POWER COUNTY HIGHWAY DISTRICT
STATE OF IDAHO

AUDITED FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

DEATON COMPANY

Certified Public Accountants

POWER COUNTY HIGHWAY DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Power County Highway District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Power County Highway District (the District) as of and for the year ended September 30, 2024, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Power County Highway District as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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 the Power County Highway District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and other required supplementary information 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.

Power County Highway District has omitted the required Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 31, 2024, on our consideration of Power County Highway District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Power County Highway District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Power County Highway District's internal control over financial reporting and compliance.

Deaton & Company

Pocatello, Idaho
December 31, 2024

POWER COUNTY HIGHWAY DISTRICT

STATEMENT OF NET POSITION

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	Governmental Activities	
	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 3,407,309	$ 1,473,754
Taxes receivable	31,188	28,956
Sales tax receivable	74,283	74,283
Highway users receivable	631,476	971,955
	4,144,256	2,548,948
Capital Assets, net of depreciation		
Land	187,757	187,757
Buildings and improvements	463,631	483,473
Machinery and equipment	3,447,189	2,499,161
Infrastructure	1,432,041	1,432,041
	5,530,618	4,602,432
	9,674,874	7,151,380
LIABILITIES		
Current liabilities		
Accounts payable	67,263	110,366
Salaries payable	43,738	44,333
Payroll taxes and employee benefits payable	19,922	24,633
Lease payable	-	107,916
Total current liabilities	130,923	287,248
Noncurrent Liabilities		
Compensation payable	182,650	165,092
Total noncurrent liabilities	182,650	165,092
	313,573	452,340
NET POSITION		
Net investment in capital assets	5,530,618	4,494,516
Unrestricted	3,830,683	2,204,524
	$ 9,361,301	$ 6,699,040

The notes to the financials statements are an integral part of this statement

POWER COUNTY HIGHWAY DISTRICT

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	Governmental Activities	
	2024	2023
EXPENSES		
Governmental activities:		
General government	$ (7,450,088)	$ (6,854,287)
Total program expenses	(7,450,088)	(6,854,287)
CAPITAL GRANTS REVENUE		
LHRIP grant	100,000	-
Total grants revenue	100,000	-
Net program (expense) revenue	(7,350,088)	(6,854,287)
GENERAL REVENUES		
Property taxes	3,110,797	2,923,210
Personal property tax replacement	28,647	28,647
Highway users	2,509,899	3,278,556
Highway users- general fund	2,041,069	-
Sales tax	661,154	605,254
Agriculture replacement	69,430	69,430
Lamb Weston grant	600,000	-
Sign reimbursement	3,000	3,000
Interest	132,694	67,476
National forest	23,656	28,310
Solar farm	39,205	34,577
Wind farm	156,845	160,591
Gain/ (Loss) on disposition of assets	61,614	-
Other miscellaneous	574,339	78,824
Total general revenues	10,012,349	7,277,875
CHANGE IN NET POSITION	2,662,261	423,588
BEGINNING NET POSITION	6,699,040	6,275,452
ENDING NET POSITION	$ 9,361,301	$ 6,699,040

The notes to the financial statements are an integral part of this statement

POWER COUNTY HIGHWAY DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	Total Governmental Funds	2023
ASSETS		
Cash and cash equivalents	$ 3,407,309	$ 1,473,754
Taxes receivable	31,188	28,956
Highway users receivable	631,476	971,955
Sales tax receivable	74,283	74,283
	$ 4,144,256	$ 2,548,948
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES		
Liabilities:		
Accounts payable	$ 67,263	$ 110,366
Salaries payable	43,738	44,333
Payroll taxes and employee benefits payable	19,922	24,633
	130,923	179,332
Deferred Inflows:		
Unavailable revenue- property taxes	27,849	26,676
Fund balances		
Assigned for new roads and road repairs	3,985,484	2,342,940
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds, net of depreciation	5,530,618	4,602,432
Deferred revenue represents amounts that were not available to fund current expenditures and therefore, are not reported in the governmental funds	27,849	26,676
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds:		
Capital lease payable	-	(107,916)
Accrued compensated absences	(182,650)	(165,092)
	(182,650)	(273,008)
Net Position of Governmental Activities	$ 9,361,301	$ 6,699,040

The notes to the financial statements are an integral part of this statement

POWER COUNTY HIGHWAY DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	Total Governmental Funds	2023
REVENUES		
Property taxes	$ 3,109,624	$ 2,910,406
Personal property tax replacement	28,647	28,647
Highway users	2,509,899	3,278,556
Sales tax	661,154	605,254
Highway users- general fund	2,041,069	-
Agriculture replacement	69,430	69,430
Sign reimbursement	3,000	3,000
Interest	132,694	67,476
National forest	23,656	28,310
LHRIP grant	100,000	-
Lamb Weston grant	600,000	-
Wind farm	156,845	160,591
Solar farm revenue	39,205	34,577
Other miscellaneous	574,339	78,824
	10,049,562	7,265,071
EXPENDITURES		
General government	6,608,694	6,178,315
Capital outlay	1,735,260	770,248
Debt service		
Principal payments	107,916	185,547
Interest payments	2,907	10,031
	8,454,777	7,144,141
OTHER FINANCING SOURCES (USES)		
Proceeds from disposition of assets	61,614	-
	61,614	-
Net change in fund balances	1,656,399	120,930
BEGINNING FUND BALANCE	2,342,940	2,222,010
ENDING FUND BALANCE	$ 3,999,339	$ 2,342,940

The notes to the financial statements are an integral part of this statement

POWER COUNTY HIGHWAY DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2024
With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024	2023
Net change in fund balance - total governmental funds	$ 1,656,399	$ 120,930
Amounts reported for governmental activities in the statement of net assets are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital outlay	1,673,646	770,248
Gain on disposition of assets	61,614	-
Depreciation expense	(820,929)	(676,961)
	914,331	93,287
Some revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. On the accrual basis, however, those revenues would be recognized, regardless of when they are collected. Because of the "availability" criterion under the modified accrual basis of accounting the following has been deferred:		
Property taxes	1,173	12,804
	1,173	12,804
Lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of lease payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments:		
Lease payments	107,916	185,547
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental fund:		
Compensation payable	(17,558)	11,020
	$ 2,662,261	$ 423,588

The notes to the financial statements are an integral part of this statement

NOTE 1 - Summary of Significant Accounting Policies

The financial statements of Power County Highway District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District has implemented GASB Statement 34, Basic Financial Statements – and Managements' Discussion and Analysis – for State and Local Governments. Significant District accounting policies are described below.

A. Basis of Presentation

Government-wide Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities are normally are supported by taxes and inter-governmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Taxes and other items not properly included among program revenues are reported instead of general revenues.

B. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However debt service expenditures, as well as expenditures related to accrued compensated absences and judgments, are recorded only when payment is due.

C. Budgets and Encumbrances

The District does not use the encumbrance method of accounting.

The District is required by State Law to adopt annual budgets on all governmental funds that cover a period from October 1 through September 30. All adopted budgets are prepared in accordance with the modified accrual basis of accounting and are adopted on a basis consistent with generally accepted accounting principles.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

C. Budgets and Encumbrances (Continued)

On or before the first Monday in August, the District submits the proposed budget to the District Commissioners for review and approval. When the tentative budget has been approved, it must be published in an area newspaper. On or before the Tuesday following the first Monday of September each year, the Board of Commissioners meets to hold a public budget hearing, at which time any taxpayer may appear and be heard upon any part or parts of said tentative budget. Such hearings may be continued from day to day until concluded, but not to exceed a total of five (5) days.

Upon conclusion of such hearing, the Board of Commissioners fix and determine the amount of the budget and if it shall require more property tax funding than the amount of the published budget. The appropriated budget is adopted by resolution in the official minutes of the board.

During the fiscal year, the Board of Commissioners may amend the annual appropriated budget by unanimous resolution in case of an emergency, through the courts, or by the budget hearing process. The appropriated budget can only be increased by an amount equal to unanticipated revenues. In no event can property taxes be increased.

D. Cash and cash equivalents

For the purpose of the statement of net assets, cash includes amounts of deposits in demand and savings accounts, certificates of deposits, as well as highly liquid investments with maturity dates of thirty days or less.

The District pools cash resources of its various funds in order to facilitate the management of cash. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested. Idaho Code, allows the investment of surplus or idle funds in short term interest bearing bonds or other evidences of indebtedness of the United States of America and in time certificates of deposit of designated public depositories.

E. Receivables

Property Taxes

Property tax revenues are recognized and accrued when billed by Power County. Property taxes are levied by the third Monday of September on a market value basis and, are billed to the taxpayers in November. Half of the real, personal and mobile home property taxes are due on December 20 and the remainder is due the following June 20. Other property taxes are due December 20. Real property taxes not paid constitute a lien on the property when entered on the real property assessment roll. Property taxes not paid are delinquent on the first day of January of the succeeding year. Property taxes are assessed and collected for the District by Power County.

Idaho code section 40-801 provides two countywide tax levies for highway districts. One-half of the general levy within cities is allocated back to the cities.

F. Capital Assets

Capital assets, which include land, buildings, improvements, furniture, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost was not available. The District has set a capitalization threshold for reporting capital assets at $5,000.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

F. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	20-50
Infastructure	50
Machinery and equipment	3-15

G. Deferred Inflows of Resources

Deferred inflows of resources, represents an acquistion of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one deferred inflow item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category and is reported in the governmental funds balance sheet. The governmental fund reports unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

H. Compensated Absences

Unused vacation leave may be accumulated up to a maximum 450 hours and is paid at the time of termination. Unused sick leave may be accumulated up to a maximum of 216 hours and is not paid upon termination.

Non-administrative employees may accumulate compensation for overtime worked over regular work week hours. Unused compensatory time is paid at termination. The entire unpaid liability for accumulated vested vacation and compensatory hours is accrued when incurred in the government-wide or proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

I. Retirement plan

The District offers a defined contribution retirement plan for its employees. The retirement plan is being administered by Great West Retirement Services. Employees are eligible to participate on the first day of the month following six months of employment. Employer contributions are 9% of gross wages. This contribution consists of a 3% mandatory employee contribution (paid by employer) and a 6% employer contribution. Employees can make voluntary contributions not to exceed amounts established by the Internal Revenue Service. Employee contributions are fully vested. Employer contributions are vested at 20% after the second year, 40% after the third year, 60% after the fourth year, 80% after the fifth year, and 100% after the sixth year. Contributions for fiscal 2024, 2023, and 2022 were $179,974, $169,629, and $140,697, respectively. All required contributions have been made.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

J. Fund Equity

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable items- This category includes a portion of net resources that cannot be spent because of their form or because they must be maintained intact. This includes inventories and prepaid items.

Restricted items - This category includes resources where limitations are imposed by external entities, such as grantors and creditors, or to comply with laws and regulations of governments.

Committed items- This category includes amounts that can only be used for the specific purposes determined by a formal action of the District's highest level of decision-making authority for the District. Commitments may be changed or lifted only by the Commissioners taking the same formal action that imposed the constraint originally.

Assigned items- Assigned items represent the District's intent to use certain resources for specific purposes. The Commissioners may establish the intended use of these funds for a designated purpose.

Unassigned items - Represents the remainder of the District's equity in governmental fund-type balances in excess of the aforementioned classifications.

When the components of unrestricted fund balance can be used fro the same purpose,igned fund balance. Unassigned fund balance is applied last. It is the District's policy to use unrestricted fund balances in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

NOTE 2 - Deposits

Legal Provisions Governing Cash Deposits with Financial Institutions

For cash depositories with deposits in excess of federal insurance, State code requires an annual affidavit showing the amount of the financial institution's capital stock and surplus. The District's deposits may not exceed the depository's capital and surplus. Legal provisions regarding deposits are found throughout Idaho Code Title 57.

As of September 30, 2024 the District's cash on hand was $3,407,309, and $33,050 was not insured.

NOTE 3 - Receivables

Property taxes receivable represent amounts levied in excess of collections for the year. A summary of property tax receivable is as follows:

	Total	2023	2022	2021	2020
Beginning taxes receivable	$ 28,956	$ -	$ 17,895	$ 7,963	$ 3,098
Tax levy	3,228,348	3,228,348	-	-	-
Collections	(3,226,116)	(3,208,936)	(9,391)	(4,691)	(3,098)
Ending taxes receivable	$ 31,188	$ 19,412	$ 8,504	$ 3,272	$ -

NOTE 4 - Changes in Capital Assets

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

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not depreciated				
Land	$ 187,757	$ -	$ -	$ 187,757
	187,757	-	-	187,757
Capital assets, depreciated				
Buildings and improvements	836,668	-	-	836,668
Infrastructure	1,432,041	-	-	1,432,041
Machinery and equipment	10,046,440	1,772,839	400,167	11,419,112
Total capital assets, depreciated	12,315,149	1,772,839	400,167	13,687,821
Less accumulated depreciation				
Buildings and improvements	353,195	19,841	-	373,036
Infrastructure	57,282	28,641	-	85,923
Machinery and equipment	7,489,997	772,447	376,443	7,886,001
Total accumulated depreciation	7,900,474	820,929	376,443	8,344,960
Total capital assets, depreciated, net	4,414,675	951,910	23,724	5,342,861
Governmental activities capital assets, net	$ 4,602,432	$ 951,910	$ 23,724	$ 5,530,618

NOTE 5 - Changes in Long-term Debt

Governmental Type General Fund	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences and benefits payable	$165,092	$181,481	$ 163,923	$182,650	$ -
Capital leases	107,916	-	107,916	-	-
	$469,575	$143,035	$ 271,839	$ 182,650	$ -

NOTE 6 - Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets; errors and omissions; employee injuries, employee health, and natural disaster.

Risk control techniques have been established to reasonably ensure that the District's employees are aware of their responsibilities regarding loss exposures related to their duties. In a similar manner, risk control techniques have been established to reduce possible losses to property owned by or under the control of the District. Furthermore, supervisory personnel are held responsible for monitoring risk control techniques on an operational basis.

NOTE 7 - Tax Abatement

As of September 30, 2024, the district did not have property taxes that had been abated.

NOTE 8 - Subsequent Events

Management has evaluated subsequent events through December 31, 2024, the date the financial statements were available to be issued.

REQUIRED
SUPPLEMENTARY INFORMATION

POWER COUNTY HIGHWAY DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (PAGE 1 OF 2)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ 3,191,496	$ 3,191,496	$ 3,109,624	$ (81,872)
Personal property tax replacement	28,647	28,647	28,647	-
Highway users	2,400,000	2,400,000	2,509,899	109,899
Sales tax base	240,000	240,000	277,861	37,861
ITD Sales tax	300,000	300,000	383,293	83,293
National forest	28,000	28,000	23,656	(4,344)
Agriculture replacement	69,430	69,430	69,430	-
Interest	45,000	45,000	132,694	87,694
Wind farm	182,808	182,808	156,845	(25,963)
Solar farm	34,577	34,577	39,205	4,628
Sign reimbursement- Power County	3,000	3,000	3,000	-
Highway users- general fund	-	-	2,041,069	2,041,069
LHRIP Grant/Rock Creek Road	100,000	100,000	100,000	-
Lamb Weston grant	600,000	600,000	600,000	-
Gain on sale of equipment	-	-	61,614	-
Miscellaneous	5,000	5,000	574,339	569,339
Total revenues	7,227,958	7,227,958	10,111,176	2,821,604
EXPENDITURES				
Labor	1,548,463	1,548,463	1,489,214	59,249
Overtime	55,000	55,000	69,288	(14,288)
Payroll tax	140,000	140,000	106,787	33,213
Retirement	187,000	187,000	179,974	7,026
Health insurance	640,000	640,000	583,316	56,684
Workers compensation	110,000	110,000	39,138	70,862
Office supplies	15,000	15,000	13,950	1,050
Commissioners expense	19,000	19,000	18,875	125
Dues, legal publications & training	32,000	32,000	30,011	1,989
Legal and audit	20,000	20,000	8,139	11,861
Utilities	80,000	80,000	61,503	18,497
Liability and property insurance	65,878	65,878	65,878	-
Drug testing	5,000	5,000	3,161	1,839
Safety	10,000	10,000	10,726	(726)
Parts and supplies	400,000	400,000	355,884	44,116
Gravel	510,000	510,000	505,295	4,705
Road oil	1,150,000	1,150,000	1,439,015	(289,015)
Magnesium chloride	560,000	560,000	604,290	(44,290)
Road paint	60,000	60,000	51,973	8,027
Culverts	30,000	30,000	24,761	5,239
Signs	15,000	15,000	11,167	3,833
Bridge	15,000	15,000	-	15,000
Weed control	160,000	160,000	135,747	24,253
Fuel and oil	570,000	570,000	398,797	171,203
Tires	100,000	100,000	104,385	(4,385)
Building maintenance	117,268	117,268	87,878	29,390
Ware items	50,000	50,000	50,607	(607)
Miscellaneous	25,000	25,000	59,295	(34,295)
Lease payments	111,188	111,188	110,823	365
Capital outlay	1,700,000	1,700,000	1,735,260	(35,260)

POWER COUNTY HIGHWAY DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (PAGE 2 OF 2)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance
	Original	Final	Actual Amounts	Positive (Negative)
EXPENDITURES (continued)				
Sublet work/engineering	102,000	102,000	80,258	21,742
Equipment rental	5,000	5,000	9,357	(4,357)
LHRIP Grant/Rock Creek Road	100,000	100,000	-	100,000
Radio's	15,000	15,000	10,025	4,975
Total expenditures	8,722,797	8,722,797	8,472,336	250,461
NET CHANGE IN FUND BALANCE	(1,494,839)	(1,494,839)	1,656,399	$ 3,151,238
BEGINNING FUND BALANCE	1,494,839	1,494,839	2,342,940	
ENDING FUND BALANCE	$ -	$ -	$ 3,999,339	

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Members of American Institute of Certified Public Accountants



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 Commissioners
Power County Highway District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Power County Highway District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Power County Highway District's basic financial statements and have issued our report thereon dated December 31, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Power County Highway District'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 Power County Highway District's internal control. Accordingly, we do not express an opinion on the effectiveness of Power County Highway 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify deficiencies in internal controls, that we consider to be significant.

Preparation of Financial Statements

The District's internal control system does not currently require the entity to employ a person with the qualifications and training necessary to prepare the government's financial statements, notes and required supplementary information in accordance with generally accepted accounting principles. As auditors, we were requested to draft the financial statements, notes, and required supplementary information to the financial statements. This circumstance is not unusual in a government of this size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost of other consideration.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Power County Highway District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Pocatello, Idaho
December 31, 2024