Financial Statements
June 30, 2024 and 2023

North Idaho College

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Introductory Section
June 30, 2024 and 2023

North Idaho College

North Idaho College (NIC or the College) is a comprehensive community college established in 1933 on the shores of Lake Coeur d'Alene at the headwaters of the Spokane River. NIC's vibrant college community includes 5,000+ students enrolled in credit courses and more than 4,400 students taking non-credit courses. College faculty and staff relentlessly focus on providing a rich, rewarding higher education experience for every student.

NIC offers a broad spectrum of career paths for students to choose from, with more than 80 academic degree and career and technical education certificate programs. These career pathways at NIC cover various interest areas, including arts, communications and humanities; healthcare; science, technology, engineering and math; business administration and management; manufacturing and trades; and social sciences and human services.

With state-of-the-art facilities, the college's beautiful main campus is in Coeur d'Alene, Idaho, a waterfront city of 52,400 residents. Coeur d'Alene lies within Kootenai County, which is home to 165,000 citizens. The larger city of Spokane, Washington, is just 34 miles west. The greater Spokane-Coeur d'Alene metropolitan area, with a population of 734,000+, is the economic and cultural center of the U.S. Inland Northwest.

NIC plays a vital role in the region's economic development by preparing competent, trained employees for area businesses, industries and governmental agencies. NIC's service area is the Idaho Panhandle, which includes Kootenai, Benewah, Bonner, Shoshone and Boundary counties.

Beyond Coeur d'Alene, NIC meets the diverse educational needs of residents of Idaho's five northern counties with the NIC at Sandpoint, online services and courses and comprehensive outreach services. The college's regional facilities include the NIC Parker Technical Education Center in Rathdrum and the Workforce Training Center in Post Falls.

As one of four community colleges in the state (the other three being College of Southern Idaho, College of Western Idaho and College of Eastern Idaho), North Idaho College works closely with its sister colleges and universities. NIC partners with the University of Idaho, Lewis-Clark State College, Idaho State University and Boise State to enhance the higher education opportunities available in North Idaho.

Financial Section
June 30, 2024 and 2023

North Idaho College

Independent Auditor's Report

The Board of Trustees
North Idaho College
Coeur d'Alene, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of North Idaho College (the College), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the North Idaho College Foundation, Inc. (the Foundation), which represents 100% of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2024. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 component unit were not audited in accordance with *Government Auditing Standards*. 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 College, 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.

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.

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 North Idaho College'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 GAAS 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 GAAS 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 North Idaho College'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 North Idaho College'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 Management's Discussion and Analysis, Schedule of Employer's Share of Net Pension Liability and Schedule of Employer Contributions, Schedule of Employer's Share of Net OPEB Asset and Schedule of Employer Contributions, and Schedule of Changes in the College's Total OPEB – Healthcare Plan Liability, as noted 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 or 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 audits 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The 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,* is presented for purposes of additional analysis and is 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.

Other Information

Management is responsible for the other information included in the report. The other information comprises the introductory section, the schedule of revenues and expenditures – budget to actual – general fund, and the schedules of debt service, 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 November 21, 2024, on our consideration of the College'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 College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
November 21, 2024

This discussion and analysis of North Idaho College's (the College or NIC) financial statements provide an overview of the College's financial performance during the years ended June 30, 2024 and 2023. Since the Management's Discussion and Analysis is designed to focus on current activities, resulting changes and currently known facts, please read it in conjunction with the College's financial statements and the footnotes. The financial statements, footnotes and this discussion are the responsibility of management.

Using the Annual Report

The entity-wide financial statements in this report are modeled after the corporate presentation whereby all College activities are consolidated into one total and are prepared in accordance with Governmental Accounting Standards Board (GASB) principles. This approach intends to summarize and simplify the data for the user's analysis of the cost of various college services to students and the public. The three statements presented here (the statement of net position, the statement of revenues, expenses, and changes in net position and the statement of cash flows) are meant to serve as an overall picture of the financial soundness of the College, provide information about the College's activities, and present both a short-term and long-term view of the College's finances. Notes to the financial statements are integral for a complete analysis of the entity-wide statements.

Financial Highlights

In the fiscal year 2024, operating loss was $53.8 million, compared with $56.7 million in 2023. Non-operating revenues decreased to $58.4 million in 2024 compared to $60.6 million in 2023, resulting in a change in net position of $4.7 million in 2024 and $3.9 million in 2023.

During 2024 and 2023, the continued low unemployment rate and robust economy of the region impact enrollment. The financial results presented here reflect the College's ability to adjust and react to the changing higher education and the economic landscape while responding to the needs of students and the community.

Statements of Net Position

The statements of net position present the assets, deferred outflow of resources, liabilities, deferred inflow of resources, and net position of the College as of the fiscal year-end. It is a 'snapshot' of the financial position of the College as of the fiscal year end. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and the expenses and liabilities are recognized when others provide the service.

The statement is presented in five sections: total assets (current and noncurrent), deferred outflow of resources, total liabilities (current and noncurrent), deferred inflow of resources, and net position (assets and deferred outflow of resources-liabilities and deferred inflow of resources).

Current assets and current liabilities can be liquidated, mature or become payable within the normal 12-month accounting cycles while noncurrent assets and liabilities convert to cash, mature or become payable after 12 months. As of June 30, 2024 and 2023, the College's current assets consisted primarily of cash and receivables while noncurrent assets consisted of capital assets including property, plant and equipment maintained by the College.

The majority of the College's liabilities are considered short-term, except long-term bond obligations, net pension liability, and the OPEB obligation.

Net Position is reported in three categories:

- Net investment in capital assets – the College's equity in capital assets, including right-to-use assets.
- Restricted – must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restriction on the use of the funds.
- Unrestricted – net position available to the College for any lawful purpose of the institution.

Net position, which is the difference between total assets, total deferred outflow of resources less total liabilities, and total deferred inflow of resources is one indicator of the financial condition of the College. To accurately assess the overall financial condition of the College, additional non-financial factors, such as changes in enrollment levels, the College's property tax base and the condition of school buildings and other facilities, should also be considered.

Statements of Net Position
June 30, 2024, 2023, and 2022

	2024	2023	2022*
Current and other assets	$ 50,282,717	$ 46,424,349	$ 45,919,277
Capital and right-to-use assets	85,014,861	85,130,483	79,913,865
Total assets	135,297,578	131,554,832	125,833,142
Deferred Outflows of Resources	6,391,921	8,196,968	5,528,788
Current liabilities	5,818,244	7,155,114	6,697,638
Long-term liabilities outstanding	23,251,345	24,049,875	13,630,647
Total liabilities	29,069,589	31,204,989	20,328,285
Deferred Inflows of Resources	1,766,553	2,362,919	8,757,720
Net position			
Net investment in capital assets	75,133,618	74,511,994	71,391,699
Restricted	7,686,246	7,401,520	7,372,417
Unrestricted	28,033,493	24,270,378	23,511,809
Total net position	$ 110,853,357	$ 106,183,892	$ 102,275,925

* The 2022 column has not been restated to include the implementation of GASB 96

The College's total assets increased during the fiscal years 2024 and 2023 by $3.6 million and $5.7 million. In 2024, the increase was driven primarily by $2.7 million in cash and cash equivalents. In 2023, the increase was driven primarily by $5.2 million in capital and right-to-use assets. Total liabilities decreased during 2024 by $2.2 million, driven primarily by a decrease in accrued salaries and benefits and other accrued liabilities of $1.5 million. Total liabilities increased during 2023 by $10.9 million, driven primarily by an increase in net pension and OPEB liabilities relating to GASB 68 and GASB 75 of $9.1 million. Additionally, the implementation of GASB 96 resulted in an additional $2.0 million of subscription liabilities.

Statements of Revenues, Expenses, and Changes in Net Position

Changes in total net position as presented on the statements of net position are based on the activity presented in the statements of revenues, expenses, and changes in net position. The purpose is to present the revenues earned and the expenses incurred during the year. Activities are reported as either operating or non-operating. The College will always reflect a net operating loss in this format since State appropriations and property taxes, the revenue streams the College depends upon most significantly, are classified as non-operating revenues. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over the expected useful life.

Generally, operating revenues are generated by providing services to various customers, students and constituencies of the College, including but not limited to student tuition and fees, auxiliary enterprises, and federal and state grants. Operating expenses are those expenses paid to acquire or produce the services provided in turn for operating revenues and to carry out the mission of the College. Non-operating revenues are revenues for which services are not provided.

Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2024, 2023, and 2022

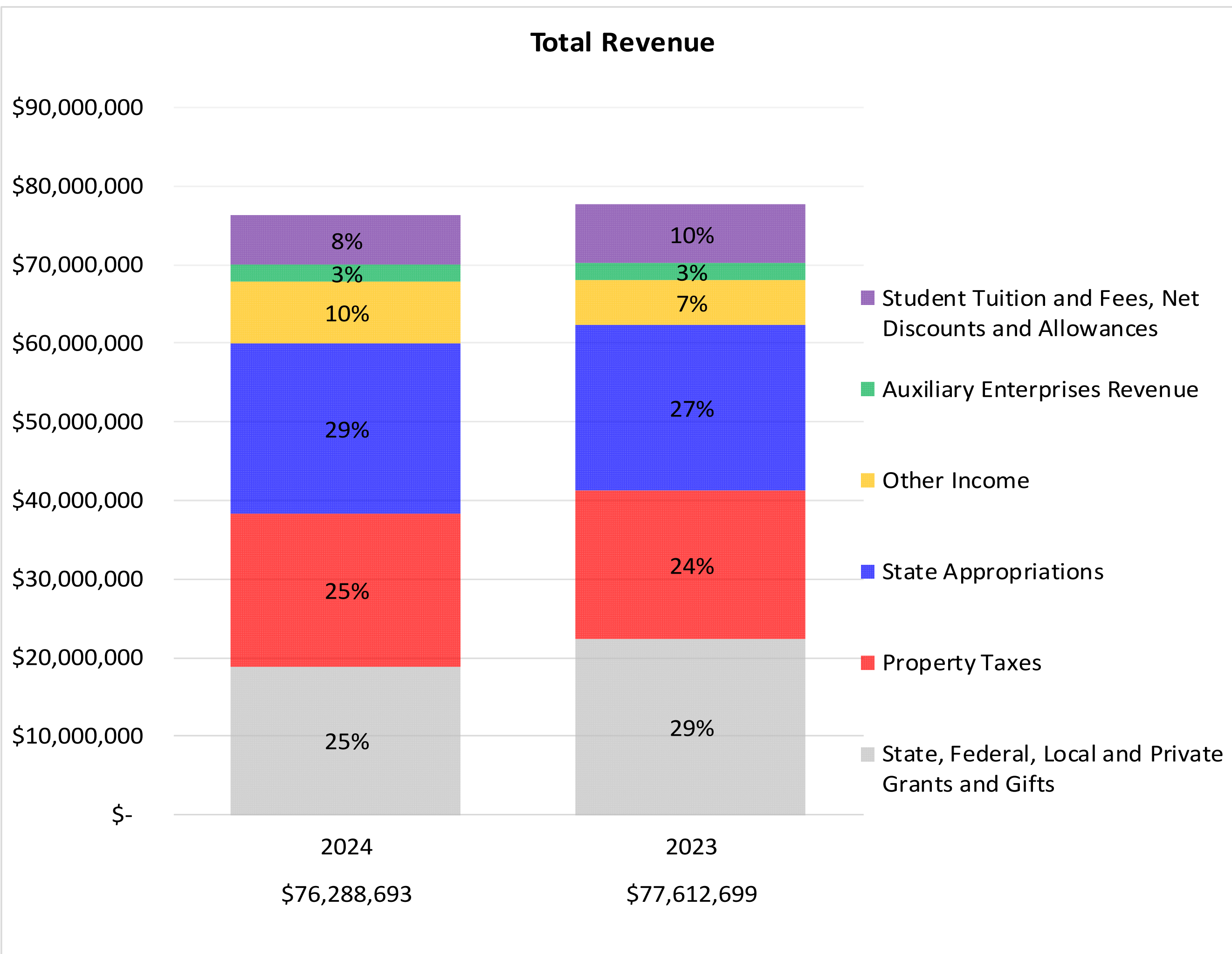
	2024	2023	2022*
Operating Revenues			
Student tuition and fees, net	$ 6,342,548	$ 7,457,283	$ 8,192,842
Auxiliary enterprises revenue	2,131,414	2,106,890	1,174,160
State and local grants and contracts	2,543,426	1,246,433	1,770,932
Federal grants and contracts	840,615	1,266,190	1,533,319
Other operating revenues	5,632,218	4,555,880	3,966,809
Total operating revenues	17,490,221	16,632,676	16,638,062
Operating Expenses	71,260,207	73,328,112	67,380,490
Operating Loss	(53,769,986)	(56,695,436)	(50,742,428)
Non-Operating Revenues (Expenses)			
State appropriations	21,742,067	21,038,100	19,040,800
Property taxes	19,341,029	18,962,119	18,893,657
Non-operating state and federal grants	11,802,428	15,989,534	16,170,972
Non-operating other income	389,741	459,593	560,385
Private gifts, grants, and contracts	3,346,817	3,335,088	1,928,703
Investment income	2,176,390	1,195,589	72,423
Interest expense	(334,461)	(348,656)	(263,322)
Loss on disposal of capital assets	(24,560)	(27,964)	(10,483)
Total non-operating revenues	58,439,451	60,603,403	56,393,135
Change in Net Position	4,669,465	3,907,967	5,650,707
Net Position, Beginning of Year	106,183,892	102,275,925	96,625,218
Net Position, End of Year	$ 110,853,357	$ 106,183,892	$ 102,275,925

* The 2022 column has not been restated to include the implementation of GASB 96

The statements of revenues, expenses, and changes in net position reflects an overall increase in net position of $4.7 million during the fiscal year 2024 compared to 2023. Operating revenues for the period increased by approximately $858,000, while operating expenses decreased by $2.1 million, year over year. The increase in operating revenue was largely related to various state and local grants and contracts and other operating revenues. Non-Operating revenues (expenses) for the same period decreased by $2.2 million due primarily to a decrease in non-operating state and federal grants of $4.2 million.

The statement reflects an overall increase in net position of $3.9 million during the fiscal year 2023 compared to 2022. Operating revenues for the period decreased by approximately $5,000, while operating expenses increased by $5.9 million, year over year. The decrease in operating revenue was largely related to state tuition and fees and various state and federal grants. Non-Operating revenues (expenses) for the same period increased by $4.2 million due primarily to an increase in State appropriations of $2 million, private gifts, grants, and contracts of $1.4 million, and investment income of $1.1 million.

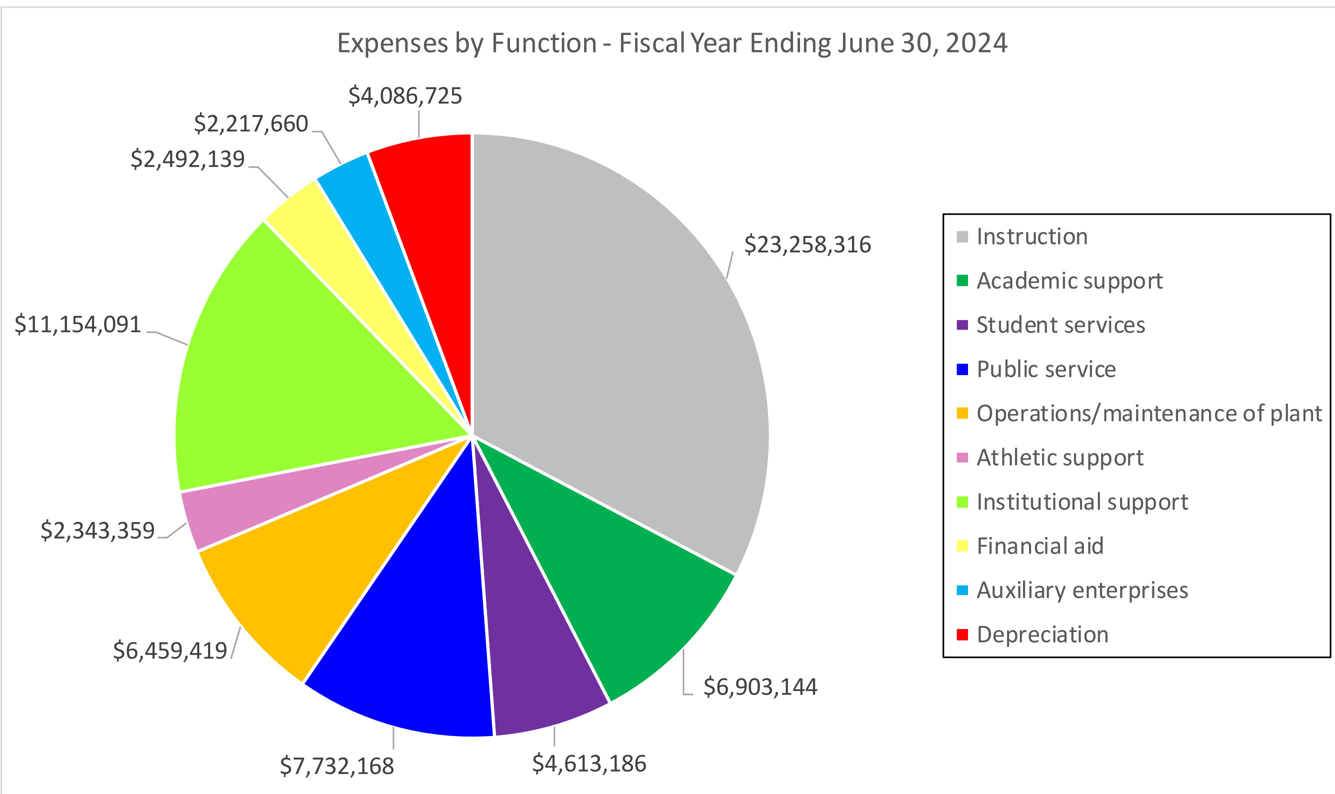
Comparative data for the prior year have been presented in order to provide an understanding of changes in the entity's financial position and operations.



This chart shows the allocation of both operating and non-operating revenue between the major categories from the statements of revenues, expenses, and changes in net position. The allocation between categories remains relatively stable from year to year.

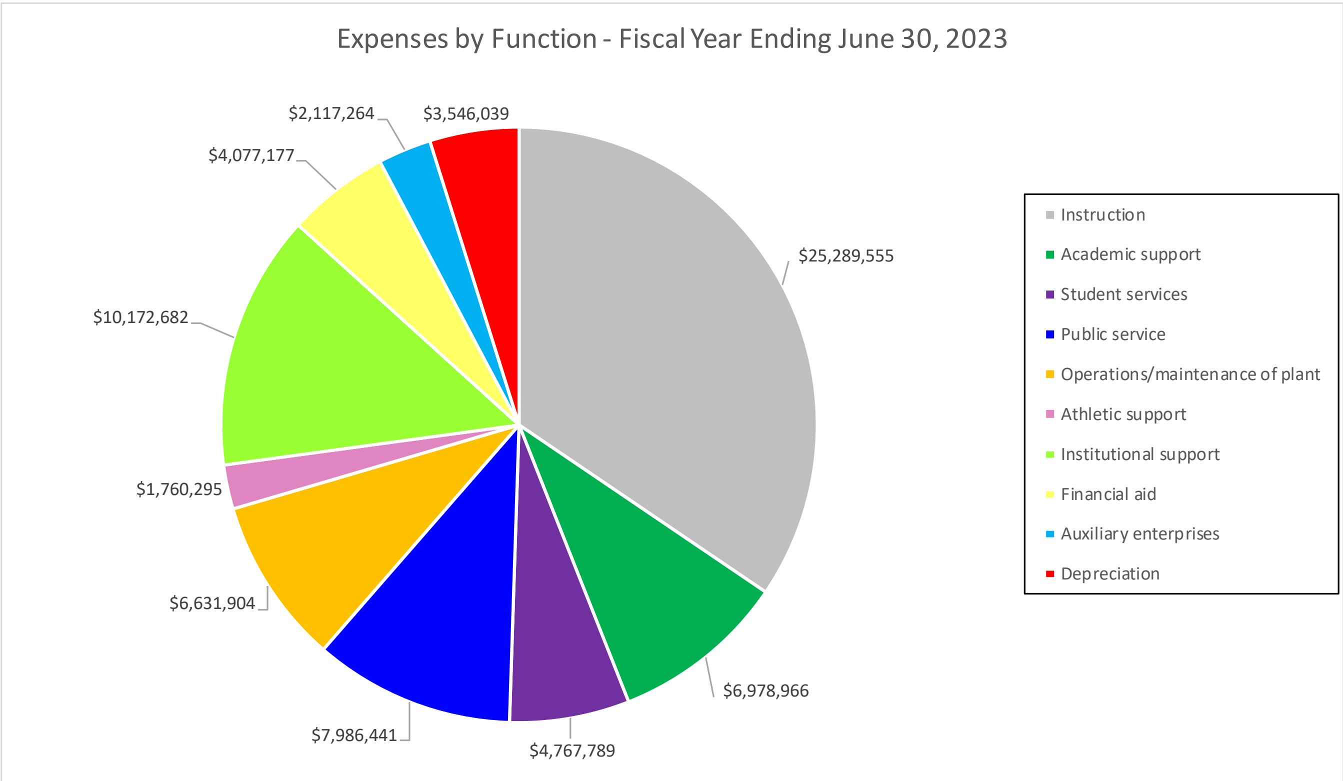
GASB 35 requires tuition and fee revenues from students to be reported net of scholarship discounts and allowances. Scholarship discounts and allowances are the difference between the College's stated charges for tuition and fees and the amount paid by students or third parties on behalf of the students. Total tuition and fees for 2024 and 2023 were $11.6 million and $12.8 million, and allowances against those tuition and fees were $5.2 million and $5.4 million. The scholarship allowance in 2024 and 2023 was 45% and 42% of gross tuition and fees. This indicates that approximately half of the College's students received federal or some other form of financial assistance.

A summary of the College's expenses by function for the year ended June 30, 2024 is as follows:



Instruction and academic support account for 42% of the total operating expense of the College.

A summary of the College's expenses by function for the year ended June 30, 2023 is as follows:



Instruction and academic support account for 44% of the total operating expense of the College.

Capital and Right-to-use Assets

	2024	2023
Capital and Right-to-use Assets		
Land and construction in progress	$ 17,362,526	$ 17,362,526
Ground improvements	7,667,396	6,198,087
Buildings	98,536,301	98,536,301
Furniture and equipment	19,949,717	17,265,104
Infrastructure	7,472,694	7,472,694
Right-to-use assets	4,348,566	4,066,014
Total capital assets	155,337,200	150,900,726
Less accumulated depreciation and amortization	70,322,339	65,770,243
Net Capital Assets	$ 85,014,861	$ 85,130,483

	2023	2022*
Capital Assets		
Land and construction in progress	$ 17,362,526	$ 24,807,698
Ground improvements	6,198,087	6,198,087
Buildings	98,536,301	85,803,637
Furniture and equipment	17,265,104	16,423,588
Infrastructure	7,472,694	7,472,694
Right-to-use assets	4,066,014	749,170
Total capital assets	150,900,726	141,454,874
Less accumulated depreciation	65,770,243	61,541,009
Net Capital Assets	$ 85,130,483	$ 79,913,865

* The 2022 column has not been restated to include the implementation of GASB 96

At the end of 2024 and 2023, the College had $85 million and $85.1 million, respectively, invested in a broad range of capital and right-to-use assets, including land, buildings, computer and office equipment, exterior lighting and telecommunications infrastructure, net of accumulated depreciation and amortization of right-to-use assets. The College constructed or acquired $4.4 million and $7.2 million in capital assets during 2024 and 2023, respectively. The change from 2023 to 2024 included $283 thousand of right-to-use assets due to the implementation of GASB 96. The change from 2022 to 2023 also included $2.0 million of right-to-use assets due to the implementation of GASB 96. More detailed information about the College's capital and right-to-use assets is presented in Note 3 to the basic financial statements.

Debt Administration

As of June 30, 2024, the College had $7,435,000 in debt outstanding from the construction of a Student Wellness and Recreation Center. That figure was $7,660,000 as of June 30, 2023. See Note 7 for additional information on debt.

Additionally, as of June 30, 2024 and 2023, the College had $2.2 million and $2.7 million, respectively, in subscription and lease liabilities relating to right-to-use assets under GASB 87 and 96. See Notes 5 and 6 for additional information on these liabilities.

Economic Outlook

Idaho remains strong economically and projects an increase in gross state product in the coming year. Employment continues to grow, and the labor market remains steady and stronger than the US average. Areas of expected job growth are healthcare, construction, and leisure and hospitality. Training and education for all of these areas are offered at North Idaho College. Notably, our nursing program is rated #1 in the state of Idaho with passing rates consistently higher than the national average.

This November, three of the five seats on the North Idaho College board of trustees will be up for election. Of the three incumbents, one is seeking re-election. The newly elected board members will be sworn in and begin their term at the College's first board meeting after the canvass of the election.

During fiscal year 2024, the College met its enrollment targets and budgeted tuition revenues. This was due to a considerable effort of the College to actively recruit students. The tactics employed in 2024 have been refined and used for the 2025 year, resulting in substantial enrollments for Fall 2024 as compared to prior years. Fall 2024 enrollment is up 15.3% (over 600 students) over Fall 2023. Academic and Career Technical enrollments are up 3.4% and 14%, respectively. Dual credit (high school students) enrollment is up 35.2%. The College is very encouraged by the increase in new students, which signals a confidence in the quality and value of the education we provide. We have seen an increase in new transfer students of 17.9%, new Career Technical students of 46.5% and new dual credit of 53.3%.

The College has maintained its strong financial position. It continues to have a strong net position and cash balance. The year ending June 30, 2024, resulted in an increase of $4.67M in net position. The combination of strong cash position and higher interest rates resulted in interest income significantly higher than projected. The College continued to experience salary and benefit savings due to turnover which, when combined with judicious oversight of other operating expenses and capital purchases, added strength to the net position of the College.

The College was put on show-cause status with the NWCCU in February 2023. Since that time, the College and its board have worked diligently to resolve the issues cited by the commission as non-compliant. Good progress has been made in the areas cited. In late Summer 2024, the College submitted a progress report to the Commission in preparation for a site visit in October. In the progress report, the College documented its progress and requested a reduced sanction. The report from the October site visit will be presented to the full commission at their next meeting in January of 2025. The commission will communicate its decision on the status of NIC within 30 days of that meeting.

Management continues to maintain a close watch over resources and expenses to ensure that the College’s finances are sustainable and adequate to meet its mission and ensure the continued focus on the core business activity of the college, the education of students.

Request for Information

These financial statements and discussions are designed to provide a general overview of the College’s finances for all those with an interest in the College’s finances. Questions concerning any information provided in this report should be addressed to Sarah Garcia, Vice President for Finance and Business Affairs, North Idaho College, 1000 W. Garden Avenue, Coeur d’Alene, ID 83814.

	2024	2023
Current Assets		
Cash and cash equivalents	$ 34,481,345	$ 31,780,846
Tuition and fees receivable, net of allowance for uncollectible amounts of $740,203 and $464,008	342,945	92,084
Property tax receivable	6,526,821	6,030,098
Other accounts receivable	4,354,458	3,383,583
Prepaid supplies and expenses	778,556	291,027
Total current assets	46,484,125	41,577,638
Non-Current Assets		
Restricted cash and cash equivalents	88,132	1,197,314
Restricted deposits held by bond trustee	535,433	511,450
PERSI Sick Leave	3,175,027	3,137,947
Capital assets		
Right-to-use asset leased assets, less accumulated amortization	639,164	674,246
Right-to-use subscription IT assets, less accumulated amortization	1,727,647	2,158,074
Non-depreciable capital assets	17,362,526	17,362,526
Depreciable capital assets, less accumulated depreciation	65,285,524	64,935,637
Total non-current assets	88,813,453	89,977,194
Total assets	135,297,578	131,554,832
Deferred Outflows of Resources		
Pension obligation	5,033,951	6,539,332
PERSI Sick Leave	709,383	832,202
OPEB obligation	648,587	825,434
Total deferred outflow of resources	6,391,921	8,196,968

	2024	2023
Current Liabilities		
Accounts payable	1,302,690	1,340,683
Accrued salaries and benefits	2,379,454	3,262,293
Other accrued liabilities	254,583	716,641
Unearned tuition and fees revenue	291,078	235,977
Deposits held in custody for others	114,958	99,484
Interest payable	79,522	88,597
Long-term liabilities, current portion	1,395,959	1,411,439
Total current liabilities	5,818,244	7,155,114
Non-Current Liabilities		
Lease liability, less current portion	340,698	429,411
Subscription liability, less current portion	890,303	1,289,336
Revenue bonds, less current portion	7,426,116	7,666,282
Compensated absences, less current portion	973,720	1,008,548
Net pension liability	10,246,813	10,405,083
Total obligation for other post-employment benefits	3,373,695	3,251,215
Total non-current liabilities	23,251,345	24,049,875
Total liabilities	29,069,589	31,204,989
Deferred Inflows of Resources		
Pension obligation	328,683	444,124
PERSI Sick Leave	327,542	417,791
OPEB obligation	1,110,328	1,501,004
Total deferred inflow of resources	1,766,553	2,362,919
Net Position		
Net investment in capital assets	75,133,618	74,511,994
Restricted for:		
Capital projects and debt service	4,511,219	4,263,573
PERSI Sick Leave	3,175,027	3,137,947
Unrestricted	28,033,493	24,270,378
Total net position	$ 110,853,357	$ 106,183,892

	2024	2023
Revenues		
Operating revenues		
Student tuition and fees, net of scholarship allowances of $5,212,008 and $5,381,397	$ 6,342,548	$ 7,457,283
Auxiliary enterprises revenue	2,131,414	2,106,890
State and local grants and contracts	2,543,426	1,246,433
Federal grants and contracts	840,615	1,266,190
Other operating revenues	5,632,218	4,555,880
Total operating revenues	17,490,221	16,632,676
Expenses		
Operating expenses		
Instruction	23,258,316	25,289,555
Academic support	6,903,144	6,978,966
Student services	4,613,186	4,767,789
Public service	7,732,168	7,986,441
Operations and maintenance of plant	6,459,419	6,631,904
Athletic support	2,343,359	1,760,295
Institutional support	11,154,091	10,172,682
Financial aid	2,492,139	4,077,177
Auxiliary enterprises	2,217,660	2,117,264
Depreciation	4,086,725	3,546,039
Total operating expenses	71,260,207	73,328,112
Operating Loss	(53,769,986)	(56,695,436)
Non-Operating Revenues (Expenses)		
State appropriations	21,742,067	21,038,100
Property taxes	19,341,029	18,962,119
State grants and contracts	1,104,014	1,313,744
Federal grants and contracts	10,698,414	14,675,790
Other income	389,741	459,593
Private gifts, grants, and contracts	3,346,817	3,335,088
Interest income	2,176,390	1,195,589
Interest expense	(334,461)	(348,656)
Loss on disposal of capital assets	(24,560)	(27,964)
Total non-operating revenues	58,439,451	60,603,403
Change in Net Position	4,669,465	3,907,967
Net Position, Beginning of Year	106,183,892	102,275,925
Net Position, End of Year	$ 110,853,357	$ 106,183,892

	2024	2023
Operating Activities		
Tuition and fees	$ 6,146,788	$ 7,394,458
Payments to suppliers	(20,604,164)	(21,092,154)
Payments to employees	(43,712,238)	(43,310,769)
Payments for financial aid	(2,492,139)	(4,077,177)
Auxiliary enterprise charges	2,131,414	2,106,890
Federal, state, and local grants and contracts	3,384,041	2,512,623
Other revenue	4,661,343	6,948,459
Net Cash used for Operating Activities	(50,484,955)	(49,517,670)
Noncapital Financing Activities		
Local property taxes	18,844,306	18,650,406
State appropriations	21,742,067	21,038,100
Grants and contracts	15,538,986	19,784,215
Net Cash from Noncapital Financing Activities	56,125,359	59,472,721
Capital and Related Financing Activities		
Purchase of capital assets	(4,385,092)	(5,848,177)
Principal paid on lease liability	(319,262)	(297,682)
Principal paid on subscription liability	(918,438)	(877,333)
Principal paid on capital debt	(225,000)	(220,000)
Interest paid on capital debt	(353,702)	(316,868)
Net Cash used for Capital and Related Financing Activities	(6,201,494)	(7,560,060)
Investing Activities		
Interest on cash deposits	2,176,390	1,195,589
Net Cash from Investing Activities	2,176,390	1,195,589
Net Change in Cash, Restricted Cash, and Cash Equivalents	1,615,300	3,590,580
Cash, Restricted Cash, and Cash Equivalents, Beginning of Year	33,489,610	29,899,030
Cash, Restricted Cash, and Cash Equivalents, End of Year	$ 35,104,910	$ 33,489,610

	2024	2023
Reconciliation of Operating Loss to Net Cash used for Operating Activities		
Operating loss	$ (53,769,986)	$ (56,695,436)
Adjustments to reconcile operating loss to net cash used for operating activities		
Depreciation and amortization	5,287,854	4,608,298
GASB 68 - Actuarial pension revenue	1,231,670	1,142,127
Change in PERSI Sick Leave	(4,510)	(62,057)
Change in OPEB obligation	(91,349)	41,058
Changes in assets and liabilities		
Receivables, net	(1,221,736)	2,387,816
Prepaid supplies and expenses	(487,529)	(106,378)
Accounts payable	(114,073)	(1,496,168)
Accrued salaries and benefits	(882,839)	179,633
Other accrued liabilities	(462,058)	508,984
Unearned tuition and fees revenue	55,101	(58,062)
Deposits held in custody for others	15,474	(61,360)
Compensated absences	(40,974)	93,875
Net Cash used for Operating Activities	$ (50,484,955)	$ (49,517,670)
Supplemental Disclosure of Noncash Activity		
Amortization of premium of refunding	$ 10,166	$ 10,166
Capital assets acquired from accounts payable	76,080	503,199
Lease liability for the acquisition of a right-to-use leased asset	273,572	593,384
Subscription liability for the acquisition of a right-to-use subscription asset	462,048	810,699
Reconciliation of Cash, Restricted Cash, and Cash Equivalents		
Cash and cash equivalents	$ 34,481,345	$ 31,780,846
Restricted cash and cash equivalents	88,132	1,197,314
Restricted deposits held by bond trustee	535,433	511,450
Total cash, restricted cash, and cash equivalents	$ 35,104,910	$ 33,489,610

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	$ 4,771,299	$ 3,222,222
Contributions receivable, net	2,000	2,000
Cash surrender value of life insurance	69,200	67,600
Other assets	457,110	448,383
Total current assets	5,299,609	3,740,205
Noncurrent Assets		
Noncurrent contributions receivable, net	1,699	3,283
Investments	41,315,920	37,121,473
	$ 46,617,228	$ 40,864,961
Liabilities and Net Assets		
Current Liabilities		
Accounts and other payables	$ 126,408	$ 66,180
Deferred revenue	750,000	750,000
Total current liabilities	876,408	816,180
Net Assets		
Without donor restrictions		
Designated by the Board for endowment purposes	9,007,261	7,766,521
Undesignated revenue from raffle fundraiser	276,538	238,775
Undesignated	2,942,079	2,456,700
Total without donor restrictions	12,225,878	10,461,996
With donor restrictions		
Unappropriated endowment earnings	14,049,460	10,733,486
Nonendowment, with donor restrictions	4,190,526	3,766,411
Perpetuity	15,274,956	15,086,888
Total with donor restrictions	33,514,942	29,586,785
Total net assets	45,740,820	40,048,781
	$ 46,617,228	$ 40,864,961

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Support			
Raffle ticket sales	$ 750,000	$ -	$ 750,000
Contributions financial assets	206,625	481,088	687,713
Contributions nonfinancial assets	91,860	-	91,860
Net investment income	53,484	142,677	196,161
Net unrealized and realized gain on investments	1,716,659	4,579,483	6,296,142
Net assets released from restrictions			
Satisfaction of program restrictions	1,275,091	(1,275,091)	-
Total revenues, gains, and support	4,093,719	3,928,157	8,021,876
Expenses			
Program services	1,409,024	-	1,409,024
Supporting services			
General and administrative	232,372	-	232,372
Fundraising	688,441	-	688,441
Total expenses	2,329,837	-	2,329,837
Change in Net Assets	1,763,882	3,928,157	5,692,039
Net Assets, Beginning of Year	10,461,996	29,586,785	40,048,781
Net Assets, End of Year	$ 12,225,878	$ 33,514,942	$ 45,740,820

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Support			
Raffle ticket sales	$ 750,000	$ -	$ 750,000
Contributions	190,500	448,819	639,319
Contributions nonfinancial assets	34,279	-	34,279
Net investment income	51,795	168,894	220,689
Net unrealized and realized gain on investments	1,078,230	3,516,030	4,594,260
Net assets released from restrictions			
Satisfaction of program restrictions	1,550,002	(1,550,002)	-
Total revenues, gains, and support	3,654,806	2,583,741	6,238,547
Expenses			
Program services	1,641,753	-	1,641,753
Supporting services			
General and administrative	235,226	-	235,226
Fundraising	714,616	-	714,616
Total expenses	2,591,595	-	2,591,595
Change in Net Assets	1,063,211	2,583,741	3,646,952
Net Assets, Beginning of Year	9,398,785	27,003,044	36,401,829
Net Assets, End of Year	$ 10,461,996	$ 29,586,785	$ 40,048,781

Note 1 - Principal Business Activity and Significant Accounting Policies

Description of Entity

North Idaho College (NIC or the College) meets the diverse educational needs of students, employers, and the northern Idaho communities it serves through a commitment to student success, educational excellence, community engagement and life-long learning. As a comprehensive community college, North Idaho College strives to provide accessible, affordable, and quality learning opportunities. North Idaho College endeavors to be an innovative, flexible leader recognized as a center of educational, cultural, economic, and civic activities by the communities it serves.

The College was first known as Coeur d'Alene Junior College, a private school that was started in 1933 and operated for six years. In January 1939, the state legislature passed the Junior College Act, which permitted qualified areas to establish junior college districts by a vote of eligible electors. Coeur d'Alene Junior College became North Idaho Junior College in June of 1939. On July 31, 1971, the College changed its name to North Idaho College. NIC's service area is the Idaho panhandle, which includes Kootenai, Benewah, Bonner, Shoshone and Boundary counties.

NIC offers Associate of Arts and Associate of Science degrees in various college transfer programs, and Associate of Applied Science degrees and technical certificates in its career-technical programs. Many credit courses are offered evenings and during the summer on the NIC campus and at outreach sites. NIC's enrollment in credit courses is approximately 5,478 students annually. NIC also includes a contemporary Workforce Training/Community Education Center, which is located in the Riverbend Commerce Park in nearby Post Falls. Noncredit classes and workforce training programs serve another 4,757 students each year.

The College is fully accredited in all instructional areas by the Northwest Association of Schools and Colleges and the Idaho State Division of Career Technical Education. The Nursing Program is accredited by the National League for Nursing Accrediting Commission.

The College operates a full-year Head Start Program under a federal grant. The Head Start Program provides comprehensive early child development for disadvantaged preschool children and their families.

The College operates an office on Aging and Adult Services. This office has been charged with the responsibility of coordinating a comprehensive program for all senior citizens in the five-county area of North Idaho. Funding is primarily received through federal grants under Title III of the Older Americans Act of 1965.

Reporting Entity

The College's financial statements for fiscal years ended June 30, 2024 and 2023, are prepared in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles in the United State of America (GAAP).

As defined by GAAP established under GASB, the financial reporting entity consists of the primary government as well as its component units, the North Idaho College Dormitory Housing Commission (the DHC) and the North Idaho College Foundation, Inc. (the Foundation).

Per Idaho Code 33-2118, the North Idaho College Dormitory Housing Commission is appointed by the governor to oversee operations of dormitory housing projects for North Idaho College. The DHC exists to the benefit of the College by providing dormitory and other auxiliary services to the students. Although the DHC has its own governing body and the College does not control the actions of the DHC, it is presented as a blended component unit because of the nature and significance of its relationship with the College.

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. The 30-member board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income the Foundation holds and invests is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College. The Foundation's financial statements for fiscal years ended June 30, 2024 and 2023, are discretely presented because of the nature and significance of its relationship with the College.

The Foundation is a private not-for-profit organization that reports its financial statements in accordance with the pronouncements of Financial Accounting Standard Board (FASB). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. Accordingly, those financial statements have been reported on separate pages following the financial statements of the College. No modifications have been made to the Foundation's financial information included in the College's report; however significant note disclosures to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

Financial statements for the Foundation can be obtained by calling the Foundation at 208-769-5978.

Basis of Accounting

For financial statement purposes, the College is considered a special-purpose government engaged in business-type and fiduciary activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Non-exchange transactions, in which the College receives value without directly giving equal value in return include: property taxes, federal, state and local grants, state appropriations, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the College must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents

The College considers all highly liquid investments with an original maturity of three months or less at the date of acquisition to be cash equivalents. Cash balances that are restricted and not expected to be expended within the subsequent year are classified as noncurrent assets. The College has some funds on deposit with the Idaho State Local Government Investment Pool (LGIP) and considers all such funds with the LGIP as cash and cash equivalents. Even though the weighted average of the underlying investments of the LGIP is greater than 90 days, the College can liquidate its deposits within a few days.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also includes amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College’s grants and contracts. Accounts receivable balances are recorded net of estimated uncollectible amounts.

The College estimates an allowance for uncollectible amounts based upon an evaluation of the current status of receivables, historical experience, and other factors as necessary.

Property Tax Receivable

Property taxes levied for 2018 through 2023 are recorded as receivables. The College's property tax is levied each November on the assessed value listed as of the prior September for all property located in Kootenai County (the County). Assessed values are established by the County Assessor. Property tax payments are due in one-half installments in December and June.

Prepaid Expenses

Prepaid items include payments made in the current fiscal year for expenditures attributable to future periods.

Restricted Cash and Cash Equivalents

In accordance with debt covenant restrictions and agency fund requirements, the College is obligated to separately hold cash amounts sufficient to satisfy the debt covenants and agency fund requirements. These amounts are shown as noncurrent assets.

Capital Assets

Capital assets are stated at cost when purchased or constructed, or if donated, at the estimated acquisition value at the date of the gift. For equipment, the College’s capitalization policy includes all items with a unit cost of $5,000 or more and an estimated useful life of greater than one year. Renovations and improvements to buildings that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 40 years for buildings, 20 years for improvements other than buildings, infrastructure 10 years, and 5-20 years for furniture and equipment.

Right-to-use leased assets are recognized at the lease commencement date and represent the College's right-to-use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right-to-use leased assets are amortized over the shorter of the lease term or useful live of the underlying asset using the same method amortizing the debt. The amortization period varies from 3 to 5 years.

Right-to-use subscription IT assets are recognized at the subscription commencement date and represent the College's right to use the underlying IT asset for the subscription term. Right-to-use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription IT assets are amortized over the shorter of the subscription term or useful live of the underlying asset using the straight-line method or the same method amortizing the debt. The amortization period varies from 3 to 5 years.

Unearned Revenue

Unearned revenue includes amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period.

Compensated Absences

Employees of the College are entitled to paid vacation days depending on job classification, length of service and other factors. Accumulated vacation time in excess of 30 days is forfeited at the end of every fiscal year. Sick days accumulate according to Idaho statute and the PERSI administered sick leave pool guidelines. The College retained the right to revoke this benefit annually. At June 30, 2024 and 2023, no provision for the accumulated sick leave balances has been made.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Lease liabilities represent the College's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the College.

Subscription liabilities represent the College's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments are discounted based on a borrowing rate determined by the College.

Net Position

The College's net position is classified as follows:

Net Investment in Capital Assets – This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included in this section.

Restricted Net Position – Expendable – Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted Net Position – Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments, and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose. Included in the unrestricted net position is $12,900,000 and $9,835,000 as of June 30, 2024 and 2023, which is designated by the Board of Trustees for future capital expenditures of the College.

Classification of Revenues

The College has classified its revenues as either operating or non-operating according to the following criteria:

Operating Revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as: student tuition and fees, net of scholarship discounts and allowances; sales and services of auxiliary enterprises, and contracts and federal appropriations.

Non-Operating Revenues – Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB codification section P80, such as state appropriations, property taxes and most federal, state and local grants, and investment income.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state or nongovernmental programs, are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Income Taxes

As a public institution of higher education, the income of the College is generally exempt from federal and state income taxes under Section 115(a) of the Internal Revenue Code and a similar provision of state law. However, the College is subject to federal income tax on any unrelated business taxable income. Defined by the Internal Revenue Code, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the performance by the organization of its exempt purpose or function. The College does not have unrelated business income tax to report during the fiscal years ended June 30, 2024 and 2023.

Deferred Outflows and Inflows of Resources

In addition to assets, the statements of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The College has two items that qualify for reporting in this category, deferred net pension and OPEB (obligation) asset.

In addition to liabilities, the statements of net position will include 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 College has two items that qualifies for reporting in this category reported on the statement of net position, deferred net pension, and OPEB (obligation) asset.

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.

Other Post Employment Benefits (OPEB) – PERSI Sick Leave & Healthcare Plan

For purposes of measuring the Total OPEB liability for healthcare, deferred outflows of resources and deferred inflows of resources related to OPEB healthcare, and OPEB healthcare expense, information about the fiduciary net position of the College and additions to/deductions from College's fiduciary net position have been determined on the same basis as they are reported by the College. For this purpose, the College recognizes benefit payments when due and payable in accordance with the benefit terms.

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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Note 2 - Cash and Cash Equivalents and Investments

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

At June 30, 2024 and 2023, the College's cash, cash equivalents and investments consisted of the following:

	2024	
	Bank Balance	Carrying Amount
Cash and cash equivalents		
Bank deposit	$ 3,477,039	$ 3,049,535
Local Government Investment Pool	31,171,885	31,166,470
Money market	288,830	265,340
Restricted cash		
Bank deposit	89,242	88,132
Bond account - money market	537,309	535,433

	2023	
	Bank Balance	Carrying Amount
Cash and cash equivalents		
Bank deposit	$ 3,150,850	$ 2,914,587
Local Government Investment Pool	28,606,334	28,600,919
Money market	274,293	265,340
Restricted cash		
Bank deposit	1,210,107	1,197,314
Bond account - money market	526,861	511,450

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a financial institution, the College's deposits and investments may not be returned to it. At June 30, 2024 and 2023, $31,889,000 and $33,268,000, respectively, of the College's deposits were uninsured and uncollateralized. The College does not have a deposit policy for custodial credit risk.

The Joint Powers Investment Pool was established as a cooperative endeavor to enable public entities of the State of Idaho to aggregate funds for investment or deposit purposes. This pooling is intended to improve administrative efficiency and increase investment yield. The Local Government Investment Pool (LGIP) is managed by the State of Idaho Treasurer's office. The funds of the pool are invested in certificates of deposit, repurchase agreements, and U.S. government securities. The certificates of deposit are federally insured. The U.S. government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The College's investment in the LGIP is not required to be rated, nor has it been rated as of June 30, 2024 and 2023.

The LGIP is required to report its investments at fair value because the weighted average maturity of the investments is greater than 90 days and thus, the College is required to report its deposits at fair value. However, the College has reported these deposits at cost plus accrued interest which approximates fair value.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the College manages its exposure to interest rate risk is by keeping funds needed for operations in short-term liquid investments. All investment types discussed above have a maturity date of less than one year.

Note 3 - Capital and Right-To-Use Assets

Capital assets at June 30, 2024 consist of the following:

	Balance 7/1/2023	Additions	Transfers	Retirements	Balance 6/30/2024
Capital assets, not being depreciated					
Land	$ 17,362,526	$ -	$ -	$ -	$ 17,362,526
Total capital assets not being depreciated	17,362,526	-	-	-	17,362,526
Capital assets, being depreciated					
Grounds improvements	6,198,087	1,469,309	-	-	7,667,396
Buildings	98,536,301	-	-	-	98,536,301
Furniture and equipment	17,265,104	2,991,863	-	(307,250)	19,949,717
Infrastructure	7,472,694	-	-	-	7,472,694
Total capital assets being depreciated	129,472,186	4,461,172	-	(307,250)	133,626,108
Less accumulated depreciation					
Grounds improvements	3,585,179	261,986	-	-	3,847,165
Buildings	41,412,668	2,639,050	-	-	44,051,718
Furniture and equipment	13,308,400	1,071,969	-	(282,690)	14,097,679
Infrastructure	6,230,302	113,720	-	-	6,344,022
Total accumulated depreciation	64,536,549	4,086,725	-	(282,690)	68,340,584
Capital assets being depreciated, net	64,935,637	374,447	-	(24,560)	65,285,524
Total capital assets, net	$ 82,298,163	$ 374,447	$ -	$ (24,560)	$ 82,648,050

Capital assets at June 30, 2023 consist of the following:

	Balance 7/1/2022	Additions	Transfers	Retirements	Balance 6/30/2023
Capital assets, not being depreciated					
Land	$ 16,816,025	$ 546,501	$ -	$ -	$ 17,362,526
Construction in progress	7,991,673	-	(7,991,673)	-	-
Total capital assets not being depreciated	24,807,698	546,501	(7,991,673)	-	17,362,526
Capital assets, being depreciated					
Grounds improvements	6,198,087	-	-	-	6,198,087
Buildings	85,803,637	4,740,991	7,991,673	-	98,536,301
Furniture and equipment	16,423,588	1,063,884	-	(222,368)	17,265,104
Infrastructure	7,472,694	-	-	-	7,472,694
Total capital assets being depreciated	115,898,006	5,804,875	7,991,673	(222,368)	129,472,186
Less accumulated depreciation:					
Grounds improvements	3,343,048	242,131	-	-	3,585,179
Buildings	39,128,725	2,283,943	-	-	41,412,668
Furniture and equipment	12,596,559	906,245	-	(194,404)	13,308,400
Infrastructure	6,116,582	113,720	-	-	6,230,302
Total accumulated depreciation	61,184,914	3,546,039	-	(194,404)	64,536,549
Capital assets being depreciated, net	54,713,092	2,258,836	7,991,673	(27,964)	64,935,637
Total capital assets, net	$ 79,520,790	$ 2,805,337	$ -	$ (27,964)	$ 82,298,163

Right-to-use lease assets at June 30, 2024 consist of the following:

	Balance 7/1/2023	Additions	Retirements	Balance 6/30/2024
Right-to-use assets				
Copiers - leases	$ 164,000	$ 99,174	$ (100,676)	$ 162,498
Buildings - leases	993,894	174,398	-	1,168,292
Total right-to-use assets	1,157,894	273,572	(100,676)	1,330,790
Less accumulated amortization				
Copiers - leases	117,138	68,492	(100,676)	84,954
Buildings - leases	366,510	240,162	-	606,672
Total accumulated amortization	483,648	308,654	(100,676)	691,626
Right-to-use lease assets, net	$ 674,246	$ (35,082)	$ -	$ 639,164

Lease amortization expense for the year ended June 30, 2024 was charged to the following functions:

Instruction	$ 226,640
Academic support	28,767
Public service	53,247
	$ 308,654

Right-to-use lease assets at June 30, 2023 consist of the following:

	Balance 7/1/2022	Additions	Retirements	Balance 6/30/2023
Right-to-use assets				
Copiers - leases	$ 121,227	$ 42,773	$ -	$ 164,000
Buildings - leases	443,283	550,611	-	993,894
Total right-to-use assets	564,510	593,384	-	1,157,894
Less accumulated amortization				
Copiers - leases	52,332	64,806	-	117,138
Buildings - leases	119,103	247,407	-	366,510
Total accumulated amortization	171,435	312,213	-	483,648
Right-to-use lease assets, net	$ 393,075	$ 281,171	$ -	$ 674,246

Lease amortization expense for the year ended June 30, 2023 was charged to the following functions:

Instruction	$ 223,947
Academic support	29,471
Public service	58,795
	$ 312,213

Right-to-use subscription IT assets at June 30, 2024 consist of the following:

	Balance 7/1/2023	Additions	Retirements	Balance 6/30/2024
Right-to-use subscription IT assets				
Subscription IT - assets	$ 2,908,120	$ 462,048	$ (352,392)	$ 3,017,776
Less accumulated amortization	(750,046)	(892,475)	352,392	(1,290,129)
Right-to-use subscription IT assets, net	$ 2,158,074	$ (430,427)	$ -	$ 1,727,647

Subscription IT amortization expense for the year ended June 30, 2024 was charged to the following functions:

Instruction	$ 52,887
Academic support	698,434
Student services	139,446
Operations and maintenance of plant	1,708
	$ 892,475

Right-to-use subscription IT assets at June 30, 2023 consist of the following:

	Balance as restated 7/1/2022	Additions	Retirements	Balance 6/30/2023
Right-to-use subscription IT assets				
Subscription IT - assets	$ 2,097,421	$ 810,699	$ -	$ 2,908,120
Less accumulated amortization	-	(750,046)	-	(750,046)
Right-to-use subscription IT assets, net	$ 2,097,421	$ 60,653	$ -	$ 2,158,074

Subscription IT amortization expense for the year ended June 30, 2023 was charged to the following functions:

Instruction	$ 52,887
Academic support	580,284
Student services	115,395
Operations and maintenance of plant	1,480
	$ 750,046

Note 4 - Property Taxes

Idaho counties are responsible for collecting property taxes, assessing penalties and if necessary, sale of property. In addition, the counties maintain all the records and are responsible for remitting property tax amounts to the various taxing entities within their boundaries.

All real property is assigned a parcel number in accordance with State law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals.

The assessed valuation of the property and its improvements is being assessed at one percent of taxable value as defined by statute. The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located.

Taxes on real property are a lien on the property and attach on January 1 of the year for which the taxes are levied. Taxes on property are due on the 20th of December; however, they may be paid in two installments with the second installment due June 20th. Penalties and interest are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a three-year waiting period, a tax deed is issued conveying the property to Kootenai County with a lien for back taxes and accumulated penalties, interest and costs before sale.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation. Kootenai County collects property taxes for the College.

Note 5 - Lease Liabilities

The College has entered into four master copier and equipment leases for 60 months, one was terminated in July 2023, and the three remaining are terminating in September 2024, June 2025, and July 2027. Under the terms of the leases, the College pays a total monthly base fee of $5,780. The College also pays a monthly maintenance cost, based on the number of copies run through the machines each month. This expenditure is treated as an ordinary monthly operating cost.

The College has entered into an agreement for the right-to-use an office space for their Area Aging program. The lease terminates June 2025. Under the terms of the agreement, the College pays a monthly, escalating fee between $4,950 and $5,000.

The College has entered into an agreement for the right-to-use space for their Workforce Training Center in Post Falls, ID. The lease terminates June 2026. Under the terms of the agreement, the College pays a monthly, escalating fee between approximately $7,200 and $7,600.

The College has entered into an agreement for the right-to-use for two spaces with 515 Pine Street, LLC in Sandpoint, ID. The leases terminate in June 2027 and September 2027. Under the terms of the leases, the College pays a total monthly base fee of $9,788, adjusted annually based on the increase in the Consumer Price Index.

At June 30, 2024 and 2023, the College has recognized a right-to-use assets of $639,164 and $674,246, respectively, net of accumulated amortization, and a lease liability of $650,730 and $696,420, respectively, related to the right-to-use assets. During the years ended June 30, 2024 and 2023, the College recorded $308,654 and $312,213, respectively, in amortization expense for the right-to-use assets. The College's interest rates used ranged from 2.54% - 3.50% for all of the assets, based on the incremental interest rates at the initial date of the leases.

Changes in lease liabilities for the year ended June 30, 2024, were:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Copier/equipment leases	$ 47,706	$ 99,174	$ (71,288)	$ 75,592	$ 57,148
Building leases	648,714	174,398	(247,974)	575,138	252,884
	$ 696,420	$ 273,572	$ (319,262)	$ 650,730	$ 310,032

Changes in lease liabilities for the year ended June 30, 2023, were:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Copier leases	$ 67,459	$ 42,773	$ (62,526)	$ 47,706	$ 19,057
Building leases	333,259	550,611	(235,156)	648,714	247,952
	$ 400,718	$ 593,384	$ (297,682)	$ 696,420	$ 267,009

Future payments on the lease agreements are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2025	$ 310,032	$ 15,065	$ 325,097
2026	211,404	6,918	218,322
2027	124,608	1,949	126,557
2028	4,686	24	4,710
	$ 650,730	$ 23,956	$ 674,686

Note 6 - Subscription-Based Information Technology Arrangements (SBITAs)

The College has entered into various SBITA contracts for virtual conferencing software and management software. The College is required to make principal and interest payments ranging from $100 to $30,000 through April 2029. The SBITA contracts have interest rates between 1.85% and 3.45%. The interest rates used were the College's incremental borrowing rate at the time of adoption of the new standard or at inception of the SBITA.

Changes in subscription IT liabilities for the year ended June 30, 2024, were:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Subscription IT liabilities	$ 2,030,787	$ 462,048	$ (918,438)	$ 1,574,397	$ 684,094

Changes in subscription IT liabilities for the year ended June 30, 2023, were:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Subscription IT liabilities	$ 2,097,421	$ 810,699	$ (877,333)	$ 2,030,787	$ 741,451
	$ 2,097,421	$ 810,699	$ (877,333)	$ 2,030,787	$ 741,451

Future payments on the subscription IT agreements are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2025	$ 684,094	$ 728,178	$ 1,412,272
2026	632,977	658,366	1,291,343
2027	187,253	195,167	382,420
2028	70,073	72,046	142,119
	$ 1,574,397	$ 1,653,757	$ 3,228,154

Note 7 - Long-Term Debt

Revenue Bonds, Series 2016

The College acquired new debt in fiscal year 2016 for construction of the Student Wellness and Recreation Center. The new debt agreement calls for annual payments beginning November 1, 2017 until November 1, 2046, when the entire bond will be paid off. The interest rate ranges from 2.25% to 4.50%, interest only till 2023.

The 2016 bonds mature in the amounts as follows:

Years Ending June 30,	Principal	Interest	Total	Interest Rate
2025	$ 230,000	$ 267,506	$ 497,506	2.25%
2026	235,000	261,865	496,865	2.50%
2027	245,000	253,373	498,373	4.00%
2028	255,000	243,306	498,306	4.00%
2029	265,000	232,840	497,840	4.00%
2030-2034	1,475,000	1,019,477	2,494,477	3.00% - 4.00%
2035-2039	1,725,000	768,496	2,493,496	3.00% - 3.125%
2040-2044	2,050,000	430,275	2,480,275	3.125% - 3.375%
2045-2046	955,000	36,375	991,375	3.375% - 4.50%
	$ 7,435,000	$ 3,513,513	$ 10,948,513	

Unamortized premium on the Series 2016 Revenue Bonds were $221,116 and $231,282 as of June 30, 2024 and 2023, respectively. The premium is amortized $10,166 per year through 2046.

The bonds are secured by a pledge of revenue from operation of the student union building, dormitory, student wellness and recreation center and collection of student fees over the term of the bond. The trustee is U.S. Bank, Boise, Idaho.

Bond Covenants for Revenue Bonds

The Revenue Bonds for the 2016 series calls for a reserve account to be maintained with a balance of $497,506. At June 30, 2024, $535,433 was on deposit.

The College is also required to generate fee income equal to at least 1.25 times the annual debt service requirement.

There was $734,552 in pledged revenue generated from the operations of the Student Union Building and the Dormitory to cover the debt service costs for the year ended June 30, 2024. The total debt service during the year ended June 30, 2024, was $486,906.

Changes in Long-Term Debt

Long-term liability activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2016 Revenue bonds	$ 7,660,000	$ -	$ 225,000	$ 7,435,000	$ 230,000
Premium on bond issues	231,282	-	10,166	221,116	-
Compensated absences	1,186,527	229,188	270,162	1,145,553	171,833
Total long-term liabilities	$ 9,077,809	$ 229,188	$ 505,328	$ 8,801,669	$ 401,833

Long-term liability activity for the year ended June 30, 2023, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2016 Revenue bonds	$ 7,880,000	$ -	$ 220,000	$ 7,660,000	$ 225,000
Premium on bond issues	241,448	-	10,166	231,282	-
Compensated absences	1,092,652	359,647	265,772	1,186,527	177,979
Total long-term liabilities	$ 9,214,100	$ 359,647	$ 495,938	$ 9,077,809	$ 402,979

Note 8 - Pension Plan

Plan Description

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

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

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/fire fighters) 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. For the measurement period ended June 30, 2023 and 2022 it was 6.71% and 7.16%, respectively 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 College's contributions were $1,301,106 and $1,304,725 for the years ended June 30, 2024 and 2023, respectively.

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

At June 30, 2024 and 2023, the College reported an asset/liability for its proportionate share of the net pension asset/liability. The net pension asset/liability was measured as of June 30, 2023 and 2022, and the total pension asset/liability used to calculate the net pension asset/liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension asset/liability was based on the College's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2024, 2023, and 2022, the College's proportion was .25676922%, .26417168%, .27565245%, and respectively.

For the years ended June 30, 2024 and 2023, the College recognized expense of $1,231,670 and $1,142,127, respectively. At June 30, 2024 and 2023, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,756,381	$ -	$ 1,144,179	$ 46,441
Differences between expected and actual investment earnings	961,814	-	2,394,087	-
Changes in actuarial assumptions	1,014,650	-	1,696,341	-
Net pension liability change in proportion	-	328,683	-	397,683
College's contributions subsequent to the measurement date	1,301,106	-	1,304,725	-
Total	$ 5,033,951	$ 328,683	$ 6,539,332	$ 444,124

The $1,301,106 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending June 30, 2025.

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

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

Years Ended June 30,	
2025	$ 1,173,559
2026	518,351
2027	1,886,051
2028	(173,799)

Actuarial Assumptions

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

The total pension liability in the June 30, 2023 and 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

<u>Contributing Members, Service Retirement Members, and Beneficiaries</u>

• 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 related. This assumption was adopted July 1, 2021
• Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%.
• Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%.

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.

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 College's proportionate share of the net pension liability as of June 30, 2024, calculated using the discount rate of 6.35%, as well as what the College'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%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's net pension liability (asset)	$ 18,429,316	$ 10,246,813	$ 3,559,152

The following presents the College's proportionate share of the net pension liability as of June 30, 2023, calculated using the discount rate of 6.35%, as well as what the College'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%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's net pension liability (asset)	$ 18,363,953	$ 10,405,083	$ 3,890,954

Pension Plan Fiduciary Net Position

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

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

Payables to the Pension Plan

At June 30, 2024 and 2023, the College reported no payables to the defined benefit pension plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Note 9 - Other Post-Employment Benefits (OPEB) - PERSI Sick Leave

Plan Description

The College 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.

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

OPEB Benefits

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

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. 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. During 2020-21, the PERSI Board issued a premium holiday effective January 1, 2020 through June 30, 2026. The College was not required to make any contributions for the years ended June 30, 2024 and 2023.

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

At June 30, 2024 and 2023, the College reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023 and 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The College's proportion of the net OPEB asset was based on the College's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2024 and 2023 the College's proportion was 2.2181530%, which is unchanged from the 2022 proportionate share.

For the years ended June 30, 2024 and 2023, the College recognized OPEB expense offset of $4,510 and $62,057, respectively. At June 30, 2024 and 2023, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 126,992	$ 61,644	$ 80,144	$ 95,707
Differences between expected and actual investment earnings	237,363	-	426,442	-
Changes in actuarial assumptions	201,483	265,898	135,688	322,084
Net OPEB asset change in proportion	143,545	-	189,928	-
Total	$ 709,383	$ 327,542	$ 832,202	$ 417,791

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

Years Ended June 30,	
2025	$ 75,256
2026	55,150
2027	248,106
2028	(35,679)
2029	16,763
Thereafter	22,245

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, 2024 and 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 expenses

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 Real Rate of Return (Arithmetic)
Broad U.S. Equity	39.3%	4.90%
Global EX U.S. Equity	10.7%	4.78%
Fixed Income	50.0%	0.50%
Cash Equivalents	0.0%	0.00%

Discount Rate

The discount rate used to measure the total OPEB asset 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 asset. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Payables to the pension plan

At June 30, 2024, the College reported no payables to the plan.

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

The following presents the College's proportionate share of the net OPEB asset calculated as of June 30, 2024, using the discount rate of 5.45 percent, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.45 percent) or 1-percentage-point higher (6.45 percent) than the current rate:

	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's net OPEB liability (asset)	$ (2,944,350)	$ (3,175,027)	$ (338,063)

The following presents the College's proportionate share of the net OPEB asset calculated as of June 30, 2023, using the discount rate of 5.45 percent, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.45 percent) or 1-percentage-point higher (6.45 percent) than the current rate:

	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's net OPEB liability (asset)	$ (2,932,555)	$ (3,137,947)	$ (3,320,933)

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.

Note 10 - Other Post-Employment Benefit (OPEB) - Healthcare Plan

Plan Description

North Idaho College operates a single–employer retiree benefit plan that provides post-employment medical, dental, and life plans upon retirement from active service. To be eligible for the College’s retiree group medical, dental, and life plans, a retiree must satisfy the PERSI retirement eligibility requirements of 55 years of age (or disability) and 5 years of service. If the active employee is in optional retirement plan (ORP), the retiree must be age 55. Once a retiree becomes eligible for Medicare, the spouse can continue medical and dental coverage until the spouse is eligible for Medicare. Disabled members and their dependents do not receive medical, dental, or life benefits. Surviving spouses are not eligible for medical, dental, or life benefits. After December 31, 2010, new retirees became ineligible to enroll themselves or their dependents in retiree life insurance.

Funding Policy

The College has not established a fund to supplement the costs for the total OPEB obligation. The required contribution is based on projected pay-as-you-go financing requirements. Retirees are required to pay 100% of the premiums based on the combined active and retiree pool for both the retiree and the dependent coverage. If a retiree has at least 25 years of service, North Idaho College will contribute 71% of the retiree medical and dental plan premiums. The membership as of July 1, 2020 includes 478 active participants, 70 retirees and surviving spouses, and 38 spouses of current retirees.

Significant Changes

The College pays a portion of the retiree premium for members with 25 or more years of service. Previously the retiree had to exhaust their sick leave balance which was assumed would take three years. Effective July 1, 2021, North Idaho College no longer requires members with 25 or more years of service to exhaust their sick leave. This change is reflected as a plan change.

Total OPEB Liability

The total OPEB liability at June 30, 2024 and 2023, was determined by an actuarial valuation as of July 1, 2020, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date of June 30, 2023 and 2022. There have been no significant changes between the valuation date and the fiscal year end.

The assumptions used to determine the OPEB liability at June 30, 2024 is as follows:

Inflation	2.30%
Salary increases	3.05%
Discount rate	3.65%
Medical price index trend	0.00%-6.60%
Dental price index trend	1.60%-4.00%

The assumptions used to determine the OPEB liability at June 30, 2023 is as follows:

Inflation	2.30%
Salary increases	3.05%
Discount rate	3.54%
Medical price index trend	0.00%-6.60%
Dental price index trend	1.60%-4.00%

The discount rate was based on Bond Buyer 20-Bond GO Index. Mortality rates were based on the Pub-2010 mortality tables with generational mortality adjustments. The total OPEB liability was based on the 2021 PERSI Experience study for demographic assumptions and the July 1, 2022 OPEB Valuation for the economic and OPEB specific assumptions.

Changes in the Total OPEB Liability

Balance at June 30, 2021 (Measurement Date)	$ 4,587,972
Changes for the year:	
Service cost	379,403
Interest on total OPEB liability	104,552
Effect of economic/demographic (gains) or losses	(583,799)
Effect of assumptions changes or inputs	(981,605)
Expected benefit payments	(255,308)
Balance at June 30, 2022 (Measurement Date)	3,251,215
Changes for the year:	
Service cost	214,660
Interest on total OPEB liability	119,429
Effect of economic/demographic (gains) or losses	-
Effect of assumptions changes or inputs	(25,654)
Expected benefit payments	(185,955)
Balance at June 30, 2023 (Measurement Date)	$ 3,373,695

OPEB expense (expense offset) was ($91,349) and $41,058 for the years ended June 30, 2024 and 2023, respectively.

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

At June 30, 2024 and 2023, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 169,329	$ 414,232	$ 229,803	$ 594,968
Changes in actuarial assumptions	298,466	696,096	409,676	906,036
College's contributions subsequent to the measurement date	180,792	-	185,955	-
Total	$ 648,587	$ 1,110,328	$ 825,434	$ 1,501,004

The $180,792 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as an addition to the total OPEB liability for the year ending June 30, 2025.

Deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense (expense offset) as follows:

Years Ended June 30,	
2025	$ (138,840)
2026	(100,614)
2027	(135,501)
2028	(263,304)
2029	(4,274)

Sensitivity Analysis

The following presents the total OPEB liability of the College as of June 30, 2024, calculated using the discount rate of 3.65%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65%) or 1 percentage point higher (4.65%) than the current rate.

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	$ 3,612,662	$ 3,373,695	$ 3,148,075

The following presents the total OPEB liability of the College June 30, 2024, calculated using the current healthcare cost trend rates as well as what the College's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	$ 3,035,295	$ 3,373,695	$ 3,772,047

The following presents the total OPEB liability of the College as of June 30, 2023, calculated using the discount rate of 3.54%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54%) or 1 percentage point higher (4.54%) than the current rate.

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	$ 3,485,122	$ 3,251,215	$ 3,030,813

The following presents the total OPEB liability of the College June 30, 2023, calculated using the current healthcare cost trend rates as well as what the College's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	$ 2,949,326	$ 3,251,215	$ 3,605,290

Note 11 - Contingencies

The College is a party to a number of legal actions arising in the ordinary course of its business. In management's opinion, the College has adequate legal defenses and/or insurance coverage respecting each of these actions and does not believe that they will materially affect the College's operations or financial position.

Note 12 - Related Party Transactions

Significant transactions occurring between the Foundation and the College include: the Foundation made scholarship and other support payments to the College in the amounts of $1,409,024 and $1,641,753 for the years ended June 30, 2024 and 2023, respectively. Expenses incurred by the College on behalf of the Foundation, such as payroll, benefits, and office supplies, are recorded as receivables and reimbursed in full by the Foundation. For the years ended June 30, 2024 and 2023, this amount were $246,958 and $277,855, respectively. Amounts receivable from the Foundation as of June 30, 2024 and 2023 were $95,225 and $57,679, respectively.

Note 13 - Component Unit – North Idaho College Dormitory Housing Commission

The North Idaho College Dormitory Housing Commission is presented as a blended component unit. Condensed statements of financial position for the years June 30, 2024 and 2023 are as follows:

	2024	2023
Current Assets	$ 3,552,628	$ 3,032,284
Capital Assets	20,586,525	20,576,359
Total assets	$ 24,139,153	$ 23,608,643
Current Liabilities	$ 90,990	$ 69,665
Due to Other Funds	6,541,431	6,274,762
Noncurrent Liabilities	7,480,159	7,705,909
Total liabilities	14,112,580	14,050,336
Net Position	10,026,573	9,558,307
Total Liabilities and Net Position	$ 24,139,153	$ 23,608,643

Condensed statements of activities for the years ended June 30, 2024 and 2023 are as follows:

	2024	2023
Operating Revenues		
Sales and rentals	$ 2,131,416	$ 2,106,891
Interest income	119,969	51,786
Fee revenue	688,860	749,325
Total operating revenues	2,940,245	2,908,002
Building Expenses	2,199,522	2,099,671
Income from Operations	740,723	808,331
Non-Operating Revenue and Expenses		
Debt service	(272,457)	(276,923)
Change in Net Position	468,266	531,408
Net Position, Beginning of Year	9,558,307	9,026,899
Net Position, End of Year	$ 10,026,573	$ 9,558,307

Condensed statements of cash flows for the years ended June 30, 2024 and 2023 are as follows:

	2024	2023
Net Cash used for Operating Activities	$ 886,424	$ 2,398,633
Net Cash used for Capital and Related Financing Activities	(508,372)	(507,822)
Net Cash from Investing Activities	119,969	51,786
Net Change in Cash and Cash Equivalents	498,021	1,942,597
Cash and Cash Equivalents, Beginning of Year	3,006,097	1,063,500
Cash and Cash Equivalents, End of Year	$ 3,504,118	$ 3,006,097

Note 14 - Component Unit – North Idaho College Foundation, Inc.

Nature of Activities and Summary of Significant Accounting Policies

Nature of activities – North Idaho College Foundation, Inc. (the Foundation) was incorporated on October 12, 1977, as an Idaho nonprofit corporation with a perpetual existence for the purpose of providing scholarships and other sources of aid to the college community. The exclusive beneficiaries of the Foundation are North Idaho College (NIC) and its students. The Foundation operates from offices provided by North Idaho College. The Foundation receives revenues and support primarily through contributions and fundraising activities.

Investments

The Foundation primarily invests with the Commonfund for Nonprofit Organizations (Commonfund), which holds a diversified portfolio of marketable common stocks and other marketable equity-type investments including, but not limited to, convertible bonds, convertible preferred stocks, and warrants. The Commonfund investments may also hold cash, short-term obligations, and U.S. government, corporate, and other bonds. The Foundation also uses another investment manager to manage portfolios of mutual funds. Investments are carried at fair value or net asset value (NAV) per share or its equivalent, as provided by fund management, and realized and unrealized gains and losses are reflected in the statements of activities. The market value of the investments is as follows at June 30:

	2024	2023
Commonfund investments	$ 30,732,269	$ 28,245,675
Domestic securities	8,539,677	7,033,729
Foreign securities	2,043,974	1,842,069
	$ 41,315,920	$ 37,121,473

The following investment earnings, investment fees, and unrealized gains and losses have been allocated among all net assets based on average balances for the years ended June 30 unless otherwise stipulated:

	2024	2023
Net unrealized and realized gain on investments held fair value	$ 6,296,142	$ 4,594,260
Investment income	252,837	295,047
Investment fees	(56,676)	(74,358)
	$ 6,492,303	$ 4,814,949

Endowment Accounts

The Foundation's endowment consists of 356 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of North Idaho College Foundation, Inc. has interpreted the Uniform Prudent Management for Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, North Idaho College Foundation, Inc. classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulation to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is classified as net assets with donor restrictions will remain with restrictions until those amounts are appropriated for expenditures by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following facts in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purpose of the Foundation and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Foundation
(7) The investment policies of the Foundation

Endowment net asset composition by type of fund as of June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 29,324,416	$ 29,324,416
Board-designated endowment funds	9,007,261	-	9,007,261
	$ 9,007,261	$ 29,324,416	$ 38,331,677

Changes in Endowment net assets for the fiscal year ended June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 7,766,521	$ 25,820,374	$ 33,586,895
Investment return			
Investment income	39,541	129,396	168,937
Net loss (realized and unrealized)	1,269,154	4,153,230	5,422,384
Total investment returns	1,308,695	4,282,626	5,591,321
Contributions	-	174,989	174,989
Appropriation of endowment assets for expenditure	(67,955)	(966,652)	(1,034,607)
Other changes			
Board designated funds	-	-	-
Transfers at donor request from Nonendowed funds to endowed funds	-	13,079	13,079
Endowment net assets, end of year	$ 9,007,261	$ 29,324,416	$ 38,331,677

Endowment net asset composition by type of fund as of June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 25,820,374	$ 25,820,374
Board-designated endowment funds	7,766,521	-	7,766,521
	$ 7,766,521	$ 25,820,374	$ 33,586,895

Changes in Endowment net assets for the fiscal year ended June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 6,799,482	$ 23,320,404	$ 30,119,886
Investment return			
Investment income	45,534	153,552	199,086
Net appreciation (realized and unrealized)	947,899	3,196,633	4,144,532
Total investment returns	993,433	3,350,185	4,343,618
Contributions	-	128,554	128,554
Appropriation of endowment assets for expenditure	(26,394)	(978,769)	(1,005,163)
Endowment net assets, end of year	$ 7,766,521	$ 25,820,374	$ 33,586,895

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. The amount of deficiencies totaled $0 as of June 30, 2024 and 2023.

Absent donor stipulations to the contrary, the Foundation will not appropriate for expenditure from a permanent endowment fund if such expenditure will result in the fair value of the fund falling below the perpetual value of the fund, measured as of June 30 of the fiscal year of appropriation.

Return Objectives and Risk Parameters

The object of the investment and spending policies for endowment assets adopted by the Foundation is to preserve and, over time, increase the inflation adjusted value of the investable assets of the Foundation. Second, the objective is to maximize, over the long run, the total rate of return on investable assets, assuming a level of risk consistent with prudent investment practices for such funds. Endowment assets, for purposes of this disclosure, include those assets of donor-restricted funds the Foundation must hold in perpetuity or for a donor-specified period as well as Board-designated (quasi-endowment) funds. All endowment and quasi-endowment funds shall be subject to the same high level of prudent investment policy.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year 5% of its endowment fund's average dollars available for the prior three years through the fiscal year end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at an average of 6% annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment returns.

Fair Value and Financial Instrument

The Foundation has determined the fair value of certain assets and liabilities in accordance with the provisions of the Fair Value Measurements and Disclosures Topic of FASB ASC, which provides a framework for measuring fair value under accounting principles generally accepted in the United States of America.

FASB ASC 820-10-20 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. Observable inputs are developed based on independent market data obtained from sources independent of the Foundation. Unobservable inputs reflect the Foundation's own assumptions about market inputs based on its own data.

A fair value hierarchy has also been established by the FASB ASC 820-10, *Fair Value Measurements and Disclosures*, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted market prices in active markets for identical assets or liabilities the Foundation has the ability to access at the measurement date. Level 2 inputs consist of valuations other than quoted prices included in Level 1 that are observable by the Foundation for the related asset or liability. Level 3 inputs consist of unobservable valuations related to the asset or liability.

Investments in corporate bonds and equity securities are valued based on quoted market prices, and are therefore, typically classified within Level 1.

Investments with the Common Fund are valued using NAV per share or its equivalent, as reported by the investment manager, that are audited under AICPA guidelines and that have activity and the ability to redeem at NAV on or near the reporting date are evaluated outside of the fair value hierarchy in accordance with U.S. GAAP.

The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. In addition, while the Foundation believes that its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. The Foundation has not changed its valuation methods during the current year or prior year.

The following table summarizes the valuation of the Foundation's investments by the above FASB ASC 820 fair value hierarchy levels as of June 30, 2024:

	Level 1	Level 2	Level 3	Total
Domestic securities	$ 8,539,677	$ -	$ -	$ 8,539,677
Foreign securities	2,043,974	-	-	2,043,974
Total assets in the fair value hierarchy	$ 10,583,651	$ -	$ -	10,583,651
Investments measured at NAV practical expedient				30,732,269
Investments at fair value				$ 41,315,920

The following table summarizes the valuation of the Foundation's investments by the above FASB ASC 820 fair value hierarchy levels as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Domestic securities	$ 7,033,729	$ -	$ -	$ 7,033,729
Foreign securities	1,842,069	-	-	1,842,069
Total assets in the fair value hierarchy	$ 8,875,798	$ -	$ -	8,875,798
Investments measured at NAV practical expedient				28,245,675
Investments at fair value				$ 37,121,473

The following table presents information regarding funds with fair value that is determined using the NAV (or its equivalent) provided by the fund as of June 30, 2024.

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Available)	Redemption Notice Period
Common Fund for Nonprofit Organizations				
Multi-Strategy Equity Fund	$ 24,703,530	-	Monthly	3-95 Business Days
Multi-Strategy Bond Fund	6,028,739	-	Monthly	5 Business Days
	$ 30,732,269			

Required Supplementary Information
June 30, 2024

North Idaho College

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

	Reported as of the measurement date of June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion share of the net pension liability (asset)	0.25676922%	0.26417168%	0.27565245%	0.2903709%	0.3011448%	0.3222206%	0.3428184%	0.3447564%	0.3573277%
Employer's proportionate share of the net pension liability (asset)	$ 10,246,813	$ 10,405,083	$ (217,705)	$ 6,742,796	$ 3,437,484	$ 4,752,810	$ 5,388,516	$ 6,988,742	$ 4,705,425
Employer's covered payroll	$ 10,927,343	$ 10,414,700	$ 10,260,129	$ 10,548,212	$ 10,228,095	$ 10,367,000	$ 10,297,312	$ 10,080,885	$ 10,455,717
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	93.77%	99.91%	-2.12%	63.92%	33.61%	45.85%	52.33%	69.33%	45.00%
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	84.26%	94.95%

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

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

	Reported as of the fiscal year end date of June 30,								
	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$ 1,301,106	$ 1,304,725	$ 1,243,515	$ 1,225,058	$ 1,257,277	$ 1,157,820	$ 1,173,544	$ 1,165,656	$ 1,141,156
Contributions in relation to the statutorily required contribution	$ (1,301,106)	$ (1,304,725)	$ (1,243,515)	$ (1,225,058)	$ (1,257,277)	$ (1,157,820)	$ (1,173,544)	$ (1,165,656)	$ (1,141,156)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 11,610,176	$ 10,927,343	$ 10,414,700	$ 10,260,129	$ 10,548,212	$ 10,228,095	$ 10,367,000	$ 10,297,312	$ 10,080,885
Contributions as a percentage of the covered payroll	11.21%	11.94%	11.94%	11.94%	11.92%	11.32%	11.32%	11.32%	11.32%

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

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

	Reported as of the measurement date of June 30,						
	2023	2022	2021	2020	2019	2018	2017
Employer's proportion share of the net OPEB asset	2.2181530%	2.2181530%	2.2181530%	2.2181530%	2.4294989%	2.4781575%	2.5252992%
Employer's proportionate share of the net OPEB asset	$ 3,175,027	$ 3,137,947	$ 4,036,025	$ 3,265,564	$ 3,156,461	$ 3,156,461	$ 2,402,308
Employer's covered payroll	$ 29,284,774	$ 28,336,834	$ 27,412,652	$ 28,964,188	$ 28,015,911	$ 27,277,189	$ 26,565,168
Employer's proportionate share of the net OPEB asset as a percentage of its covered payroll	10.84%	11.07%	14.72%	11.27%	11.27%	11.57%	9.04%
Plan fiduciary net position as a percentage of the total OPEB asset	223.73%	237.30%	274.55%	251.29%	226.97%	225.45%	204.12%

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

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

	Reported as of the fiscal year end date of June 30,						
	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	$ -	$ -	$ -	$ -	$ 99,644	$ 182,103	$ 177,303
Contributions in relation to the statutorily required contribution	$ -	$ -	$ -	$ -	$ (99,644)	$ (182,103)	$ (177,303)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 29,210,326	$ 29,284,774	$ 28,336,834	$ 27,412,652	$ 28,964,188	$ 28,015,911	$ 27,277,189
Contributions as a percentage of the covered payroll	0.00%	0.00%	0.00%	0.00%	0.34%	0.65%	0.65%

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

Schedule of Changes in the College's Total OPEB Liability
OPEB - Healthcare Plan
Last 10 - Fiscal Years *

	Reported as of the measurement date of June 30,						
	2023	2022	2021	2020	2019	2018	2017
Service cost	$ 214,660	$ 379,403	$ 310,800	$ 195,813	$ 181,094	$ 204,395	$ 198,442
Interest on total OPEB liability	119,429	104,552	83,803	86,458	86,437	108,276	101,548
Effect of economic/demographic gains or (losses)	-	(583,799)	798,449	411,229	-	(525,655)	-
Effect of assumptions changes or inputs	(25,654)	(981,605)	15,911	671,139	64,089	(426,617)	-
Expected benefit payments	(185,955)	(255,308)	(203,192)	(112,727)	(106,526)	(149,259)	(87,259)
Net change in total OPEB liability	122,480	(1,336,757)	1,005,771	1,251,912	225,094	(788,860)	212,731
Total OPEB liability - beginning of year	3,251,215	4,587,972	3,582,201	2,330,289	2,105,195	2,894,055	2,681,324
Total OPEB liability - end of year	$ 3,373,695	$ 3,251,215	$ 4,587,972	$ 3,582,201	$ 2,330,289	$ 2,105,195	$ 2,894,055

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

No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you go basis. Contributions are not made based on a measure of pay. Therefore, no measure of payroll is presented.

Other Information
June 30, 2024

North Idaho College

	Original Budget*	Actual	Variance with Final Budget
Revenues			
State allocations	$ 21,742,067	$ 21,742,067	$ -
Property taxes	17,820,607	17,820,607	-
Tuition and fees	9,630,071	9,378,376	(251,695)
Other revenues	4,324,734	4,490,799	166,065
Total revenues	53,517,479	53,431,849	(85,630)
Expenditures			
Direct instruction	19,450,072	17,857,489	1,592,583
Academic support	6,840,515	5,532,139	1,308,376
Student services	4,329,265	3,902,900	426,365
Institutional support	9,764,429	11,069,208	(1,304,779)
Plant operations and maintenance	5,630,041	5,533,048	96,993
Public service	49,000	49,003	(3)
Student aid	956,675	1,056,254	(99,579)
Transfers	6,497,482	6,892,964	(395,482)
Total expenditures	53,517,479	51,893,005	1,624,474
Revenues Over Expenditures	$ -	$ 1,538,844	$ 1,538,844

** Budget was not amended during the year.*

DORMITORY HOUSING COMMISSION OF NORTH IDAHO COLLEGE
HISTORIC AND PROJECTED DEBT SERVICE COVERAGE FROM PLEDGED REVENUES

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Building Revenues									
Revenues from Sales and Rentals [1]	$ 2,958,820	$ 2,225,985	$ 1,619,429	$ 1,201,916	$ 1,742,829	$ 1,174,159	$ 2,106,890	$ 2,131,414	$ 2,423,920
Interest Income	1,418	2,504	4,909	3,881	880	358	51,568	119,571	90,000
Total Building Revenues	**$ 2,960,238**	**$ 2,228,490**	**$ 1,624,338**	**$ 1,205,797**	**$ 1,743,709**	**$ 1,174,517**	**$ 2,158,458**	**$ 2,250,985**	**$ 2,513,920**
Operations and Maintenance Expense									
Cost of Merchandise Sold [2]	$ 1,318,971	$ 490,662	$ 235,135	$ 2,044	$ 3,095	$ 2,436	$ 391,756	$ 427,937	$ 486,430
Salaries and Benefits [3]	977,072	1,122,083	960,507	841,192	774,730	818,947	854,008	817,766	847,974
Repairs, Maintenance, and Supplies [4]	78,532	150,124	110,273	144,219	89,467	136,855	89,167	68,824	151,700
Utilities and Garbage [5]	123,736	114,530	82,492	72,589	77,268	85,037	91,501	93,265	99,928
Other Operating Expenses [6]	152,766	202,364	324,908	136,781	677,719	226,342	680,755	797,496	989,297
Total Building Expenses	**$ 2,651,076**	**$ 2,079,763**	**$ 1,713,315**	**$ 1,196,826**	**$ 1,622,279**	**$ 1,269,617**	**$ 2,107,187**	**$ 2,205,288**	**$ 2,575,329**
Net Revenue of Buildings	**$ 309,162**	**$ 148,727**	**$ (88,977)**	**$ 8,971**	**$ 121,430**	**$ (95,100)**	**$ 51,271**	**$ 45,697**	**$ (61,409)**
Student Union Fee + Other Income	$ 580,305	$ 527,488	$ 504,596	$ 476,873	$ 443,951	$ 428,087	$ 387,151	$ 355,911	$ 355,911
Student Wellness & Recreation Center Fee + Other	542,866	493,457	472,042	446,107	415,309	400,468	362,174	332,949	332,949
Student Union Fee Revenue [7]	**$ 1,123,171**	**$ 1,020,945**	**$ 976,638**	**$ 922,980**	**$ 859,260**	**$ 828,555**	**$ 749,325**	**$ 688,860**	**$ 688,860**
Total Pledged Revenues	**$ 1,432,333**	**$ 1,169,672**	**$ 887,661**	**$ 931,951**	**$ 980,690**	**$ 733,455**	**$ 800,596**	**$ 734,557**	**$ 627,451**
Debt Service on Parity Obligations									
Series 2008 Bonds	$ 353,850	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Series 2012 Bonds [8]	413,738	817,534	822,589	816,296	817,918	308,556	-	-	-
Series 2016 Bonds [9]	301,551	287,537	258,866	245,666	253,053	218,642	419,138	486,906	500,869
Total Debt-Service	**$ 1,069,139**	**$ 1,105,071**	**$ 1,081,456**	**$ 1,061,962**	**$ 1,070,971**	**$ 527,197**	**$ 419,138**	**$ 486,906**	**$ 500,869**
Fund Balance Support	**$ -**	**$ 207,000**	**$ 459,000**	**$ 396,000**	**$ 353,000**	**$ -**	**$ -**	**$ -**	**$ -**
Debt Service Coverage	**1.34**	**1.25**	**1.25**	**1.25**	**1.25**	**1.39**	**1.91**	**1.51**	**1.25**
Available for CapEx or Increase in Fund Balance	**$ 363,194**	**$ 64,601**	**$ (193,795)**	**$ (130,011)**	**$ (90,281)**	**$ 206,258**	**$ 381,458**	**$ 247,651**	**$ 126,582**

Footnotes

(1) FY 2024 Building Revenues reflect modest increases in rental fees. Increase in Interest Income reflects increase in annual interest rates.

(2) FY 2024 Cost of Merchandise Sold reflects Dining Service's cost of food increase.

(3) FY 2024 Salaries and Benefits reflect salary savings for open positions.

(4) FY 2024 Repair, Maintenance, and Supplies reflect modest savings in Residence Hall, Student Union, and Student Wellness and Recreation projects.

(5) FY 2024 Utilities and Garbage reflects modest increases in utility expenses.

(6) FY 2024 Other Operating Expenses reflect general increase in operational expenses and closing expenses associated with Bookstore and Dining Services contracts.

(7) FY 2024 Student Union Fee and Other Income reflects 8.07% enrollment decline from FY 2023.

(8) Series 2012 Bonds (Dormitory) reflect maturity in FY 2022.

(9) Series 2016 Bonds (Student Wellness & Recreation Center) reflect interest only through FY 2022. FY 2023 - FY 2024 reflect principal and interest obligation.

Source: The Commission.

DHC Auxiliary Enterprise Funds - Revenues, Expenses and Changes in Fund Balance

	Schedule of Funds Provided for Required Debt Service	Auxiliary Enterprise Funds Summary from Audited Financial Statements						
Fiscal Year	2024 Based on Audit (1)	2023 Audited	2022 Audited	2021 Audited	2020 Audited	2019 Audited	2018 Audited	2017 Audited
Funds Pledged for Debt service								
Income from DHC Building operations								
Revenues for sales & rentals	$ 2,131,414 (2)	$ 2,106,890	$ 865,603	$ 924,911	$ 385,620	$ 796,840	$ 1,408,451	$ 2,545,082
Dormitory Revenues	- (3)	-	308,556	817,918	816,296	822,589	817,534	413,738
Subtotal	$ 2,131,414	$ 2,106,890	$ 1,174,159	$ 1,742,829	$ 1,201,916	$ 1,619,429	$ 2,225,985	$ 2,958,820
Cost of sales and operating expenses	(2,205,288)	(2,107,187)	(1,269,617)	(1,622,279)	(1,196,826)	(1,713,315)	(2,079,763)	(2,651,076)
Net Revenues of DHC Buildings	$ (73,874)	$ (297)	$ (95,458)	$ 120,550	$ 5,090	$ (93,887)	$ 146,222	$ 307,744
Income from Other Sources								
Student Union Fee	$ 355,911 (4)	$ 387,151	$ 428,087	$ 443,951	$ 476,873	$ 504,596	$ 527,488	$ 580,305
Student Wellness & Recreation Center Fee	332,949	362,174	400,468	415,309	446,107	472,042	493,457	542,866
Interest Income	119,571	51,568	358	880	3,881	4,909	2,504	1,418
Total Funds Pledged for Debt Service	$ 734,557	$ 800,596	$ 733,455	$ 980,690	$ 931,951	$ 887,660	$ 1,169,672	$ 1,432,333
Transfer to pay Parity Debt Service	(486,906) (5)	(419,138)	(527,197)	(1,070,971)	(1,061,962)	(1,081,456)	(1,105,071)	(1,069,139)
Excess Revenue	$ 247,651	$ 381,458	$ 206,258	$ (90,281)	$ (130,011)	$ (193,796)	$ 64,601	$ 363,194
Capital Expenditures	-	-	-	-	-	-	(260,373)	(19,990)
Net Change in DHC Fund Balances	$ 247,651	$ 381,458	$ 206,258	$ (90,281)	$ (130,011)	$ (193,796)	$ (195,772)	$ 343,204
DHC Fund Balances Beginning of Year	4,712,642 (6)	4,331,184	4,124,926	4,215,207	4,345,218	4,539,014	4,734,786	4,391,582
DHC Fund Balances End of Year	**$ 4,960,293**	**$ 4,712,642**	**$ 4,331,184**	**$ 4,124,926**	**$ 4,215,207**	**$ 4,345,218**	**$ 4,539,014**	**$ 4,734,786**

Footnotes

(1) The College's Audited Financial Statements for FY 2024 include a Schedule of Funds Provided and Required for Debt Service. The Commission has included additional detail in this table to enable comparison to prior years.

(2) Revenue for Sales & Rentals match amount shown in the FY 2024 Schedule of Funds Provided and Required for Debt Service and include revenues of the Student Union Building.

(3) Dormitory revenues shown for FY 2024 are zero as debt service on the Series 2012 Bonds retired in FY 2022.

(4) Actual Student Union Fee revenue for FY 2024. The FY 2024 Schedule of Funds Provided and Required for Debt Service shows $688,860 and included transfers from the Student Services Fund and the Dormitory revenue from the Auxiliary Enterprise Fund.

(5) Amount shown is the combined transfers from the Auxiliary Enterprise Fund and the Student Services Fund to pay Parity Debt Service on outstanding Bond and may not match actual Parity Debt Service with any difference being funded by balances available in the Debt Service Fund.

(6) DHC Fund Balances include balances in the Auxiliary Enterprise Fund and the Student Services Fund. Balances in the Debt Service Fund are not included.

Source: Audited Financial Reports and the Commission

North Idaho College - Historical Student Stats
(Fiscal Years)

	2024	2023	2022	2021	2020	2019	2018	2017
HEADCOUNT								
Fall Headcount	3,981	3,967	4,581	4,741	5,078	5,275	5,391	5,346
Fall FTE Students	2,322	2,310	2,773	2,863	3,026	3,188	3,252	3,345
Academic	2,282	2,273	2,730	2,825	2,997	3,195	3,369	3,623
Technical	420	417	542	612	602	664	695	789
Other (Dual Enrollment -- High School Students)	1,279	1,277	1,309	1,304	1,479	1,416	1,327	934
Average Class Size	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average Age	24	24	24	24	24	24	24	n/a
STUDENT DEMOGRAPHICS								
Residency								
Idaho:	3,873	3,739	3,985	4,189	4,529	4,725	4,814	4,754
Kootenai County	3,279	2,862	3,025	3,182	3,408	3,542	3,568	3,453
Benewah County	89	110	113	118	116	148	124	126
Bonner County	294	330	328	385	412	433	458	521
Boundary County	101	105	123	126	151	163	184	170
Shoshone County	110	108	127	130	170	164	162	199
All Other Idaho Counties	608	224	270	248	272	275	318	285
Montana	95	45	50	40	40	48	45	49
Washington	202	279	294	274	269	269	275	285
All Other States	311	236	252	278	240	233	257	189
Age Group								
19 Years or Younger	2,250	2,081	2,360	2,345	2,581	2,669	2,575	2,215
20-24 Years	793	860	979	1,057	1,134	1,057	1,179	1,286
25-39 Years	774	682	918	999	976	1,085	1,139	1,288
40-49 Years	182	166	163	175	192	232	259	289
50-59 Years	78	79	72	71	76	104	116	131
60 Years and Older	104	82	89	94	119	128	123	137
Gender								
Male	1,513	1,504	1,757	1,754	1,930	2,057	2,156	2,138
Female	2,468	2,463	2,824	2,987	3,148	3,218	3,235	3,208
Financial Aid								
Students Receiving Aid	2,070	3,712	3,790	2,867	2,885	3,012	3,182	3,468
Total Money Disbursed ($ millions)	7.6	13.9	13.4	14.3	14.4	14.9	16.4	18.4
Degrees Conferred								
Associate of Arts Degrees	743	728	734	740	681	687	690	746
Associate of Science Degrees								
Associate of Applied Science Degrees								
Certificates of Completion	780	643	735	657	678	655	504	335
GED Graduates	47	193	197	231	226	239	247	145
NIC Foundation and Development								
Scholarship Endowments, beginning of year	$26,438,339	$ 24,698,394	$ 27,722,929	$ 21,429,561	$ 21,232,341	$ 20,012,980	$ 18,213,486	$ 16,152,484
General Scholarship and Designated Funds, beginning of year	3,766,411	3,862,650	4,521,503	5,338,361	6,086,028	5,811,853	4,586,510	4,099,394
Unrestricted Funds, beginning of year	10,223,221	9,240,652	9,781,028	6,145,943	5,420,670	4,973,243	4,520,600	3,912,038
Land, Buildings, Other Assets, beginning of year	436,990	323,243	374,941	1,286,511	765,130	583,550	632,378	684,530
Total Assets, beginning of year (audited)	$ 40,864,961	$ 38,124,939	$ 42,400,401	$ 34,200,376	$ 33,504,169	$ 31,381,626	$ 27,952,974	$ 24,848,446
Scholarships Disbursed:								
Number of Scholarships	1,007	988	1,027	993	992	974	943	871
Amount of Scholarships	$1,221,715	$ 1,179,040	$ 1,173,273	$ 1,137,418	$ 986,280	$ 934,009	$ 887,872	$ 903,024
Alumni Association:								
Number of Members	3,837	3,749	3,632	3,610	3,517	3,443	3,359	3,341
Number of Scholarships Funded								n/a
Amount of Scholarships Funded								n/a
External Grants Received by NIC, excluding professional- technical workforce training, ABE, GED, PELL or financial aid, grants or appropriations	$1,641,753	$ 1,188,154	$ 1,722,838	$ 678,856	$ 1,200,055	$ 635,355	$ 2,018,466	$ 515,886

		Amount
OPERATING REVENUES		
Student tuition and fees, net of scholarship allowances	$	6,342,548
Auxiliary enterprises revenue		2,131,414
State and local grants and contracts		2,543,426
Federal grants and contracts		840,615
Other operating revenues		5,632,218
Total operating revenues		17,490,221
NON-OPERATING REVENUES		
State appropriations		21,742,067
Property taxes		19,341,029
Non operating state and federal grants		11,802,428
Non operating other income		389,741
Private gifts, grants and contracts		3,346,817
Investment income		2,176,390
Interest expense		(334,461)
Loss on disposal of fixed assets		(24,560)
Total non-operating revenues		58,439,451
Change in net position		4,669,465
Net position, beginning of year		106,183,892
TOTAL RESOURCES	$	110,853,357

Fiscal year 2023 Full-Time Student Fee (12 Credit Hours per Semester)
Tuition and Fees 2023-2024

12-18 Credits Per Semester	Per Credit	12 Credit FTE
Kootenai County Residents	$ 142	$ 1,698
Other Idaho Residents	207	2,480
Washington Residents	246	2,952
Western Undergraduate Exchange	287	3,444
Out-of-State/Out-of-Country	364	4,368

Fiscal year 2024 Full-Time Student Fee (12 Credit Hours per Semester)

Associated Student Body	$ 28
Athletics	36
Commencement	4
Health Services	31
Instructional Technology	123
Learning Assistance	40
Student Activities and Recreation	38
Student union Fee (1)	180
Total Resident Fee	$ 480
Resident Tuition	1,218
Total Resident Fee and Tuition	$ 1,698
Total Non-District	$ 2,480
Total Washington Residents	2,952
Total Western Undergraduate Exchange	3,444
Total Non-Resident Fee and Tuition	4,368

(1) The Student Union Fee is included in the Pledged Revenues.
Source: North Idaho College, Tuition and Fees for 2023-2024.

Tax Year	Taxable Assessed Value (TAV)	Tax Levy (per $100 TAV)	Total Assessed Property Taxes
2023	$ 47,481,733,904	0.000375315	$ 17,820,607
2022	45,067,555,828	0.000381684	17,201,565
2021	26,716,188,333	0.000649505	17,352,298
2020	22,628,319,580	0.000746593	16,894,145
2019	20,062,998,765	0.000797070	15,991,614
2018	17,280,370,464	0.000885380	15,299,694
2017	15,296,356,440	0.000981595	15,014,827
2016	14,014,269,046	0.001039593	14,569,136
2015	13,094,316,945	0.001098933	14,389,777
2014	12,359,983,215	0.001123854	13,890,817
2013	11,472,122,065	0.001201451	13,783,193
2012	11,200,581,030	0.001220307	13,668,147
2011	12,057,168,912	0.001108407	13,364,250
2010	12,927,862,542	0.000998173	12,904,243

Single Audit Section
June 30, 2024

North Idaho College

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

To the Board of Trustees
North Idaho College
Coeur d'Alene, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of North Idaho College (the College) as of and for the year ended June 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated November 21, 2024. Our report includes a reference to other auditors who audited the financial statements of the North Idaho College Foundation, Inc., as described in our report on the College's financial statements. The audit of the financial statements of North Idaho College Foundation, Inc. was not performed in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with North Idaho College Foundation, Inc.

Report on Internal Control over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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.

Eide Bailly LLP

Boise, Idaho
November 21, 2024

Independent Auditor's Report on Compliance for each Major Federal Programs; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Trustees
North Idaho College
Coeur d'Alene, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited North Idaho College's (the College) 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 College's major federal programs for the year ended June 30, 2024. The College'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 College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 College 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 College'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 College'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 College'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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 College'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 College'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 College'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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the College's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Eide Bailly LLP

Boise, Idaho
November 21, 2024

Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Direct Programs			
Head Start Cluster:			
Head Start	93.600		$ 3,636,257
Total Head Start Cluster			3,636,257
TANF Cluster:			
Temporary Assistance for Needy Families	93.558		215,612
Substance Abuse & Mental Health: Office of Drug Policy - Idaho Family Meals	93.959		6,414
Subtotal Department of Health and Human Services Direct Programs			3,858,283
Pass-Through Programs			
State of Idaho Commission on Aging:			
Aging Cluster:			
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	826000936 13	526,897
COVID-19 Title III-B	93.044	826000936 13	116,782
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	826000936 13	711,427
Nutrition Services Incentive Program	93.053	826000936 13	35,716
Total Aging Cluster			1,390,822
Special Programs for the Aging Title VII, Chapter 2 Long-Term Care Ombudsman Services for Older Individuals	93.042	826000936 13	21,107
Special Programs for the Aging Title III Part F Disease Prevention Health Promotion Services	93.043	826000936 13	31,236
ARPA-D	93.043	826000936 13	9,296
			40,532
National Family Caregiver Support, Title III, Part E	93.052	826000936 13	197,912
COVID-19 Aging III-E	93.052	826000936 13	21,427
			219,339
Medicare Enrollment Assistance Program	93.071	826000936 13	20,503
Lifespan Respite	93.072	826000936 13	29,954
Elder Abuse Prevention Interventions Program	93.747	826000936 13	30,021
State Medicaid Fraud Control Units (Senior Medicare Patrol)	93.048	826000936 13	35,412
University of Idaho:			
Research and Development Cluster			
Idaho INBRE-4 Main	93.859	SI3394-SB-825964	80,368
Idaho INBRE-4 Core	93.859	SI3394-SB-825963	93,259
Biomedical Research and Research Training Program T3	93.859	WM7527-909931	7,712
Total Idaho INBRE			181,339
Subtotal Department of Health and Human Services Pass-Through Programs			1,969,029
Total Department of Health and Human Services			5,827,312

Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Education:			
Direct Programs:			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007		109,646
Federal Work-Study Program	84.033		86,495
Federal Pell Grant Program	84.063		4,591,062
Federal Direct Student Loans	84.268		3,058,660
Total Student Financial Assistance Cluster			7,845,863
TRIO Cluster			
TRIO - Student Support Services	84.042A		295,573
Subtotal Department of Education Direct Programs			8,141,436
Pass-Through Programs:			
State of Idaho Professional-Technical Education			
Adult Education - Basic Grants to States	84.002A	RG1614L1	248,876
Adult Education - Basic Grants to States	84.002A	RG1614M1	13,400
Adult Education - Basic Grants to States	84.002A	AL9614B1	7,909
Total Adult Education - Basic Grants to States			270,185
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E1	165,025
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E2	47,211
Career and Technical Education - Basic Grants to States	84.048A	RG1614W0	9,367
Career and Technical Education - Basic Grants to States	84.048A	20V048-90	91,808
Total Career and Technical Education - Basic Grants to States			313,411
Total Department of Education			8,725,032
Department of Labor Employment Training Administration:			
Pass-Though Programs:			
State of Idaho Department of Labor:			
Apprenticeship: Closing the Skills Gap	17.268	None	107,056
Direct Programs:			
Department of Labor Mine Safety and Helath Administration:			
Mine Health and Safety Grants	17.600		171,068
Total Department of Labor Employment Training Administration			278,124

Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Agriculture Food and Nutrition Service:			
Pass-Through Programs			
State of Idaho Superintendent of Public Instruction:			
Child and Adult Care Food Program	10.558	826000936 06	195,649
SNAP Cluster			
Supplemental Nutrition Assistance	10.551	WC089400	16,555
Total Department of Agriculture Food and Nutrition Service			212,204
Department of Defense:			
Pass-Through Programs			
Boise State University:			
Procurement Technical Assistance Center (PTAC) 2020	12.002	8580-PO134957	25,224
University of Seattle:			
Cybersecurity High School Innovation	12.905	None	14,243
Total Department of Defense			39,467
Small Business Administration			
Pass-Through Programs			
Boise State University:			
Small Business Development Centers	59.037	7982-E	67,482
Total Small Business Administration			67,482
Total expenditures of federal awards			$ 15,149,621

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the North Idaho College (the College) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the North Idaho College, it is not intended to and does not present the financial position, changes in net position, or cash flows of North Idaho College.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. 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. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

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

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
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 Uniform Guidance:	Yes

Identification of major programs:

Name of Federal Program	Federal Assistance Listing Number
Head Start	93.600
Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Findings – Financial Statement Audit

There were no findings relating to the financial statement audit.

Section III - Findings and Questioned Costs – Major Federal Award Programs Audit

2024-001
Direct Programs – Department of Education ALN # 84.268, 84.063, 84.007, 84.033
Student Financial Assistance Cluster – Special Tests and Provisions – Return to Title IV
Significant Deficiency in Internal Controls Over Compliance

Criteria:
34 CFR section 668.22(e) states that if a student withdraws from classes and has received student financial aid the amount of unearned Title IV assistance must be calculated and returned to the Department of Education.

Condition:
During our review of the Return of Title IV funds, there were five instances out of nineteen in which the Title IV funds to be returned was calculated incorrectly.

Cause:
The College's existing control procedures for reconciling student withdrawals with amounts returned did not detect the error.

Effect:
The funds required to be returned were not the correct amount to be remitted to the Department of Education.

Questioned Costs:
None reported

Sampling:
A nonstatistical sample of 19 returns out of 118 returns were selected for Return of Title IV testing.

Repeat Finding from Prior Years:
No

Recommendation:
The College should implement a control process that regularly reviews all withdrawn students that received federal funds and whether the Return of Title IV funds was calculated correctly, and the amount calculated was appropriately remitted back to the Department of Education (DOE).

Views of Responsible Officials:
The Director of Financial Aid agrees with the audit finding. Subsequent to the audit finding, the Director of Financial Aid initiated process changes to review calculations and the return of federal funds for student withdrawals. In addition, and as a result of recent changes in personnel in the Financial Aid Department, the Director of Financial Aid is conducting an overall review of the processes and controls for awards and adjustments in student financial aid.

2024-002
Direct Programs – Department of Education ALN # 84.268, 84.063, 84.007, 84.033
Student Financial Assistance Cluster – Cash Management
Significant Deficiency in Internal Controls Over Compliance

Criteria:
34 CFR 676.21(a) The Federal share of the FSEOG awards made by an institution may not exceed 75 percent of the amount of FSEOG awards made by that institution.
34 CFR 675.26(a) The Federal share of FWS compensation paid to a student employed other than by a private for-profit organization, as described in § 675.23, may not exceed 75 percent unless the Secretary approves a higher share under paragraph (a)(2) or (d) of this section.

Condition:
During our review of the cash management associated with the match for FSEOG and FWS, it was discovered that the match required by the College of 25 percent, as noted above the federal share of FSEOG and FWS may not exceed 75 percent of total FSEOG and FWS awards, was not performed and there was no waiver to relieve the college of the match requirement.

Cause:
The College's existing control procedures for matching the federal funding for FSEOG and FWS reconciling did not detect the error.

Effect:
The drawdown of funds associated with FSEOG and FWS from the Department of Education was over drawn as the College did not perform the match associated with the two programs.

Questioned Costs:
None reported

Sampling:
No sampling was done as the match for the year was not performed.

Repeat Finding from Prior Years:
No

Recommendation:
The College should implement a control process that regularly reviews all FSEOG and FWS drawdowns to ensure that the match is appropriately applied before submitting to the Department of Education.

Views of Responsible Officials:
The Director of Financial Aid and VP of Finance and Business agrees with the audit finding. Subsequent to the audit finding, the VP of Finance and Business initiated process changes to review the drawdowns and submitted a revision of drawdowns to the Department of Education to correct the two program drawdowns as needed. In addition, the trial balance and financial statement amounts were also adjusted to reflect the match for fiscal year 2024. The Director of Financial Aid and VP of Finance and Business will be conducting a review of the processes and controls for FSEOG and FWS closely to ensure this does not occur again.