

Salmon School District No. 291

Year Ended June 30, 2020

Audited Financial Statements



SALMON SCHOOL DISTRICT NO. 291

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Independent Auditor's Report

Board of Trustees
Salmon School District No. 291

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 Salmon School District No. 291 (the School) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 of 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.

Basis for Qualified Opinion on Governmental Activities

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

Qualified Opinion

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities” paragraph, the financial statements referred to previously present fairly, in all material respects, the financial position of the governmental activities of the School, as of June 30, 2020, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the School as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards are 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 the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2020, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Quest CPAs PLLC

Payette, Idaho
October 16, 2020

SALMON SCHOOL DISTRICT NO. 291

Statement of Net Position

June 30, 2020

	Governmental Activities
Assets	
Current Assets	
Cash & Investments	\$3,929,743
Receivables:	
Local Sources	130,390
State Sources	221,160
Federal Sources	306,635
Total Current Assets	<u>4,587,928</u>
Noncurrent Assets	
Nondepreciable Capital Assets	893,023
Depreciable Net Capital Assets	3,156,969
Total Noncurrent Assets	<u>4,049,992</u>
Total Assets	<u>8,637,920</u>
Deferred Outflows of Resources	
Pension Deferred Outflows	589,401
Total Deferred Outflows of Resources	<u>589,401</u>
Total Assets and Deferred Outflows of Resources	<u>\$9,227,321</u>
Liabilities	
Current Liabilities	
Accounts Payable	
Salaries & Benefits Payable	\$584,399
Unspent Grant Allocation	280,097
Total Current Liabilities	<u>864,496</u>
Noncurrent Liabilities	
Net Pension Liability	1,155,889
Total Noncurrent Liabilities	<u>1,155,889</u>
Total Liabilities	<u>2,020,385</u>
Deferred Inflows of Resources	
Pension Deferred Inflows	530,005
Total Deferred Inflows of Resources	<u>530,005</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,550,390</u>
Net Position	
Net Investment in Capital Assets	4,049,992
Restricted:	
Special Programs	2,981,997
Capital Projects	217,077
Unrestricted (Deficit)	(572,135)
Total Net Position	<u>6,676,931</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u>\$9,227,321</u>

See Accompanying Notes

SALMON SCHOOL DISTRICT NO. 291

Statement of Activities
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue And Changes in Net Position
		Charges For Services	Operating Grants And Contributions	
Governmental Activities				Governmental Activities
Instructional Programs				
Elementary School	\$1,034,409		\$138,979	(\$895,430)
Secondary School	1,420,047	\$12,584	342,282	(1,065,181)
Alternative School	48,937			(48,937)
Vocational-Technical	0			0
Special Education	1,075,392		604,558	(470,834)
Special Education Preschool	83,314		11,222	(72,092)
Interscholastic	164,834			(164,834)
School Activity	95,979			(95,979)
Support Service Programs				
Attendance - Guidance - Health	234,661		18,795	(215,866)
Special Education Support Services	34,344		18,346	(15,998)
Instruction Improvement	59,749		48,685	(11,064)
Educational Media	153,939		28,759	(125,180)
Instruction-Related Technology	0			0
Board of Education	71,845			(71,845)
District Administration	422,388		80,780	(341,608)
School Administration	256,534		11,100	(245,434)
Business Operation	70,041			(70,041)
Administrative Technology Service	0			0
Buildings - Care	288,716		80,198	(208,518)
Maintenance - Non-Student Occupied	17,234		14,910	(2,324)
Maintenance - Student Occupied	142,547		315,673	173,126
Maintenance - Grounds	15,633			(15,633)
Security	2,380			(2,380)
Pupil-To-School Transportation	366,012		24,996	(341,016)
Pupil-Activity Transportation	39,120			(39,120)
General Transportation	8,081			(8,081)
Non-Instructional Programs				
Child Nutrition	199,122	31,940	152,222	(14,960)
Community Services	0			0
Capital Assets - Student Occupied	90,935			(90,935)
Capital Assets - Non-Student Occupied	0			0
Debt Service - Principal	0			0
Debt Service - Interest	0			0
Total	<u>\$6,396,193</u>	<u>\$44,524</u>	<u>\$1,891,505</u>	<u>\$0</u>
General Revenues				
Local Taxes				431,785
Other Local Revenues				117,897
State Revenues				5,040,960
Federal Revenues				0
Pension Revenue (Expense)				(342,248)
Total				<u>5,248,394</u>
Change in Net Position				788,230
Net Position - Beginning				5,888,701
Net Position - Ending				<u>\$6,676,931</u>

SALMON SCHOOL DISTRICT NO. 291

Balance Sheet - Governmental Funds

June 30, 2020

	General Fund	Forest Reserve Fund	Child Nutrition Fund
Assets			
Cash & Investments	\$697,415	\$2,693,932	\$13,740
Receivables:			
Local Sources	130,390		
State Sources	220,353		
Federal Sources			
Due From Other Funds	26,538		
Total Assets	<u>\$1,074,696</u>	<u>\$2,693,932</u>	<u>\$13,740</u>
Liabilities			
Accounts Payable			
Due To Other Funds			
Salaries & Benefits Payable	\$550,338		\$13,740
Unspent Grant Allocation			
Total Liabilities	<u>550,338</u>	<u>\$0</u>	<u>13,740</u>
Deferred Inflows of Resources			
Unavailable Tax Revenues	25,241		
Total Deferred Inflows of Resources	<u>25,241</u>	<u>0</u>	<u>0</u>
Fund Balances			
Restricted:			
Special Programs		2,693,932	
Capital Projects			
Unassigned	499,117		
Total Fund Balances	<u>499,117</u>	<u>2,693,932</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$1,074,696</u>	<u>\$2,693,932</u>	<u>\$13,740</u>

SALMON SCHOOL DISTRICT NO. 291

Balance Sheet - Governmental Funds

June 30, 2020

	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>
Assets		
Cash & Investments	\$524,656	\$3,929,743
Receivables:		
Local Sources	0	130,390
State Sources	807	221,160
Federal Sources	306,635	306,635
Due From Other Funds	0	26,538
Total Assets	<u><u>\$832,098</u></u>	<u><u>\$4,614,466</u></u>
Liabilities		
Accounts Payable	\$0	\$0
Due To Other Funds	26,538	26,538
Salaries & Benefits Payable	20,321	584,399
Unspent Grant Allocation	280,097	280,097
Total Liabilities	<u><u>326,956</u></u>	<u><u>891,034</u></u>
Deferred Inflows of Resources		
Unavailable Tax Revenues	0	25,241
Total Deferred Inflows of Resources	<u><u>0</u></u>	<u><u>25,241</u></u>
Fund Balances		
Restricted:		
Special Programs	288,065	2,981,997
Capital Projects	217,077	217,077
Unassigned	0	499,117
Total Fund Balances	<u><u>505,142</u></u>	<u><u>3,698,191</u></u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u><u>\$832,098</u></u>	<u><u>\$4,614,466</u></u>

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

Total Governmental Fund Balances	\$3,698,191
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	4,049,992
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Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	25,241
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Net pension liability and related pension source deferred outflow and deferred inflow of resources, are not due and payable in the current period and therefore are not reported in the funds.	(1,096,493)
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Net Position of Governmental Activities	<u><u>\$6,676,931</u></u>
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SALMON SCHOOL DISTRICT NO. 291

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2020

	General Fund	Forest Reserve Fund	Child Nutrition Fund
Revenues			
Local Taxes	\$430,270		
Other Local Revenue	122,094	\$65,000	\$34,172
State Revenue	5,040,960		
Federal Revenue		353,708	152,222
Total Revenues	5,593,324	418,708	186,394
Expenditures			
Instructional Programs			
Elementary School	1,063,086		
Secondary School	1,317,524		
Alternative School	48,937		
Vocational-Technical			
Special Education	472,377		
Special Education Preschool	72,206		
Interscholastic	164,834		
School Activity	95,979		
Support Service Programs			
Attendance - Guidance - Health	220,976		
Special Education Support Services	15,998		
Instruction Improvement	11,310		
Educational Media	125,180		
Instruction-Related Technology			
Board of Education	71,845		
District Administration	341,608	7,927	
School Administration	245,434		
Business Operation	70,041		
Administrative Technology Service			
Buildings - Care	208,518	80,198	
Maintenance - Non-Student Occupied	2,324	14,910	
Maintenance - Student Occupied	160,283	361,053	
Maintenance - Grounds	15,633		
Security	2,380		
Pupil-To-School Transportation	311,017		
Pupil-Activity Transportation	39,120		
General Transportation	8,081		
Non-Instructional Programs			
Child Nutrition	951		198,171
Community Services			
Capital Assets - Student Occupied			
Capital Assets - Non-Student Occupied			
Debt Service - Principal			
Debt Service - Interest			
Total Expenditures	5,085,642	464,088	198,171
Excess (Deficiency) of Revenues Over Expenditures	507,682	(45,380)	(11,777)
Other Financing Sources (Uses)			
Transfers In	2,108	381,000	8,622
Transfers Out	(509,816)		
Total Other Financing Sources (Uses)	(507,708)	381,000	8,622
Net Change in Fund Balances	(26)	335,620	(3,155)
Fund Balances - Beginning	499,143	2,358,312	3,155
Fund Balances - Ending	\$499,117	\$2,693,932	\$0

SALMON SCHOOL DISTRICT NO. 291

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2020

	Other Governmental Funds	Total Governmental Funds
Revenues		
Local Taxes	\$604	\$430,874
Other Local Revenue	7,500	228,766
State Revenue	365,376	5,406,336
Federal Revenue	953,854	1,459,784
Total Revenues	<u>1,327,334</u>	<u>7,525,760</u>
Expenditures		
Instructional Programs		
Elementary School	147,352	1,210,438
Secondary School	344,176	1,661,700
Alternative School	0	48,937
Vocational-Technical	0	0
Special Education	603,015	1,075,392
Special Education Preschool	11,108	83,314
Interscholastic	0	164,834
School Activity	0	95,979
Support Service Programs		
Attendance - Guidance - Health	13,685	234,661
Special Education Support Services	18,346	34,344
Instruction Improvement	48,439	59,749
Educational Media	28,759	153,939
Instruction-Related Technology	0	0
Board of Education	0	71,845
District Administration	72,853	422,388
School Administration	11,100	256,534
Business Operation	0	70,041
Administrative Technology Service	0	0
Buildings - Care	0	288,716
Maintenance - Non-Student Occupied	0	17,234
Maintenance - Student Occupied	604	521,940
Maintenance - Grounds	0	15,633
Security	0	2,380
Pupil-To-School Transportation	99,984	411,001
Pupil-Activity Transportation	0	39,120
General Transportation	0	8,081
Non-Instructional Programs		
Child Nutrition	0	199,122
Community Services	0	0
Capital Assets - Student Occupied	0	0
Capital Assets - Non-Student Occupied	0	0
Debt Service - Principal	0	0
Debt Service - Interest	0	0
Total Expenditures	<u>1,399,421</u>	<u>7,147,322</u>
Excess (Deficiency) of Revenues Over Expenditures	(72,087)	378,438
Other Financing Sources (Uses)		
Transfers In	120,194	511,924
Transfers Out	(2,108)	(511,924)
Total Other Financing Sources (Uses)	<u>118,086</u>	<u>0</u>
Net Change in Fund Balances	45,999	378,438
Fund Balances - Beginning	<u>459,143</u>	<u>3,319,753</u>
Fund Balances - Ending	<u><u>\$505,142</u></u>	<u><u>\$3,698,191</u></u>

SALMON SCHOOL DISTRICT NO. 291
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended June 30, 2020

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

Net Change in Fund Balances - Total Governmental Funds \$378,438

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

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the excess of capital outlays over (under) depreciation expense in the current period. 333,447

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 911

Changes in net pension liability and related pension source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds. 75,434

Change in Net Position of Governmental Activities \$788,230

SALMON SCHOOL DISTRICT NO. 291

Statement of Fiduciary Net Position

June 30, 2020

	Private Purpose Trust Funds	Agency Funds Student Activity	Total
Assets			
Cash & Investments	\$7,840	\$250,306	\$258,146
Total Assets	<u>\$7,840</u>	<u>\$250,306</u>	<u>\$258,146</u>
Liabilities			
Due to Student Groups		\$250,306	\$250,306
Total Liabilities	<u>\$0</u>	<u>250,306</u>	<u>250,306</u>
Net Position			
Restricted:			
Trust Activities	7,840		7,840
Total Net Position	<u>7,840</u>	<u>0</u>	<u>7,840</u>
Total Liabilities and Net Position	<u>\$7,840</u>	<u>\$250,306</u>	<u>\$258,146</u>

SALMON SCHOOL DISTRICT NO. 291
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2020

	Private Purpose Trust Funds
Additions	
Contributions	
Investment Income	
Total Additions	\$0
Deductions	
Trust Expenses	
Total Deductions	0
Change in Net Position	0
Net Position - Beginning	7,840
Net Position - Ending	\$7,840

SALMON SCHOOL DISTRICT NO. 291
Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Salmon School District No. 291 (the School) provides public school educational services as authorized by Section 33 of Idaho Code. The School's boundaries for taxing and school enrollment purposes are located within Lemhi County.

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

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

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

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

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

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

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

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

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

SALMON SCHOOL DISTRICT NO. 291
Notes to Financial Statements

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

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

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

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

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

Agency Funds – Agency funds are used to account for assets held by the School on behalf of students.

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

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

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

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

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

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

SALMON SCHOOL DISTRICT NO. 291

Notes to Financial Statements

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight line method, except for certain transportation vehicles which use the declining balance method.

Compensated Absences – The School provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is deemed to be immaterial and, accordingly, no liability is recorded.

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

Pensions – For purposes of measuring the net pension liability and pension expense/revenue, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from 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.

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

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

Fund Balance Classifications – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used

SALMON SCHOOL DISTRICT NO. 291
Notes to Financial Statements

for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity's governing body. Assigned portions represent amounts that are constrained by the government's intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the School first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the School first utilizes committed resources then assigned resources before using unassigned resources.

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

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

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

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

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

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

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

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

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Notes to Financial Statements

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

	Governmental Funds	Fiduciary Funds	Total
Cash - Deposits	\$3,059,817	\$258,146	\$3,317,963
Investments - Local Gov't Investment Pool	869,926		869,926
Total	\$3,929,743	\$258,146	\$4,187,889

Deposits – At year end, the carrying amounts of the School's deposits were \$3,317,963 and the bank balances were \$3,735,260. Of the bank balances, \$535,950 was insured, and the remainder was uninsured and uncollateralized.

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

Interest rate risk:

Investment Type	Investment Maturity Schedule (In Years)	
	Less Than 1	Total
Local Gov't Invest Pool	\$869,926	\$869,926
Total	\$869,926	\$869,926

Credit rate risk:

Investment Type	Investment Rating Schedule	
	Not Rated	Total
Local Gov't Invest Pool	\$869,926	\$869,926
Total	\$869,926	\$869,926

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

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

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Notes to Financial Statements

C. RECEIVABLES

Receivables consist of the following at year end:

	General Fund	Special Revenue Funds	Total
Local Sources			
Local Taxes	\$130,390		\$130,390
Total	\$130,390		\$130,390
State Sources			
Foundation Program	\$220,353		\$220,353
Special Programs		\$807	807
Total	\$220,353	\$807	\$221,160
Federal Sources			
Special Programs		\$306,635	\$306,635
Total		\$306,635	\$306,635

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Notes to Financial Statements

D. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	\$893,023			\$893,023
Total	893,023	\$0	\$0	893,023
Depreciable Capital Assets				
Buildings	7,233,402	357,901		7,591,303
Equipment	366,245	21,492		387,737
Transportation	1,366,255	99,984		1,466,239
Subtotal	8,965,902	479,377	0	9,445,279
Accumulated Depreciation				
Buildings	4,714,390	77,706		4,792,096
Equipment	318,065	13,229		331,294
Transportation	1,109,925	54,995		1,164,920
Subtotal	6,142,380	145,930	0	6,288,310
Total	2,823,522	333,447	0	3,156,969
Net Capital Assets	\$3,716,545	\$333,447	\$0	\$4,049,992

Depreciation expense was charged to the following programs:

Capital Assets - Student Occupied	\$90,935
Pupil-To-School Transportation	54,995
Total	\$145,930

E. PENSION PLAN

Plan Description

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

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

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Pension Benefits

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

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

Member and Employer Contributions

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

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, 2019 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The School's contributions were \$417,682 for the year ended June 30, 2020.

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

At June 30, 2020, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2019, the School's proportion was 0.1012630 percent.

For the year ended June 30, 2020, the School recognized pension revenue (expense) of (\$342,248). At June 30, 2020, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$107,422	\$136,227
Changes in assumptions or other inputs	64,297	
Net difference between projected and actual earnings on pension plan investments		393,778
Employer contributions subsequent to the measurement date	417,682	
Total	<u>\$589,401</u>	<u>\$530,005</u>

\$417,682 reported as deferred outflows of resources related to pensions resulting from School contributions made subsequent to the measurement date will be recognized as an addition to the pension expense or reduction of the pension revenue in the year ending June 30, 2021.

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, 2018 the beginning of the measurement period ended June 30, 2018 is 4.8 and 4.8 for the measurement period June 30, 2019.

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

Year Ended	
6/30/21	(\$41,622)
6/30/22	(178,322)
6/30/23	(86,863)
6/30/24	<u>(51,478)</u>
Total	<u><u>(\$358,285)</u></u>

Actuarial Assumptions

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

The total pension liability in the June 30, 2019 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

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Notes to Financial Statements

Cost-of-living adjustments 1%

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 other than mortality. The total pension liability as of June 30, 2019 is based on the results of an actuarial valuation date of July 1, 2019.

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

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

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

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Notes to Financial Statements

Capital Market Assumptions

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	3.05%	0.80%
Broad US Equities	55.00%	8.30%	6.05%
Developed Foreign Equities	15.00%	8.45%	6.20%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.75%	4.50%
Portfolio Standard Deviation		12.54%	12.54%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.13%	3.77%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return*		5.73%	3.37%
Portfolio Long-Term Expected Real Rate of Return*			4.19%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by PERSI Board			
Long-Term Expected Real Rate of Return*			4.05%
Assumed Inflation			3.00%
Long-Term Expected Nominal Rate of Return*			7.05%

*Net of Investment Expenses

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.

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

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

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Notes to Financial Statements

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
School's proportionate share of the net pension liability (asset)	\$3,491,230	\$1,155,889	(\$775,364)

Pension plan fiduciary net position

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

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

Impacts on the School's net position

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

F. INTERFUND BALANCES AND TRANSFERS

Interfund balances at year end consist of the following:

	Due From Fund	
	Governmental	Total
Due To Fund		
General	\$26,538	\$26,538
Total	\$26,538	\$26,538

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

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Notes to Financial Statements

Interfund transfers during the year consist of the following:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>
General	\$2,108	\$509,816	Reimbursements, Support, Indirect Costs, Depreciation
Forest Reserve	381,000		Reimbursements
Child Nutrition	8,622		Support
Nonmajor Governmental	120,194	2,108	Support, Indirect Costs, Depreciation
Total	<u>\$511,924</u>	<u>\$511,924</u>	

G. TAX ABATEMENTS

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

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**Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2020**

General Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance
	Original	Final		Positive (Negative)
Revenues				
Local Taxes	\$430,615	\$430,615	\$430,270	(\$345)
Other Local Revenue	106,076	106,076	122,094	16,018
State Revenue	4,882,826	4,882,826	5,040,960	158,134
Federal Revenue	0	0	0	0
Total Revenues	<u>5,419,517</u>	<u>5,419,517</u>	<u>5,593,324</u>	<u>173,807</u>
Expenditures				
Instructional Programs				
Elementary School	1,219,748	1,219,748	1,063,086	156,662
Secondary School	1,466,270	1,466,270	1,317,524	148,746
Alternative School	57,137	57,137	48,937	8,200
Vocational-Technical	0	0	0	0
Special Education	453,632	453,632	472,377	(18,745)
Special Education Preschool	74,073	74,073	72,206	1,867
Interscholastic	183,055	183,055	164,834	18,221
School Activity	96,628	96,628	95,979	649
Support Service Programs				
Attendance - Guidance - Health	199,321	199,321	220,976	(21,655)
Special Education Support Services	23,482	23,482	15,998	7,484
Instruction Improvement	5,625	5,625	11,310	(5,685)
Educational Media	133,166	133,166	125,180	7,986
Instruction-Related Technology	0	0	0	0
Board of Education	90,236	90,236	71,845	18,391
District Administration	380,603	380,603	341,608	38,995
School Administration	235,935	235,935	245,434	(9,499)
Business Operation	74,343	74,343	70,041	4,302
Administrative Technology Service	0	0	0	0
Buildings - Care	242,489	242,489	208,518	33,971
Maintenance - Non-Student Occupied	7,600	7,600	2,324	5,276
Maintenance - Student Occupied	289,016	289,016	160,283	128,733
Maintenance - Grounds	19,443	19,443	15,633	3,810
Security	3,575	3,575	2,380	1,195
Pupil-To-School Transportation	340,612	340,612	311,017	29,595
Pupil-Activity Transportation	64,871	64,871	39,120	25,751
General Transportation	11,100	11,100	8,081	3,019
Non-Instructional Programs				
Child Nutrition	4,678	4,678	951	3,727
Community Services	0	0	0	0
Capital Assets - Student Occupied	0	0	0	0
Capital Assets - Non-Student Occupied	0	0	0	0
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
Total Expenditures	<u>5,676,638</u>	<u>5,676,638</u>	<u>5,085,642</u>	<u>590,996 *</u>
Excess (Deficiency) of Revenues Over Expenditures	(257,121)	(257,121)	507,682	764,803
Other Financing Sources (Uses)				
Transfers In	1,315	1,315	2,108	793
Transfers Out	(184,194)	(184,194)	(509,816)	(325,622) *
Total Other Financing Sources (Uses)	<u>(182,879)</u>	<u>(182,879)</u>	<u>(507,708)</u>	<u>(324,829)</u>
Net Change in Fund Balances	(440,000)	(440,000)	(26)	439,974
Fund Balances - Beginning	440,000	440,000	499,143	59,143
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$499,117</u>	<u>\$499,117</u>

*Total expenditures (over) under appropriations are: \$265,374

SALMON SCHOOL DISTRICT NO. 291

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended June 30, 2020

Forest Reserve Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Local Taxes	\$0	\$0	\$0	\$0
Other Local Revenue	0	0	65,000	65,000
State Revenue	0	0	0	0
Federal Revenue	9,000	9,000	353,708	344,708
Total Revenues	<u>9,000</u>	<u>9,000</u>	<u>418,708</u>	<u>409,708</u>
Expenditures				
Instructional Programs				
Elementary School	0	0	0	0
Secondary School	0	0	0	0
Alternative School	0	0	0	0
Vocational-Technical	0	0	0	0
Special Education	0	0	0	0
Special Education Preschool	0	0	0	0
Interscholastic	0	0	0	0
School Activity	0	0	0	0
Support Service Programs				
Attendance - Guidance - Health	0	0	0	0
Special Education Support Services	0	0	0	0
Instruction Improvement	0	0	0	0
Educational Media	0	0	0	0
Instruction-Related Technology	0	0	0	0
Board of Education	0	0	0	0
District Administration	20,000	20,000	7,927	12,073
School Administration	0	0	0	0
Business Operation	0	0	0	0
Administrative Technology Service	0	0	0	0
Buildings - Care	101,000	101,000	80,198	20,802
Maintenance - Non-Student Occupied	0	0	14,910	(14,910)
Maintenance - Student Occupied	925,000	925,000	361,053	563,947
Maintenance - Grounds	0	0	0	0
Security	0	0	0	0
Pupil-To-School Transportation	0	0	0	0
Pupil-Activity Transportation	0	0	0	0
General Transportation	0	0	0	0
Non-Instructional Programs				
Child Nutrition	0	0	0	0
Community Services	0	0	0	0
Capital Assets - Student Occupied	0	0	0	0
Capital Assets - Non-Student Occupied	0	0	0	0
Debt Service - Principal	0	0	0	0
Debt Service - Interest	0	0	0	0
Total Expenditures	<u>1,046,000</u>	<u>1,046,000</u>	<u>464,088</u>	<u>581,912</u> *
Excess (Deficiency) of Revenues Over Expenditures	(1,037,000)	(1,037,000)	(45,380)	991,620
Other Financing Sources (Uses)				
Transfers In	0	0	381,000	381,000
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>381,000</u>	<u>381,000</u>
Net Change in Fund Balances	<u>(1,037,000)</u>	<u>(1,037,000)</u>	<u>335,620</u>	<u>1,372,620</u>
Fund Balances - Beginning	<u>2,057,577</u>	<u>2,057,577</u>	<u>2,358,312</u>	<u>300,735</u>
Fund Balances - Ending	<u>\$1,020,577</u>	<u>\$1,020,577</u>	<u>\$2,693,932</u>	<u>\$1,673,355</u>

*Total expenditures (over) under appropriations are: \$581,912

SALMON SCHOOL DISTRICT NO. 291

Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended June 30, 2020

	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Child Nutrition Fund				
Revenues				
Other Local Revenue	\$52,000	\$52,000	\$34,172	(\$17,828)
Federal Revenue	135,000	135,000	152,222	17,222
Total Revenues	<u>187,000</u>	<u>187,000</u>	<u>186,394</u>	<u>(606)</u>
Expenditures				
Child Nutrition	201,000	201,000	198,171	2,829
Total Expenditures	<u>201,000</u>	<u>201,000</u>	<u>198,171</u>	<u>2,829 *</u>
Excess (Deficiency) of Revenues Over Expenditures	(14,000)	(14,000)	(11,777)	2,223
Other Financing Sources (Uses)				
Transfers In	14,000	14,000	8,622	(5,378)
Transfers Out	0	0	0	0 *
Total Other Financing Sources (Uses)	<u>14,000</u>	<u>14,000</u>	<u>8,622</u>	<u>(5,378)</u>
Net Change in Fund Balances	0	0	(3,155)	(3,155)
Fund Balances - Beginning	0	0	3,155	3,155
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
				<u>\$2,829</u>

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

SALMON SCHOOL DISTRICT NO. 291
Schedule of Employer's Share of Net Pension Liability
PERSI - Base Plan
Last 10 - Fiscal Years*

	<u>2019</u>	<u>2018</u>
School's portion of the net pension liability	0.1012630%	0.1045795%
School's proportionate share of the net pension liability	\$1,155,889	\$1,542,566
School's covered payroll	\$3,434,841	\$3,368,878
School's proportional share of the net pension liability as a percentage of its covered payroll	33.65%	45.79%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School's portion of the net pension liability	0.1018893%	0.1099920%	0.1142762%	0.1283378%
School's proportionate share of the net pension liability	\$1,601,525	\$2,229,707	\$1,504,832	\$944,767
School's covered payroll	\$3,368,878	\$3,189,408	\$3,664,249	\$3,476,837
School's proportional share of the net pension liability as a percentage of its covered payroll	47.54%	69.91%	41.07%	27.17%
Plan fiduciary net position as a percentage of the total pension liability	90.68%	87.26%	91.38%	94.95%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of June 30.

SALMON SCHOOL DISTRICT NO. 291

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years*

	<u>2020</u>	<u>2019</u>		
Statutorily required contribution	\$417,682	\$388,824		
Contributions in relation to the statutorily required contribution	\$417,682	\$388,824		
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>		
School's covered payroll	\$3,498,174	\$3,434,841		
Contributions as a percentage of covered payroll	11.94%	11.32%		
			<u>2018</u>	<u>2017</u>
Statutorily required contribution			\$381,357	\$342,947
Contributions in relation to the statutorily required contribution			\$381,357	\$342,947
Contribution deficiency (excess)			<u>\$0</u>	<u>\$0</u>
School's covered payroll			\$3,368,878	\$3,029,567
Contributions as a percentage of covered payroll			11.32%	11.32%
			<u>2016</u>	<u>2015</u>
Statutorily required contribution			\$361,041	\$414,793
Contributions in relation to the statutorily required contribution			\$361,041	\$414,793
Contribution deficiency (excess)			<u>\$0</u>	<u>\$0</u>
School's covered payroll			\$3,189,408	\$3,664,249
Contributions as a percentage of covered payroll			11.32%	11.32%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of each year's fiscal year end.

SALMON SCHOOL DISTRICT NO. 291
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2020

	Special Revenue Funds			
	Ag Science Technology	Life Skills Training	Sick Leave Bank	Mastery Based System Development
Assets				
Cash & Investments	\$23,743	\$2,313	\$37,843	
Receivables:				
Local Sources				
State Sources				
Federal Sources				
Due From Other Funds				
Total Assets	\$23,743	\$2,313	\$37,843	\$0
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable	\$11,343			
Unspent Grant Allocation				
Total Liabilities	11,343	\$0	\$0	\$0
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs	12,400	2,313	37,843	
Capital Projects				
Unassigned				
Total Fund Balances	12,400	2,313	37,843	0
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$23,743	\$2,313	\$37,843	\$0

SALMON SCHOOL DISTRICT NO. 291
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2020

	Special Revenue Funds			
	Driver Education	Governor's Literacy Initiative	Professional Technical	Technology
Assets				
Cash & Investments	\$7,263		\$130	\$135,913
Receivables:				
Local Sources				
State Sources				757
Federal Sources				
Due From Other Funds				
Total Assets	<u>\$7,263</u>	<u>\$0</u>	<u>\$130</u>	<u>\$136,670</u>
Liabilities				
Accounts Payable				
Due To Other Funds				
Salaries & Benefits Payable				
Unspent Grant Allocation				
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs	7,263		130	136,670
Capital Projects				
Unassigned				
Total Fund Balances	<u>7,263</u>	<u>0</u>	<u>130</u>	<u>136,670</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$7,263</u>	<u>\$0</u>	<u>\$130</u>	<u>\$136,670</u>

SALMON SCHOOL DISTRICT NO. 291
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds			
	Substance Abuse	Strategic Prevention Framework	Title I-A ESSA IBP	IDEA Part B 611 School Age 3-21
Assets				
Cash & Investments	\$13,522	\$77,874		
Receivables:				
Local Sources				
State Sources		50		
Federal Sources			\$165,569	\$56,362
Due From Other Funds				
Total Assets	<u>\$13,522</u>	<u>\$77,924</u>	<u>\$165,569</u>	<u>\$56,362</u>
Liabilities				
Accounts Payable				
Due To Other Funds			\$7,866	\$1,571
Salaries & Benefits Payable				
Unspent Grant Allocation			157,703	54,791
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>165,569</u>	<u>56,362</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs	13,522	77,924		
Capital Projects				
Unassigned				
Total Fund Balances	<u>13,522</u>	<u>77,924</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$13,522</u>	<u>\$77,924</u>	<u>\$165,569</u>	<u>\$56,362</u>

SALMON SCHOOL DISTRICT NO. 291
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds			
	IDEA Part B 619 Pre-School Age 3-5	Medicaid	Title IV-A ESSA SS & AE	Title V-B ESSA REI
Assets				
Cash & Investments		\$8,978		
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$1,385		\$19,286	\$2,440
Due From Other Funds				
Total Assets	<u>\$1,385</u>	<u>\$8,978</u>	<u>\$19,286</u>	<u>\$2,440</u>
Liabilities				
Accounts Payable				
Due To Other Funds	\$907		\$889	\$1,725
Salaries & Benefits Payable		\$8,978		
Unspent Grant Allocation	478		18,397	715
Total Liabilities	<u>1,385</u>	<u>8,978</u>	<u>19,286</u>	<u>2,440</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs				
Capital Projects				
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$1,385</u>	<u>\$8,978</u>	<u>\$19,286</u>	<u>\$2,440</u>

SALMON SCHOOL DISTRICT NO. 291
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2020

	<u>Special Revenue Funds</u>			<u>Capital Projects</u>
	<u>Perkins III Professional Technical Act</u>	<u>Title II-A ESSA SEI</u>	<u>Title IV-B ESSA 21st CCLC</u>	<u>Capital Construction</u>
Assets				
Cash & Investments				\$177,746
Receivables:				
Local Sources				
State Sources				
Federal Sources	\$13,443	\$48,150		
Due From Other Funds				
Total Assets	<u>\$13,443</u>	<u>\$48,150</u>	<u>\$0</u>	<u>\$177,746</u>
Liabilities				
Accounts Payable				
Due To Other Funds	\$13,046	\$534		
Salaries & Benefits Payable				
Unspent Grant Allocation	397	47,616		
Total Liabilities	<u>13,443</u>	<u>48,150</u>	<u>\$0</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted:				
Special Programs				
Capital Projects				177,746
Unassigned				
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>177,746</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$13,443</u>	<u>\$48,150</u>	<u>\$0</u>	<u>\$177,746</u>

SALMON SCHOOL DISTRICT NO. 291
 Combining Balance Sheet - Nonmajor Governmental Funds
 June 30, 2020

	Capital Projects Funds			
	Multi-Purpose			
	Building	Plant	Bus	
	Match	Facilities	Depreciation	Total
Assets				
Cash & Investments	\$12,551		\$26,780	\$524,656
Receivables:				
Local Sources				0
State Sources				807
Federal Sources				306,635
Due From Other Funds				0
Total Assets	\$12,551	\$0	\$26,780	\$832,098
Liabilities				
Accounts Payable				\$0
Due To Other Funds				26,538
Salaries & Benefits Payable				20,321
Unspent Grant Allocation				280,097
Total Liabilities	\$0	\$0	\$0	326,956
Deferred Inflows of Resources				
Unavailable Tax Revenues				0
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances				
Restricted:				
Special Programs				288,065
Capital Projects	12,551		26,780	217,077
Unassigned				0
Total Fund Balances	12,551	0	26,780	505,142
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$12,551	\$0	\$26,780	\$832,098

SALMON SCHOOL DISTRICT NO. 291
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2020

	Special Revenue Funds			
	Ag Science Technology	Life Skills Training	Sick Leave Bank	Mastery Based System Development
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue		\$3,004		\$37,542
Federal Revenue				
Total Revenues	<u>\$0</u>	<u>3,004</u>	<u>\$0</u>	<u>37,542</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School	68,647	2,972	75	37,542
Alternative School				
Vocational-Technical				
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>68,647</u>	<u>2,972</u>	<u>75</u>	<u>37,542</u>
Excess (Deficiency) of Revenues Over Expenditures	(68,647)	32	(75)	0
Other Financing Sources (Uses)				
Transfers In	70,000		4,600	
Transfers Out				
Total Other Financing Sources (Uses)	<u>70,000</u>	<u>0</u>	<u>4,600</u>	<u>0</u>
Net Change in Fund Balances	1,353	32	4,525	0
Fund Balances - Beginning	<u>11,047</u>	<u>2,281</u>	<u>33,318</u>	<u>0</u>
Fund Balances - Ending	<u>\$12,400</u>	<u>\$2,313</u>	<u>\$37,843</u>	<u>\$0</u>

SALMON SCHOOL DISTRICT NO. 291
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds			
	Driver Education	Governor's Literacy Initiative	Professional Technical	Technology
Revenues				
Local Taxes				
Other Local Revenue	\$7,500			
State Revenue	2,625		\$24,876	\$112,173
Federal Revenue				
Total Revenues	<u>10,125</u>	<u>\$0</u>	<u>24,876</u>	<u>112,173</u>
Expenditures				
Instructional Programs				
Elementary School		8,373		6,384
Secondary School	9,995		24,746	26,420
Alternative School				
Vocational-Technical				
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				
Educational Media				28,759
Instruction-Related Technology				
Board of Education				
District Administration				56,048
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>9,995</u>	<u>8,373</u>	<u>24,746</u>	<u>117,611</u>
Excess (Deficiency) of Revenues Over Expenditures	130	(8,373)	130	(5,438)
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	130	(8,373)	130	(5,438)
Fund Balances - Beginning	<u>7,133</u>	<u>8,373</u>	<u>0</u>	<u>142,108</u>
Fund Balances - Ending	<u>\$7,263</u>	<u>\$0</u>	<u>\$130</u>	<u>\$136,670</u>

SALMON SCHOOL DISTRICT NO. 291
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2020

	Special Revenue Funds			
	Substance Abuse	Strategic Prevention Framework	Title I-A ESSA IBP	IDEA Part B 611 School Age 3-21
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue	\$11,315	\$173,841		
Federal Revenue			\$214,183	\$158,937
Total Revenues	<u>11,315</u>	<u>173,841</u>	<u>214,183</u>	<u>158,937</u>
Expenditures				
Instructional Programs				
Elementary School			131,395	
Secondary School		95,917	60,603	
Alternative School				
Vocational-Technical				
Special Education				138,880
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health	6,205			
Special Education Support Services				18,346
Instruction Improvement			5,380	168
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration			16,805	
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>6,205</u>	<u>95,917</u>	<u>214,183</u>	<u>157,394</u>
Excess (Deficiency) of Revenues Over Expenditures	5,110	77,924	0	1,543
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				(1,543)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,543)</u>
Net Change in Fund Balances	5,110	77,924	0	0
Fund Balances - Beginning	8,412	0	0	0
Fund Balances - Ending	<u>\$13,522</u>	<u>\$77,924</u>	<u>\$0</u>	<u>\$0</u>

SALMON SCHOOL DISTRICT NO. 291
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2020

	Special Revenue Funds			
	IDEA Part B 619 Pre-School Age 3-5	Medicaid	Title IV-A ESSA SS & AE	Title V-B ESSA REI
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$11,222	\$464,135	\$15,881	\$25,588
Total Revenues	<u>11,222</u>	<u>464,135</u>	<u>15,881</u>	<u>25,588</u>
Expenditures				
Instructional Programs				
Elementary School				
Secondary School			15,881	
Alternative School				
Vocational-Technical				
Special Education		464,135		
Special Education Preschool	11,108			
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Special Education Support Services				
Instruction Improvement				25,342
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration				
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>11,108</u>	<u>464,135</u>	<u>15,881</u>	<u>25,342</u>
Excess (Deficiency) of Revenues Over Expenditures	114	0	0	246
Other Financing Sources (Uses)				
Transfers In				
Transfers Out	(114)			(246)
Total Other Financing Sources (Uses)	<u>(114)</u>	<u>0</u>	<u>0</u>	<u>(246)</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

SALMON SCHOOL DISTRICT NO. 291
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2020

	<u>Special Revenue Funds</u>			<u>Capital Projects</u>
	<u>Perkins III Professional Technical Act</u>	<u>Title II-A ESSA SEI</u>	<u>Title IV-B ESSA 21st CCLC</u>	<u>Capital Construction</u>
Revenues				
Local Taxes				
Other Local Revenue				
State Revenue				
Federal Revenue	\$18,580	\$20,332		
Total Revenues	<u>18,580</u>	<u>20,332</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Instructional Programs				
Elementary School		1,200		
Secondary School		1,378		
Alternative School				
Vocational-Technical				
Special Education				
Special Education Preschool				
Interscholastic				
School Activity				
Support Service Programs				
Attendance - Guidance - Health	7,480			
Special Education Support Services				
Instruction Improvement		17,549		
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
School Administration	11,100			
Business Operation				
Administrative Technology Service				
Buildings - Care				
Maintenance - Non-Student Occupied				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Pupil-Activity Transportation				
General Transportation				
Non-Instructional Programs				
Child Nutrition				
Community Services				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	<u>18,580</u>	<u>20,127</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	205	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out		(205)		
Total Other Financing Sources (Uses)	<u>0</u>	<u>(205)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>177,746</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$177,746</u>

SALMON SCHOOL DISTRICT NO. 291
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances - Nonmajor Governmental Funds
 Year Ended June 30, 2020

	Capital Projects Funds			Total
	Multi-Purpose	Plant Facilities	Bus Depreciation	
	Building Match			
Revenues				
Local Taxes		\$604		\$604
Other Local Revenue				7,500
State Revenue				365,376
Federal Revenue			\$24,996	953,854
Total Revenues	<u>\$0</u>	<u>604</u>	<u>24,996</u>	<u>1,327,334</u>
Expenditures				
Instructional Programs				
Elementary School				147,352
Secondary School				344,176
Alternative School				0
Vocational-Technical				0
Special Education				603,015
Special Education Preschool				11,108
Interscholastic				0
School Activity				0
Support Service Programs				
Attendance - Guidance - Health				13,685
Special Education Support Services				18,346
Instruction Improvement				48,439
Educational Media				28,759
Instruction-Related Technology				0
Board of Education				0
District Administration				72,853
School Administration				11,100
Business Operation				0
Administrative Technology Service				0
Buildings - Care				0
Maintenance - Non-Student Occupied				0
Maintenance - Student Occupied		604		604
Maintenance - Grounds				0
Security				0
Pupil-To-School Transportation			99,984	99,984
Pupil-Activity Transportation				0
General Transportation				0
Non-Instructional Programs				
Child Nutrition				0
Community Services				0
Capital Assets - Student Occupied				0
Capital Assets - Non-Student Occupied				0
Debt Service - Principal				0
Debt Service - Interest				0
Total Expenditures	<u>0</u>	<u>604</u>	<u>99,984</u>	<u>1,399,421</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(74,988)	(72,087)
Other Financing Sources (Uses)				
Transfers In			45,594	120,194
Transfers Out				(2,108)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>45,594</u>	<u>118,086</u>
Net Change in Fund Balances	<u>0</u>	<u>0</u>	<u>(29,394)</u>	<u>45,999</u>
Fund Balances - Beginning	<u>12,551</u>	<u>0</u>	<u>56,174</u>	<u>459,143</u>
Fund Balances - Ending	<u>\$12,551</u>	<u>\$0</u>	<u>\$26,780</u>	<u>\$505,142</u>

SALMON SCHOOL DISTRICT NO. 291
Combining Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2020

	Private Purpose Trust Funds		
	Scholarship	Multi-Purpose Building	Total
Additions			
Contributions			\$0
Investment Income (Loss)			0
Total Additions	\$0	\$0	0
Deductions			
Trust Expenses			0
Total Deductions	0	0	0
Change in Net Position	0	0	0
Net Position - Beginning	0	7,840	7,840
Net Position - Ending	\$0	\$7,840	\$7,840

SALMON SCHOOL DISTRICT NO. 291
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
US Dept of Agriculture			
<i>Passed Through Washington County:</i>			
Forest Service Schools and Roads Cluster:			
Schools and Roads - Grants to States	10.665	None	\$399,089
Total Forest Service Schools and Roads Cluster			<u>399,089</u>
<i>Passed Through Idaho Dept of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	201919/202020N109947	37,225
National School Lunch Program*	10.555	201919/202020N109947	114,997
Total Child Nutrition Cluster			<u>152,222</u>
Total US Dept of Agriculture			<u><u>551,311</u></u>
Environmental Protection Agency			
<i>Passed Through Idaho Dept of Environmental Quality</i>			
National Clean Diesel Emissions Reduction Program	66.039	DE01J249010	24,996
Total Environmental Protection Agency			<u>24,996</u>
US Dept of Education			
<i>Passed Through Idaho Dept of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027	H027A18/190088	158,937
Special Education - Preschool Grants	84.173	H173A18/190030	11,222
Total Special Education Cluster			<u>170,159</u>
Title I Grants to Local Educational Agencies	84.010	S010A18/190012	214,183
Career & Technical Education - Basic Grants to States	84.048	V048A190012	18,580
Rural Education	84.358	S358B18/190012	25,588
Supporting Effective Instruction State Grants	84.367	S367A180011	20,332
Student Support & Academic Enrichment	84.424	S424A18/190013	15,881
Total US Dept of Education			<u>464,723</u>
Total Expenditures of Federal Awards			<u><u>\$1,041,030</u></u>

NOTES:

A. Basis of Presentation - The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the School under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School.

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

***C. Nonmonetary Assistance** - Included in the National School Lunch Program award is USDA food commodities stated at a fair market value of \$18,159.



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

Board of Trustees
Salmon School District No. 291

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Salmon School District No. 291 (the School), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements, and have issued our report thereon dated October 16, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

Quest CPAs PLLC

Payette, Idaho
October 16, 2020



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

Board of Trustees
Salmon School District No. 291

Report on Compliance for Each Major Federal Program

We have audited Salmon School District No. 291 (the School's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2020. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School'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 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 the School'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 the School's compliance.

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the 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 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 the School'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 in internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Quest CPAs PLLC

Payette, Idaho
October 16, 2020

SALMON SCHOOL DISTRICT NO. 291
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report being issued:	Unmodified <ul style="list-style-type: none">• Each Major Fund• Aggreg Remain Fund Info Qualified <ul style="list-style-type: none">• Gov't Activities
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Internal control over financial reporting:

Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to the financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Major program identification:

- a. Forest Service Schools and Roads Cluster – CFDA #10.665
- b. Child Nutrition Cluster – CFDA #10.553, 10.555

Dollar threshold used to distinguish between type A and B programs:	\$750,000
Auditee qualified as a low-risk auditee?	No