - In the 2020-21 District budget, one half-step of experience was included as part of the 2020-2021 teachers' association negotiations settlement. The District later awarded the other half-step and education lanes to all staff, in response to allocations of federal relief funds. This second event was an unbudgeted expense.
 - In the fall of 2020, the District received word of an award of \$3.49M in Coronavirus Relief Funds which were required to be used only on unbudgeted expenses related to COVID response. The District expenditures reflect those funds spent in their entirety and these unbudgeted revenues and expenses are the cause for most variances in actuals compared to budget.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

FUND FINANCIAL STATEMENTS (CONTINUED)

**Table 3
Governmental Funds
For the year ended June 30, 2021**

	General Fund	All Other Funds	Total	%
REVENUES:				
Property taxes	\$ 20,603,226	\$ 4,449,689	\$ 25,052,915	23.6%
Interest income	69,593	60,029	129,622	0.1%
Other local revenue	156,771	3,063,204	3,219,975	3.0%
State assistance and reimbursements	56,313,752	4,092,612	60,406,364	57.0%
Title programs and other federal revenue	-	14,249,167	14,249,167	13.4%
Proceeds from sale of assets	-	1,520,485	1,520,485	1.4%
Transfer in	299,109	1,166,302	1,465,411	1.4%
Total revenues	77,442,451	28,601,488	106,043,939	100.0%
EXPENDITURES:				
Instructional services	48,604,379	10,422,354	59,026,733	55.7%
Support services	29,853,764	6,312,094	36,165,858	34.1%
Non-instructional services	-	4,484,045	4,484,045	4.2%
Capital outlay	90,513	3,809,452	3,899,965	3.7%
Principal retirement	-	3,168,213	3,168,213	3.0%
Interest	-	1,665,823	1,665,823	1.6%
Transfers out	786,787	713,084	1,499,871	1.4%
Total expenditures	79,335,443	30,575,065	109,910,508	103.6%
Net change	\$ (1,892,992)	\$ (1,973,577)	\$ (3,866,569)	-3.6%

Table 3 provides analysis of all governmental funds. Notable in this review are the following points:

- Total revenues (excluding other financing sources and uses) in all governmental funds were \$103,058,043; \$2,259,764 more than the previous year.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

FUND FINANCIAL STATEMENTS (CONCLUDED)

Table 4
Changes in Governmental Fund Balances
July 1, 2011 to June 30, 2021

	General	School Lunch	Debt Service	Plant Facilities	Other	Total
Fund Balance 6/30/2011	7,617,589	377,033	1,489,684	(833)	3,410,039	12,893,512
Increase (Decrease) FY 2012	(12,650)	(170,357)	(1,271,593)	833	1,403,919	(49,848)
Fund Balance 6/30/2012	7,604,939	206,676	218,091	-	4,813,958	12,843,664
Increase (Decrease) FY 2013	(425,618)	15,300	30,584,131	-	699,817	30,873,630
Fund Balance 6/30/2013	7,179,321	221,976	30,802,222	-	5,513,775	43,717,294
Increase (Decrease) FY 2014	(348,278)	(186,922)	(18,709,675)	-	(1,542,024)	(20,786,899)
Fund Balance 6/30/2014	6,831,043	35,054	12,092,547	-	3,971,751	22,930,395
Increase (Decrease) FY 2015	(1,248,024)	(5,803)	(9,345,734)	(1,575,964)	306,594	(11,868,931)
Fund Balance 6/30/2015	5,583,019	29,251	2,746,813	(1,575,964)	4,278,345	11,061,464
Increase (Decrease) FY 2016	(1,086,709)	183,254	134,609	1,575,964	767,814	1,574,932
Fund Balance 6/30/2016	4,496,310	212,505	2,881,422	-	5,046,159	12,636,396
Increase (Decrease) FY 2017	16,248	105,939	2,088,241	35,351,533	1,175,468	38,737,429
Fund Balance 6/30/2017	4,512,558	318,444	4,969,663	35,351,533	6,221,627	51,373,825
Increase (Decrease) FY 2018	53,444	69,705	(636,144)	(6,358,102)	(752,597)	(7,623,694)
Fund Balance 6/30/2018	4,566,002	388,149	4,333,519	28,993,431	5,469,030	43,750,131
Increase (Decrease) FY 2019	366,056	(207,174)	3,365,586	(12,365,731)	921,619	(7,919,644)
Fund Balance 6/30/2019	4,932,058	180,975	7,699,105	16,627,700	6,390,649	35,830,487
Increase (Decrease) FY 2020	1,457,036	33,642	(412,942)	(12,621,685)	(819,865)	(12,363,814)
Fund Balance 6/30/2020	6,389,094	214,617	7,286,163	4,006,015	6,945,935	24,841,824
Increase (Decrease) FY 2021	(1,892,992)	420,172	(166,306)	(3,026,602)	799,159	(3,866,569)
Fund Balance 6/30/2021	4,496,102	634,789	7,119,857	979,413	7,745,094	20,975,255

Table 4 provides an analysis of School District governmental fund balances from FY 2011-12 to FY 2020-21. Notable information for the June 30, 2021 balances are the following:

- The School District completed the year with a total governmental fund balance of \$20,975,255. This is a decrease of \$2,491,418 from the previous year. In addition to the decrease in state funding previously discussed, the School District continued to spend proceeds from the 2017 Construction Bond, finishing the final projects in the 2020-21 school year. \$3M of the bond funds were expended to finish NEXA. Roughly \$1M of the 2017 bond funding combined with interest revenue earned on the bond sale proceeds remained at year end to address small projects that were pulled from original bids due to high construction costs.
- The General Fund has a balance of \$4,496,102, a \$1,892,992 decrease from prior year. As discussed in the financial highlights above, this decrease is due to losses in state funding. Federal funds received in the 2020-21 fiscal year were targeted to new expenses, rather than backfilling state funding cuts as is planned for future years.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

GENERAL FUND BUDGETARY HIGHLIGHTS

The School District adopts an original budget in June for the subsequent year. State revenues are primarily driven through the measurement of attendance for the best 28 weeks of the school year. The attendance formula also generates salary and benefits support from the state. However, the School District still provides significant funding beyond the formula allowance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of the end of fiscal year 2020-21, the School District has invested approximately \$171,243,347 in a broad range of capital assets, including buildings, sites, library books, transportation equipment, and other equipment. The total accumulated depreciation on these assets amounts to \$55,922,165. Asset acquisitions for governmental activities include construction remodel projects, as well as funds to purchase land, school buses, computers and other instructional and support equipment.

Long-term Debt

In March 2017, the School District sold \$35.5 million in bonds in one series (Series 2017). The proceeds from these bonds are for capital projects construction projects and land acquisition within the School District.

In March 2018, the School District completed a defeasance of a portion of the debt owed from Series 2012B bonds, paying \$2,484,297 in future principal on Series 2012B bonds, in order to incur savings on interest costs. The total outstanding principal of the bonds as of June 30, 2021 is \$41,100,000.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

Current known circumstances that will impact the School District's financial status in the future are:

- **State Funding** – The 2021 legislative session yielded deeper cuts in state funding for K-12 public schools going into the 2021-22 fiscal year. Legislative documents showed intent to cut school districts in anticipation that districts would use ESSER II & III funds to backfill cuts. Although there are sufficient COVID relief funds to balance the budget, these are one-time revenue sources, so the district operations should be considered as effectively in an on-going deficit spending situation for the 2021-22 school year. \$6.1M of the ESSER II & III funds have been earmarked to offset funding cuts as well as working the loss of enrollment into the budgeted revenues and address additional compensation costs to adequately staff schools in a highly competitive labor market.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE (CONCLUDED)

- **ESSER II & III Funds** – In winter 2021, the District received estimates for ESSER II and ESSER III funds to be awarded. ESSER II & III funds are widely considered discretionary funds to be used for anything inside the typical scope of operating a school district. The ESSER II allocation came to \$5.99M and expires in September 2023. The ESSER III allocation totaled just over \$13.4M and expires in September 2024. These allocations are subject to change with minor corrections. Of ESSER III, \$2.69M must be allocated to expenditures to address Learning Loss. These funds were not budgeted in 2020-21, nor was any substantial amount of either allocation spent in the 2020-21 fiscal year. During the spring 2021 legislative session, it was understood that Districts were to receive these additional federal relief dollars. The legislature opted to adopt a state education budget with further cuts for the 2021-22 fiscal year, with the intention that districts must use these ESSER allocations to offset those cuts. It is unknown if the cuts will be sustained beyond the 2021-22 year, so a large part of these funds are reserved by the District to address offsetting persisting cuts in future years. In addition to this line item, ESSER II & III funds have been budgeted for additions like programming to remediate learning loss, technology device replacements and infrastructure replacement, HVAC system upgrades and repairs, and recruiting and retaining quality staff in a difficult labor market.
- **Governor's Learning Loss Funds** – In summer 2021, the district applied for and received an additional grant from the Governor's office to address learning loss caused by COVID. The district's award came to \$590k. These funds were awarded after the 2021-22 budget was set and will be accounted for in a special revenue fund. These funds expire on December 29th, 2021, and were allocated to a number of summer reading programs, extension and enrichment of existing summer school programs, tutoring, literacy programs, smaller class sizes in grades K-4, and other enrichment activities through the school year until the expiration of the funds.
- **Governor's Substitute Recruitment and Hard-to-Fill Grant** – In October 2021, Governor Little's office announced an additional grant to address difficulties in finding substitute teachers as well as difficulties recruiting and retaining numerous school support positions. The district plans to pay recruitment and retention stipends to a number of positions that have demonstrated that they are "hard-to-fill" by the total number of vacant positions and the vacancies' effects on the system. These funds will be accounted for in a special revenue fund and must be expended by December 15, 2021.
- **Enrollment** – The school district has a sustained drop in enrollment compared to pre-COVID levels of enrollment. Elementary has experienced the most dramatic drop in enrollment. As of October 2021, elementary has gained 337 elementary students back compared to prior year. This is still down a total of 625 students compared to pre-COVID elementary enrollment. Secondary is 175 students lower than pre-COVID October 2019 enrollment. Fewer students mean lower state revenues. In addition to fewer students to generate funding, the state formula reverts back to an attendance driven formula in the 2021-22 fiscal year, which is expected to further drive state revenues down in the current fiscal year compared to 2020-21 revenues. Any additional shortfall created by these factors will be backfilled with ESSER II & III funding.
- **Supplemental Levy** – In March 2021, the \$20,000,000 per year supplemental levy was approved again by the School District's voters for a 2-year period. This renewed levy expires June 30, 2023.

Coeur d'Alene School District No. 271

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2021

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Katie Ebner, Director of Finance, Coeur d'Alene School District No. 271, 1400 North Northwood Center Court, Coeur d'Alene, Idaho, 83814, (208) 664-8241.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

Coeur d'Alene School District No. 271

STATEMENT OF NET POSITION

June 30, 2021

ASSETS

Cash and cash equivalents	\$ 20,728,902
Receivables	15,311,516
Prepaid expenses	436,675
Inventory	133,229
Total OPEB asset - PERSI	4,202,453
Land	6,385,555
Construction in progress	2,407,372
Capital assets, net of accumulated depreciation	106,528,255
Total assets	156,133,957

DEFERRED OUTFLOWS OF RESOURCES

Proportionate share of collective deferred outflows of OPEB resources - PERSI	584,344
Deferred outflows of OPEB resources - District	1,035,930
Proportionate share of collective deferred outflows of pension resources	15,041,822
Total deferred outflows of resources	16,662,096

LIABILITIES

Accounts payable	3,285,139
Accrued payroll and related costs	11,497,844
Interest payable	468,373
Long-term liabilities:	
Due within one year:	
Compensated absences	239,262
Bonds payable	3,195,000
Due in more than one year:	
Bonds payable	43,277,519
Net pension liability	35,166,956
Total OPEB liability - District	4,287,274
Total liabilities	101,417,367

DEFERRED INFLOWS OF RESOURCES

Proportionate share of collective deferred inflows of OPEB resources - PERSI	1,075,033
Deferred inflows of OPEB resources - District	73,368
Proportionate share of collective deferred inflows of pension resources	1,148,279
Total deferred inflows of resources	2,296,680

NET POSITION

Net investment in capital assets	68,848,663
Restricted for:	
Child nutrition	634,789
Debt service	7,119,857
State and federal title programs	2,686,942
Other projects	979,413
Unrestricted	(11,187,658)
Total net position	\$ 69,082,006

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

Coeur d'Alene School District No. 271

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Position Governmental Activities</u>
			<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government:					
Governmental activities:					
Instructional services:					
Elementary programs	\$ 25,756,288	\$ -	\$ 4,453,046	\$ 25,265	\$ (21,277,977)
Secondary programs	21,240,072	1,326,844	1,957,303	25,393	(17,930,532)
Alternative school programs	1,420,214	-	420,692	-	(999,522)
Exceptional child programs	12,414,591	-	2,259,280	5,567	(10,149,744)
Activity programs	1,300,281	-	95,291	-	(1,204,990)
Summer programs	30,198	-	60	-	(30,138)
Detention programs	281,760	-	65,655	-	(216,105)
Support services:					
Pupil support	7,201,432	-	872,492	-	(6,328,940)
General administration	5,257,570	-	2,128,390	-	(3,129,180)
School administration	7,252,266	-	370,940	-	(6,881,326)
Business operations	1,760,298	-	26,334	-	(1,733,964)
Maintenance	7,376,778	-	344,728	2,458	(7,029,592)
Transportation	3,646,301	-	164,981	141	(3,481,179)
Security	850,006	1,611	11,341	-	(837,054)
Other support services	2,095,417	-	346,258	-	(1,749,159)
Student Body funds	1,251,659	-	-	-	(1,251,659)
Non-instructional services:					
Food services	3,492,442	96,086	3,754,000	-	357,644
Community services	1,007,426	661,388	553,692	-	207,654
Net amortization on premium/discount	790,417	-	-	-	(790,417)
Change in OPEB obligation	(343,226)	-	-	-	343,226
Change in net pension liability	12,736,125	-	-	-	(12,736,125)
Unallocated actual PERSI contribution:	(6,787,222)	-	-	-	6,787,222
Total governmental activities	<u>\$ 110,031,093</u>	<u>\$ 2,085,929</u>	<u>\$ 17,824,483</u>	<u>\$ 58,824</u>	<u>(90,061,857)</u>
Taxes:					
Property taxes, levied for general purposes					20,597,949
Property taxes, levied for debt services					4,449,689
State revenue					56,441,107
Grants and contributions not restricted to specific purposes:					
Federal Forest					44,771
Student Body funds					1,475,908
Interest and investment earnings					129,622
Gain (loss) on disposal of assets					1,386,645
Total general revenues					<u>84,525,691</u>
Change in net position					<u>(5,536,166)</u>
Net position - beginning					<u>74,618,172</u>
Net position - ending					<u>\$ 69,082,006</u>

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

Coeur d'Alene School District No. 271

**GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2021**

	General	Child Nutrition	Title I
ASSETS			
Cash and cash equivalents	\$ 4,736,993	\$ 768,528	\$ -
Accounts receivable:			
Kootenai County	7,538,903	-	-
State of Idaho	1,176,465	-	1,250,554
Other receivables	14,677	-	-
Prepaid expense	435,978	-	-
Due from other funds	3,906,588	-	-
Inventory	-	133,229	-
Total assets	<u>\$ 17,809,604</u>	<u>\$ 901,757</u>	<u>\$ 1,250,554</u>
LIABILITIES			
Accounts payable	\$ 2,362,540	\$ 59,761	\$ 37,600
Accrued payroll and vacation benefits	10,187,578	207,207	215,640
Due to other funds	-	-	997,314
Total liabilities	<u>12,550,118</u>	<u>266,968</u>	<u>1,250,554</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	763,384	-	-
Unavailable revenue-special revenue	-	-	-
Total deferred inflows of resources	<u>763,384</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable:	435,978	133,229	-
Restricted to:			
Debt service	-	-	-
State and federal title programs	-	-	-
Capital Bond 2017 Projects	-	-	-
Assigned to:			
State and federal non title funding	-	-	-
School professional development funds	140,000	-	-
Committed to:			
Contingency reserve	3,857,167	-	-
Unassigned	62,957	501,560	-
Total fund balances	<u>4,496,102</u>	<u>634,789</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 17,809,604</u>	<u>\$ 901,757</u>	<u>\$ 1,250,554</u>

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

2012 Bond	2017 Construction	2017 Bond	Other Governmental Funds	Total Governmental Funds
\$ 3,276,430	\$ 1,010,816	\$ 2,454,079	\$ 8,415,398	\$ 20,662,244
777,996	-	614,026	-	8,930,925
-	-	-	3,550,530	5,977,549
-	-	-	306,408	321,085
-	-	-	697	436,675
-	-	-	-	3,906,588
-	-	-	-	133,229
<u>\$ 4,054,426</u>	<u>\$ 1,010,816</u>	<u>\$ 3,068,105</u>	<u>\$ 12,273,033</u>	<u>\$ 40,368,295</u>
\$ -	\$ 31,397	\$ -	\$ 727,183	\$ 3,218,481
-	6	-	887,413	11,497,844
-	-	-	2,909,274	3,906,588
<u>-</u>	<u>31,403</u>	<u>-</u>	<u>4,523,870</u>	<u>18,622,913</u>
-	-	2,674	-	766,058
-	-	-	4,069	4,069
<u>-</u>	<u>-</u>	<u>2,674</u>	<u>4,069</u>	<u>770,127</u>
-	-	-	697	569,904
4,054,426	-	3,065,431	-	7,119,857
-	-	-	2,686,942	2,686,942
-	979,413	-	-	979,413
-	-	-	5,057,455	5,057,455
-	-	-	-	140,000
-	-	-	-	3,857,167
-	-	-	-	564,517
<u>4,054,426</u>	<u>979,413</u>	<u>3,065,431</u>	<u>7,745,094</u>	<u>20,975,255</u>
<u>\$ 4,054,426</u>	<u>\$ 1,010,816</u>	<u>\$ 3,068,105</u>	<u>\$ 12,273,033</u>	<u>\$ 40,368,295</u>

Coeur d'Alene School District No. 271

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2021**

Total fund balances at June 30, 2021 - Governmental Funds		\$ 20,975,255
Cost of capital assets at June 30, 2021	\$ 171,243,347	
Less: Accumulated depreciation as of June 30, 2021		
Buildings and sites	(48,362,618)	
Buses and other transportation	(4,377,034)	
Equipment, computers and library books	<u>(3,182,513)</u>	115,321,182
Addition of School Plus accounts receivable		81,957
Elimination of deferred inflows of resources - property taxes		766,058
Elimination of deferred inflows of resources - special revenue		4,069
Pension liabilities and deferred outflows of resources and deferred inflows of resources related to pensions:		
District's proportionate share of the net pension liability		(35,166,956)
Proportionate share of collective deferred outflows of pension resources		15,041,822
Proportionate share of collective deferred inflows of pension resources		(1,148,279)
OPEB assets, liabilities and deferred outflows of resources and deferred inflows of resources related to OPEB:		
District's proportionate share of the net OPEB asset		4,202,453
Total OPEB liability - district		(4,287,274)
Deferred outflows of OPEB resources		1,620,274
Deferred inflows of OPEB resources		(1,148,401)
Long-term liabilities at June 30, 2021		
Bonds payable	(41,100,000)	
Premium on bonds payable, net accumulated amortization of \$2,066,711	(5,480,716)	
Discount on bonds payable, net accumulated amortization of \$138,709	108,197	
Accrued compensated absences	(239,262)	
Accrued interest payable	<u>(468,373)</u>	<u>(47,180,154)</u>
Net position at June 30, 2021		<u>\$ 69,082,006</u>

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

Coeur d'Alene School District No. 271

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021**

	<u>General</u>	<u>Child Nutrition</u>	<u>Title I</u>
REVENUES			
Property taxes	\$ 20,603,226	\$ -	\$ -
Interest income	69,593	-	-
Other local revenue	156,771	96,086	-
State assistance and reimbursements	56,313,752	-	-
Title programs and other federal revenues	-	3,712,106	1,889,556
Total revenues	<u>77,143,342</u>	<u>3,808,192</u>	<u>1,889,556</u>
EXPENDITURES			
Instructional services:			
Elementary programs	19,850,242	-	1,404,085
Secondary programs	17,405,137	-	2,025
Alternative school programs	1,011,463	-	116,815
Exceptional child programs	8,873,786	-	-
Activity programs	1,215,831	-	-
Summer program	30,198	-	-
Detention center program	217,722	-	-
Total instructional services	<u>48,604,379</u>	<u>-</u>	<u>1,522,925</u>
Support services:			
Pupil support	5,930,301	-	-
General administration	2,840,132	-	322,621
School administration	6,889,326	-	20
Business operations	1,512,804	-	-
Maintenance	6,950,888	-	-
Transportation	3,086,383	-	-
Security program	832,342	-	-
Student activity	-	-	-
Other support services	1,811,588	-	-
Total support services	<u>29,853,764</u>	<u>-</u>	<u>322,641</u>
Non-instructional services:			
Food services	-	3,436,631	-
Community services	-	-	14,648
Total non-instructional services	<u>-</u>	<u>3,436,631</u>	<u>14,648</u>
Capital outlay	<u>90,513</u>	<u>-</u>	<u>-</u>
Debt service:			
Principal retirement	-	-	-
Interest	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>78,548,656</u>	<u>3,436,631</u>	<u>1,860,214</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,405,314)</u>	<u>371,561</u>	<u>29,342</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	-	-	-
Transfers in	299,109	87,295	-
Transfers (out)	(786,787)	(38,684)	(29,342)
Total other financing sources (uses)	<u>(487,678)</u>	<u>48,611</u>	<u>(29,342)</u>
Net change in fund balances	<u>(1,892,992)</u>	<u>420,172</u>	<u>-</u>
Fund balances - beginning	<u>6,389,094</u>	<u>214,617</u>	<u>-</u>
Fund balances - ending	<u>\$ 4,496,102</u>	<u>\$ 634,789</u>	<u>\$ -</u>

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

2012 Bond	2017 Construction	2017 Bond	Other Governmental Funds	Total Governmental Funds
\$ 2,566,701	\$ -	\$ 1,882,988	\$ -	\$ 25,052,915
-	60,029	-	-	129,622
44,300	-	83,055	2,839,763	3,219,975
-	-	-	4,092,612	60,406,364
-	-	-	8,647,505	14,249,167
<u>2,611,001</u>	<u>60,029</u>	<u>1,966,043</u>	<u>15,579,880</u>	<u>103,058,043</u>
-	-	-	3,037,046	24,291,373
-	-	-	1,882,018	19,289,180
-	-	-	291,445	1,419,723
-	-	-	3,540,494	12,414,280
-	-	-	84,388	1,300,219
-	-	-	-	30,198
-	-	-	64,038	281,760
<u>-</u>	<u>-</u>	<u>-</u>	<u>8,899,429</u>	<u>59,026,733</u>
-	-	-	1,271,131	7,201,432
-	13,032	-	2,103,585	5,279,370
-	-	-	360,486	7,249,832
-	-	-	151,425	1,664,229
-	55,860	-	330,422	7,337,170
-	-	-	150,688	3,237,071
-	6,888	-	10,776	850,006
-	-	-	1,251,659	1,251,659
-	11,395	-	272,106	2,095,089
<u>-</u>	<u>87,175</u>	<u>-</u>	<u>5,902,278</u>	<u>36,165,858</u>
-	-	-	39,988	3,476,619
<u>-</u>	<u>-</u>	<u>-</u>	<u>992,778</u>	<u>1,007,426</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,032,766</u>	<u>4,484,045</u>
<u>-</u>	<u>2,999,456</u>	<u>-</u>	<u>809,996</u>	<u>3,899,965</u>
2,260,000	-	820,000	88,213	3,168,213
480,000	-	1,183,350	2,473	1,665,823
<u>2,740,000</u>	<u>-</u>	<u>2,003,350</u>	<u>90,686</u>	<u>4,834,036</u>
<u>2,740,000</u>	<u>3,086,631</u>	<u>2,003,350</u>	<u>16,735,155</u>	<u>108,410,637</u>
<u>(128,999)</u>	<u>(3,026,602)</u>	<u>(37,307)</u>	<u>(1,155,275)</u>	<u>(5,352,594)</u>
-	-	-	1,520,485	1,520,485
-	-	-	1,079,007	1,465,411
-	-	-	(645,058)	(1,499,871)
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,954,434</u>	<u>1,486,025</u>
(128,999)	(3,026,602)	(37,307)	799,159	(3,866,569)
4,183,425	4,006,015	3,102,738	6,945,935	24,841,824
<u>\$ 4,054,426</u>	<u>\$ 979,413</u>	<u>\$ 3,065,431</u>	<u>\$ 7,745,094</u>	<u>\$ 20,975,255</u>

Coeur d'Alene School District No. 271

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES For the Year Ended June 30, 2021

Total net changes in fund balances for year ended June 30, 2021	\$ (3,866,569)
Add: Capital outlay which is considered expenditures	3,899,965
Add: Interest expense which is considered capital outlay	392,429
Less: Depreciation expense for the year ended June 30, 2021	(3,976,488)
Less: Proceeds on sale of assets	(1,520,485)
Add: Gain on sale of assets	1,386,645
Elimination of interfund revenues and expenditures:	
Add: Interfund transfers out	1,499,871
Less: Interfund transfers in	(1,499,871)
Add: The net revenue (expense) of the internal service fund allocated to governmental activities	1,473
Add: Bond principal retirement considered as an expenditure	3,080,000
Add: Capital lease payments considered as an expenditure	88,213
Add: Change in compensated absences	51,114
Add: Change in OPEB obligation - insurance expense	343,226
Add: Difference between school plus revenue earned on modified accrual basis versus revenue on school plus revenue on accrual basis	55,514
Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	482,977
Less: Difference between revenue earned on property taxes on modified accrual basis versus revenue on property taxes on accrual basis	(5,277)
Add: Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date	6,787,222
Less: Change in net pension liability	<u>(12,736,125)</u>
Change in net position for year ended June 30, 2021	<u><u>\$ (5,536,166)</u></u>

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

Coeur d'Alene School District No. 271

**INTERNAL SERVICE FUND
STATEMENT OF NET POSITION
June 30, 2021**

	<u>Internal Service Fund</u>
ASSETS	
Current assets:	
Cash	\$ 66,658
Total assets	<u>66,658</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 66,658
Total liabilities	<u>66,658</u>
NET POSITION	
Unrestricted	<u>-</u>
Total net position	<u><u>\$ -</u></u>

The accompanying "Notes to the Financial Statements"
are an integral part of this statement.

Coeur d'Alene School District No. 271

INTERNAL SERVICE FUND STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION For the Year Ended June 30, 2021

	<u>Internal Service Fund</u>
Operating revenues:	
Services	\$ 61,032
Operating expenses:	
Salaries	5,884
Benefits	753
Purchased services	104
Supplies	65,299
Maintenance	21,979
Total operating expenses	<u>94,019</u>
Operating (loss)	(32,987)
Other financing sources (uses):	
Transfer in	34,460
Total other financing sources (uses)	<u>34,460</u>
Change in net position	1,473
Total net position - beginning	<u>(1,473)</u>
Total net position - ending	<u><u>\$ -</u></u>

The accompanying "Notes to the Financial Statements"
are an integral part of this statement.

Coeur d'Alene School District No. 271

INTERNAL SERVICE FUND STATEMENT OF CASH FLOWS For the Year Ended June 30, 2021

	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 61,032
Payments to suppliers	(21,298)
Payments to employees	(6,637)
Net cash provided by operating activities	<u>33,097</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in from other funds	<u>34,460</u>
Net cash provided by capital and related financing activities	<u>34,460</u>
Net increase (decrease) in cash and cash equivalents	67,557
Cash and cash equivalents - beginning	<u>(899)</u>
Cash and cash equivalents - ending	<u>\$ 66,658</u>
Reconciliation of net operating (loss) to net cash provided by operating activities:	
Operating (loss)	\$ (32,987)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:	
Increase (decrease) in accounts payable and accrued expenses	<u>66,084</u>
Net cash provided by operating activities	<u>\$ 33,097</u>

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Coeur d'Alene School District No. 271 (the "School District") operates under the direction of a Board of Trustees, who oversees the operation of the School District and governs the decisions made by the District Superintendent. The School District is engaged in the education of students on the elementary and secondary levels. The School District does not exercise sufficient control over other governmental agencies and authorities to warrant including them as a part of the School District's entity.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Coeur d'Alene School District No. 271, this includes general operations, child nutrition, debt service, plant facilities, and student and supportive service activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves their budget, the issuance of their debt, or the levying of taxes. The School District has no component units.

The financial statements of Coeur d'Alene School District No. 271 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

New Pronouncements – During the year ended June 30, 2021, the School District implemented GASB No. 84, *Fiduciary Activities*. As a result, student body funds have been included in the financial statements and beginning net assets was increased by \$1,375,151 to include prior year net assets previously reported as agency funds.

The most significant of the School District's accounting policies are described below:

B. Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

C. Basis of presentation – fund financial statements

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of presentation – fund financial statements (Continued)

Governmental Funds – Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

General Fund – The general fund is used to account for all financial resources except those required to be accounted for in another fund. The general fund is available for any purpose provided it is expended or transferred according to the laws of the State of Idaho.

Child Nutrition Fund – Child nutrition is a program that provides nourishing meals to students in all grades. This program is supplemented by federal funds that are based on reimbursement and participation.

Title I Fund – The Title I fund is used to account for the accumulation of resources for and the payment of costs that are restricted to the Title I program.

2012 Bond Fund – The 2012 Bond fund is used to account for the accumulation of resources for and the payment of general long-term obligation bonds including principal, interest, and related costs.

2017 Construction Fund – The 2017 Construction fund is used to account for the accumulation of resources for and payment of costs that are legally restricted for capital improvements related to the 2017 bond funds.

2017 Bond Fund – The 2017 Bond fund is used to account for the accumulation of resources for and payment of general long-term obligation bonds including principal, interest, and related costs.

The School District reports the following non-major governmental fund types:

Special Revenue Funds – The special revenues funds account for other resources for and the payment of costs in which the use is restricted or assigned to a particular purpose.

Capital Project Funds – The capital project funds account for other resources for and the payment of costs that are assigned or legally restricted for maintenance or capital projects.

Additionally, the School District reports the following fund types:

Internal Service Fund – The internal service fund is created to provide goods or services to other governmental operating units such as departments. The purpose of centralizing certain activities in an internal service fund is to achieve a level of operating efficiency that may not be available if the same activities were performed by multiple units within the governmental unit. The School District uses this fund to provide printing services.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of presentation – fund financial statements (Concluded)

During the course of operations, the School District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Concluded)

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the School District.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

E. Cash and Cash Equivalents

Cash received by the School District is pooled for investment purposes and is presented as “Cash and Cash Equivalents” on the financial statements in the following funds: General Fund, Child Nutrition Fund, Title I Fund, 2012 Bond Fund, 2017 Construction Fund, 2017 Bond Fund and nonmajor governmental funds. Interest earned in the pooled accounts is allocated to the participating funds in proportion to the average daily balances in each fund.

During the fiscal year ended June 30, 2021, investments were limited to the Idaho State Investment Pool.

The District invests in one 2a-7-like pools, the Idaho State Investment Pool. The advisory board of the Idaho State Investment Pool is composed of members appointed pursuant to the requirements of the Public Funds Investment Act. The Idaho State Investment Pool is duly chartered and administered by the State Treasurer’s office and consists of US Treasury bills and notes, collateralized certificates of deposit and repurchase agreements.

Following GASB 72, ¶69 and ¶B62 the balance that the District has in the Idaho State Investment Pool is carried at cost, which materially approximates fair market value.

The District considers funds held in the Idaho State Investment Pool to be cash equivalents, as the District is able to liquidate their account at any time.

For presentation in the financial statements, investments in the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

F. Capital Assets

General capital assets typically result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net position but are not reported in the fund financial statements.

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Capital Assets (Concluded)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. Improvements and interest incurred during the construction of capital assets are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Interest incurred during the construction phase of capital assets of governmental funds is included as part of the capitalized value of the assets constructed. The amount interest capitalized depends on the specific circumstances. Obligation bonds were issued to finance various capital School District projects. Accordingly, interest capitalized in the amount of \$392,429 was included in current year additions for capital assets.

Land and construction in progress are not depreciated. The other property, equipment, vehicles and infrastructure of the School District are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	40 years
Modular	15 years
Furniture and equipment	5 - 20 years
Library books	10 years
Buses	10 years
Other vehicles	5 years

G. Compensated Absences

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees who qualify.

Sick leave benefits are not paid upon termination but only when sick leave is used. Therefore, sick leave is not accrued as a liability.

The entire compensated absence liability is reported on the government-wide financial statements.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of capital leases, which will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premiums and bond discounts. Bond issuance costs are reported as expenses in the year incurred. In the fund financial statements, governmental funds recognize bond premiums, bond discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The School District only has two items that qualify for reporting in this category. They are deferred outflows relating to the accounting for the net pension obligation on the government-wide statement of net position, in accordance with GASB 68, Accounting and Financial Reporting for Pensions and relating to the accounting for the net OPEB obligation on the government-wide statement of net position, in accordance with GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The School District has one type of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The School District has one type of item, which arises under full accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, proportionate share of collective deferred inflows of resources, is reported only on the government-wide statement of net position. The government-wide statement of net position reports proportionate share of collective deferred inflows of resources from one source: accounting for the net pension obligation, in accordance with GASB 68, *Accounting and Financial Reporting for Pensions*.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Fund Balance Classifications

The School District has adopted GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (required implementation date of June 2011). This Statement establishes criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the School District to classify, and report amounts in the appropriate fund balance classifications. The School District's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned.

The School District reports the following classifications:

Nonspendable Fund Balance — Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form—such as inventory or prepaid insurance, or (b) legally or contractually required to be maintained intact—such as a trust that must be retained in perpetuity.

Restricted Fund Balance — Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions are placed on fund balances when legally enforceable legislation establishes a specific purpose for the funds—such as the School District's federal award revenue, which must be used to fund federally defined title programs. Legal enforceability means that the School District can be compelled by an external party (e.g., citizens, public interest groups, the judiciary) to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed Fund Balance — Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the Board of Trustees. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the board of trustees. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance — Assigned fund balances are amounts that are constrained by the School District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by: (a) the Director of Finance, or (b) an appointed body (e.g., a budget or finance committee) or official to which the Trustees have delegated the authority to assign, modify, or rescind amounts to be used for specific purposes. Assigned fund balance includes: (a) all remaining amounts that are reported in governmental funds (other than the general fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the general fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, are assigned for purposes in accordance with the nature of their fund type. Assignment within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the School District itself.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Fund Balance Classifications (Concluded)

Unassigned Fund Balance — Unassigned fund balance is the residual classification for the general fund. This classification represents general fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the general fund.

K. Fund Balance Flow Assumptions

Sometimes the School District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

L. Net Position Flow Assumptions

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Sometimes the School District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

N. Property Taxes

Property taxes levied each November based on the assessed value of property as listed on the previous September tax rolls. Assessed values are an approximation of market value. The County Assessor establishes assessed values. Property tax payments are due in one-half installments in December and June Property taxes become a lien on the property when it is levied.

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from the Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI or System) Sick Leave Insurance Reserve Fund and additions to/deductions from Sick Leave Insurance Reserve Fund's fiduciary net position have been determined on the same basis as they are reported by the Sick Leave Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Inventory

Inventories are expenses when used rather than when purchased. Inventories are valued at the lower of cost (first in, first out) or market and are determined by physical count.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for the general, special revenue, debt service and capital project funds. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the general fund, special revenue funds, and debt service funds. This is in conformance with Idaho State Statutes which require that appropriations lapse at the end of a fiscal year and are not available to be carried forward to be used in addition to the succeeding year's appropriation.

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONCLUDED)

Budgetary Data (Concluded)

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- a) The School District publishes a proposed budget for public review.
- b) Public hearings are set to obtain taxpayer comments.
- c) Prior to July 1, the budget is adopted by resolution of the Board of Trustees and published.
- d) The final budget is then filed with the State Department of Education. Expenditures may not legally exceed budgeted appropriations at the fund level.

During the fiscal year ended June 30, 2021, the budget was not amended.

Lapsing of Appropriations – At the close of each year all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriation.

NOTE 3: CASH AND CASH EQUIVALENTS

General:

State statutes authorize the School District's investments and deposits. The School District is authorized to invest in demand deposits, savings accounts, U.S. Government obligations and its agencies, obligations of Idaho and its agencies, fully collateralized repurchase agreements, prime domestic commercial paper, prime domestic bankers acceptances, bonds, debentures or notes of any corporation organized, controlled and operating within the U.S. which have at their purchase an "A" rating or higher, government pool and money market funds consisting of any of these securities listed. No violations of these categories have occurred during the year.

Custodial credit risk:

Custodial credit risk is the risk that in the event of a failure of a financial institution, the School District's deposits and investments may not be returned to it. The School District does not have a deposit policy for custodial credit risk. As of June 30, 2021, the School District's deposits and investments were exposed to custodial credit risk.

The School District's deposits and investments are insured and collateralized as follows:

Deposits without exposure to custodial credit risk:

Amount insured by the FDIC, or collateralized with securities held by the School District in its name	\$ 1,292,935
Idaho State Investment Pool	<u>15,275,542</u>
Total deposits without exposure to custodial credit risk:	<u>16,568,477</u>

Deposits with exposure to custodial credit risk:

Amount uninsured	<u>6,140,177</u>
Total deposits with exposure to custodial credit risk:	<u>6,140,177</u>
Total deposits	<u>\$ 22,708,654</u>

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 3: CASH AND CASH EQUIVALENTS (CONCLUDED)

Cash and cash equivalents at June 30, 2021 are classified in the accompanying financial statements as follows:

Statement of Net Position - cash and cash equivalents	
Governmental and Internal Service fund	\$ 20,728,902
Total carrying amount	<u>\$ 20,728,902</u>

Cash and cash equivalents at June 30, 2021 consist of the following:

Cash:	
Deposit with financial institutions	\$ 5,453,360
Cash equivalents:	
Idaho State Investment Pools	15,275,542
Total cash and cash equivalents	<u>\$ 20,728,902</u>

The School District considers funds held in the Idaho State Investment Pool and the Idaho Diversified Bond Fund to be cash equivalents, as the School District is able to liquidate their account at any time.

Credit risk:

The Idaho State Investment Pool does not have an established credit rating, but invests in entities with a minimum credit rating of "A" as stipulated by Idaho code. Financial information on the investment pool can be obtained by contacting the Idaho State Treasurer.

NOTE 4: RECEIVABLES

Kootenai County – This receivable is comprised of county school funds, taxes and other county receipts allocable to the School District at June 30, 2021, but which were not remitted to or received by the School District until after that date.

State of Idaho – The amount due from the state represents distributions and reimbursements from state administered funds applicable to the year ended June 30, 2021.

The receivables as of June 30, 2021 consist of the following:

Taxes receivable	\$ 8,930,925
State of Idaho	5,977,549
Other miscellaneous	321,085
	<u>\$ 15,229,559</u>

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 5: CAPITAL ASSETS

Following is a recap of capital assets for the fiscal year ended June 30, 2021:

	Balance June 30, 2020	Increases	Decreases	Adjustment	Transfers	Balance June 30, 2021
Governmental Activities:						
Capital assets, not being depreciated:						
Land	\$ 6,509,555	\$ -	\$ (124,000)	\$ -	\$ -	\$ 6,385,555
Construction in progress	17,438,682	3,369,803	-	392,429	(18,793,542)	2,407,372
Total capital assets, not being depreciated	<u>23,948,237</u>	<u>3,369,803</u>	<u>(124,000)</u>	<u>392,429</u>	<u>(18,793,542)</u>	<u>8,792,927</u>
Capital assets being depreciated:						
Building and improvements	132,796,578	-	-	-	18,793,542	151,590,120
Equipment and fixtures	3,284,992	86,698	(193,363)	-	-	3,178,327
Library books	845,160	-	-	-	-	845,160
Computers	149,323	-	-	-	-	149,323
Vehicles and buses	6,373,480	443,464	(129,454)	-	-	6,687,490
Total capital assets being depreciated	<u>143,449,533</u>	<u>530,162</u>	<u>(322,817)</u>	<u>-</u>	<u>18,793,542</u>	<u>162,450,420</u>
Less accumulated depreciation for:						
Buildings and improvements	44,969,001	3,393,617	-	-	-	48,362,618
Equipment and fixtures	2,217,354	163,366	(183,523)	-	-	2,197,197
Library books	845,160	-	-	-	-	845,160
Computers	133,901	6,255	-	-	-	140,156
Vehicles and buses	4,093,238	413,250	(129,454)	-	-	4,377,034
Total accumulated depreciation	<u>52,258,654</u>	<u>3,976,488</u>	<u>(312,977)</u>	<u>-</u>	<u>-</u>	<u>55,922,165</u>
Total capital assets being depreciated, net	<u>91,190,879</u>	<u>(3,446,326)</u>	<u>(9,840)</u>	<u>-</u>	<u>18,793,542</u>	<u>106,528,255</u>
Governmental activities capital assets, net	<u>\$ 115,139,116</u>	<u>\$ (76,523)</u>	<u>\$ (133,840)</u>	<u>\$392,429</u>	<u>\$ -</u>	<u>\$115,321,182</u>

Depreciation expense of \$3,976,488 for the year ended June 30, 2021 was charged to the following governmental functions:

Elementary	\$ 1,456,965
Secondary	1,941,106
Business administration	92,813
Maintenance	58,055
Transportation	413,677
Food service	13,872
	<u>\$ 3,976,488</u>

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 5: CAPITAL ASSETS (CONCLUDED)

Following is a recap of the June 30, 2021 balances by generic location:

	<u>Elementary</u>	<u>Secondary</u>	<u>Administration and Other</u>	<u>Total</u>
Land	\$ 2,646,430	\$ 1,906,706	\$ 1,832,419	\$ 6,385,555
Building and improvements	70,940,015	77,528,856	3,121,249	151,590,120
Equipment	778,862	1,063,573	1,335,892	3,178,327
Library books	408,306	374,127	62,727	845,160
Computers	3,416	9,032	136,875	149,323
Vehicles and buses	-	-	6,687,490	6,687,490
Construction in progress	-	64,587	2,342,785	2,407,372
Total capital assets	<u>\$ 74,777,029</u>	<u>\$ 80,946,881</u>	<u>\$ 15,519,437</u>	<u>\$ 171,243,347</u>

NOTE 6: ACCRUED PAYROLL AND BENEFITS

Accrued payroll includes amounts due contracted teachers and other employees at June 30, 2021, which were not paid until July and August 2021, in conformity with contractual stipulations.

NOTE 7: COMPENSATED ABSENCES

Governmental Accounting Standards Board Statement No. 16 requires accrual of employee compensation for future absences if certain conditions exist. Included in the current financial statements is a liability of \$239,262 for vacation pay.

NOTE 8: DUE TO / DUE FROM OTHER FUNDS

The composition of due to / due from other funds is the result of pooling of cash as of June 30, 2021 as follows:

	<u>Due from</u>	<u>Due to</u>
General fund	\$ 3,906,588	\$ -
Title I fund	-	997,314
Other governmental funds	-	2,909,274
	<u>\$ 3,906,588</u>	<u>\$ 3,906,588</u>

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 9: BONDS PAYABLE

SERIES 2012 B AND 2017 GENERAL OBLIGATION BONDS

On August 28, 2012, School District 271 voters approved \$32,700,000 of 13 year General Obligation Bonds, Series 2012 A and B, with interest ranging from 2.00% to 4.00% for Series A and 1.50% to 5.00% for Series B. Pursuant to this authority, the sale of the bonds followed on October 7, 2012, with net proceeds of \$32,892,277 (including principal of \$29,025,000, premiums of \$3,867,277, discount of \$127,088 and issuance costs of \$94,813) and repayment that began in the fiscal year ending June 30, 2013. The bond sale proceeds were for the remodel of five aged schools, replacement of the HVAC systems in five additional schools, update of technology throughout the School District's buildings, and demolition of the School District's former central office. During the year ended June 30, 2018, the series 2012 A bond was paid off.

On March 14, 2017, School District 271 voters approved \$35,500,000 of 14-year General Obligation Bonds, Series 2017 with interest ranging from 2.00% to 5.00%. Pursuant to this authority the sale of bonds followed on June 13, 2017, with net proceeds of \$35,325,333 (including principle of \$32,075,000, premiums of \$3,680,149, discount of \$119,816 and issuance costs of \$131,469) and repayment that will begin in the fiscal year ending June 30, 2020. The bond sale proceeds were for financing schools and school facilities, including, but not limited to, the costs of acquiring land, constructing, furnishing and equipping a new elementary school and acquiring and constructing additions, renovations, upgrades, repairs, equipment and furnishings to Coeur d'Alene High School, Lake City High School, Lakes Magnet Middle School, Dalton Elementary School, Fernan STEM Academy and Hayden Meadows Elementary School.

On March 20, 2018, the District defeased \$2.230 million of outstanding 2012B Series bonds with interest ranging from 1.50 percent to 5.00 percent by placing net proceeds of \$2.484 million (after payment of \$11,150 issuance costs) in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2012B Series bonds. Accordingly, the trust account assets and the liability for the defeased obligation are not included in the District's financial statements. As of June 30, 2021 \$2.230 million of bonds were legally defeased and remain outstanding.

General obligation bonds outstanding as of June 30, 2021 are as follows:

Series 2012 B

<u>Year Ending June 30,</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	**%	\$ 2,355,000	\$ 390,200	\$ 2,745,200
2023	4.00%	2,440,000	296,800	2,736,800
2024	5.00%	1,800,000	203,000	2,003,000
2025	4.00%	1,920,000	119,600	2,039,600
2026	4.00%	2,030,000	40,600	2,070,600
		<u>\$ 10,545,000</u>	<u>\$ 1,050,200</u>	<u>\$ 11,595,200</u>

** Bifurcated Coupons

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 9: BONDS PAYABLE (CONCLUDED)

SERIES 2012 B AND 2017 GENERAL OBLIGATION BONDS (CONCLUDED)

Series 2017

<u>Year Ending June 30,</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	5.00%	\$ 840,000	\$ 1,150,050	\$ 1,990,050
2023	5.00%	885,000	1,106,925	1,991,925
2024	5.00%	930,000	1,061,550	1,991,550
2025	5.00%	975,000	1,013,925	1,988,925
2026	5.00%	1,025,000	963,925	1,988,925
2027-2031	3.00%-5.00%	21,210,000	2,550,300	23,760,300
2032	3.00%	4,690,000	70,350	4,760,350
		<u>\$ 30,555,000</u>	<u>\$ 7,917,025</u>	<u>\$ 38,472,025</u>

There are several covenants, limitations and other requirements contained in the bond indenture. The School District is in substantial compliance with these requirements at June 30, 2021.

NOTE 10: LEASE COMMITMENTS

Operating Leases – During the fiscal year 2019, the School District entered into two operating leases for copy machines and laptop computers that will expire on various dates by fiscal year ending 2024. During fiscal year 2020, the School District entered into a lease agreement and lease addendum for annex space that both expire by fiscal year ending 2024. During the fiscal year 2021, the School District entered into two operating leases for Tablet and Laptop Computers that both expire by fiscal year ending 2025. Future minimum payments are as follows:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
Copiers	\$ 62,455	\$ 62,455	\$ 10,409	\$ -	\$ 135,319
Laptop Computers - 2018	228,939	38,156	-	-	267,095
Annex Lease	79,980	82,272	84,636	-	246,888
Annex Lease Adendum	9,270	9,548	9,835	-	28,653
Tablet Computers - 2021	17,029	17,029	17,029	17,029	68,116
Laptop Computers - 2021	259,408	259,408	259,408	-	778,224
Total minimum lease payments	<u>\$ 657,081</u>	<u>\$ 468,868</u>	<u>\$ 381,317</u>	<u>\$ 17,029</u>	<u>\$ 1,524,295</u>

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 11: CHANGES IN LONG-TERM DEBT AND CURRENT MATURITIES

Changes in the School District's long-term liabilities for the year ended June 30, 2021 are as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One year
Bonds payable					
General obligation bonds	\$ 44,180,000	\$ -	\$ (3,080,000)	\$ 41,100,000	\$ 3,195,000
Premium	5,945,576	-	(464,860)	5,480,716	-
Discount	(123,622)	-	15,425	(108,197)	-
Total bonds payable	<u>50,001,954</u>	<u>-</u>	<u>(3,529,435)</u>	<u>46,472,519</u>	<u>3,195,000</u>
Capital leases payable	88,213	-	(88,213)	-	-
Compensated absences	<u>290,376</u>	<u>-</u>	<u>(51,114)</u>	<u>239,262</u>	<u>239,262</u>
Total long-term liabilities	<u>\$ 50,380,543</u>	<u>\$ -</u>	<u>\$ (3,668,762)</u>	<u>\$ 46,711,781</u>	<u>\$ 3,434,262</u>

NOTE 12: DEFINED BENEFIT PENSION PLAN

Plan Description

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

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

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary.

Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months. Amounts in parenthesis represent police/firefighters.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020, it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The Coeur d'Alene School District contributions were \$6,787,222 for the year ended June 30, 2021.

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

At June 30, 2021, the Coeur d'Alene School District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Coeur d'Alene School District proportion of the net pension liability was based on the Coeur d'Alene School District share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021, the Coeur d'Alene School District proportion was 1.5144252 percent.

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)

For the year ended June 30, 2021, the Coeur d'Alene School District recognized pension expense of \$12,736,125. At June 30, 2021, the Coeur d'Alene School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,030,809	-
Changes of assumptions	594,738	-
Net difference between projected and actual earnings on pension plan investments	2,747,619	1,148,279
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	912,534	-
Coeur D'Alene Sd's contributions subsequent to the measurement date	<u>6,756,122</u>	<u>-</u>
Total	<u>\$ 15,041,822</u>	<u>\$ 1,148,279</u>

\$6,756,122 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

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, 2019, the beginning of the measurement period ended June 30, 2021, is 4.8 and 4.7 for the measurement period June 30, 2020.

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

Year ended June 30:

2021	\$ 113,573
2022	\$ 1,481,371
2023	\$ 2,010,574
2024	\$ 2,619,368

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.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS June 30, 2021

NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases**	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of-living adjustments	1.00%

*3.75% of 1% depending on whether the member was hired on or before July 1, 2012.

**There is an additional component of assumed salary grown (on top of the 3.75%) that varies for each individual member based on years of service

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

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

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2020 is based on the results of an actuarial valuation date July 1, 2020.

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.

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS June 30, 2021

NOTE 12: DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 January 1, 2020.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return (Arithmetic)</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Core Fixed Income	30.00%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.85%	3.49%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by PERSI Board			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			<u><u>7.05%</u></u>

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 12: DEFINED BENEFIT PENSION PLAN (CONCLUDED)

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	<u>1% Decrease (6.05%)</u>	<u>Current Discount Rate (7.05%)</u>	<u>1% Increase (8.05%)</u>
Employer's net pension liability (asset)	\$ 72,117,791	\$ 35,166,956	\$ 4,614,636

Pension plan fiduciary net position

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

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

Payables to the pension plan

At June 30, 2021, the Coeur d'Alene School District reported payables to the defined benefit pension plan of \$870,614 for legally required employer contributions and \$652,158 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 13: MINIMUM FUND BALANCE POLICY

The District maintains a minimum unassigned fund balance of five percent (5%) of the subsequent year's budgeted revenues. The District is in compliance with this policy.

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 14: INTERFUND TRANSFERS

The composition of interfund transfers as of June 30, 2021 is as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ 299,109	\$ 786,787
Child nutrition	87,295	38,684
Title I	-	29,342
Other governmental funds	1,079,007	645,058
Internal service fund	34,460	-
	<u>\$ 1,499,871</u>	<u>\$ 1,499,871</u>

Transfers are made based on the federal requirements (allowable in-direct or required for food service program) and/or to cover expenditures tracked separately from the general fund but are still considered as part of the overall operating budget.

NOTE 15: RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The School District contracts with an insurance company for property insurance (including boiler and machinery) and general liability insurance.

Professional liability is protected by an outside insurance company with a \$2,000,000 liability and a \$5,000,000 aggregate. Vehicles are also covered by the same insurance company and have a \$1,000 deductible for comprehensive and a \$1,000 deductible for collision. Automobile liability has a \$3,000,000 single limit of liability.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The School District provides life, with accidental death and dismemberment insurance, as well as medical and dental insurance to most employees through an insurance company in the amount of \$50,000.

NOTE 16: POST-EMPLOYMENT HEALTH CARE PLAN

Plan Description

Coeur d'Alene School District No. 271 contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

NOTE 16: POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

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

OPEB Benefits

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

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. The Retirement Board approved an 18-month rate holiday from January 1, 2020 to June 30, 2021. During the rate holiday, all sick leave contribution rates are 0%. If a school member has more than 14 days of sick leave then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. The District's contributions were \$0 for the year ended June 30, 2021.

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

At June 30, 2021, the District reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2021, the District's proportion was 3.4130052 percent.

For the year ended June 30, 2021 the District recognized OPEB expense (expense offset) of (\$480,264). \$584,344 reported as deferred outflows of resources related to OPEBs resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2022.

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. The Sick Leave Plan amortizes any net OPEB asset based on a level percentage of payroll. The maximum amortization period for the Sick Leave Plan permitted under Section 59-1322, Idaho Code, is 25 years.

(Continued)

Coeur d'Alene School District No. 271

NOTES TO THE FINANCIAL STATEMENTS June 30, 2021

NOTE 16: POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expense

The long-term expected rate of return on OPEB plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The health care trend rate is not applicable as the benefit amount a participant will receive is established with a set amount upon retirement thus would have no impact.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return (Arithmetic)</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Core Fixed Income	Core Fixed Income	2.80%	55.00%
Broad US Equities	Broad US Equities	8.55%	6.30%
Developed Foreign Equities	Developed Foreign Equities	8.70%	6.45%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.85%	3.49%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by PERSI Board			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			<u><u>7.05%</u></u>

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 16: POST-EMPLOYMENT HEALTH CARE PLAN (CONCLUDED)

Discount Rate

The discount rate used to measure the total OPEB liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the OPEB plan's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Sensitivity of the total OPEB Asset to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net OPEB asset calculated using the discount rate of 7.05 percent, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	<u>1% Decrease (6.05%)</u>	<u>Current Discount Rate (7.05%)</u>	<u>1% Increase (8.05%)</u>
Total June 30, 2021 OPEB asset	\$ 3,653,740	\$ 4,202,453	\$ 4,710,234

OPEB Plan Fiduciary Net Position

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

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

Payables to the OPEB Plan

At June 30, 2021, the District reported payables to the defined benefit OPEB plan of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 17: OTHER POST-EMPLOYMENT BENEFITS

Plan Description and OPEB Benefits

Upon separation from public school employment by retirement in accordance with Chapter 13, Title 59, Idaho Code, a retiree may continue to pay premiums for the retiree and the retiree's dependents at the rate for the active employee's group health, long-term care, vision, prescription drug and dental insurance programs as maintained by the employer for the active employees until the retiree and/or the retiree's spouse becomes eligible for Medicare at which time the district shall make available a supplemental program to Medicare for the eligible individual.

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 17: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability

The District's total OPEB liability of \$4,287,274 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Projected payroll increases	3.75%
Interest / discount rate	2.27%
Retirees' share of benefit-related costs	100% of projected health premiums for retirees

Healthcare cost trend rates:

Fiscal year ending	Prescription		
	Medical	Drugs	Dental
2020*	8.3%	8.3%	0.0%
2021	7.7%	7.7%	3.3%
2022	6.5%	6.5%	3.0%
2023	6.0%	6.0%	2.5%
2024	5.9%	5.9%	2.0%
2025	5.7%	5.7%	2.0%
2026	5.6%	5.6%	2.0%
2027	5.5%	5.5%	2.0%
2028	5.3%	5.3%	2.0%
2029-2045	5.2%	5.2%	2.0%
2046	5.1%	5.1%	2.0%
2047-2048	5.0%	5.0%	2.0%
2049-2051	4.9%	4.9%	2.0%
2052-2055	4.8%	4.8%	2.0%
2056-2060	4.7%	4.7%	2.0%
2061-2067	4.6%	4.6%	2.0%
2068	4.5%	4.5%	2.0%
2069	4.4%	4.4%	2.0%
2070	4.3%	4.3%	2.0%
2071-2072	4.2%	4.2%	2.0%
2073	4.1%	4.1%	2.0%
2074-2075	4.0%	4.0%	2.0%
2076	3.9%	3.9%	2.0%
2077+	3.8%	3.8%	2.0%

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 17: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

The discount rate used to measure the OPEB liability was 2.53%. The discount rate was based on the Bond Buyer General Obligation 20-bond municipal bond index for bonds that mature in 20 years. Mortality rates were based on the RP-2000 Mortality Table with generational mortality adjustments.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of a 2020 PERSI Investigation of Experience Study.

Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>
Balance as of June 30, 2020	\$ 4,085,445
Changes for the year:	
Service cost	354,448
Interest on total OPEB liability	112,329
Effect of assumptions changes or inputs	64,791
Expected benefit payments	<u>(329,739)</u>
Balance as of June 30, 2021	<u><u>\$ 4,287,274</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate and health-care cost trend rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	<u>1% Decrease (1.27%)</u>	<u>Current Discount Rate (2.27%)</u>	<u>1% Increase (3.27%)</u>
Total June 30, 2021 OPEB liability	\$ 4,556,409	\$ 4,287,274	\$ 4,026,577

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total June 30, 2021 OPEB liability	\$ 3,827,514	\$ 4,287,274	\$ 4,828,621

(Continued)

Coeur d'Alene School District No. 271

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021**

NOTE 17: OTHER POST-EMPLOYMENT BENEFITS (CONCLUDED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of \$137,038. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 73,368
Changes in assumptions and other inputs	1,035,930	-
Total	<u>\$ 1,035,930</u>	<u>\$ 73,368</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Fiscal year ending June 30:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
2019	\$ 43,533	\$ -	\$ -	\$ -
2020	43,533	9,115	-	-
2021	43,533	9,115	12,556	-
2022	43,533	9,115	12,556	4,971
2023	43,533	9,115	12,556	4,971
Thereafter	387,078	83,153	135,747	54,849

NOTE 18: CONTINGENCIES

The School District participates in a number of state and federally assisted grant programs, the principal of which are subject to program compliance audit pursuant to the Single Audit Act as amended. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial.

The School District may be involved in various lawsuits in the normal course of business. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School District's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

NOTE 19: SUBSEQUENT EVENTS

Subsequent events were evaluated through October 29, 2021 which is the date the financial statements were available to be issued

(Concluded)

FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION

Coeur d'Alene School District No. 271

**GASB 68 Required Supplementary Information
For the Year Ended June 30, 2021**

**Schedule of Employers' Share of Net Pension Liability
PERSI - Base Plan
Last 10 - Fiscal Years ***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's portion of the net pension liability	1.5144252%	1.4369041%	1.4570839%	1.4417745%	1.4552038%	1.4665938%	1.4950932%
Employer's proportionate share of the net pension liability	\$ 35,166,956	\$ 16,401,860	\$ 21,492,242	\$ 22,662,219	\$ 29,499,216	\$ 19,312,655	\$ 11,006,226
Employer's covered-employee payroll	\$ 56,841,617	\$ 53,740,146	\$ 48,725,445	\$ 46,877,871	\$ 44,956,060	\$ 42,741,334	\$ 40,411,552
Employer's proportional share of the net pension liability as a percentage of its covered employee payroll	61.87%	30.52%	44.11%	48.34%	65.62%	45.18%	27.24%
Plan fiduciary net position as a percentage of the total pension liability	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

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

Data reported is measured as of June 30, 2020 (measurement date).

**Schedule of Employer Contributions
PERSI - Base Plan
Last 10 - Fiscal Years ***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 6,787,222	\$ 6,416,559	\$ 5,515,720	\$ 5,306,811	\$ 5,089,026	\$ 4,838,319	\$ 4,650,130
Contributions in relation to the statutorily required contribution	6,787,222	6,416,559	5,515,720	5,306,811	5,089,026	4,838,319	4,650,130
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 56,841,617	\$ 53,740,146	\$ 48,725,445	\$ 46,877,871	\$ 44,956,060	\$ 42,741,334	\$ 41,079,210
Contributions as a percentage of covered-employee payroll	11.94%	11.94%	11.32%	11.32%	11.32%	11.32%	11.32%

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

Data reported is reported as of June 30, 2021.

Coeur d'Alene School District

**GASB 75 Required Supplementary Information
For the Year Ended June 30, 2021**

**Schedule of Employer's Share of Net OPEB Asset
PERSI – OPEB Plan
Last 10 - Fiscal Years ***

PERSI - OPEB PLAN	2021	2020	2019	2018
Employer's portion of net the OPEB asset	3.4130052%	3.4434225%	3.4855851%	3.5154452%
Employer's proportionate share of the net OPEB asset	\$ 4,202,453	\$ 3,298,124	\$ 2,891,117	\$ 2,698,559
Employer's covered-employee payroll	\$56,841,617	\$53,740,146	\$48,725,445	\$46,877,871
Employer's proportional share of the net OPEB asset as a percentage of its covered-employee payroll	7.39%	6.14%	5.93%	5.76%
Plan fiduciary net position as a percentage of the total OPEB Asset	152.87%	138.51%	135.69%	136.78%

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

Data reported is measured as of June 30, 2020 (measurement date).

**Schedule of Employer Contributions
PERSI – OPEB Plan
Last 10 - Fiscal Years ***

	2021	2020	2019	2018
Statutorily required contribution	\$ -	\$ 229,563	\$ 565,277	\$ 543,819
Contributions in relation to the statutorily required contribution	-	229,563	565,277	543,819
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	56,841,617	53,740,146	48,725,445	46,877,871
Contributions as a percentage of covered-employee payroll	0.00%	0.43%	1.16%	1.16%

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

Data reported is measured as of June 30, 2021.

Coeur d'Alene School District

**GASB 75 Required Supplementary Information
For the Year Ended June 30, 2021**

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

Last 10 - Fiscal Years *

Total OPEB Liability	2021	2020	2019	2018
Service cost	\$ 354,448	\$ 243,813	\$ 243,446	\$ 221,001
Interest on total OPEB liability	112,329	137,178	129,730	116,066
Changes of benefit terms	-	-	-	-
Differences in experience	-	28,383	-	(101,751)
Effect of economic/demographic gains or (losses)	-	-	-	-
Effect of assumption changes or inputs	64,791	145,032	119,613	706,494
Expected benefit payments	(329,739)	(267,471)	(280,185)	(245,586)
Net change in total OPEB liability	201,829	286,935	212,604	696,224
Total OPEB liability, beginning	4,085,445	3,798,510	3,585,906	2,889,682
Total OPEB liability, ending	<u>\$ 4,287,274</u>	<u>\$ 4,085,445</u>	<u>\$ 3,798,510</u>	<u>\$ 3,585,906</u>
Covered employee payroll	\$ 56,841,617	\$ 53,740,146	\$ 48,725,445	\$ 46,877,871
Total OPEB liability as a % of covered employee payroll	7.54%	7.60%	7.80%	7.65%

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

Data reported is measured as of June 30, 2020 (measurement date).

Coeur d'Alene School District No. 271

**GENERAL FUND
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2021**

	Original Budgeted Amounts*	Actual Amounts	Variance with Final Budget
REVENUES			
Property taxes	\$ 20,200,000	\$ 20,603,226	\$ 403,226
Interest income	200,000	69,593	(130,407)
Other local revenue	280,000	156,771	(123,229)
State assistance and reimbursements	58,823,647	56,313,752	(2,509,895)
Title programs and other federal revenues	1,695,000	-	(1,695,000)
Total revenues	<u>81,198,647</u>	<u>77,143,342</u>	<u>(4,055,305)</u>
EXPENDITURES			
Instructional services:			
Elementary programs	21,391,084	19,850,242	1,540,842
Secondary programs	16,268,767	17,405,137	(1,136,370)
Alternative school programs	1,194,643	1,011,463	183,180
Exceptional child programs	9,293,271	8,873,786	419,485
Activity programs	1,083,304	1,215,831	(132,527)
Summer program	65,734	30,198	35,536
Detention center program	219,224	217,722	1,502
Total instructional services	<u>49,516,027</u>	<u>48,604,379</u>	<u>911,648</u>
Support services:			
Pupil support	5,954,719	5,930,301	24,418
General administration	3,039,043	2,840,132	198,911
School administration	6,498,990	6,889,326	(390,336)
Business operations	1,701,649	1,512,804	188,845
Maintenance	6,865,945	6,950,888	(84,943)
Transportation	3,144,651	3,086,383	58,268
Security	746,579	832,342	(85,763)
Other support services	1,842,075	1,811,588	30,487
Total support services	<u>29,793,651</u>	<u>29,853,764</u>	<u>(60,113)</u>
Capital outlay	355,750	90,513	265,237
Contingency reserve	4,049,932	-	4,049,932
Total expenditures	<u>83,715,360</u>	<u>78,548,656</u>	<u>5,166,704</u>
Excess (deficiency) of revenues (under) over expenditures	<u>(2,516,713)</u>	<u>(1,405,314)</u>	<u>1,111,399</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	300,000	299,109	(891)
Transfers (out)	<u>(640,600)</u>	<u>(786,787)</u>	<u>(146,187)</u>
Total other financing sources (uses)	<u>(340,600)</u>	<u>(487,678)</u>	<u>(147,078)</u>
Net change in fund balances	(2,857,313)	(1,892,992)	964,321
Fund balances - beginning	<u>5,500,210</u>	<u>6,389,094</u>	<u>888,884</u>
Fund balances - ending	<u>\$ 2,642,897</u>	<u>\$ 4,496,102</u>	<u>\$ 1,853,205</u>

*Budget was not amended

Coeur d'Alene School District No. 271

**CHILD NUTRITION FUND
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2021**

	<u>Original Budgeted Amounts*</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Other local revenue	\$ 1,099,200	\$ 96,086	\$ (1,003,114)
Title programs and other federal revenues	<u>2,536,100</u>	<u>3,712,106</u>	<u>1,176,006</u>
Total revenues	<u>3,635,300</u>	<u>3,808,192</u>	<u>172,892</u>
EXPENDITURES			
Non-instructional services:			
Food services	<u>3,698,300</u>	<u>3,436,631</u>	<u>261,669</u>
Total non-instructional services	<u>3,698,300</u>	<u>3,436,631</u>	<u>261,669</u>
Capital outlay	<u>3,800</u>	<u>-</u>	<u>(3,800)</u>
Total expenditures	<u>3,702,100</u>	<u>3,436,631</u>	<u>265,469</u>
Excess (deficiency) of revenues (under) over expenditures	<u>(66,800)</u>	<u>371,561</u>	<u>438,361</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	86,700	87,295	595
Transfers (out)	<u>(70,000)</u>	<u>(38,684)</u>	<u>31,316</u>
Total other financing sources (uses)	<u>16,700</u>	<u>48,611</u>	<u>31,911</u>
Net change in fund balances	(50,100)	420,172	470,272
Fund balances - beginning	<u>50,000</u>	<u>214,617</u>	<u>164,617</u>
Fund balances - ending	<u>\$ (100)</u>	<u>\$ 634,789</u>	<u>\$ 634,889</u>

*Budget was not amended

Coeur d'Alene School District No. 271

**TITLE I FUND
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2021**

	Original Budgeted Amounts*	Actual Amounts	Variance with Final Budget
REVENUES			
Title programs and other federal revenues	\$ 2,154,000	\$ 1,889,556	\$ (264,444)
Total revenues	<u>2,154,000</u>	<u>1,889,556</u>	<u>(264,444)</u>
EXPENDITURES			
Instructional services:			
Elementary programs	1,654,000	1,404,085	249,915
Secondary programs		2,025	(2,025)
Alternative programs	117,000	116,815	185
Total instructional services	<u>1,771,000</u>	<u>1,522,925</u>	<u>248,075</u>
Support services:			
Pupil support	11,000	-	11,000
General administration	318,000	322,621	(4,621)
School administration	29,000	20	28,980
Total instructional services	<u>358,000</u>	<u>322,641</u>	<u>35,359</u>
Non-instructional services:			
Community services	11,000	14,648	(3,648)
Total instructional services	<u>11,000</u>	<u>14,648</u>	<u>(3,648)</u>
Total expenditures	<u>2,140,000</u>	<u>1,860,214</u>	<u>279,786</u>
Excess (deficiency) of revenues (under) over expenditures	<u>14,000</u>	<u>29,342</u>	<u>15,342</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(40,000)</u>	<u>(29,342)</u>	10,658
Total other financing sources (uses)	<u>(40,000)</u>	<u>(29,342)</u>	10,658
Net change in fund balances	(26,000)	-	26,000
Fund balances - beginning	300,000	-	(300,000)
Fund balances - ending	<u>\$ 274,000</u>	<u>\$ -</u>	<u>\$ (274,000)</u>

*Budget was not amended

FINANCIAL SECTION

OTHER SUPPLEMENTARY INFORMATION

Coeur d'Alene School District No. 271

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET - BY FUND TYPE
June 30, 2021**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 5,362,969	\$ 3,052,429	\$ 8,415,398
Accounts receivable: State of Idaho	3,550,530	-	3,550,530
Accounts receivable: Other receivable	306,408	-	306,408
Prepaid expense	697	-	697
Total assets	<u>\$ 9,220,604</u>	<u>\$ 3,052,429</u>	<u>\$ 12,273,033</u>
 LIABILITIES			
Accounts payable	\$ 333,719	\$ 393,464	\$ 727,183
Accrued payroll and vacation benefits	887,413	-	887,413
Due to other funds	2,909,274	-	2,909,274
Total liabilities	<u>4,130,406</u>	<u>393,464</u>	<u>4,523,870</u>
 DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-special revenue	4,069	-	4,069
Total deferred inflows of resources	<u>4,069</u>	<u>-</u>	<u>4,069</u>
 FUND BALANCES			
Nonspendable	697	-	697
Restricted	2,686,942	-	2,686,942
Assigned	2,398,490	2,658,965	5,057,455
Total fund balances	<u>5,086,129</u>	<u>2,658,965</u>	<u>7,745,094</u>
 Total liabilities and fund balances	<u>\$ 9,220,604</u>	<u>\$ 3,052,429</u>	<u>\$ 12,273,033</u>

Coeur d'Alene School District No. 271

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BY FUND TYPE
For the Year Ended June 30, 2021**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
REVENUES			
Other local revenue	\$ 2,836,750	\$ 3,013	\$ 2,839,763
State assistance and reimbursements	4,092,612	-	4,092,612
Title programs and other federal revenues	8,647,505	-	8,647,505
Total revenues	<u>15,576,867</u>	<u>3,013</u>	<u>15,579,880</u>
EXPENDITURES			
Instructional services:			
Elementary programs	3,037,046	-	3,037,046
Secondary programs	1,882,018	-	1,882,018
Alternative school program	291,445	-	291,445
Activity programs	84,388	-	84,388
Exceptional child program	3,540,494	-	3,540,494
Detention center	64,038	-	64,038
Total instructional expenditures	<u>8,899,429</u>	<u>-</u>	<u>8,899,429</u>
Support services:			
Pupil support	1,271,131	-	1,271,131
General administration	2,103,585	-	2,103,585
School administration	360,486	-	360,486
Business operations	151,425	-	151,425
Maintenance	330,422	-	330,422
Transportation	150,688	-	150,688
Security program	10,776	-	10,776
Student activity	1,251,659	-	1,251,659
Other support services	272,106	-	272,106
Total support services	<u>5,902,278</u>	<u>-</u>	<u>5,902,278</u>
Non-instructional services:			
Food services	39,988	-	39,988
Community services	992,778	-	992,778
Total non-instructional expenditures	<u>1,032,766</u>	<u>-</u>	<u>1,032,766</u>
Debt service:			
Principal	-	88,213	88,213
Interest	-	2,473	2,473
Total debt service	<u>-</u>	<u>90,686</u>	<u>90,686</u>
Capital outlay	283,957	526,039	809,996
Total expenditures	<u>16,118,430</u>	<u>616,725</u>	<u>16,735,155</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(541,563)</u>	<u>(613,712)</u>	<u>(1,155,275)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds on sale of assets	-	1,520,485	1,520,485
Transfers in	438,067	640,940	1,079,007
Transfers (out)	(645,058)	-	(645,058)
Total other financing sources (uses)	<u>(206,991)</u>	<u>2,161,425</u>	<u>1,954,434</u>
Net change in fund balances	(748,554)	1,547,713	799,159
Fund balances - beginning	5,834,683	1,111,252	6,945,935
Fund balances - ending	<u>\$ 5,086,129</u>	<u>\$ 2,658,965</u>	<u>\$ 7,745,094</u>

Coeur d'Alene School District No. 271

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2021**

	<u>Forest Reserve Fund</u>	<u>Building Rental</u>	<u>IMEN Grant</u>	<u>School Plus Program</u>
ASSETS				
Cash and cash equivalents	\$ 2,251	\$ 14,592	\$ 180	\$ 391,627
Accounts receivable: State of Idaho	-	-	-	-
Accounts receivable: Other receivable	-	27,325	-	-
Prepaid expense	-	-	-	-
Total assets	<u>\$ 2,251</u>	<u>\$ 41,917</u>	<u>\$ 180</u>	<u>\$ 391,627</u>
LIABILITIES				
Accounts payable	\$ 2,251	\$ 157	\$ 180	\$ 18,141
Accrued payroll and vacation benefits	-	-	-	22,871
Due to other funds	-	-	-	-
Total liabilities	<u>2,251</u>	<u>157</u>	<u>180</u>	<u>41,012</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-special revenue	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	41,760	-	350,615
Total fund balances	<u>-</u>	<u>41,760</u>	<u>-</u>	<u>350,615</u>
Total liabilities and fund balances	<u>\$ 2,251</u>	<u>\$ 41,917</u>	<u>\$ 180</u>	<u>\$ 391,627</u>

Miscellaneous Local Grants	E-Rate	Driver Education	Classroom Technology
\$ 246,015	\$ 238,525	\$ 5,940	\$ 68,494
-	-	23,600	-
15,839	-	-	-
1,268	-	-	-
<u>\$ 263,122</u>	<u>\$ 238,525</u>	<u>\$ 29,540</u>	<u>\$ 68,494</u>
\$ 9,413	\$ 94,170	\$ 1,625	\$ -
1,311	-	9,145	-
-	-	-	-
<u>10,724</u>	<u>94,170</u>	<u>10,770</u>	<u>-</u>
-	-	-	-
-	-	-	-
1,268	-	-	-
251,130	-	18,770	-
-	144,355	-	68,494
<u>252,398</u>	<u>144,355</u>	<u>18,770</u>	<u>68,494</u>
<u>\$ 263,122</u>	<u>\$ 238,525</u>	<u>\$ 29,540</u>	<u>\$ 68,494</u>

Vocational Education	Reading Assessment	State Leadership Awards	Advanced Opportunities
\$ 47,682	\$ 157,006	\$ 10,395	\$ 48,845
-	-	-	-
-	-	-	-
<u>\$ 47,682</u>	<u>\$ 157,006</u>	<u>\$ 10,395</u>	<u>\$ 48,845</u>
\$ 16,209	\$ -	\$ -	\$ -
6,705	-	(6)	-
-	-	-	-
<u>22,914</u>	<u>-</u>	<u>(6)</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	48,845
<u>24,768</u>	<u>157,006</u>	<u>10,401</u>	<u>-</u>
<u>24,768</u>	<u>157,006</u>	<u>10,401</u>	<u>48,845</u>
<u>\$ 47,682</u>	<u>\$ 157,006</u>	<u>\$ 10,395</u>	<u>\$ 48,845</u>

Medicaid Reimbursement	Miscellaneous State Funds	Homeless Grant	Title I-D
\$ 1,814,110	\$ 371,927	\$ -	\$ -
338,419	-	31,343	73,109
-	-	-	-
-	-	-	-
<u>\$ 2,152,529</u>	<u>\$ 371,927</u>	<u>\$ 31,343</u>	<u>\$ 73,109</u>
\$ 41,058	\$ 15,152	\$ 185	\$ 4,981
336,464	138,956	2,744	6,113
-	-	28,414	62,015
<u>377,522</u>	<u>154,108</u>	<u>31,343</u>	<u>73,109</u>
-	-	-	-
-	-	-	-
-	-	-	-
1,775,007	217,819	-	-
-	-	-	-
<u>1,775,007</u>	<u>217,819</u>	<u>-</u>	<u>-</u>
<u>\$ 2,152,529</u>	<u>\$ 371,927</u>	<u>\$ 31,343</u>	<u>\$ 73,109</u>

IDEA-B School Age	IDEA-B Preschool	Carl Perkins	Professional Development
\$ -	\$ -	\$ -	\$ 255,047
1,170,286	67,783	-	-
-	-	120,051	-
-	-	-	-
<u>\$ 1,170,286</u>	<u>\$ 67,783</u>	<u>\$ 120,051</u>	<u>\$ 255,047</u>
\$ 43,527	\$ 1,394	\$ 35,678	\$ 1,612
288,674	10,049	442	-
838,085	56,340	22,852	-
<u>1,170,286</u>	<u>67,783</u>	<u>58,972</u>	<u>1,612</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	61,079	253,435
-	-	-	-
-	-	61,079	253,435
<u>\$ 1,170,286</u>	<u>\$ 67,783</u>	<u>\$ 120,051</u>	<u>\$ 255,047</u>

<u>Johnson O'Malley</u>	<u>Title II E.S.E.A.</u>	<u>Opening Books Opening Doors</u>	<u>Title IV-A Student Support</u>
\$ 43,934	\$ -	\$ -	\$ -
-	145,508	-	-
-	-	30,000	113,193
-	(571)	-	-
<u>\$ 43,934</u>	<u>\$ 144,937</u>	<u>\$ 30,000</u>	<u>\$ 113,193</u>
\$ -	\$ 14,462	\$ 1,300	\$ 22,903
-	18,856	-	-
-	111,619	28,700	90,290
<u>-</u>	<u>144,937</u>	<u>30,000</u>	<u>113,193</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(571)	-	-
43,934	571	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>43,934</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 43,934</u>	<u>\$ 144,937</u>	<u>\$ 30,000</u>	<u>\$ 113,193</u>

Miscellaneous Federal Grants	Activity Fund	Tuition-Based Full Day Kindergarten	ESSER I CARES Act
\$ 4,754	\$ 1,691	\$ 40,554	\$ -
23,161	-	-	1,665,356
-	-	-	-
-	-	-	-
<u>\$ 27,915</u>	<u>\$ 1,691</u>	<u>\$ 40,554</u>	<u>\$ 1,665,356</u>
\$ 626	\$ -	\$ 2,333	\$ 724
6,868	-	38,221	-
-	-	-	1,664,632
<u>7,494</u>	<u>-</u>	<u>40,554</u>	<u>1,665,356</u>
4,069	-	-	-
<u>4,069</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
16,352	-	-	-
-	1,691	-	-
<u>16,352</u>	<u>1,691</u>	<u>-</u>	<u>-</u>
<u>\$ 27,915</u>	<u>\$ 1,691</u>	<u>\$ 40,554</u>	<u>\$ 1,665,356</u>

ESSER III CARES Act	Governor's Learning Loss Grant	Student Activity	Total
\$ -	\$ -	\$ 1,599,400	\$ 5,362,969
1,893	10,072	-	3,550,530
-	-	-	306,408
-	-	-	697
<u>\$ 1,893</u>	<u>\$ 10,072</u>	<u>\$ 1,599,400</u>	<u>\$ 9,220,604</u>
\$ -	\$ 5,638	\$ -	\$ 333,719
-	-	-	887,413
1,893	4,434	-	2,909,274
<u>1,893</u>	<u>10,072</u>	<u>-</u>	<u>4,130,406</u>
-	-	-	4,069
-	-	-	4,069
-	-	-	697
-	-	-	2,686,942
-	-	1,599,400	2,398,490
-	-	1,599,400	5,086,129
<u>\$ 1,893</u>	<u>\$ 10,072</u>	<u>\$ 1,599,400</u>	<u>\$ 9,220,604</u>

Coeur d'Alene School District No. 271

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Year Ended June 30, 2021**

	Forest Reserve Fund	Building Rental	IMEN Grant
REVENUES			
Other local revenue	\$ -	\$ 15,605	\$ -
State assistance and reimbursements	-	-	-
Title programs and other federal revenues	44,771	-	-
Total revenues	<u>44,771</u>	<u>15,605</u>	<u>-</u>
EXPENDITURES			
Instructional services:			
Elementary programs	-	-	-
Secondary programs	-	-	-
Alternative school program	-	-	-
Activity programs	-	-	-
Exceptional child program	-	-	-
Detention center	-	-	-
Total instructional services	<u>-</u>	<u>-</u>	<u>-</u>
Support services:			
Pupil support	-	-	-
General administration	-	-	-
School administration	-	-	-
Business operations	-	-	-
Maintenance	-	8,790	-
Transportation	-	-	-
Security program	-	-	-
Student activity	-	-	-
Other support services	-	-	-
Total support services	<u>-</u>	<u>8,790</u>	<u>-</u>
Non-instructional services:			
Food services	-	-	-
Community services	-	-	-
Total non-instructional services	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	-	238,809	-
Total expenditures	<u>-</u>	<u>247,599</u>	<u>-</u>
Excess (deficiency) revenues over (under) expenditures	<u>44,771</u>	<u>(231,994)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	7,099
Transfers (out)	(44,771)	-	-
Total other financing sources (uses)	<u>(44,771)</u>	<u>-</u>	<u>7,099</u>
Net change in fund balances	-	(231,994)	7,099
Fund balances - beginning	-	273,754	(7,099)
Fund balances - ending	<u>\$ -</u>	<u>\$ 41,760</u>	<u>\$ -</u>

School Plus Program	Miscellaneous Local Grants	E-Rate	Driver Education	Classroom Technology
\$ 589,269	\$ 377,152	\$ 220,600	\$ 30,250	\$ 97,349
-	-	-	23,475	746,608
418,530	4,879	-	-	-
<u>1,007,799</u>	<u>382,031</u>	<u>220,600</u>	<u>53,725</u>	<u>843,957</u>
56,539	140,050	-	-	-
-	86,894	-	86,957	-
-	392	-	-	-
-	57,970	-	-	-
-	4,503	-	-	-
-	-	-	-	-
<u>56,539</u>	<u>289,809</u>	<u>-</u>	<u>86,957</u>	<u>-</u>
-	2,814	-	-	-
-	6,538	-	-	971,175
-	8,376	-	-	-
-	-	-	-	-
574	-	-	-	-
307	11,387	-	-	-
-	-	-	-	-
-	-	-	-	-
-	559	109,190	-	112,354
<u>881</u>	<u>29,674</u>	<u>109,190</u>	<u>-</u>	<u>1,083,529</u>
-	-	-	-	-
852,841	906	-	-	-
<u>852,841</u>	<u>906</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	16,704	9,989	-	-
<u>910,261</u>	<u>337,093</u>	<u>119,179</u>	<u>86,957</u>	<u>1,083,529</u>
<u>97,538</u>	<u>44,938</u>	<u>101,421</u>	<u>(33,232)</u>	<u>(239,572)</u>
-	9,883	-	-	179,995
(100,000)	(6,450)	-	-	-
<u>(100,000)</u>	<u>3,433</u>	<u>-</u>	<u>-</u>	<u>179,995</u>
(2,462)	48,371	101,421	(33,232)	(59,577)
353,077	204,027	42,934	52,002	128,071
<u>\$ 350,615</u>	<u>\$ 252,398</u>	<u>\$ 144,355</u>	<u>\$ 18,770</u>	<u>\$ 68,494</u>

<u>Vocational Education</u>	<u>Reading Assessment</u>	<u>State Leadership Awards</u>	<u>Advanced Opportunities</u>	<u>Medicaid Reimbursement</u>
\$ -	\$ -	\$ -	\$ -	\$ -
121,172	-	654,005	36,503	1,326,844
-	-	-	-	-
<u>121,172</u>	<u>-</u>	<u>654,005</u>	<u>36,503</u>	<u>1,326,844</u>
-	-	311,569	-	-
111,677	-	268,609	41,426	-
21,159	-	64,572	-	-
-	-	-	-	-
-	-	-	-	1,351,318
-	-	2,388	-	-
<u>132,836</u>	<u>-</u>	<u>647,138</u>	<u>41,426</u>	<u>1,351,318</u>
-	-	-	-	490,504
2,255	-	7,628	-	-
-	-	-	-	20,092
-	-	-	-	129,150
-	-	-	-	5,254
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,255</u>	<u>-</u>	<u>7,628</u>	<u>-</u>	<u>645,000</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>135,091</u>	<u>-</u>	<u>654,766</u>	<u>41,426</u>	<u>1,996,318</u>
<u>(13,919)</u>	<u>-</u>	<u>(761)</u>	<u>(4,923)</u>	<u>(669,474)</u>
-	-	-	-	-
-	-	-	-	(66)
-	-	-	-	(66)
(13,919)	-	(761)	(4,923)	(669,540)
38,687	157,006	11,162	53,768	2,444,547
<u>\$ 24,768</u>	<u>\$ 157,006</u>	<u>\$ 10,401</u>	<u>\$ 48,845</u>	<u>\$ 1,775,007</u>

<u>Miscellaneous State Funds</u>	<u>Homeless Grant</u>	<u>Title I-D</u>	<u>IDEA-B School Age</u>	<u>IDEA-B Preschool</u>
\$ -	\$ -	\$ -	\$ -	\$ -
1,184,005	-	-	-	-
-	45,463	116,242	1,804,070	67,783
<u>1,184,005</u>	<u>45,463</u>	<u>116,242</u>	<u>1,804,070</u>	<u>67,783</u>
665,438	-	-	-	-
-	360	-	-	-
-	-	56,185	-	-
-	-	-	-	-
-	-	-	1,689,776	66,561
-	-	58,062	-	-
<u>665,438</u>	<u>360</u>	<u>114,247</u>	<u>1,689,776</u>	<u>66,561</u>
284,241	3,251	-	73,834	-
14,719	30,204	-	2,673	-
-	-	-	-	-
-	-	-	749	-
-	-	-	-	-
4,057	4,338	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>303,017</u>	<u>37,793</u>	<u>-</u>	<u>77,256</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	6,575	-	5,470	-
<u>968,455</u>	<u>44,728</u>	<u>114,247</u>	<u>1,772,502</u>	<u>66,561</u>
<u>215,550</u>	<u>735</u>	<u>1,995</u>	<u>31,568</u>	<u>1,222</u>
-	-	-	820	-
<u>(233,980)</u>	<u>(735)</u>	<u>(1,995)</u>	<u>(32,388)</u>	<u>(1,222)</u>
<u>(233,980)</u>	<u>(735)</u>	<u>(1,995)</u>	<u>(31,568)</u>	<u>(1,222)</u>
(18,430)	-	-	-	-
236,249	-	-	-	-
<u>\$ 217,819</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Carl Perkins</u>	<u>Professional Development</u>	<u>Johnson O'Malley</u>	<u>Title II E.S.E.A.</u>	<u>Opening Books Opening Doors</u>
\$ -	\$ -	\$ -	\$ -	\$ 30,000
-	-	-	-	-
120,051	-	14,629	228,555	-
<u>120,051</u>	<u>-</u>	<u>14,629</u>	<u>228,555</u>	<u>30,000</u>
-	-	3,169	120	-
58,742	-	140	-	-
9,959	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>68,701</u>	<u>-</u>	<u>3,309</u>	<u>120</u>	<u>-</u>
-	-	-	-	-
7,739	101,814	400	224,340	64,816
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>7,739</u>	<u>101,814</u>	<u>400</u>	<u>224,340</u>	<u>64,816</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>76,440</u>	<u>101,814</u>	<u>3,709</u>	<u>224,460</u>	<u>64,816</u>
<u>43,611</u>	<u>(101,814)</u>	<u>10,920</u>	<u>4,095</u>	<u>(34,816)</u>
-	-	-	-	3,631
-	-	-	(4,095)	-
-	-	-	(4,095)	3,631
43,611	(101,814)	10,920	-	(31,185)
17,468	355,249	33,014	-	31,185
<u>\$ 61,079</u>	<u>\$ 253,435</u>	<u>\$ 43,934</u>	<u>\$ -</u>	<u>\$ -</u>

Title IV-A Student Support	Miscellaneous Federal Grants	Activity Fund	Tuition-Based Full Day Kindergarten	ESSER I CARES Act
\$ -	\$ -	\$ 617	\$ -	\$ -
-	-	-	-	-
147,965	40,394	-	-	1,665,356
<u>147,965</u>	<u>40,394</u>	<u>617</u>	<u>-</u>	<u>1,665,356</u>
38,098	27,207	-	251,747	696,432
1,656	6,340	-	-	604,198
-	-	-	-	100,430
-	-	-	-	20,318
-	-	-	-	(2,469)
-	-	-	-	-
<u>39,754</u>	<u>33,547</u>	<u>-</u>	<u>251,747</u>	<u>1,418,909</u>
-	133	-	-	191,927
99,233	6,792	464	-	4,838
-	-	-	-	6,562
-	-	-	-	-
-	-	-	-	-
6,327	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>105,560</u>	<u>6,925</u>	<u>464</u>	<u>-</u>	<u>203,327</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	6,410
<u>145,314</u>	<u>40,472</u>	<u>464</u>	<u>251,747</u>	<u>1,628,646</u>
<u>2,651</u>	<u>(78)</u>	<u>153</u>	<u>(251,747)</u>	<u>36,710</u>
-	-	-	235,284	-
(2,651)	-	-	-	(36,710)
<u>(2,651)</u>	<u>-</u>	<u>-</u>	<u>235,284</u>	<u>(36,710)</u>
-	(78)	153	(16,463)	-
-	16,430	1,538	16,463	-
<u>\$ -</u>	<u>\$ 16,352</u>	<u>\$ 1,691</u>	<u>\$ -</u>	<u>\$ -</u>

ESSER III CARES Act	Coronavirus Relief Fund	Student Activity	Total
\$ -	\$ -	\$ 1,475,908	\$ 2,836,750
-	-	-	4,092,612
1,893	3,926,924	-	8,647,505
<u>1,893</u>	<u>3,926,924</u>	<u>1,475,908</u>	<u>15,576,867</u>
-	846,677	-	3,037,046
-	615,019	-	1,882,018
-	38,748	-	291,445
-	6,100	-	84,388
-	430,805	-	3,540,494
-	3,588	-	64,038
-	<u>1,940,937</u>	-	<u>8,899,429</u>
-	224,427	-	1,271,131
-	557,957	-	2,103,585
-	325,456	-	360,486
-	21,526	-	151,425
-	315,804	-	330,422
1,893	122,379	-	150,688
-	10,776	-	10,776
-	-	1,251,659	1,251,659
-	50,003	-	272,106
<u>1,893</u>	<u>1,628,328</u>	<u>1,251,659</u>	<u>5,902,278</u>
-	39,988	-	39,988
-	139,031	-	992,778
-	<u>179,019</u>	-	<u>1,032,766</u>
-	-	-	283,957
<u>1,893</u>	<u>3,748,284</u>	<u>1,251,659</u>	<u>16,118,430</u>
-	178,640	224,249	(541,563)
-	1,355	-	438,067
-	(179,995)	-	(645,058)
-	(178,640)	-	(206,991)
-	-	224,249	(748,554)
-	-	1,375,151	5,834,683
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,599,400</u>	<u>\$ 5,086,129</u>

Coeur d'Alene School District No. 271

**NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2021**

	Bus Depreciation Fund #424	Local Building Fund #429	Plant Facility Fund #430	Total
ASSETS				
Cash and cash equivalents	\$ 1,051,583	\$ 1,851,182	\$ 149,664	\$ 3,052,429
Total assets	<u>\$ 1,051,583</u>	<u>\$ 1,851,182</u>	<u>\$ 149,664</u>	<u>\$ 3,052,429</u>
LIABILITIES				
Accounts payable	\$ 393,464	\$ -	\$ -	\$ 393,464
Total liabilities	<u>393,464</u>	<u>-</u>	<u>-</u>	<u>393,464</u>
FUND BALANCES				
Assigned	658,119	1,851,182	149,664	2,658,965
Total fund balances	<u>658,119</u>	<u>1,851,182</u>	<u>149,664</u>	<u>2,658,965</u>
Total liabilities and fund balances	<u>\$ 1,051,583</u>	<u>\$ 1,851,182</u>	<u>\$ 149,664</u>	<u>\$ 3,052,429</u>

Coeur d'Alene School District No. 271

**NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Year Ended June 30, 2021**

	Bus Depreciation Fund #424	Local Building Fund #429	Plant Facility Fund #430	Total
REVENUES:				
Other local revenue	\$ -	\$ 1,000	\$ 2,013	\$ 3,013
Total revenues	<u>-</u>	<u>1,000</u>	<u>2,013</u>	<u>3,013</u>
EXPENDITURES				
Debt service:				
Principal	88,213	-	-	88,213
Interest	2,473	-	-	2,473
Capital outlay	393,464	132,575	-	526,039
Total expenditures	<u>484,150</u>	<u>132,575</u>	<u>-</u>	<u>616,725</u>
Excess (deficiency) of revenues (under) over expenditures	<u>(484,150)</u>	<u>(131,575)</u>	<u>2,013</u>	<u>(613,712)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of asset	-	1,520,485	-	1,520,485
Transfers in	640,940	-	-	640,940
Total other financing sources (uses)	<u>640,940</u>	<u>1,520,485</u>	<u>-</u>	<u>2,161,425</u>
Net change in fund balances	156,790	1,388,910	2,013	1,547,713
Fund balances - beginning	501,329	462,272	147,651	1,111,252
Fund balances - ending	<u>\$ 658,119</u>	<u>\$ 1,851,182</u>	<u>\$ 149,664</u>	<u>\$ 2,658,965</u>

SINGLE AUDIT SECTION

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Coeur d'Alene School District No. 271
Coeur d'Alene, ID 83814

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coeur d'Alene School District No. 271 as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Coeur d'Alene School District No. 271's basic financial statements, and have issued our report thereon dated October 29, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Coeur d'Alene School District No. 271's internal control over financial reporting (internal control) to determine the 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 Coeur d'Alene School District No. 271's internal control. Accordingly, we do not express an opinion on the effectiveness of Coeur d'Alene School District No. 271's internal control.

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

Our consideration of internal control 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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coeur d'Alene School District No. 271's financial statements are free from 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*.

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 (CONCLUDED)

Purpose of this Report

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

Magnuson, McHugh & Company, P.A.

Magnuson, McHugh & Company, P.A.

October 29, 2021

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Coeur d'Alene School District No. 271
Coeur d'Alene, ID 83814

Report on Compliance for Each Major Federal Program

We have audited the compliance of Coeur d'Alene School District No. 271 with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. Coeur d'Alene School District No. 271's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Coeur d'Alene School District No. 271's major federal programs based on our audit of the types of compliance requirements referred to above. 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Coeur d'Alene School District No. 271's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Coeur d'Alene School District No. 271's compliance.

Opinion on Each Major Federal Program

In our opinion, Coeur d'Alene School District No. 271 complied, in all material respects, with the 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, 2021.

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE (CONCLUDED)

Report on Internal Control over Compliance

Management of Coeur d'Alene School District No. 271 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Coeur d'Alene School District No. 271 's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Coeur d'Alene School District No. 271's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Magnuson, McHugh & Company, P.A.

Magnuson, McHugh & Company, P.A.

October 29, 2021

Coeur d'Alene School District No. 271

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended June 30, 2021

	Federal CFDA	Pass-through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Direct Award			
Forest Service Schools and Roads Cluster			
<i>Federal Forest Funds - Schools and Roads - Grants to States</i>	10.665		\$ 44,771
Passed through State of Idaho Department of Education:			
Nutrition Cluster:			
<i>National School Lunch Program</i>	10.555	826000811 00	207,830
<i>Summer Food Service Program for Children</i>	10.559	826000811 00	<u>3,226,175</u>
Total Nutrition Cluster			3,434,005
<i>Fresh Fruit and Vegetable</i>	10.582	826000811 00	<u>41,310</u>
Total Department of Agriculture			<u>3,520,086</u>
NATIONAL ENDOWMENT FOR THE HUMANITIES			
Passed through State of Idaho Department of Education:			
<i>State Library Program</i>	45.310	826000811 00	500
<i>National Endowment for the Arts</i>	45.025	826000811 00	<u>4,879</u>
Total National Endowment for the Humanities			<u>5,379</u>
U.S. DEPARTMENT OF THE INTERIOR:			
Passed through State of Idaho Department of Education:			
477 Cluster			
<i>Indian Education Assistance to Schools</i>	15.130	826000811 00	3,709
<i>Child Care and Development Block Grant</i>	93.575	826000811 00	<u>418,530</u>
Total Department of the Interior			<u>422,239</u>
U.S. DEPARTMENT OF EDUCATION			
Direct Award			
<i>Indian Education Formula Grants</i>	84.306		<u>27,128</u>
Passed through State of Idaho Department of Education:			
<i>Title I Grants to Local Educational Agencies</i>	84.010	826000811 00	2,005,798
<i>School Improvement Grants</i>	84.377	826000811 00	13,344
IDEA-B Special Education Cluster:			
<i>Special Education Grants to States</i>	84.027	826000811 00	1,804,890
<i>Special Education Preschool Grants</i>	84.173	826000811 00	<u>67,783</u>
IDEA-B Special Education Cluster:			
<i>State Activities - Education of Homeless</i>	84.196	826000811 00	45,463
<i>Carl D. Perkins - Vocational Education Basic Grants to States</i>	84.048	826000811 00	76,440
<i>Supporting Effective Instruction State Grants</i>	84.367	826000811 00	228,555
<i>Title IV-A Student Support and Academic Enrichment Program</i>	84.424	826000811 00	147,965
<i>Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act (CARES)</i>	84.425	826000811 00	<u>1,667,249</u>
Total Department of Education			<u>6,057,487</u>
Total Department of Education			<u>6,084,615</u>
U.S. DEPARTMENT OF TREASURY:			
Passed through State of Idaho Department of Education:			
<i>Coronavirus Relief Fund</i>	21.019	826000811 00	<u>3,928,279</u>
Total Department of Treasury			<u>3,928,279</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 13,955,219</u>

See accompanying notes to the schedule of expenditures of federal awards.

Coeur d'Alene School District No. 271

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended June 30, 2021

NOTE A: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Coeur d'Alene School District No. 271 under programs of the federal government for the year ended June 30, 2021. 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 Coeur d'Alene School District No. 271, it is not intended to and does not present the financial position, changes in net position, or cash flows of Coeur d'Alene School District No. 271.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Coeur d'Alene School District No. 271 has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C: FOOD DISTRIBUTION

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. During the year ended June 30, 2021, the School District had received food commodities totaling \$207,830.

Coeur d'Alene School District No. 271

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weakness(es) _____ Yes X None Reported
- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes X None Reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	Elementary and Secondary School Emergency Relief Fund
21.019	Coronavirus Relief fund
84.027 84.173	<i>IDEA-B Special Education Cluster:</i> Special Education Grants to States Special Education Preschool Grants

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

Auditee qualified as low-risk auditee? X Yes _____ No

Coeur d'Alene School District No. 271

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021**

Section II. - Findings Relating to the Financial Statements which are Required to be Reported in Accordance with Government Auditing Standards

We noted no findings relating to the financial statement which are required in accordance with generally accepted government auditing standards.

Section III. – Findings and Questioned Costs for Federal Awards

We noted no findings relating to the financial statement which are required in accordance with generally accepted government auditing standards.

Section IV. – Summary of Prior Year Audit Findings Relating to Federal Awards

There were no findings relating to prior year audit findings relating to federal awards in accordance with generally accepted government auditing standards.