

**KIMBERLY SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
JUNE 30, 2024**

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Mahlke Hunsaker & Company PLLC

C e r t i f i e d P u b l i c A c c o u n t a n t s

INDEPENDENT AUDITORS' REPORT

Chairman and Board of Trustees
Kimberly School District No. 414
Kimberly, ID 83341

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kimberly School District, Kimberly Idaho (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Qualified Opinion on the Governmental Activities

In our opinion, except for the effect of the matter described in the Matter Giving Rise to the Qualified Opinion on the Governmental Activities section of our report, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, of the District, as of June 30, 2024, 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.

Unmodified Opinions on all Other Opinion Units Described Below

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the District, as of June 30, 2024, 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.

Basis for Qualified and Unmodified Opinions

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

Matter Giving Rise to the Qualified Opinion on the Governmental Activities

Management has elected not to record a liability for the implicit rate subsidy of the retiree healthcare. 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 excess of the age-adjusted health insurance premium over the blended health insurance premium for retirees, as well as note disclosures and required supplementary information. The amount by which this departure would affect net position, assets, liabilities, deferred outflows of resources, deferred inflows of resources, expenses note disclosure, and required supplementary information has not been determined.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Responsibilities of Management for the Financial Statements-continued

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Required Supplementary Information-continued

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 a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by not including this information.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Continuing Disclosure Statement but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & CO., PLLC
Twin Falls, Idaho
October 16, 2024

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**KIMBERLY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 980,555
Investments	5,352,347
Property taxes receivable	68,415
Receivable from other governments	1,895,829
Total current assets	8,297,146
Noncurrent assets:	
Capital assets, net	27,414,609
Construction in progress	50,121
Net OPEB asset	460,197
Total noncurrent assets	27,924,927
Total assets	36,222,073
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	4,923,961
OPEB	319,547
Total deferred outflows of resources	5,243,508
Total assets and deferred outflows of resources	\$ 41,465,581
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 124,775
Salaries and benefits payable	2,087,433
Interest payable	174,160
Current portion of capital leases payable	50,085
Current portion of bonds payable	1,074,689
Total current liabilities	3,511,141
Noncurrent liabilities:	
Noncurrent portion of capital leases payable	91,079
Noncurrent portion of bonds payable	16,267,863
Premium on debt issuance	769,232
Net pension liability	9,543,437
Total noncurrent liabilities	26,671,612
Total liabilities	30,182,753
DEFERRED INFLOWS OF RESOURCES	
Pensions	94,033
OPEB	188,917
Total deferred outflows of resources	282,950
NET POSITION	
Net investment in capital assets	9,930,893
Restricted for:	
School lunch	461,831
Non K-12 programs	57,017
Capital projects	175,572
Debt service	2,738,775
Unrestricted	(2,364,210)
Total net position	10,999,878
Total liabilities, deferred inflows, and net position	\$ 41,465,581

See Notes to Financial Statements.

**KIMBERLY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Operating Grants and Contributions	Charges for Services	Governmental Activities
Instruction:				
Elementary School Program	\$ 4,219,827	\$ 3,838,465	\$ -	\$ (381,362)
Secondary School Program	5,133,439	4,669,510	-	(463,929)
Alternative School Program	22,619	20,575	-	(2,044)
Exceptional School Program	1,584,746	1,441,526	-	(143,220)
Preschool School Program	32,229	29,316	-	(2,913)
Interscholastic School Program	277,793	252,688	-	(25,105)
School Activity Program	975,990	887,786	-	(88,204)
Afterschool Program	5,377	4,891	-	(486)
Support Services:				
Pupil Support Services	3,094,529	2,814,865	-	(279,665)
Staff Support Services	481,955	438,399	-	(43,556)
District Administration	221,790	201,746	-	(20,044)
School Administration	1,486,121	1,351,815	-	(134,306)
Business Administrative	540,208	491,387	-	(48,821)
Operation and maintenance of facilities	2,934,364	2,669,174	-	(265,190)
Transportation	760,545	393,689	-	(366,856)
School lunch services	743,875	346,024	256,606	(141,245)
Interest on long-term debt	511,918	-	-	(511,918)
Total governmental activities	<u>23,027,324</u>	<u>19,851,857</u>	<u>256,606</u>	<u>(2,918,862)</u>

General Revenues:

Taxes:

Property taxes, levied for general purposes	871,500
Property taxes, levied for debt service & capital projects	1,108,046
Interest and investment earnings	396,674
Miscellaneous	1,306,211
Total general revenues, extraordinary items and transfers	<u>3,682,431</u>

Change in net assets 763,569

Net position-beginning of year 10,236,309

Net position-end of year \$ 10,999,878

See Notes to Financial Statements.

FUND FINANCIAL STATEMENTS

**KIMBERLY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	<u>Major Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Debt Service</u>		
ASSETS				
Cash and cash equivalents	\$ -	\$ 290,229	\$ 1,004,183	\$ 1,294,413
Investments	3,177,155	2,175,166	25	5,352,347
Property taxes receivable	27,221	31,591	9,602	68,415
Receivable from other governments	1,109,841	264,655	521,334	1,895,829
Total assets	<u>4,314,217</u>	<u>2,761,641</u>	<u>1,535,145</u>	<u>8,611,003</u>
DEFERRED OUTFLOWS				
	-	-	-	-
Total assets and deferred outflows	<u>\$ 4,314,217</u>	<u>\$ 2,761,641</u>	<u>\$ 1,535,145</u>	<u>\$ 8,611,003</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE				
Accounts payable	\$ 41,858	\$ -	\$ 82,917	\$ 124,775
Pooled cash deficit	139,577	-	174,281	313,858
Salaries and benefits payable	1,823,823	-	263,610	2,087,433
Total liabilities	<u>2,005,258</u>	<u>-</u>	<u>520,807</u>	<u>2,526,066</u>
DEFERRED INFLOWS				
Unavailable revenue-property taxes	18,880	22,866	6,661	48,408
FUND BALANCE				
Nonspendable				
Restricted				
Capital projects	-	-	175,572	175,572
Debt service	-	2,738,775	-	2,738,775
Federal programs	-	-	56,847	56,847
State programs	-	-	170	170
Child Nutrition	-	-	461,831	461,831
Local Grants	114,181	-	-	114,181
Student Activities	-	-	317,711	317,711
Committed				
General Board Reserves	850,000	-	-	850,000
Assigned				
Assigned	-	-	-	-
Unassigned				
Unassigned	1,325,898	-	(4,455)	1,321,443
Total fund balances	<u>2,290,079</u>	<u>2,738,775</u>	<u>1,007,677</u>	<u>6,036,530</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 4,314,218</u>	<u>\$ 2,761,641</u>	<u>\$ 1,535,145</u>	<u>\$ 8,611,004</u>

See Notes to Financial Statements.

**KIMBERLY SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

Total fund balances for governmental funds \$ 6,036,530

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 1,970,017	
Buildings and improvements, net of \$14,474,426 accumulated depreciation	24,722,363	
Equipment, net of \$681,581 accumulated depreciation	224,173	
Transportation buses, net of \$1,431,266 accumulated depreciation	498,056	
Construction in Progress	50,121	
Total	27,464,730	27,464,730

Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable revenue- property-taxes in the funds. 48,408

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for general obligation bonds is \$211,989 (174,160)

Long-term liabilities including capitalized leases and bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities.

Capitalized Leases		(141,164)
Unamortized premium and advance refunding loss on bonds payable		(769,232)
Bonds payable		(17,342,552)

Net pension assets, liabilities and associated deferred items are not available to pay for current period expenditures and therefore are deferred in the funds:

Other post employment benefits asset		460,197
Net pension asset (liability)		(9,543,437)
Deferred outflows of resources not reported in the funds		5,243,508
Deferred inflows of resources not reported in the funds		(282,950)

Total net position of governmental activities \$ 10,999,878

See Notes to Financial Statements.

KIMBERLY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Major Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Debt Service</u>		
REVENUES				
Local Revenues				
Property taxes	\$ 871,018	\$ 816,115	\$ 301,763	\$ 1,988,896
Earnings on investments	304,005	92,412	257	396,674
Other local	338,951	-	1,223,866	1,562,816
State Revenues	15,981,899	510,694	620,031	17,112,625
Federal aid	129,912	69,038	2,540,282	2,739,232
Total revenues	<u>17,625,784</u>	<u>1,488,260</u>	<u>4,686,199</u>	<u>23,800,243</u>
EXPENDITURES				
Instruction:				
Elementary school program	3,538,135	-	362,541	3,900,676
Secondary school program	4,548,561	-	218,643	4,767,204
Alternative school program	20,967	-	-	20,967
Exceptional school program	-	-	1,520,314	1,520,314
Preschool school program	-	-	29,665	29,665
Interscholastic school program	262,712	-	-	262,712
School activity program	76,599	-	893,993	970,592
Afterschool program	-	-	4,949	4,949
Total instructional	<u>8,446,974</u>	<u>-</u>	<u>3,030,106</u>	<u>11,477,080</u>
Support Services				
Attendance-guidance-health	389,354	-	-	389,354
Special services program	935,670	-	-	935,670
Instructional improvement program	648,480	-	143,175	791,655
Educational media program	345,543	-	-	345,543
Educational technology program	369,253	-	16,040	385,292
Books and periodicals	14,257	-	-	14,257
Board of education	114,534	-	-	114,534
District administration	196,397	-	-	196,397
School administration program	1,371,982	-	-	1,371,982
Business operations	518,334	-	1,844	520,177
Administrative technology	-	-	417,542	417,542
Maintenance and improvements				
Buildings, grounds and equipment	1,493,423	-	311,712	1,805,134
Pupil transportation	721,846	-	232,524	954,371
Other support	-	21,081	-	21,081
Total support services	<u>7,119,073</u>	<u>21,081</u>	<u>1,122,836</u>	<u>8,262,991</u>
Food services program	18,222	-	698,563	716,785
Capital asset program	-	-	643,441	643,441
Debt service program:				
Principal	-	2,510,000	77,702	2,587,702
Interest and other charges	-	627,228	19,201	646,430
Total debt service program	<u>-</u>	<u>3,137,228</u>	<u>96,904</u>	<u>3,234,132</u>
Total expenditures	<u>15,584,269</u>	<u>3,158,310</u>	<u>5,591,850</u>	<u>24,334,429</u>
Excess (deficiency) of revenues over expenditures	2,041,515	(1,670,050)	(905,651)	(534,186)
OTHER FINANCING SOURCES (USES)				
Transfers in	27,710	745,197	781,318	1,554,225
Transfers out	(1,554,225)	-	-	(1,554,225)
Loan Proceeds	-	-	151,956	151,956
Total other financing sources (uses)	<u>(1,526,515)</u>	<u>745,197</u>	<u>933,274</u>	<u>151,956</u>
Net change in fund balance	515,000	(924,853)	27,623	(382,229)
Fund balances-beginning	<u>1,775,078</u>	<u>3,663,628</u>	<u>980,054</u>	<u>6,418,760</u>
Fund balances-ending	<u>\$ 2,290,079</u>	<u>\$ 2,738,775</u>	<u>\$ 1,007,677</u>	<u>\$ 6,036,531</u>

See Notes to Financial Statements.

**KIMBERLY SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Net change in fund balances-total governmental funds \$ (382,229)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for furniture and equipment and \$100,000 for buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 934,378	
Depreciation expense	<u>(1,137,718)</u>	
Total		(203,340)

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Lease payments	78,245	
Loan Proceeds	(151,956)	
Bond premium amortization	106,038	
Repayment of bond principal	2,587,702	
Interest expense - general obligation bonds	<u>28,474</u>	
Total		2,648,503

Property tax revenues received prior to the year for which they are being levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred property tax revenues increased this year. (9,350)

Benefits paid on behalf of retirees for other post-employment benefits (OPEB) in the Statement of Activities differs from the amount reported in the governmental funds because these costs are recognized as an expenditure in the governmental funds when they are paid, thus requiring the use of current financial resources. In the Statement of Activities, however, the OPEB obligation is recognized based on the actuarial valuations, regardless of when it is paid. (87,024)

Changes in net pension liability and related pension obligation deferred outflow and employer pension assumption deferred inflows of resources do not provide or required current financial resources and therefore are not reflected in the funds. (1,202,991)

Change in net position of governmental activities \$ 763,569

NOTES TO FINANCIAL STATEMENTS

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the School District

Kimberly School District (the District) provides public school educational services as authorized by Section 33 of Idaho Code. The District is governed by an elected Board of Trustees which possesses final decision-making authority and is held primarily accountable for those decisions. The Board is responsible for approving the budget, establishing spending limitations, funding any deficits, and borrowing funds and/or issuing bonds to finance school system operations and construction. The statements reflect all funds and accounts directly under the control of the District.

B. Basis of Presentation

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units and to state laws applicable to school districts. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals. The more significant accounting policies of the District are described below:

C. Financial Reporting Entity

The District follows GASB in determining the reporting entity. The financial reporting entity consists solely of the primary government. Accordingly, the financial statements include all funds, and agencies of the primary government whose budgets are controlled or whose boards are appointed by the District's Board of Trustees. Control or dependence on the District was determined on the basis of appointment authority, budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the District and legal standing.

The District contributes to the multi-employer Public Employee Retirement System of Idaho (PERSI). PERSI is administered by the State of Idaho. A ten-year history is provided in PERSI's annual report.

D. Fund Accounting

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follows:

Governmental Funds

Governmental funds are used to account for the District's general governmental activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The general fund and debt service fund are considered major funds while the remaining governmental funds are considered non-major. Governmental funds include:

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Fund Accounting-continued

General Fund – the primary operating fund of the District accounts for all financial resources, except those required to be accounted for in other funds.

Special Revenue Funds – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund – account for the servicing of general long-term debt.

Capital Project Fund– accounts for the acquisition of fixed assets or construction of major capital projects.

Fiduciary Funds

Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

E. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the Government Wide Financial Statements. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 “Accounting and Financial Reporting for Nonexchange Transactions.”

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District’s taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District’s general revenues. Program revenues include charges to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is not specifically identified by function and is considered an unallocated indirect expense. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

E. Measurement Focus and Basis of Accounting

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The Governmental Funds use the following Practices in Recording Revenues and Expenditures:

Revenues and Expenditures:

Ad Valorem Taxes – are susceptible to accrual.

Entitlements and Shared Revenues – (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met.

Expenditure-Driven Grants – are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other Receipts – become measurable and available when cash is received by the District and are recognized as revenue at that time.

Expenditures – salaries are recorded as paid. Salaries for twelve-month employees are accrued on June 30, 2024.

Other Financing Sources (Uses) – transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying event occurs.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

F. Cash and Investments

Cash and Cash Equivalents

The District pools cash of all funds into common bank accounts. The accounting records of each fund reflect its interest in the pooled cash. Any deficiencies in cash of individual funds represent liabilities to other funds for cash borrowed. Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Idaho law and national banks having their principal offices in Idaho.

Restricted Cash and Investments

The restricted cash and investments are comprised of restricted deposits for specific program expenditures, unexpended bond proceeds, capital project deposits, and debt services funds that are restricted for use on specifically identified programs, capital projects and debt service payments.

Investments

Investments are stated at fair value, as determined by quoted market prices, except for any certificates of deposit, which are non-participating contracts, and are therefore carried at amortized cost. Idaho Code provides authorization for the investment of funds as well as to what constitutes an allowable investment. The District policy allows for investment of idle funds consistent with the Idaho State Code 67-1210 and 67-1210A.

The Code Limits Investments to the following General Types:

Certain revenue bonds, general obligation bonds, local improvement district bonds and registered warrants of state and local governmental entities.

Time deposit accounts, tax anticipation and interest-bearing notes.

Bonds, treasury bills, debentures, or other similar obligations of the United States Government and United States Government Agencies.

Repurchase agreements secured by the above.

Local Government Investment Pool

The Local Government Investment Pool is managed by the by the State of Idaho 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 government investment pool including regulatory information, ratings, and risk information can be found at www.sto.idaho.gov.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

G. Short-term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as receivable from other funds or payable to other funds on the fund financial statements balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. Deferred Outflows/Inflows of Resources

Deferred Outflows of Resources

In addition to assets, the Statement of Financial Position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

The District has Two Items that Qualify for Reporting in this Category:

Pension Obligation and the Post-Employment Obligation (OPEB) – reported on the Government-Wide Statement of Net Position results from changes in the assumptions or other inputs in the actuarial calculation of the District’s net pension liability and OPEB asset.

Deferred Inflows of Resources

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

The District has Two Items that Qualify for Reporting in this Category:

Employer Pension Assumption and the OPEB Obligation – results from differences between the expected and actual experience and the net difference between projected and actual earnings on pension plan investments and OPEB investments derived from the actuarial calculation of the District’s net pension liability and OPEB liability.

On the Fund Level Financial Statements, the District has only one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category: unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

I. Capital Assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Buildings and Improvements and Furniture and Equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	40
Furniture	7
Busses	10

Depreciation expense for buildings, furniture and equipment relate to multiple programs, for which allocating among programs is not easily identifiable. As such, depreciation is not allocated.

J. Unavailable and Advanced Revenue

The District reports unavailable and advance revenues on its Statement of Net Position and Fund Balance Sheet. Advanced revenues are reported when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for advanced revenue is removed from the combined balance sheet and the revenue is recognized. On the government fund financial statements property taxes that are delinquent are recorded as unavailable revenue since they are not available within 60 days of the fiscal year end; however, in the government-wide financial statements all property taxes are recognized in the year they are measurable.

K. Salaries and Benefits Payable

Teaching personnel are paid on contracts that provide monthly payments throughout the year, even though school is not in session during the summer months. Salaries and benefits payable represent payment for teachers that are distributed during July and August but are for services performed for the year ended June 30, 2024. It also includes an amount for full time administrative employees for vacation earned but not paid at year end.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

L. Accrued Liabilities and Long-Term Obligations-continued

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and bond premiums are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Equity and Fund Balance Classifications

Equity Classifications

In the District-Wide Financial Statements, equity is classified as net position and displayed in three components:

Invested in Capital Assets, Net of Related Debt – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of these assets.

Restricted – consists of net assets with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted – all other net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Classifications

The Governmental Fund Financial Statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The Classifications used in the Governmental Fund Financial Statements are as follows:

Non-Spendable Fund Balance – consists of amounts that are not in a spendable form or are required to be maintained intact.

Restricted Fund Balance – consists of amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation.

The Restricted for State Programs and Federal Programs Balances – reflect amounts restricted for specific state and federal programs as mandated by respective state and federal grant or funding agreements.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

M. Equity and Fund Balance Classifications-continued

Restricted for Debt Service Balance – is to be used for future servicing of the outstanding bonds and are restricted through debt covenants.

The Restricted for Capital Projects Balance – reflect amounts that are restricted for construction or other capital outlay projects.

Committed Fund Balance – consists of amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the District Board. These amounts cannot be used for any other purpose unless the District’ Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

Assigned Fund Balance – consists of amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the District’s Board or Superintendent.

Unassigned Fund Balance – consists of any remaining fund balance that has not been reported in any other classification.

For the purposes of fund balance classification, the District’s policy is to have expenditures spent from the restricted fund balances first, followed in order by committed fund balance (if any), assigned fund balance (if any) and last Unassigned Fund Balance.

N. Interfund Transfers

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other Interfund Transactions, except Quasi-External Transactions and Reimbursement, are reported as transfers.

O. Pensions

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

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

P. Other Post-Employment Benefits-Health and Dental

The District 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 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 liabilities and related 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 District accounts for the other post-employment benefits for retirees on the pay-as-you-go basis.

Q. Other Post-Employment Benefits (OPEB) – PERSI Sick Leave

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

R. Property Taxes

Property Tax Revenues

Property tax revenues are recognized when received or, if received within the two-month period subsequent to year-end, are accrued on the fund financial statements. Property tax revenues are recognized when levied with appropriate accrual made at year-end on the government-wide financial statements. The District’s property taxes, levied on the Thursday prior to the second Monday in September on a market value basis, are billed to the taxpayers in November. Half of the real, personal, and mobile home property taxes are due on December 20 and the remainder is due the following June 20. Occupancy taxes are due December 20. Real property taxes not paid constitute a lien on the property when entered on the real property assessment roll as delinquent on the first day of January of the succeeding year.

Delinquent Property Tax Receivables

Delinquent property tax receivable is recognized as revenue in the government-wide financial statements. Only the portion that meets the revenue recognition criteria is recognized as revenue on the fund financial statements. Under State law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Twin Falls County bill and collect property taxes for the District.

Ad Valorem Taxes Receivables

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no material allowance for uncollectible taxes.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

S. Elimination and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activity’s column.

T. 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 for various reasons, including the circuit breaker program, agricultural and other exemptions, and section 63-602NN exemptions under Idaho Code for real property improvements.

U. Grants and Other Intergovernmental Revenues

Federal and state reimbursement-type grants are recorded as intergovernmental revenues when the related expenditures/expenses are incurred and, in governmental funds, when the revenues meet the availability criterion. For programs that are supported by multiple funding sources, federal and state grant monies are applied to expenditures first.

V. Encumbrances

Purchase orders, contracts, and other commitments for the expenditure of funds are considered to be encumbrances for budgeting control purposes during the year. Outstanding encumbrances at year-end do not constitute expenditures and are either charged to an appropriation the following year or the contractual commitment is canceled.

W. Nonmonetary Transactions

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

X. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. It is at least reasonably possible that the significant estimates used will change within the next year.

Y. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all governmental fund types.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Z. Implementation of GASB Statement No. 96

As of July 1, 2024, the District adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The implementation of this standard establishes that a SBITA results in a right-to-use subscription IT asset -an intangible asset - and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. The District completed an analysis of ongoing and outstanding subscription-based arrangement, where there were no material subscriptions identified and capitalized during the current year.

NOTE 2 – CASH AND INVESTMENTS

On June 30, 2024, the District’s Cash, and Investments, excluding Trust and Agency Funds, consisted of the following:

	Carrying Amounts	Bank Deposit Balance
Cash and Equivalents:		
Insured or Collateralized	\$ 688,629	\$ 871,177
Uninsured or Uncollateralized	291,926	835,508
Total Deposits	\$ 980,555	\$ 1,706,685

	Rating	Fair Value
Investments:		
State Treasurer's Local		
Government Investment Pool	Unrated	\$ 4,917,392
US Treasury Time Deposits		434,955
Total Investments		\$ 5,352,347

A. Investments Restricted

Investments restricted amounts include funds put into the mandatory sinking fund for the Series 2013B General Obligation Bonds. These funds will be used to pay off the debt.

B. Custodial Credit Risk

Custodial Credit Risk for Deposits – is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover the value of its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Custodial Credit Risk for Investments – is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another part. The District does not have a policy restricting the amount of deposits and investments subject to custodial credit risk.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 – CASH AND INVESTMENTS – CONTINUED

The District minimizes exposure to custodial credit risk by requiring that investments, to the extent possible, be identified as to the Kimberly School District ownership and be held in the District’s name.

C. Credit Risk

Credit risk is the risk that an issuer of debt securities or counterparty to an investment will not fulfill its obligation. It is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody’s, Standard & Poor’s and Fitch’s. The investments of the District are not rated and the District’s policy does not restrict them to rated investments. Most of the Investments of the District as of June 30, 2024, are invested in the LGIP which is not required to be rated.

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Investments that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rates. On June 30, 2024, the District is not subject to interest rate risk as all investments are held in the LGIP and certificates of deposits, which have short maturities. The District doesn’t have a policy concerning interest rate risk.

E. Concentration of Credit Risk

When investments are concentrated in one issuer, this concentration represents heightened risk of potential loss. No percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principle that governments should provide not disclosure when 5% of the total entity investments are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The District has no policy limiting the amount it may invest in any one issuer.

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND INTERFUND TRANSFERS

On June 30, 2024, the composition of Interfund Balances are as follows:

<u>Receivable Funds</u>	<u>Payable Funds</u>	
General	General Fund	\$ 139,577
Debt Service	Title I-C Migrant	14,524
	Idea School Age	30,706
	Idea Preaschool	2,498
	Driver's Education	4,797
	Title V-A	1,308
	Carl Perkins	15,645
	Title I-A	10,305
	Improving Teacher Quality	21,577
	ESSER III	19,320
	Special Services	53,601
		<u>\$ 313,858</u>

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND INTERFUND TRANSFERS-CONTINUED

The balances resulted from loans made to cover operating cash deficits., the amounts are shown on the balance sheet as pooled cash deficit.

The following operating transfers occurred during the fiscal year:

	Transfer In	Transfer Out
General	\$ 27,710	\$ 1,554,225
Capital Projects	66,283	-
Technology State	138,446	-
Debt Service	745,197	-
Medicaid	576,589	-
Improving Teacher Quality	-	10,000
Total	\$ 1,554,225	\$ 1,564,225

NOTE 4 – DUE FROM OTHER AGENCIES AND UNITS OF GOVERNMENTS

Amounts due from other agencies and units of government were as follows as of June 30, 2024:

State Agencies	\$ 1,156,021
County Agencies	654,835
Other Agencies	84,973
Total	\$ 1,895,829

NOTE 5 – UNAVAILABLE AND ADVANCED REVENUES

Revenues are considered unavailable in accordance with the modified accrual basis of accounting for the fund financial statements.

The following revenues are measurable but do not represent available expendable resources for the Fund Financial Statements or were received in advance before the District has legal claim to them for the fiscal year ended June 30, 2024:

	General Fund	Debt Service	Capital Projects	Total
Delinquent Taxes	\$ 18,880	\$ 22,866	\$ 6,662	\$ 48,408

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 - CAPITAL ASSETS

The following presents a summary of activity in the capital assets as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Land	\$ 1,970,017	\$ -		\$ 1,970,017
Buildings				
Elementary	18,932,100	268,235	-	19,200,335
Secondary	15,801,695	345,120	-	16,146,815
Other	3,522,093	89,850	-	3,611,943
Transportation	75,000	-	-	75,000
Maintenance	162,695	-		162,695
Total Buildings	38,493,583	703,205	-	39,196,788
Equipment and Other	876,657	29,097	-	905,754
Transportation Equip.	1,777,367	151,955	-	1,929,322
Total Capital Assets	43,117,624	884,257	-	44,001,881
Less Accum. Depreciation	(15,449,554)	(1,137,718)	-	(16,587,272)
Net Capital Assets	<u>\$ 27,668,070</u>	<u>\$ (253,461)</u>	<u>\$ -</u>	<u>\$ 27,414,609</u>

NOTE 7 - GENERAL OBLIGATION BONDS

The following is a summary of bond transactions of the District for the year ended June 30, 2024:

	June 30, 2022	Issuance	Payments	June 30, 2023
2013 Series A	\$ 1,500,000	\$ -	\$ (1,500,000)	\$ -
2013 Series B	1,485,000	-	-	1,485,000
2016 Series A	9,855,000	-	-	9,855,000
2016 Refunding Bonds	4,775,000	-	(930,000)	3,845,000
2018 Series	1,540,000	-	(80,000)	1,460,000
2020 Series	775,254	-	(77,702)	697,552
Total	<u>\$ 19,930,254</u>	<u>\$ -</u>	<u>\$ (2,587,702)</u>	<u>\$ 17,342,552</u>

KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 – GENERAL OBLIGATION BONDS – CONTINUED

On August 1, 2013, the District issued General Obligation Bonds, Series 2013(A) (Tax-Exempt in the amount of \$1,500,000 and General Obligation Bonds, Series 2013 B (Taxable QSCB-Direct Pay Subsidy) in the amount of \$1,485,000. The funds will be used to finance the costs of renovations and improvements to the historic L.A. Thomas Gymnasium, to complete the Sports Complex, construction of technology classrooms and other improvements to facilities throughout the District, and acquisition of related equipment for such school facilities.

In August 2016, the District issued General Obligation Bonds, Series 2016A in the amount of \$10,660,000. The funds were used for the construction of a new elementary school, repairs and renovations and to purchase land for future school sites.

In August 2016, the District issued General Obligation Refunding Bonds, Series 2016B in the amount of \$8,055,000. The funds were used to refund the Series 2007 Bonds.

In February 2018, the District issued General Obligation Bonds, Series 2018 (Bank Qualified). The Bonds were issued for the purpose of financing the costs of acquiring, constructing, equipping and furnishing a new elementary school, including all relevant lighting, heating, ventilation and sanitation facilities and appliances necessary to maintain and operate the building and facilities. The Bonds were issued to also repair and renovate the existing Kimberly Elementary School and to purchase land for future school sites and to repay the costs of issuance of the Bonds (the “Project”).

The District previously issued its General Obligation Bonds, Series 2016A, dated August 30, 2016 (the “Series 2016A Bonds”). The Series 2016A Bond proceeds provided \$11,245,000 in funds for the purpose of financing the Project. The Bonds represent the remaining authorization from the 2016 Authorizing Election.

In February 2021, the District issued Annual Appropriation Lease-Purchase, Series 2021 in the amount of \$1,000,000. The funds were used to purchase land.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7 - GENERAL OBLIGATION BONDS – CONTINUED

General Obligation Bonds payable as of June 30, 2024, consist of the following:

Series 2013B General Obligation Bonds in the original principal amount of \$1,485,000 maturing on August 15, 2019. One principal payment is due on September 15, 2030. Interest is payable semi-annually on March 15, and September 15 of each year. The interest rate on the bond is 5.036%. The terms of the bond requires annual mandatory sinking fund installments of \$10,000 per year and two installments of \$780,000 and \$555,000 in 2029 and 2030 respectively.	\$ 1,485,000
Series 2016A General Obligation Bonds in the original principal amount of \$9,860,000 maturing through September 1, 2027. Principal payments are due annually on September 15, and interest is payable semi-annually on March 15, and September 15 of each year. Interest rates on the bonds range from 3.75% to 5% on the outstanding bonds.	9,855,000
Series 2007A General Obligation Bonds in the original principal amount of \$9,860,000 maturing through September 1, 2027. Principal payments are due annually on September 15, and interest is payable semi-annually on March 15, and September 15 of each year. Interest rates on the bonds range from 3.75% to 5% on the outstanding bonds.	3,845,000
Series 2018 General Obligation Bonds in the original principal amount of \$2,695,000 maturing through September 15, 2037. Principal payments are due annually on September 15, and interest is payable semi-annually on March 15, and September 15 of each year. Interest rates on the bonds range from 3% to 5% on the outstanding bonds.	1,460,000
Series 2021 Annual Appropriation Lease-Purchase in the original principal amount of \$1,000,000 maturing through March 1, 2032. Principal and interest payments are due semi-annually on September 1 and March 1. Interest is at 2.54%.	<u>697,552</u>
Total	<u>\$ 17,342,552</u>

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7 - GENERAL OBLIGATION BONDS – CONTINUED

The annual requirements to pay principal on outstanding general obligation bonds payable are as follows:

<u>Year</u> <u>Ended</u> <u>June 30,</u>	<u>2013</u> <u>Series B</u>	<u>2016</u> <u>Series A</u>	<u>2016</u> <u>Series B</u>	<u>2018</u> <u>Series</u>	<u>2020</u> <u>Series</u>	<u>Total</u>	Interest
2025	\$ -	\$ -	\$ 915,000	\$ 80,000	\$ 79,689	\$ 1,074,689	\$ 580,893
2026	-	-	945,000	85,000	81,725	1,111,725	546,832
2027	-	-	975,000	90,000	83,814	1,148,814	507,592
2028	-	-	1,010,000	95,000	85,957	1,190,957	462,500
2029	-	150,000	-	95,000	88,154	333,154	433,038
2030-2034	1,485,000	5,035,000	-	530,000	278,213	7,328,213	1,397,832
2035-2038	-	4,670,000	-	485,000	-	5,155,000	206,269
	-	-	-	-	-	-	-
Total	<u>\$ 1,485,000</u>	<u>\$ 9,855,000</u>	<u>\$ 3,845,000</u>	<u>\$ 1,460,000</u>	<u>\$ 697,552</u>	<u>\$ 17,342,552</u>	<u>\$ 4,134,956</u>

NOTE 8 – CAPITAL LEASES

As of June 30, 2024, the District has two capital lease obligations for buses. Total minimum lease payments are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	\$ 50,085	\$ 7,219	\$ 57,304
2026	28,744	5,033	33,777
2027	30,332	3,444	33,776
2028	<u>32,003</u>	<u>1,773</u>	<u>33,776</u>
Total	<u>\$ 141,164</u>	<u>\$ 17,469</u>	<u>\$ 158,633</u>

NOTE 9 – PENSION PLAN

Plan Description

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

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

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 – PENSION PLAN – CONTINUED

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, 2022 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The District's contributions were \$1,182,504 for the year ended June 30, 2023.

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

On June 30, 2024, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. On June 30, 2023, the District's proportion was .002329238 percent.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 – PENSION PLAN – CONTINUED

For the year ended June 30, 2024, the District recognized pension expense (revenue) of \$1,202,991. On June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 872,493	\$ -
Changes in assumptions or other inputs	920,423	-
Net difference between projected and actual earnings on pension plan investments	1,593,272	-
Changes in the District's proportion and differences between the District's contributions and the District's proportionate contributions	192,901	94,033
The District's contributions subsequent to the measurement date	1,344,872	-
Total	\$ 4,923,961	\$ 94,033

\$1,344,872 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024.

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

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

Year Ended Jun 30,	
2023	\$ 1,222,034
2024	583,620
2025	1,774,548
2026	(95,146)

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.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 – PENSION PLAN – CONTINUED

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

Inflation	2.30%
Salary Increase	3.05%
Investment Rate of Return	6.35 %, Net of Investment Expenses
Cost-of-Living Adjustments	1.00%

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021.

- **Contributing Members, Service Retirement Members, and Beneficiaries**
- General Employees and All Beneficiaries –
- Males Pub-2010 General Tables, increased 11%.
- General Employees and All Beneficiaries
- Females Pub-2010 General Tables, increased 21%.
- Teachers - Males Pub-2010 Teacher Tables, increased 12%.
- Teachers - Females Pub-2010 Teacher Tables, increased 21%.
- Fire & Police - Males Pub-2010 Safety Tables, increased 21%.
- Fire & Police - Females Pub-2010 Safety Tables, increased 26%.
- 5% of Fire and Police active member deaths are assumed to be duty
- Disabled Members - Males Pub-2010 Disabled Tables, increased 38%.
- Disabled Members - Females Pub-2010 Disabled Tables, increased 36%.

Assumptions used to calculate the enclosed figures are described in our 2021 Experience Study. The Total Pension Liability as of June 30, 2021 is based on the results of an actuarial valuation date July 1, 2021.

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

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. 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 PERSI’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.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 – PENSION PLAN – CONTINUED

Discount Rate

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease	Current	1% Increase
	(5.35%)	Discount Rate	(7.35%)
	<u>(5.35%)</u>	<u>(6.35%)</u>	<u>(7.35%)</u>
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 16,966,054</u>	<u>\$ 9,543,437</u>	<u>\$ 3,476,838</u>

Pension Plan Fiduciary Net Position

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

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

Payables to the pension plan

On June 30, 2024, the District had paid PERSI for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages.

NOTE 10 - OPEB PLAN

Plan Description

The District contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies, and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 - OPEB PLAN – CONTINUED

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

OPEB Benefits

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

Employer Contributions

The contribution rate for employers is set by statute at .065% of covered compensation for state members. Covered school members' contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave, then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. The District's contributions were \$0 for the year ended June 30, 2024.

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

On June 30, 2024, the District reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's share of contributions relative to the total contributions of all participating Sick Leave employers. On June 30, 2023, the District's proportion was .006341731 percent.

For the year ended June 30, 2024, the District recognized OPEB expense (expense offset) of \$87,024. \$0 reported as deferred outflows of resources related to OPEBs resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2024.

Actuarial Assumptions

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

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	5.45%, net of investment fees

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – OPEB PLAN – CONTINUED

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

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

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

Asset Class	Target Allocation	Expected Rate of Return (Arithmetic)
Broad U.S. Equity	39.30%	8.53%
Global EX U.S. Equity	10.70%	9.09%
Fixed Income	50.00%	2.80%
Cash Equivalents	0%	2.25%

Discount Rate

The discount rate used to measure the total OPEB liability was 5.45%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the OPEB plan’s net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

**KIMBERLY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – OPEB PLAN – CONTINUED

Sensitivity of the net OPEB asset to changes in the discount rate.

The following presents the District's proportionate share of the net OPEB asset calculated using the discount rate of 5.45 percent, as well as what the District's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.45 percent) or 1- percentage-point higher (6.45 percent) than the current rate:

	1% Decrease (4.45%)	Discount Rate (5.45%)	1% Increase (6.45%)
The District's proportionate share of the net pension liability (asset)	\$ (309,739)	\$ (460,197)	\$ (597,805)

OPEB plan fiduciary net position

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

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

Payables to the OPEB plan

On June 30, 2024, the District had paid PERSI for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages for the OPEB plan.

NOTE 11– EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the fund year ended June 30, 2024, expenditures exceeded appropriations in the special services fund by \$159,942.

NOTE 12 – RISK FROM LOSSES/CONTINGENT LIABILITIES

The District is not aware of any pending or threatened litigation that would adversely affect the District. The District purchases commercial insurance to protect assets from losses from workmen’s compensation claims, fire and casualty, general liability and fidelity losses.

The District has received several Federal/State grants for specific purposes that were subject to review and audit of the compliance conditions of each program. This audit found no elements of non-compliance with terms and conditions of the individual programs.

NOTE 13– SUBSEQUENT EVENTS

The District has evaluated subsequent events through October 16, 2024, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**KIMBERLY SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Local Revenues				
Property taxes	\$ 860,500	\$ 855,631	\$ 871,018	\$ 15,387
Earnings on investments	5,000	275,000	304,005	29,005
Other local	529,900	595,040	338,951	(256,089)
State Revenues	15,218,080	15,967,324	15,981,899	14,575
Federal aid	3,500	3,272	129,912	126,640
Total revenues	<u>16,616,980</u>	<u>17,696,267</u>	<u>17,625,784</u>	<u>(70,483)</u>
EXPENDITURES				
Instruction:				
Elementary school program	3,447,836	3,494,814	3,538,135	(43,321)
Secondary school program	4,605,228	4,564,352	4,548,561	15,791
Alternative school program	29,898	23,918	20,967	2,951
Interscholastic school program	260,342	271,101	262,712	8,388
School activity program	71,694	73,492	76,599	(3,107)
Total instructional	<u>8,414,998</u>	<u>8,427,676</u>	<u>8,446,974</u>	<u>(19,298)</u>
Support Services				
Attendance-guidance-health	397,380	402,206	389,354	12,852
Special services program	923,781	954,661	935,670	18,991
Instructional improvement program	539,254	618,687	648,480	(29,793)
Educational media program	346,875	350,675	345,543	5,132
Educational technology program	374,090	376,685	369,253	7,432
Books and periodicals	-	14,800	14,257	543
Board of education	16,014	294,042	114,534	179,508
District administration	199,538	195,842	196,397	(556)
School administration program	1,352,101	1,355,808	1,371,982	(16,174)
Business operations	433,482	480,685	518,334	(37,649)
Maintenance and improvements				
Buildings, grounds and equipment	1,508,225	1,433,889	1,493,423	(59,533)
Pupil transportation	701,441	758,913	721,846	37,067
Total support services	<u>6,792,182</u>	<u>7,236,893</u>	<u>7,119,073</u>	<u>117,820</u>
Food services program	20,008	19,474	18,222	1,252
Total expenditures	<u>15,227,188</u>	<u>15,684,043</u>	<u>15,584,269</u>	<u>99,774</u>
Excess (deficiency) of revenues over expenditures	1,389,792	2,012,224	2,041,515	29,291
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	27,710	27,710
Transfers out	(1,634,118)	(1,803,499)	(1,554,225)	249,274
Total other financing sources (uses)	<u>(1,634,118)</u>	<u>(1,803,499)</u>	<u>(1,526,515)</u>	<u>276,984</u>
Net change in fund balance	(244,326)	208,725	515,000	306,275
Fund balances-beginning	<u>1,140,887</u>	<u>925,078</u>	<u>1,775,078</u>	<u>1,775,078</u>
Fund balances-ending	<u>\$ 896,561</u>	<u>\$ 1,133,803</u>	<u>\$ 2,290,079</u>	<u>\$ 2,081,354</u>

See Notes to Required Supplementary Information.

KIMBERLY SCHOOL DISTRICT
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION ASSET OR LIABILITY AND SCHEDULE
OF EMPLOYER CONTRIBUTIONS
PERSI - BASE PLAN
LAST 10 FISCAL YEARS*

Schedule of Employer's Share of Net Pension Asset and Liability*

Fiscal Year Ended	District's portion of the net pension (asset) liability	District's proportionate share of the net pension (asset) liability	District's covered-employee payroll	District's proportional share of the net pension (asset) liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension asset/liability
2023	0.002329238	\$ 9,543,437	\$ 9,913,267	96.27%	83.83%
2022	0.002410595	9,353,128	9,506,049	98.39%	83.09%
2021	0.002459688	(424,359)	9,179,225	-4.62%	100.36%
2020	0.002432718	5,389,811	8,227,588	65.51%	88.22%
2019	0.002382218	2,429,423	8,090,981	30.03%	93.79%
2018	0.002353427	3,096,850	7,571,829	40.90%	91.69%
2017	0.002238690	4,419,489	6,953,216	63.56%	90.68%
2016	0.002180145	2,810,980	6,376,263	44.09%	87.26%
2015	0.002134645	1,531,971	5,979,081	25.62%	91.38%
2014	0.002081040	3,981,179	5,637,809	70.62%	94.95%

Data reported is measured as of June 30, 2023

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

Schedule of Employer Contributions

Fiscal Year Ended	Statutorily required contributions	Contributions in relation to statutorily required contributions	Contribution (deficiency) excess	District's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2024	\$ 1,344,872	\$ 1,344,872	\$ -	\$ 10,940,850	12.29%
2023	1,183,644	1,183,644	\$ -	9,913,267	11.94%
2022	1,135,022	1,135,022	-	9,506,049	11.94%
2021	1,095,999	1,095,999	-	9,179,225	11.94%
2020	982,374	982,374	-	8,227,588	11.94%
2019	915,899	915,899	-	8,090,981	11.32%
2018	857,131	857,131	-	7,571,829	11.32%
2017	787,104	787,104	-	6,953,216	11.32%
2016	721,793	721,793	-	6,376,263	11.32%
2015	676,832	676,832	-	5,979,081	11.32%

Data reported is measured as of June 30, 2024

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

See Notes to Required Supplementary Information.

KIMBERLY SCHOOL DISTRICT
SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB ASSET AND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - OPEB PLAN
LAST 10 FISCAL YEARS*

Schedule of Employer's Share of Net OPEB asset

Fiscal Year Ended	District's portion of the net OPEB asset	District's proportionate share of the net OPEB asset	District's covered-employee payroll	proportional share of the net OPEB asset as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB asset
2023	0.006341731	\$ 460,197	\$ 9,887,398	4.65%	124.33%
2022	0.006341731	482,777	9,410,172	5.13%	127.21%
2021	0.006341731	920,949	9,069,528	10.15%	152.61%
2020	0.006341731	713,159	8,227,588	8.67%	152.87%
2019	0.005634900	539,712	8,090,981	6.67%	138.51%
2018	0.005631618	453,844	7,571,829	5.99%	135.69%
2017	0.005458761	419,030	6,953,216	6.03%	136.78%

Data reported is measured as of June 30, 2023

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

Schedule of Employer Contributions

Fiscal Year Ended	Statutorily required contributions	Contributions in relation to statutorily required contributions	Contribution (deficiency) excess	District's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2024	\$ -	\$ -	\$ -	\$ 10,790,446	0.00%
2023	-	-	-	9,887,398	0.00%
2022	-	-	-	9,410,172	0.00%
2021	-	-	-	9,069,528	0.00%
2020	36,214	36,214	-	8,227,588	0.44%
2019	92,430	92,430	-	8,090,981	1.14%
2018	87,833	87,833	-	7,571,829	1.16%

Data reported is measured as of June 30, 2024

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

See Notes to Required Supplementary Information.

KIMBERLY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1- BUDGETARY INFORMATION

Budgetary-GAAP Reporting Reconciliation

The accompanying Budgetary Comparison Schedules compare the legally adopted budget with actual data on a budgetary basis. Accounting principles applied for purposes of developing data on the budgetary basis do not differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP).

Budgetary Policies

Kimberly School District #414 prepares an annual budget of revenue and expenditures prior to the beginning of the fiscal year. The budget is prepared on the modified accrual basis of accounting. Budget figures are based on prior levels of revenue and expenditures taking into account specific items which may be planned in advance by the District such as capital outlay expenditures. Any excess of budgeted expenditures over budgeted revenues are temporary situations and are budgeted so as to utilize cash balances in the individual fund.

SUPPLEMENTARY INFORMATION

**KIMBERLY SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Local Revenues				
Property taxes	\$ 1,546,500	\$ 801,557	\$ 816,115	\$ 14,558
Earnings on investments	30,000	30,000	92,412	62,412
State Revenues	521,354	514,539	510,694	(3,844)
Federal aid	68,278	68,278	69,038	760
Total revenues	<u>2,166,132</u>	<u>1,414,374</u>	<u>1,488,260</u>	<u>73,886</u>
EXPENDITURES				
Debt Service Program				
Principal Reduction	1,020,000	2,520,000	2,510,000	10,000
Interest and fees	689,103	689,103	648,310	40,794
Contingency	3,384,613	2,614,096	-	2,614,096
Total Debt Service	<u>5,093,716</u>	<u>5,823,199</u>	<u>3,158,310</u>	<u>2,664,890</u>
Total expenditures	<u>5,093,716</u>	<u>5,823,199</u>	<u>3,158,310</u>	<u>2,664,890</u>
Excess (deficiency) of revenues over expenditures	(2,927,584)	(4,408,826)	(1,670,050)	(2,591,004)
OTHER FINANCING SOURCES (USES)				
Transfers in	514,895	745,197	745,197	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>514,895</u>	<u>745,197</u>	<u>745,197</u>	<u>-</u>
Net change in fund balance	(2,412,689)	(3,663,628)	(924,853)	(2,591,004)
Fund balances-beginning	<u>2,412,689</u>	<u>3,663,628</u>	<u>3,663,628</u>	<u>-</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,738,775</u>	<u>\$ (2,591,004)</u>

**KIMBERLY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2024**

	Capital Improvements Fund	Student Activities Fund	Drivers Ed	Career Technical Education	Technology State	Substance Abuse State	Title I-A Improving Basic Programs Federal	Secure Our Future Grant	Title IC Education of Migratory Children	IDEA Part B School Age Federal
Assets										
Cash	\$ 74,146	\$ 317,711	\$ -	\$ 7,801	\$ 18,356	\$ -	\$ -	\$ 48,650	\$ -	\$ -
Investments	25	-	-	-	-	-	-	-	-	-
Property Taxes Receivable	9,602	-	-	-	-	-	-	-	-	-
Due From Other Governments	99,379	-	7,000	-	-	-	55,524	-	31,852	71,445
Total Assets	183,152	317,711	7,000	7,801	18,356	-	55,524	48,650	31,852	71,445
Deferred Outflows	-	-	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>\$ 183,152</u>	<u>\$ 317,711</u>	<u>\$ 7,000</u>	<u>\$ 7,801</u>	<u>\$ 18,356</u>	<u>\$ -</u>	<u>\$ 55,524</u>	<u>\$ 48,650</u>	<u>\$ 31,852</u>	<u>\$ 71,445</u>
Liabilities										
Accounts Payable	\$ 919	\$ -	\$ -	\$ 700	\$ 10,614	\$ -	\$ -	\$ -	\$ -	\$ -
Pooled Cash Deficits	-	-	4,797	-	-	-	10,305	-	14,524	30,706
Contracts and Benefits Payable	-	-	2,110	6,931	12,290	-	37,022	-	17,327	40,739
Total Liabilities	919	-	6,907	7,631	22,904	-	47,327	-	31,851	71,445
Deferred Inflows	6,661	-	-	-	-	-	-	-	-	-
Fund Equity										
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted										
Capital Projects	175,572	-	-	-	-	-	-	-	-	-
Child Nutrition	-	-	-	-	-	-	-	-	-	-
Federal Programs	-	-	-	-	-	-	8,197	48,650	-	-
State Programs	-	-	-	170	-	-	-	-	-	-
Student Activities	-	317,711	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	94	-	(4,549)	-	-	-	-	-
Total Fund Equity	175,572	317,711	94	170	(4,549)	-	8,197	48,650	-	-
Total Liabilities, Deferred Inflows and Fund Equity	<u>\$ 183,152</u>	<u>\$ 317,711</u>	<u>\$ 7,000</u>	<u>\$ 7,801</u>	<u>\$ 18,356</u>	<u>\$ -</u>	<u>\$ 55,524</u>	<u>\$ 48,650</u>	<u>\$ 31,851</u>	<u>\$ 71,445</u>

**KIMBERLY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2024**

	IDEA Part B Pre-School Federal	ARPA IDEA	Special Services	Title V-A Innovation	Carl Perkins	Improving Teacher Quality	ESSER III	SLFRF	Child Nutrition	Totals
Assets										
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537,520	\$ 1,004,184
Investments	-	-	-	-	-	-	-	-	-	25
Property Taxes Receivable	-	-	-	-	-	-	-	-	-	9,602
Due From Other Governments	7,739	-	183,991	3,941	19,136	22,007	19,320	-	-	521,334
Total Assets	7,739	-	183,991	3,941	19,136	22,007	19,320	-	537,520	1,535,145
Deferred Outflows	-	-	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows	<u>\$ 7,739</u>	<u>\$ -</u>	<u>\$ 183,991</u>	<u>\$ 3,941</u>	<u>\$ 19,136</u>	<u>\$ 22,007</u>	<u>\$ 19,320</u>	<u>\$ -</u>	<u>\$ 537,520</u>	<u>\$ 1,535,145</u>
Liabilities										
Accounts Payable	\$ -	\$ -	\$ 39,069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,615	\$ 82,917
Pooled Cash Deficits	2,498	-	53,601	1,308	15,645	21,577	19,320	-	-	174,281
Contracts and Benefits Payable	5,241	-	91,321	2,633	3,491	431	-	-	44,074	263,610
Total Liabilities	7,739	-	183,991	3,941	19,136	22,008	19,320	-	75,689	520,807
Deferred Inflows	-	-	-	-	-	-	-	-	-	6,661
Fund Equity										
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted										
Capital Projects										175,572
Child Nutrition	-	-	-	-	-	-	-	-	461,831	461,831
Federal Programs	-	-	-	-	-	-	-	-	-	56,847
State Programs	-	-	-	-	-	-	-	-	-	170
Student Activities										317,711
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(4,455)
Total Fund Equity	-	-	-	-	-	-	-	-	461,831	1,007,677
Total Liabilities, Deferred Inflows and Fund Equity	<u>\$ 7,739</u>	<u>\$ -</u>	<u>\$ 183,991</u>	<u>\$ 3,941</u>	<u>\$ 19,136</u>	<u>\$ 22,008</u>	<u>\$ 19,320</u>	<u>\$ -</u>	<u>\$ 537,520</u>	<u>\$ 1,535,145</u>

**KIMBERLY SCHOOL DISTRICT
NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024**

	Capital Projects Fund	Student Activities Fund	Drivers Ed	Career Technical Education	Technology State	Substance Abuse State	Title I-A Improving Basic Programs Federal	Secure Our Future Grant	Title IC Education of Migratory Children	IDEA Part B School Age Federal
Revenues										
Local sources	\$ 301,764	\$ 853,097	\$ 7,800	\$ -	\$ 85,580	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	7,650	176,388	260,268	27,075	-	148,650	-	-
Federal sources	-	-	-	-	-	-	225,661	-	119,573	386,861
Total Revenues	301,764	853,097	15,450	176,388	345,848	27,075	225,661	148,650	119,573	386,861
Expenditures										
Instructional	-	893,993	18,531	176,218	9,768	-	227,464	-	119,573	386,861
Support	390,241	-	-	-	418,786	27,075	-	-	-	-
Capital Outlay	26,659	-	-	-	-	-	-	100,000	-	-
Debt Service	96,904	-	-	-	-	-	-	-	-	-
School Lunch	-	-	-	-	-	-	-	-	-	-
Total Expenditures	513,804	893,993	18,531	176,218	428,554	27,075	227,464	100,000	119,573	386,861
Other Sources (Uses)										
Transfers In (Out)	66,283	-	-	-	138,446	-	-	-	-	-
Loan Proceeds	151,956	-	-	-	-	-	-	-	-	-
Total Other Sources (Uses)	218,239	-	-	-	138,446	-	-	-	-	-
Excess Revenues Over (Under) Expenditures	6,199	(40,896)	(3,081)	170	55,740	-	(1,803)	48,650	-	-
Fund Balance - Beginning	169,373	358,607	3,175	-	(60,289)	-	10,000	-	-	-
Fund Balance - Ending	\$ 175,572	\$ 317,711	\$ 94	\$ 170	\$ (4,549)	\$ -	\$ 8,197	\$ 48,650	\$ -	\$ -

**KIMBERLY SCHOOL DISTRICT
NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024**

	IDEA Part B Pre-School Federal	ARPA IDEA	Special Services	Title V-A Innovation	Carl Perkins	Improving Teacher Quality	ESSER	SLFRF	Child Nutrition	Totals
Revenues										
Local sources	\$ 10,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,335	\$ 1,525,886
State sources	-	-	-	-	-	-	-	-	-	620,031
Federal sources	18,109	30,955	528,883	14,720	19,136	48,385	754,129	-	393,871	2,540,282
Total Revenues	28,418	30,955	528,883	14,720	19,136	48,385	754,129	-	661,206	4,686,199
Expenditures										
Instructional	28,418	30,955	1,105,472	-	19,136	-	13,718	-	-	3,030,106
Support	-	-	-	14,720	-	48,385	223,629	-	-	1,122,836
Capital Outlay	-	-	-	-	-	-	516,782	-	-	643,441
Debt Service	-	-	-	-	-	-	-	-	-	96,904
School Lunch	-	-	-	-	-	-	-	-	698,563	698,563
Total Expenditures	28,418	30,955	1,105,472	14,720	19,136	48,385	754,129	-	698,563	5,591,850
Other Sources (Uses)										
Transfers In (Out)	-	-	576,589	-	-	-	-	-	-	781,318
Loan Proceeds	-	-	-	-	-	-	-	-	-	151,956
Total Other Sources (Uses)	-	-	576,589	-	-	-	-	-	-	781,318
Excess Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	(37,357)	27,623
Fund Balance - Beginning	-	-	-	-	-	-	-	-	499,188	980,054
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 461,831	\$ 1,007,677

**KIMBERLY SCHOOL DISTRICT No. 414
KIMBERLY, IDAHO
CONTINUING DISCLOSURE STATEMENT**

CONTINUING DISCLOSURE

The General Obligation Bonds, Series 2007A (Bank Qualified), Series 2013A (Tax Exempt) and Series 2013B (Taxable QSCB-Direct Pay Subsidy Bonds), General Obligation Bonds Series 2016A, General Obligation Refunding Bonds Series 2016B, General Obligation Bonds Series 2018 and Annual Appropriation Lease-Purchase Bonds Series 2020 are subject to the requirements of Continuing Disclosure under S.E.C. Rule 15c-12. The following information is provided in compliance with this requirement.

Continuing Disclosure Bond Information

BOND INDEBTEDNESS

**Outstanding Long-Term Debt
As of June 30, 2024**

General Obligation Bonds	Date of Issue	Date of Maturity	Amount Issued	Amount Outstanding
Series 2013B (QSCB)	8/1/2013	9/15/2030	\$ 1,485,000	\$ 1,485,000
Series 2016A	9/20/2016	9/15/2036	10,660,000	9,855,000
Series 2016 Refunding Bonds	9/20/2016	9/15/2027	8,055,000	3,845,000
Series 2018	2/8/2018	9/15/2037	2,695,000	1,460,000
Total Outstanding Long-Term Debt			<u>\$ 22,895,000</u>	<u>\$ 16,645,000</u>
 Annual Appropriation Debt				
Series 2020	4/15/2020	3/1/2032	<u>\$ 1,000,000</u>	<u>\$ 697,552</u>

SHORT-TERM BORROWING

Under Idaho Code, the District is permitted to borrow up to an amount, not to exceed 75 percent of:

- A. The taxes levied but uncollected for the current Fiscal Year (the fiscal year includes July 1 to June 30), exclusive of taxes raised or required to be raised to pay the principal of outstanding bonded indebtedness of the District;
- B. Anticipated distribution from the Public-School Income Fund not yet collected for the current fiscal year; and
- C. Other revenues anticipated, and not yet collected for the current fiscal year.

If the tax levy or budget for any Fiscal Year has not been completed, then the amount borrowed cannot exceed 75 percent of the taxes levied or State Fund or other revenues received by the District in the previous Fiscal Year.

The District does not currently have any short-term notes outstanding, nor does it have plans to issue any notes at this time.

OVERLAPPING DEBT

The District does not have any overlapping debt to report.

**KIMBERLY SCHOOL DISTRICT No. 414
KIMBERLY, IDAHO
CONTINUING DISCLOSURE STATEMENT**

TAXES AND STATE FUNDING

Ad Valorem Tax Levy Rates of the District:

Tax Year	Supplemental M & O	Emergency	Tort	Bond	Plant Facility	Total Levy Rate
2023	0.06799860%		0.00434600%	0.06755680%	0.02549950%	0.16540090%
2022	0.07428220%		0.00464260%	0.14299320%	0.02785580%	0.24977380%
2021	0.10930860%		0.00619400%	0.20580610%	0.04099070%	0.36229940%
2020	0.13055360%		0.00663360%	0.22846870%	0.04895760%	0.41461350%

DISTRICT PROPERTY VALUES

Tax Year	Full Market Value (1)	% Annual Change in Full Market Value	Homeowner's Exemption (2)	Taxable Assessed Value	% Annual Change in Net Market Value
2023	1,472,951,972	8.66%	\$ 296,456,654	\$ 1,176,495,318	9.24%
2022	1,355,567,255	38.07%	\$ 278,592,944	\$ 1,076,974,311	47.15%
2021	981,784,525	20.19%	\$ 249,911,773	\$ 731,872,752	19.44%
2020	816,832,252	11.43%	\$ 204,056,884	\$ 612,775,368	10.47%

- (1) Each year all taxable property must be assessed at 100 percent of the current market value.
- (2) Homeowner's Exemption adjusts annually by the percentage change in the Idaho Housing Price Index. See "Homeowner's Exemption" herein.
- (3) Taxable Assessed Value is the Full Market Value Less Statutory Exemption. Statutory Exemption include Homeowner's Exemption. The Taxable Assessed Value is the value against which tax levies are applied.

Source: Idaho State Tax Commission, September 30, 2023.

DISTRICT PROPERTY TAX COLLECTION

Ad Valorem Taxes, including delinquent taxes and penalties, are collected by the treasurer of the County. The taxes are due and payable in two equal installments on December 20 of the Tax Year and June 20 of the following year. The District receives tax receipts in January and July, one month following collection by the County.

Tax Year	Total Certified Levied		Taxes Collected (1) Percent Collected	
2023	\$	1,945,934	\$	1,899,926 97.64%
2022	\$	2,690,000	\$	2,673,907 99.40%
2021		2,651,571		2,645,257 99.76%
2020		2,540,649		2,540,649 100.00%

- (1) Includes penalties, back taxes and interest on delinquent taxes collected.

Source: Office of the County Treasurer, October 2024

**KIMBERLY SCHOOL DISTRICT No. 414
KIMBERLY, IDAHO
CONTINUING DISCLOSURE STATEMENT**

DISTRICT'S TOP TEN TAXPAYERS – FOR TAX YEAR 2023

Owner	Type of Business	District Taxable Value	% of District's Tax Assessed Value
Agri-Service LLC	Agriculture Equipment	\$ 8,551,036	0.75%
Idaho Power Company	Utility	7,575,721	0.64%
Betaseed, Inc	Agriculture	7,176,481	0.61%
3 Emeralds, LLC	Subdivision	4,961,046	0.42%
The Wedge Residential, LLC	Storage Facility	4,463,672	0.38%
Sudik Dairy	Dairy Production	2,975,758	0.25%
Wayment, Tyler	Plastic Surgeon	2,615,060	0.22%
Wright, Shelly	Individual	2,062,062	0.18%
Northwest Pipeline Corp	Pipeline	2,035,677	0.17%
Idaho Agri Investments LLC	Agriculture	<u>1,891,400</u>	0.16%
	Top 10 Taxpayers	\$ 35,756,877	3.04%
	All other District Taxpayers	<u>1,140,738,441</u>	96.96%
	Total District Taxpayers (Tax Year 2023)	\$ 1,176,495,318	100.00%

STATE OF IDAHO SCHOOL FINANCE

STATE SUPPORT TO THE DISTRICT - Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
August	\$ 7,200,984	\$ 6,133,225	\$ 5,593,259	\$ 5,412,854	\$ 5,327,819
November	2,926,582	2,491,146	2,300,721	2,184,761	2,137,349
February	1,794,476	2,281,369	1,987,250	1,704,674	2,180,720
May-July	<u>1,671,037</u>	<u>1,467,366</u>	<u>1,561,632</u>	<u>1,433,842</u>	<u>1,651,845</u>
Total (1)	<u>\$ 13,593,079</u>	<u>\$ 12,373,106</u>	<u>\$ 11,442,862</u>	<u>\$ 10,736,131</u>	<u>\$ 11,297,733</u>

(1) Totals may not track due to rounding.

STATE FUNDING SCHEDULE – FISCAL YEAR 2023

Payment Date	Payment Amount (1)
August 15	50%
November 15	20%
February 15	20%
May 15	10%
July 15	Final Payment adjustment for the Fiscal Year Ending, the pervious June, 30.

(1) Percentages are an approximation of the distribution to be received; final amounts may vary.

(2) Funds may not track due to rounding.

**KIMBERLY SCHOOL DISTRICT No. 414
KIMBERLY, IDAHO
CONTINUING DISCLOSURE STATEMENT**

THE DISTRICT

	Enrollment			
Fiscal Year	Elementary	Middle	Secondary	Total
2025 (1)	884	489	663	2,036
2024 (2)	897	501	593	1,991
2023 (2)	922	469	611	2,002
2022 (2)	860	485	559	1,904
2021 (2)	849	480	525	1,854
2020 (2)	957	506	566	2,029

- (1) Estimates based on District’s projections. The District makes no assurance that the projections will be achieved; actual results may differ materially from the forecasts shown above.
- (2) Historically enrollment as of the last day of each school year.

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

KIMBERLY SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

<i>Award Information</i>	<i>AL/other #</i>	<i>Pass-Through Entity Name</i>	<i>Pass-Through Entity #</i>	<i>Federal Expenditures (\$)</i>
<i>Child Nutrition Cluster-Cluster</i>				
United States Department of Agriculture				
School Breakfast Program	10.553	State of Idaho	202222N119947 & 202323N119947 202221N890347 &	\$ 64,847
National School Lunch Program	10.555	State of Idaho	202323N119947	310,703
Summer Food Service Program for Children	10.559	State of Idaho	202222N119947	17,893
<i>Total United States Department of Agriculture</i>				393,443
<i>Total Child Nutrition Cluster-Cluster</i>				393,443
<i>Special Education Cluster (IDEA)-Cluster</i>				
Department of Education				
Special Education Grants to States	84.027	State of Idaho	H027X210088 & H027X210088	414,383
Special Education Preschool Grants	84.173	State of Idaho	H173A210030 & H173A220030	23,356
<i>Total Department of Education</i>				437,739
<i>Total Special Education Cluster (IDEA)-Cluster</i>				437,739
<i>Other Programs (Treated individually for major program determination)</i>				
Department of Education				
Title I Grants to Local Educational Agencies	84.010	State of Idaho	S010A220012	227,464
Migrant Education State Grant Program	84.011	State of Idaho	S011A210012 & S011A220012	121,335
English Language Acquisition State Grants	84.365	State of Idaho	S365A210012 & S365A220012	14,163
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	State of Idaho	S367A210011 & S367A220011	48,385
Student Support and Academic Enrichment Program	84.424	State of Idaho	S424A220013	16,317
Education Stabilization Fund	84.425D	State of Idaho	S425D210043	739,836
Education Stabilization Fund	84.425U	State of Idaho	S425U210043	14,293
<i>Total Department of Education</i>				1,181,793
Department of Health and Human Services				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	State of Idaho	H79SM083648	108,902
<i>Total Department of Health and Human Services</i>				108,902
<i>Total Other Programs (Treated individually for major program determination)</i>				1,290,695
<i>Total Expenditures of Federal Awards</i>				\$ 2,121,877

The accompanying notes are an integral part of this schedule

KIMBERLY SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of Kimberly School District (the District) under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the Uniform Guidance.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the schedule of expenditures of federal awards are recognized on the accrual basis of accounting. No federal assistance has been provided to a sub recipient. When applicable, 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.

Note C – Indirect Cost Rate

The District has not elected to use the 10% de minimis cost rate.



Mahlke Hunsaker & Company PLLC

C e r t i f i e d P u b l i c A c c o u n t a n t s

**INDEPENDENT AUDITORS' 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***

Chairman and Board of Trustees
Kimberly School District No. 414
Kimberly, Id. 83341

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 Kimberly School District No. 414, (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 16, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & CO., pllc

Twin Falls, Idaho

October 16, 2024



Mahlke Hunsaker & Company PLLC

C e r t i f i e d P u b l i c A c c o u n t a n t s

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Chairman and Board of Trustees
Kimberly School District No. 414
Kimberly, ID 83341

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Kimberly School District No. 414, Kimberly Idaho (the District)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditor's Responsibilities for the Audit of Compliance-continued

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The District's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & CO., pllc
Twin Falls, Idaho
October 16, 2024

**KIMBERLY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section I---Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: *qualified*

Internal control over financial reporting:

* Material weakness(es) identified? yes x no

* Significant deficiency(s) identified
that are not considered to be
material weaknesses? yes x none reported

Noncompliance material to financial
statements noted? yes x no

Federal Awards

Internal control over major programs:

* Material weakness(es) identified? yes x no

* Significant deficiency(s) identified
that are not considered to be material
weakness(es)? yes x no

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

Any audit findings disclosed that are
required to be reported in accordance
with the Uniform Guidance 2 CFR 200.516 yes x no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.243	Substance Abuse & Mental Health Services
84.425	Education Stabilization Fund

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

Auditee qualified as low-risk auditee? yes x no

**KIMBERLY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section II -- Financial Statement Findings

None

Section III -- Federal Award Findings and Questioned Costs

None