HARRIS
CPAs P.C.

Financial Statements

Nampa Highway District No. 1
Includes Supplementary Information
Year Ended September 30, 2024



Helping you succeed, financially and beyond.

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Nampa Highway District No. 1
Nampa, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, and the general fund of Nampa Highway District No. 1 as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Nampa Highway District No. 1's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the governmental activities and the general fund, of the Nampa Highway District No. 1 as of September 30, 2024, and the changes in its financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. 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 Nampa Highway District No. 1 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 opinion.

Responsibilities of Management for the Financial Statements

Nampa Highway District No. 1's 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 Nampa Highway District No. 1'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 opinion. 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 GAS 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 GAS, 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 Nampa Highway District No. 1'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 Nampa Highway District No. 1'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, budgetary comparison schedule, and schedule of employer's share of net pension liability and employer contributions, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2025 on our consideration of Nampa Highway District No. 1'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 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 Nampa Highway District No. 1's internal control over financial reporting and compliance.

Harris CPAs P.C.

Meridian, Idaho
January 17, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section presents our discussion and analysis of Nampa Highway District's (the District) financial performance during the fiscal year ended on September 30, 2024. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at September 30, 2024 by $88.7 million. Of this amount, $25.1 million is unrestricted and available to meet the District's on-going obligations.
- Total assets of the District increased by $10.4 million to $102.6 million at September 30, 2024. The increase was due mostly to an increase in cash, offset by a decrease in capital assets net of accumulated depreciation.
- During the fiscal year 2024, the District's total net position increased $8.2 million as compared to an increase of $217 thousand in fiscal year 2023.
- During the fiscal year 2024, the District's revenues generated from highway users funds, taxes and other revenues were $20.3 million, an increase of $4.3 million as compared to fiscal year 2023.
- During the fiscal year 2024, the District's highways and streets expenses were $12.1 million, a decrease of $3.6 million as compared to fiscal year 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of four parts – management's discussion and analysis (this section), the basic financial statements, notes to the financial statements and required supplementary information. The basic financial statements include two kinds of statements, the government-wide financial statements and fund financial statements, that present different views of the District.

As allowed under GASB 34, the District is reported as a single purpose entity. This allows for the government-wide financial statements to be combined with the fund-level financial statements (i.e., the statement of net position and governmental fund balance sheet and, the statement of activities and governmental fund statement of revenues, expenditures, and changes in fund balances).

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position column in the statement of net position and governmental fund balance sheet includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities column of the statement of activities and governmental fund statement of revenues, expenditures, and changes in fund balances regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position is one way to measure the District's financial health or position.

- Increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and changes in the way highway users funds are allocated.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District is accounted for as a special-purpose government engaged in a single governmental program. The special-purpose financial statements, included herein, present the financial position, results of operations and changes in fund balance of the general fund of the District.

- Governmental Funds – Most of the District's basic services are included in the governmental funds, which focus on (1) how cash and other financial assets that can readily converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and should be read with the financial statements.

Required Supplementary Information

This section contains information that further explains and supports the information in the financial statements by including a comparison of the District's budget data for the year and pension contributions and liability.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The Statement of Net Position reports all financial and capital resources. The statement presents the assets, deferred outflows of resources, liabilities, and deferred inflows of resources in order of relative liquidity. The liabilities with average maturities greater than one year are reported in two components – the amount due within one year and the amount due in more than one year. The long-term liabilities of the District consist of compensated absences payable and net pension liability. The difference between the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is its net position.

The District shows an increase in net position of $8.2 million in 2024 or a 10.2% increase from fiscal year 2023 to 2024. (See Table A-1)

The change in net position was driven by an increase in total assets of $10.4 million, primarily due to additions of capital assets in fiscal year 2024. The effect of depreciation on the net carrying value of capital assets was offset by capital asset additions during the current fiscal year and increases in other current assets during fiscal year 2024, primarily cash and cash equivalents and property taxes receivable.

Table A-1
Nampa Highway District's Net Position

Governmental Activities

	2024	2023	Change
Current and Other Assets	$ 38,961,463	$ 30,951,987	$ 8,009,476
Capital Assets	63,638,606	63,594,679	43,927
Total Assets	102,600,069	94,546,666	8,053,403
Deferred Outflow of Resources	477,887	916,178	(438,291)
Other Liabilities	525,338	173,502	351,836
Long-Term Liabilities Outstanding	2,148,664	3,742,938	(1,594,274)
Total Liabilities	2,674,002	3,916,440	(1,242,438)
Deferred Inflow of Resources	11,640,295	10,995,575	644,720
Net Position			
Net investment in capital assets	63,638,606	63,594,679	43,927
Unrestricted	25,125,053	16,956,150	8,168,903
Total Net Position	$ 88,763,659	$ 80,550,829	$ 8,212,830

Changes in Net Position

The District's changes in net position are compared between fiscal year 2024 and 2023. (See Table A-2) Change in net position increased $7.9 million in fiscal year 2024. In fiscal year 2024 there was a noted increase in revenue. Property tax revenue increased by 8% compared to fiscal year 2023, up to $8.3 million in fiscal year 2024. Highway users' funds revenue decreased by 27% compared to fiscal year 2023., down to $4.8 million in fiscal year 2024. The decrease was offset by state general fund appropriations received pursuant to House Bill 308 during fiscal year 2024 for transportation projects.

Expenditures increased compared to fiscal year 2023. Salaries and fringe benefits increased by 1% from fiscal year 2023, increased to $4 million in fiscal year 2024. Non-capitalized road maintenance decreased significantly from fiscal year 2023, down to $502 thousand in fiscal year 2024, and depreciation expense decreased by 7% from fiscal year 2023, down to $7.0 million in fiscal year 2024. Depreciation is a non-cash expense and occurs regardless of economic activity or how much business the District performs.

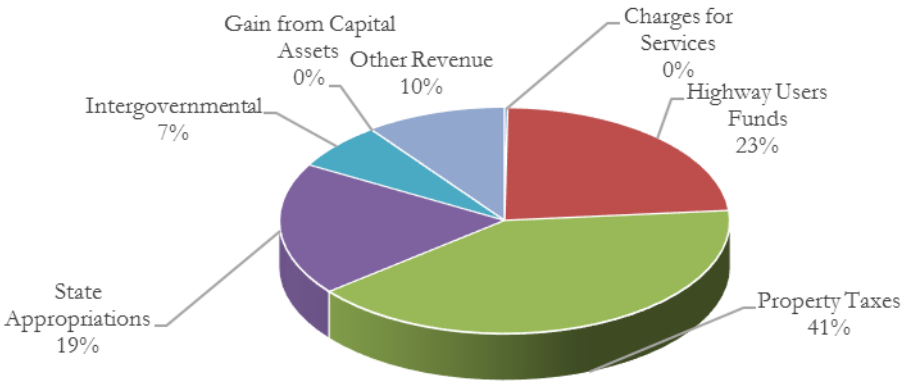
Table A-2
Nampa Highway District's Changes in Net Position

	2024	2023	Change
Revenues			
Program Revenues			
Charges for Services	$ 45,103	$ 38,825	$ 6,278
Highway Users Funds	4,832,932	6,630,315	(1,797,383)
General Revenues			
Property Taxes	8,387,195	7,771,535	615,660
State general fund appropriations	3,933,529		3,933,529
Intergovernmental	1,385,076	692,311	692,765
Loss from trade in of capital assets	(258,885)		(258,885)
Gain from Capital Assets		19,557	(19,557)
Other Revenue	2,066,843	934,555	1,132,288
Total Revenue	20,391,793	16,087,098	4,304,695
Expenses			
Highways and Streets			
Salary and Fringe Benefits	4,074,822	4,023,454	51,368
Administrative	439,083	369,559	69,524
Equipment and Operation	132,684	1,211,049	(1,078,365)
Road Maintenance	501,989	2,745,975	(2,243,986)
Depreciation Expense	7,030,386	7,519,417	(489,031)
Total Expenses	12,178,964	15,869,454	(3,690,490)
Changes in Net Position	$ 8,212,829	$ 217,644	$ 7,995,185

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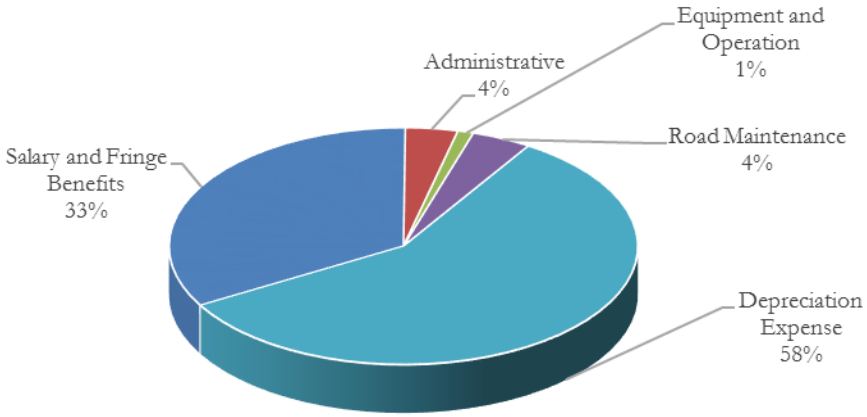
The District's total revenues for fiscal year 2024 totaled $20.3 million. The two largest components of revenues for the District are property taxes and highway users funds. (See Figure A-3.)

Figure A-3, Nampa Highway District No. 1, Sources of Revenues for Fiscal Year 2024



The District's total expenditures for fiscal year 2024 totaled $12.1 million. The largest component was unallocated depreciation expense of $7.0 million. Expenditures for highways and streets totaled $5.1 million, with the two largest components being $501 thousand for road maintenance and $4 million for salaries and benefits. (See Figure A-4.)

Figure A-4, Nampa Highway District No. 1, Expenditures for Fiscal Year 2024



GENERAL FUND BUDGETARY HIGHLIGHTS

There were no significant budget changes during the year. The most significant budget variance was a significant increase in state general fund appropriations received through House Bill 308 for transportation projects which totaled $3.9 million in fiscal year 2024. Other significant budget variances for road construction are due to carry over funds that are included in the budget and available in the event of unexpected infrastructure project needs.

CAPITAL ASSET ADMINISTRATION

By the end of fiscal year 2024, the District had invested $63.6 million (net of depreciation) in a broad range of capital assets, including, land, easements, buildings, property improvements, various machinery and equipment. (See Table A-5.) This amount represents a net increase (including additions, deductions and accumulated depreciation) of $43.9 thousand, over last fiscal year.

Table A-5
Nampa Highway District - Capital Assets

	2024	2023	Change
Capital Assets, not being depreciated:			
Land and Easements	$ 5,762,865	$ 4,795,378	$ 967,487
Construction in Progress	6,460,236	3,982,306	2,477,930
	12,223,101	8,777,684	3,445,417
Capital Assets, being depreciated:			
Buildings and Improvements	2,379,515	2,379,515	
Equipment and Vehides	11,084,827	10,689,431	395,396
Improvements Other Than Buildings	370,943,443	368,530,458	2,412,985
	384,407,785	381,599,404	2,808,381
Less Accumulated Depreciation	332,992,280	326,782,409	6,209,871
Total Capital Assets, Net	$ 63,638,606	$ 63,594,679	$ 43,927

This year's major capital asset additions included:

- Robinson & Locust Roundabout - $1.0 million
- Idaho Fish and Game Culvert Replacement - $337,268
- CAT Dozer , Excavator, and Other Equipment - $1.4 million

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's current economic position has shown little change. The District did experience an increase in total property valuation of $217,000 from the prior year. The increase in property valuation allows the District the ability to increase the amount of revenue generated from property taxes, however, the total amount which can be levied is limited by the State of Idaho.

Property tax revenue is projected at $8 million, an increase of $383,000 over fiscal year **2024** budget amount. Highway user funds revenue is projected to remain similar for fiscal year 2025 at $6 million.

The District's fiscal year 2025 capital budget anticipates spending estimated $11 million for capital projects, which includes the following key projects:

- Robinson & Kuna Roundabout - $3 million
- Hwy 45 & Lake Shore Dr Signal improvements - $3 million
- Can Ada & Ustick Rd Intersection improvements $2 million
- 7.16 miles of Full Depth Rehab - $2.7 million
- Seal Coat project 45.27 - $2.2 million
- Robinson Road Railroad overpass design - $2.5 million

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, please contact:

Paige Rhoades, Clerk
Nampa Highway District No.1
4507 12th Avenue Road
Nampa, ID 83686
208-467-6567
paige@nampahighway1.com

BASIC FINANCIAL STATEMENT

NAMPA HIGHWAY DISTRICT NO. 1
STATEMENT OF NET POSITION
AND GOVERNMENTAL FUND BALANCE SHEET
September 30, 2024

	Governmental Fund	Adjustments Note B	Statement of Net Position
ASSETS			
Cash and cash equivalents	$ 8,768,554	$	$ 8,768,554
Investments	16,913,228		16,913,228
Property taxes receivable	11,831,314		11,831,314
Intergovernmental receivables	1,388,765		1,388,765
Prepaid expenses	59,602		59,602
Capital assets, net		63,638,606	63,638,606
Total Assets	38,961,463		102,600,069
Deferred Outflows of Resources – Pensions		477,887	477,887
LIABILITIES			
Accounts payable	464,855		464,855
Desposits payable	57,669		57,669
Accrued payroll liabilities	2,814		2,814
Long-term liabilities, due beyond one year:			
Net pension liabilities		1,974,322	1,974,322
Compensated absences		174,342	174,342
Total Liabilities	525,338		2,674,002
DEFERRED INFLOWS OF RESOURCES			
Unavailable tax revenue	11,810,359	(327,587)	11,482,772
Pensions		157,523	157,523
Total Deferred Inflows	12,335,697		11,640,295
FUND BALANCE/NET POSITION			
Fund Balances:			
Non-spendable	59,602		
Unassigned	26,566,164		
Total Fund Balances	26,625,766		
Total Liabilities, Deferred Inflows and Fund Balances	$ 38,961,463		
Net Position:			
Net Investment in Capital Assets			63,638,606
Unrestricted			25,125,053
Total Net Position			$ 88,763,659

See notes to financial statements.

NAMPA HIGHWAY DISTRICT NO. 1
STATEMENT OF NET POSITION
AND GOVERNMENTAL FUND BALANCE SHEET
September 30, 2024

	Governmental Fund	Adjustments Note C	Statement of Activities
EXPENDITURES			
Highways and Streets			
Salary and fringe benefits	$ 3,828,206	$ 246,616	$ 4,074,822
Administrative	439,083		439,083
Equipment and operation	132,684		132,684
Road maintenance	347,497	154,492	501,989
Total	4,747,470		5,148,578
Depreciation expense		7,030,386	7,030,386
Capital outlay	7,487,690	(7,487,690)	
Total Expenditures	12,235,160		12,178,964
REVENUE			
Program Revenues			
Charges for services	45,103		45,103
Highway users funds	4,832,932		4,832,932
Total program revenue	4,878,035		4,878,035
General Revenue			
Property taxes	8,228,230	158,965	8,387,195
State general fund appropriations	3,933,529		3,933,529
Intergovernmental	1,385,076		1,385,076
Loss from trade in of capital assets		(258,885)	(258,885)
Other revenue	2,066,843		2,066,843
Total Revenue	20,491,713		20,391,793
Excess of revenues over expenditures	8,256,553		
Change in Net Postion			8,212,829
FUND BALANCE/NET POSITION			
Beginning of Year	18,369,213		80,550,830
End of Year	$ 26,625,766		$ 88,763,659

See notes to financial statements.

Note A – Summary of Significant Accounting Policies

General Statement

Nampa Highway District No. 1 (the District) was organized in 1911, under the provisions of Idaho Code Title 40 (Highways and Bridges). The District operates under a commissioner form of government to construct, maintain, repair and improve all highways within the district.

Financial Reporting Entity

The special-purpose financial statements, included herein, present the financial position, results of operations and changes in fund balance of the General Fund of Nampa Highway District No. 1. For financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by generally accepted accounting principles. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility including, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the District has no component units for which they exercise authority over.

The District is governed by an elected Board of Commissioners which possesses final decision making authority and is held primarily accountable for those decisions. The Board of Commissioners is responsible for approving the budget, establishing spending limitations, funding any deficits and borrowing funds and/or issuing bonds to finance construction.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

As allowed under GASB 34, the District is reported as a single purpose entity. This allows for the government-wide financial statements to be combined with the fund-level financial statements (i.e., the statement of net position and governmental fund balance sheet and, the statement of activities and governmental fund statement of revenues, expenditures, and changes in fund balances).

The government-wide column of the financial statements (the statement of net assets and the statement of activities) reports information on all of the nonfiduciary activities of the District. The statement of activities demonstrates the degree to which the direct expenses are offset by program revenues.

Note A – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The government-wide column of the financial statements is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Revenue from grants is recognized when an expenditure under the terms of the grant have been satisfied.

The governmental fund column of the financial statements is reported using the current financial resource measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds available if the revenues are collected within sixty days after year-end. Federal grant revenue, member dues, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and compensated absences, which are recognized as expenditures to the extent they have matured. General capital assets acquisitions are reported as expenditures in government funds. Acquisitions under capital leases are reported as other financing sources.

The District is accounted for as a special-purpose government engaged in a single governmental program. The combined statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall reporting entity. Governmental activities generally are financed through property taxes, highway users funds from the State of Idaho, and grant funding.

Property taxes, state aid, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Advanced revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Delinquent property taxes and property taxes for which there is an enforceable legal claim as the fiscal year, have been recorded as deferred inflows. Receivables that will not be collected within the available period have also been reported as deferred inflows on the government fund financial statements.

Note A – Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to September 1, the Board Commissioners prepare a proposed operating budget for the fiscal year commencing the following October 1. A public hearing is conducted to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage at a board meeting. Revisions to the budget can be made at any time after the budget has been adopted by the board of commissioners. Passage of a motion or resolution at a board meeting is required to amend the budget.

2. The District Director is the disbursement officer for all funds in accordance with the approved budget

3. Formal budgetary integration is employed as a management control device during the year for the General Fund.

4. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Cash

Cash and cash equivalents include cash on hand, cash in banks, and highly liquid investments with original maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short-term maturities.

Investments

Idaho Code provides authorization for the investment of funds as well as specific direction regarding allowable investments. The District's policy is consistent with this direction. The District currently invests in certificates of deposit and the State of Idaho local government investment pool.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Note A – Summary of Significant Accounting Policies (Continued)

Capital Assets

The accounting treatment over equipment (fixed assets) depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements - In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Capital assets costing more than $500 with a useful life of three years or more are included in capital assets. Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The estimated useful lives of capital assets are as follows:

Infrastructure	20-40 years
Buildings	40 years
Equipment	5-10 years

Fund Financial Statements - In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition**.**

Accumulated Unpaid Vacation and Sick Pay Amounts

The District provides vacation and sick leave to its employees. Earned vacation is paid to employees when taken or paid to employees or beneficiaries upon the employee's termination, retirement, or death. The District allows employees who retire to either use their sick leave (capped at 10% of the accumulated sick leave) to pay for their COBRA insurance after they retire or receive the dollar value equivalent. All vacation and sick pay of employees is accrued when incurred in the government-wide financial statements. A liability for these amounts is only reported in the fund statements if they have matured, for example as a result of employee retirements.

Program Revenue

All restricted federal and state contracts are shown as program revenue. Revenue from contracts, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Program expenses are allocated to restricted program revenue when both restricted and unrestricted revenues are available.

Note A – Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows and inflows of resources. Deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future periods and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. As of September 30, 2024 deferred outflows relate to pension obligations. As of September 30, 2024, deferred inflows represented property taxes receivable unavailable for current use and pension obligations.

Unavailable and Advanced Revenue

The District reports unavailable and advanced revenues on its Statement of Net Position and Fund Balance Sheet. Advanced revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for advanced revenue is removed from the balance sheet and the revenue is recognized.

Pensions

For purposes of measuring the net pension asset and pension revenue, 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.

Note B – Explanation of Differences Between the Statement of Net Position and Governmental Fund Balance Sheet

Total fund balances in the District's governmental fund may differ from the net position of the governmental activities reported in the statement of net position as a result of the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Fund balance - Total Governmental Funds		$ 26,625,766
Deferred outflow of resources - pensions	477,887	
Net pension liability	(1,974,322)	
Deferred inflow of resources - pensions	(157,523)	
Change in pensions total		(1,653,958)
Capital assets used in Governmental activites are not financial resources and, therefore, are not reported in the funds		63,638,606
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds		327,587
Compensated absences are not due and payable in the current period expenditures and, therefore, are not reported in the funds		(174,342)
Net Position of Governmental Activities:		$ 88,763,659

Note C – Explanation of Differences Between The Statement of Activities and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance

The net change in fund balances for governmental funds may differ from the change in net position for governmental activities reported in the statement of activities as a result of the long-term economic focus of the statement of activities versus the current financial resource focus of the governmental funds.

Net change in fund balances - Total Governmental Funds		$8,256,553
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay of $7,487,690 exceeded depreciation of $7,030,386 in the current period.	457,304	
Cancelled construction in progress	(154,492)	
Loss on trade in of capital asset	(258,885)	
Change in Capital Assets Total		43,927
Net pension expense		(245,776)
Revenues in the statement of activities that do not provide current financial resources are not reported in the funds		158,965
Changes in long-term position of accumulated leave		(840)
Change in Net Position of Governmental Activities		$ 8,212,829

Note D – Deposits with Financial Institutions

Idaho Code provides authorization for the investment of funds as well as specific direction regarding allowable investments. The District's policy is consistent with this direction.

Banking and Investment Policy

The District obtains its funding from property taxes, highway users funds along with grants and charges for services. as of September 30, 2024 the District had deposits or investments in the following accounts:

1. State of Idaho – Local Government Investment Pool (uncollateralized)
2. Idaho Independent Bank (federally insured)
3. Idaho Central Credit Union (NCUA insured)
4. Sunwest Bank – Money Market Account (federally insured)

	Carrying Amount	Bank Balance
Cash and cash equivalents		
Bank and Credit Union Deposits	$ 1,561,740	$ 1,751,252
Certificates of Deposit	7,206,814	7,206,814
	$ 8,768,554	$ 8,958,066
Investments		
Certificates of Deposit	$ 6,228,613	$ 6,228,613
Local Government Investment Pool (LGIP)	10,684,615	10,684,615
	$ 16,913,228	$ 16,913,228

Investments in LGIP are valued using the net asset per share as they do not have readily obtainable fair values and are instead valued based on the District's pro-rata share of the pool's net position. The District values these investments based on information provided by the State of Idaho's Treasurer's Office. The LGIP is not rated for by a national recognized rating agency for the purpose of credit risk. The State Treasurer is responsible of insuring and collateralizing deposits and investments in LGIP. The following table presents unfunded commitments, redemption frequency and the redemption notice period for the District's investments measured at net asset value.

	Net Asset Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Local Government Investment Pool	$ 10,684,615	None	Next Business Day	3 Days; Over $10,000,000

Note D – Deposits with Financial Institutions and Investments (Continued)

Credit Risk

Credit risk is the risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation. It is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poor's, and Fitch's. The rating of the LGIP is not rated as the State has determined the cost of the rating outweighed the benefit to the pool as a whole.

Interest Rate Risk

Interest rate risk is the risk that the 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 change in market interest rates. The District's investment in the State Treasurer's Investment Pool has a weighted average maturity of 84 days as of September 30, 2024. The District's banking and investment policy ranks yield behind safety and liquidity when making deposit and investment decisions, and invests accordingly to meet these policy requirements.

Custodial Credit Risk

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The Federal Deposit Insurance Corporation (FDIC) insures $250,000 of the bank balance. The National Credit Union Administration (NCUA) provides deposit insurance coverage for federally insured credit union members up to $250,000 per depositor. At September 30, 2024, $750,000 of the District's deposits were insured and $14,436,679 was uninsured and uncollateralized.

Concentration of Credit Risk

When investments are concentrated in one issuer, this concentration represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The District has no policy limiting the amount it may invest in any one issuer. Idaho Code 67-2739 does limit the total deposits of a state depository. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The District does not have any such investments.

Note E – Contingencies

The District receives grants that are subject to review and audit by various state and other agencies. Such audits could result in a request for reimbursement by the agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the District, such disallowances, if any, will not be significant.

Note F – Capital Assets

Capital asset activity for the year ended September 30, 2024 is as follows:

	Balance 10/01/23	Increases	Decreases	Balance 9/30/24
Capital Assets, not being depreciated:				
Land	$ 4,768,048	$ 967,487	$	$ 5,735,535
Easement	27,330			27,330
Construction in progress	3,982,306	5,045,407	(2,567,477)	6,460,236
Total capital assets, not being depreciated	8,777,684	6,012,894	(2,567,477)	12,223,101
Capital Assets, being depreciated:				
Buildings and Improvements	2,379,515			2,379,515
Equipment and vehicles	10,689,431	1,474,796	(1,079,400)	11,084,827
Improvements other than buildings	368,530,458	2,412,985		370,943,443
Total capital assets, being depreciated	381,599,404	3,887,781	(1,079,400)	384,407,785
Less accumulated depreciation for:				
Buildings and improvements	(1,072,470)	(57,733)		(1,130,203)
Equipment and vehicles	(7,498,135)	(870,491)	820,515	(7,548,111)
Improvements other than buildings	(318,211,804)	(6,102,162)		(324,313,966)
Total accumulated depreciation	(326,782,409)	(7,030,386)	820,515	(332,992,280)
Governmental activites capital assets, net	$ 63,594,679	$ 2,870,289	$ (2,826,362)	$ 63,638,606

Depreciation expense of $7,030,386 was charged to highways and streets, including general infrastructure. Included in construction in progress are signal and roundabout infrastructure projects that were still under construction as of September 30, 2024. Total remaining construction commitments as of September 30, 2024 total $1,743,657. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the Statement of Activities. During the year ended September 30, 2024, Nampa Highway District No. 1 recognized a $258,885 loss on the disposal of equipment resulting from trade-in value received.

Note G – Intergovernmental Receivables

Amounts owed from other government as of September 30, 2024 consist of the following:

State of Idaho	
Highway Users Fund	$ 1,218,740
Sales Tax	170,025
Total Intergovermental Receivables	$ 1,388,765

Note H– Compensated Absences

Vacation pay and sick leave of retired employees is accrued when incurred in the government-wide fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay for it. Compensated absences activity for the year ended September 30, 2024 is as follows:

	Beginning	Additions	Reductions	Due Beyond One Year
Compensated absence	$ 173,502	$ 174,342	$ (173,502)	$ 174,342

Note I – Fund Balance

As of September 30, 2024, fund balances of the governmental funds are classified as follows:

Non-Spendable - includes balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. As of September 30, 2024, prepaid expenses have been classified as non-spendable fund balance.

Restricted For - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation. As of September 30, 2024, there are no balances that should be classified as restricted for fund balance.

Committed To – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year end.

Note I – Fund Balance (Continued)

The Board of Commissioners are the highest level of decision making authority for the District. Commitments may be established through motions and resolutions approved by the Board of Commissioners. As of September 30, 2024, no amounts have been committed.

Assigned To – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the finance committee or executive director. As of September 30, 2024, no amounts have been assigned.

Unassigned – includes positive fund balance within the general fund which has not been classified within the above mentioned categories.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Commissioners or the finance committee has provided otherwise in its commitment or assignment actions.

Note J – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases liability insurance through a commercial insurance carrier.

There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the District's insurance coverage.

Note K – Pension Plan

Plan Description

Nampa Highway District No. 1 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.

Note K – Pension Plan (Continued)

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for public safety. As of June 30, 2024 it was 6.71% for general employees and 9.83% for public safety. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% general employees and 13.26% for police and firefighters. Nampa Highway District No. 1's contributions were $296,642 for the year ended September 30, 2024.

Note K – Pension Plan (Continued)

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

At September 30, 2024, Nampa Highway District No. 1 reported an asset for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Nampa Highway District No. 1's proportion of the net pension liability was based on Nampa Highway District No. 1'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, Nampa Highway District No. 1's proportion was 0.05278027%.

For the year ended September 30, 2024, Nampa Highway District No. 1 recognized pension expense of $245,776. At September 30, 2024 Nampa Highway District No. 1 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of resources	Deferred Inflows of resources
Differences between expected and actual experience	$ 314,330	$ 35,837
Net difference between projected and actual earnings on pension plan investments	78,213	
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	7,518	121,686
Nampa Highway District No. 1's contributions subsequent to the measurement date	77,826	
Total	$ 477,887	$ 157,523

$77,826 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2025.

Note K – Pension Plan (Continued)

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 is 4.6 and 4.6 for the measurement period ended June 30, 2024.

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

Year ending June 30,	Amount
2025	$ 66,420
2026	329,880
2027	(99,209)
2028	(54,553)

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, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Note K – Pension Plan (Continued)

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries -Males	Pub-2010 General Tables, increased 11%.
General Employees and All Beneficiaries -Females	Pub-2010 General Tables, increased 21%.
Teachers - Males	Pub-2010 Teacher Tables, increased 12%.
Teachers - Females	Pub-2010 Teacher Tables, increased 21%.
Fire & Police - Males	Pub-2010 Safety Tables, increased 21%.
Fire & Police - Females	Pub-2010 Safety Tables, increased 26%.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%.
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%.

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2024 is based on the results of an actuarial valuation date of July 1, 2024.

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2024.

Asset Classes	**DB Plans**	**Sick Leave**
Fixed Income	30.0%	50.0%
US/Global Equity	55.0%	39.3%
International Equity	15.0%	10.7%
Cash	0.0%	0.0%
Total	100.0%	100.0%

Note K – Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)			
Base Plan	$ 3,751,828	$ 1,974,322	$ 522,554

Pension plan fiduciary net position

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

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

Payables to the pension plan

At September 30, 2024, Nampa Highway District No. 1 reported no payables to the defined benefit pension plan for legally required employer contributions and for legally required employee contributions.

REQUIRED SUPPLEMENTARY INFORMATION

NAMPA HIGHWAY DISTRICT NO. 1
BUDGETARY COMPARISION SCHEDULE - GENERAL FUND
For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with -
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 8,146,182	$ 8,146,182	$ 8,228,230	$ 82,048
State general fund appropriations			3,933,529	3,933,529
Highway users' funds	5,500,000	5,500,000	4,832,932	(667,068)
Sales tax	896,691	896,691	1,385,076	488,385
Rod permit/development Fees	35,000	35,000	45,103	10,103
Sales of Scrap/Suplus Assets	750,000	750,000	703,167	(46,833)
Interest	200,000	200,000	816,404	616,404
Miscellaneous	30,207	30,207	547,272	517,065
Total Revenue	15,558,080	$ 15,558,080	20,491,713	4,933,633
Expenditures				
Salary and fringe benefits	4,434,500	4,434,500	3,828,206	(606,294)
Administration	701,500	701,500	439,083	(262,417)
Equipment and operations	1,895,000	1,895,000	1,566,123	(328,877)
Road construction	20,352,588	20,352,588	6,401,748	(13,950,840)
Total Expenditures	27,383,588	27,383,588	12,235,160	(15,148,428)
Excess (Deficiency) of Revenue over Expenditures	$ (11,825,508)	$ (11,825,508)	$ 8,256,553	$ 20,082,061

NAMPA HIGHWAY DISTRICT NO. 1
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY AND EMPLOYER CONTRIBUTIONS
For the Year Ended September 30, 2024

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's portion of net the pension asset	0.0610709%	0.060005%	0.059739%	0.058232%	0.061249%	0.061065%	0.057841%	0.056759%	0.052780%
Employer's proportionate share of the net pension liability	$1,238,001	$ 943,174	$ 881,165	$ 664,699	$1,422,271	$ (48,228)	$2,278,202	$2,265,071	$1,974,322
Employer's covered payroll	$1,800,114	$1,879,039	$1,938,288	$1,996,626	$2,232,962	$2,282,778	$2,294,553	$2,474,712	$2,586,565
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	68.77%	50.19%	45.46%	33.29%	63.69%	-2.11%	99.29%	91.53%	76.33%
Plan fiduciary net position as a percentage of total pension as	87.26%	50.61%	91.69%	93.79%	88.22%	100.36%	83.09%	83.83%	85.54%

Data reported is measured as of June 30, 2024 (measurement date)

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contribution	$ 203,773	$ 212,707	$ 219,414	$ 229,109	$ 266,616	$ 272,564	$ 273,970	$ 288,154	$ 296,642
Contributions in relation to statutorily required contribution	$ 203,773	$ 212,707	$ 219,414	$ 229,109	$ 266,616	$ 272,564	$ 273,970	$ 288,154	$ 296,642
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-
Employer's covered payroll	$1,800,114	$1,879,039	$1,938,288	$1,996,626	$2,232,962	$2,282,778	$2,294,553	$2,474,712	$2,607,932
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.47%	11.94%	11.94%	11.94%	11.64%	11.37%

Data reported is measured as of September 30, 2024 (fiscal year end)

GASB statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is presented information in those years for which information is available.

FEDERAL REPORTS

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

Board of Commissioners
Nampa Highway District No. 1
Nampa, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General fund of Nampa Highway District No. 1, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Nampa Highway District No. 1's basic financial statements, and have issued our report thereon dated January 17, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Nampa Highway District No. 1's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Nampa Highway District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Nampa Highway District No. 1's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Harris CPAs P.C.

Meridian, Idaho
January 17, 2025