IDAHO SOIL AND WATER CONSERVATION DISTRICT

FINANCIAL STATEMENTS

Year Ended June 30, 2024

IDAHO SOIL AND WATER CONSERVATION DISTRICT

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PRESNELL GAGE, PLLC
ACCOUNTING AND CONSULTING

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Idaho Soil and Water Conservation District
Grangeville, Idaho

Report on the Audit of the Financial Statements

Opinions

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Idaho Soil and Water Conservation District's basic financial statements. The combining schedule of revenues, expenditures, and changes in fund balance – all funds – other comprehensive basis of accounting is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2025, on our consideration of the Idaho Soil and Water Conservation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Idaho Soil and Water Conservation 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 Idaho Soil and Water Conservation District's internal control over financial reporting and compliance.

Presnell Gage, PLLC

April 25, 2025
Moscow, Idaho

IDAHO SOIL AND WATER CONSERVATION DISTRICT

STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities
ASSETS	
Cash in bank	$ 59,513
Accounts receivable	57,065
Total assets	116,578
LIABILITIES	
Accounts payable	53,450
Payroll liabilities	2,073
Accrued expenses	252
Accrued compensated absences	6,711
Total liabilities	62,486
NET POSITION	
Unrestricted	54,092
Total net position	$ 54,092

See accompanying notes and independent accountant's review report

IDAHO SOIL AND WATER CONSERVATION DISTRICT

STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position
Primary government:				
Governmental activities				
District operations	$ 43,720	$ 50,719		$ 6,999
Projects	600,503		$ 600,503	0
Total governmental activities	$ 644,223	$ 50,719	$ 600,503	6,999
General revenues:				
County appropriation				10,000
State appropriation				27,874
Other income				19,881
Total general revenues				57,755
Change in net position				64,754
Net position - beginning				(10,662)
Net position - ending				$ 54,092

See accompanying notes and independent accountant's review report

IDAHO SOIL AND WATER CONSERVATION DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
Year Ended June 30, 2024

	General	Rock Creek 319	Other Governmental funds	Total Governmental funds
ASSETS				
Cash and investments	$ 59,513			$ 59,513
Accounts receivable	57,065			57,065
Total assets	$ 116,578	$ 0	$ 0	$ 116,578
LIABILITIES				
Accounts payable	$ 53,450			$ 53,450
Payroll liabilities	2,073			2,073
Accrued expenses	252			252
Total liabilities	55,775	$ 0	$ 0	55,775
FUND BALANCES				
Unassigned	60,803			60,803
Total fund balances	60,803	0	0	60,803
Total liabilities and fund balances	$ 116,578	$ 0	$ 0	$ 116,578

Reconciliation of the statement of net position to the balance sheet - governmental funds	
Fund balances	$ 60,803
Amounts reported for governmental activities in the statement of net position are different because:	
Employee benefits including vacation leave, which have not been paid out, are not accrued in the funds	(6,711)
Net position - governmental activities	$ 54,092

See accompanying notes and independent accountant's report

IDAHO SOIL AND WATER CONSERVATION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Year Ended June 30, 2024

	General	Rock Creek 319	Other Governmental Funds	Total Governmental Funds
REVENUES				
Grants, cost share, and direct costs	$ 4,636	$ 454,901	$ 145,602	$ 605,139
County appropriation	10,000			10,000
State appropriation	27,874			27,874
Tree sales	3,519			3,519
Other	62,445			62,445
	108,474	454,901	145,602	708,977
EXPENDITURES				
BMP's		434,083	142,479	576,562
Operating expenditures				
Payroll expense	26,915	20,032	2,907	49,854
Board expense	50	786	128	964
Office supplies and postage	2,392		21	2,413
Professional fees	5,535			5,535
Other administrative expense	4,395		67	4,462
Dues	435			435
Tree expense	5,258			5,258
	44,980	454,901	145,602	645,483
NET CHANGE IN FUND BALANCES	63,494	0	0	63,494
FUND BALANCES, beginning of year	(2,691)	0	0	(2,691)
FUND BALANCES, end of year	$ 60,803	$ 0	$ 0	$ 60,803

Reconciliation of the statement of revenues, expenditures, and changes in fund balances - governmental funds to the statement of activities	
Net change in fund balances - total governmental funds	$ 63,494
Amounts reported for governmental activities in the statement of activities are different because:	
Employee benefits, which have not been paid out, are not counted as expense in the funds	
Current year	(6,711)
Prior year	7,971
Change in net position - governmental activities	$ 64,754

See accompanying notes and independent accountant's report

1. ENTITY

The Idaho Soil and Water Conservation District (the District) was formed as a special district under the laws of the State of Idaho. Operating funds are provided primarily through grants and appropriations from the State of Idaho and Idaho County. The District administers grants from the State of Idaho and the federal government to accomplish soil and water conservation objectives. Following are the significant grants administered by the District in the current fiscal year. Grants generally include a provision for District administrative costs.

Rock Creek 319. The Idaho Department of Environmental Quality provides funds under the Environmental Protection Agency's *Clean Water Act 319 Program*. Funds are used primarily for Best Management Practices contracts in the Rock Creek drainage. These grants have been awarded to the Idaho Soil and Water Conservation District.

WQPA. The Idaho Soil and Water Conservation Commission provides funds for the Idaho Water Quality Program for Agriculture grant program. These funds are awarded for projects that improve water quality, irrigation efficiency, and/or best management practices for farms in Idaho. The Idaho Soil and Water Conservation District has been awarded some of these funds.

PCSRF. The State of Idaho provides funds under the Pacific Coastal Salmon Recovery Fund. Funds are used primarily for Best Management Practices contracts. These grants have been awarded to the Idaho Soil and Water Conservation District.

IIJA. The Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), was signed into law by President Biden on November 15, 2021. This authorized $1.2 trillion to be put towards transportation and infrastructure improvements with $550 billion of that amount to be for "new" investments and programs. The Idaho Soil and Water Conservation District has received funds this year.

Tree Sales. The District has a tree program for the resale and planting of trees in the County. Trees are bought and resold to County residents. The District also subcontracts for the planting of the trees when requested.

Measurement Focus and Basis of Accounting. The accounting policies of the Idaho Soil and Water Conservation District conform to United States generally accepted accounting principles 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 uses the following two bases of accounting in these financial statements:

Economic Resources Measurement Focus and Accrual Basis of Accounting

Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

1. ENTITY (CONTINUED)

Measurement Focus and Basis of Accounting (Continued).

Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting

Under this measurement focus, revenues are recognized when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers grants as available if they are collected within 60 days after year-end. State grants are the single revenue source considered to be susceptible to accrual.

The District reports unearned revenue in its fund financial statements. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned 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 the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest, on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Restricted Resources. Program expenses are allocated to restricted program revenue first and then to the next highest level of restricted net position/fund balances when both restricted and unrestricted resources are available.

Governmental Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions* defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Nonspendable. Includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted. Includes amounts that can be spent only for the specific purpose stipulated by external resource providers, constitutional provisions, or enabling legislation.

Committed. Includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

1. ENTITY (CONTINUED)

Restricted Resources (Continued).

Assigned. Includes amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned. Residual classification of fund balance that includes all spendable amounts that have not been restricted, committed, or assigned.

District-wide Statements. The statement of net position and the statement of activities display information about the overall District. Eliminations have been made to minimize the double counting of internal activities. These statements reflect only governmental activities of the District since there are no "business-type activities" within the District. Governmental activities generally are financed through taxes, grants, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The District-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting.

The statement of activities presents a comparison between direct expenses and program revenues for the different functions of the District's governmental activities. A function is an assembly of similar activities and may include portions of a grant or summarize more than one grant to capture the expenses and program revenues associated with a distinct functional activity. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Program Revenue

The statement of activities reflects all restricted federal and state grants as program revenue. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations.

Fund Financial Statements. The Fund financial statements provide information about the District's fund categories. The emphasis of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

1. ENTITY (CONTINUED)

Governmental Funds
Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The District reports the following major governmental funds:

- General Fund. This is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

- Rock Creek 319 (see note 1 on page 10).

Use of Estimates. Management of the District uses estimates and assumptions in preparing financial statements in accordance with United States generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that management uses.

Basis of Presentation.

Prepaid Supplies
The District does not capitalize its supplies inventory at year-end. All supplies are recorded as expenditures in the period in which they were purchased.

Capital Assets
Capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The District records all capital assets at their original cost. Interest is capitalized on capital assets during the construction period.

The District capitalizes equipment with an original unit cost of $3,000 or more and an expected life of more than 3 years.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings - 20-50 years; vehicles - 8 years; machinery and equipment - 5-20 years; computer equipment - 5 years.

Budgets
The District does not have a budgetary requirement under State law.

1. ENTITY (CONTINUED)

Basis of Presentation (Continued).

Encumbrances
Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the governmental funds. Encumbrances are included in the following year's budgeted expenditures.

Compensated Absences
District employees are granted vacation and sick leave days in varying amounts under the terms of District policy. Employees are not compensated for unused sick leave.

2. DEPOSITS AND INVESTMENTS

Deposits. At June 30, 2024, the carrying amount of the District's deposits was $59,513 and the bank balance was $61,202, all of which was considered covered by federal depository insurance.

3. ACCOUNTS RECEIVABLE

Details of accounts receivable at June 30, 2024, are as follows:

	Governmental Funds
District	$ 57,065
	$ 57,065

4. CAPITAL ASSETS

There were no capital assets at June 30, 2024, that met the District's capitalization policy.

5. RISK MANAGEMENT

The District is a member of the Idaho Counties Risk Management Program (ICRMP). ICRMP is an all-lines aggregate insurance program providing liability, property, and casualty insurance coverage to Idaho’s counties and other political subdivisions on a voluntary participation basis. ICRMP assumes or reinsures all risk for covered claims. Participants are charged an annual insurance premium with no additional assessments for losses.

The general insurance limits are as follows:

- General liability - $3,000,000 limit per occurrence
- Automobile liability - $3,000,000 per covered occurrence
- Errors and omissions liability - $3,000,000 per covered occurrence
- Crime insurance and bonding - $500,000 per covered occurrence
- Boiler and machinery - $2,500,000 per covered occurrence
- Chemical spraying - $500,000 per covered occurrence

6. RELATED PARTIES

Supervisors of the District may be compensated for time spent conducting the affairs of the District. Total compensation per day may not exceed $35.

Supervisors of the District are landowners in Idaho County and are eligible for and occasionally receive Best Management Practices (BMP) payments.

The District receives additional services, such as office space and technical assistance, from the National Resources Conservation Service (NRCS) and the United States Department of Agriculture (USDA).

7. OTHER COMPREHENSIVE BASIS OF ACCOUNTING

For grant accounting purposes, the District does not recognize unearned revenue on grants. Revenue is recognized on grants at the earlier of when billed or received.

The District accounts for grant revenue on a comprehensive basis of accounting other than United States generally accepted accounting principles (GAAP). Grant revenues are recognized in revenue at the earlier of when billed or received by the District for grant accounting purposes.

The effect of the difference in accounting is as follows:

Fund balance, other comprehensive basis of accounting	$ 60,803
Unearned revenue on grants	0
Fund balance, United States generally accepted accounting principles basis	$ 60,803

At June 30, 2024, the District did not have unearned revenue on grants.

SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITOR'S REPORT - *GOVERNMENT AUDITING STANDARDS*

Board of Supervisors
Idaho Soil and Water Conservation District
Grangeville, 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 *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Idaho Soil and Water Conservation District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Idaho Soil and Water Conservation 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Idaho Soil and Water Conservation District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Idaho Soil and Water Conservation 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 a deficiency in internal control, described below and in the accompanying schedule of findings and responses that we consider to be a significant deficiency.

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#2024-001 - Accounting systems generally attempt to divide up accounting tasks among multiple individuals (segregation of duties) to improve the ability of the organization to identify errors within the accounting system. The Idaho Soil and Water Conservation District has concentrated many accounting duties to one individual such that the desired segregation of duties is not possible. There are a limited number of personnel available to provide for the desired “segregation of duties.”

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Idaho Soil and Water Conservation District's financial statements are free of material misstatement, we performed tests of 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 the 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*.

Idaho Soil and Water Conservation District’s Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Idaho Soil and Water Conservation District’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Idaho Soil and Water Conservation District’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Presnell Gage, PLLC

April 25, 2025
Moscow, Idaho

SIGNIFICANT DEFICIENCY

Finding #2024-001

Criteria: Internal control systems generally attempt to divide up accounting tasks among multiple individuals (segregation of duties) to improve the ability of the organization to identify errors within the accounting system.

Condition: The Idaho Soil and Water Conservation District has concentrated many accounting duties to one individual such that the desired segregation of duties is not possible. There are a limited number of personnel available to provide for the desired "segregation of duties."

Effect: Many accounting duties are performed by a single individual with limited oversight available within the Idaho Soil and Water Conservation District.

Response: The District's Board of Supervisors believe that the cost of hiring additional accounting staff outweighs the benefits that segregation of duties would provide.

Recommendation: We concur with the District's response.

IDAHO SOIL AND WATER CONSERVATION DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - ALL FUNDS - OTHER COMPREHENSIVE BASIS OF ACCOUNTING
Year Ended June 30, 2024

	General	WQPA	Rock Creek 319	PCSRF	IIJA	Tree Sales	Total
RECEIPTS							
Grants, cost share, and direct costs	$ 4,636	$ 61,659	$ 454,901	$ 57,733	$ 26,210		$ 605,139
County appropriation	10,000						10,000
State appropriation	27,874						27,874
Tree sales						$ 3,519	3,519
Other	59,805					2,640	62,445
	102,315	$ 61,659	454,901	57,733	$ 26,210	6,159	708,977
DISBURSEMENTS							
BMP's		61,659	434,083	55,369	25,451	0	576,562
Operating expenditures							
Payroll expense	26,078		20,032	2,364	543	837	49,854
Board expense	50		786		128		964
Office supplies and postage	2,328				21	64	2,413
Professional fees	5,535						5,535
Other administrative expense	4,395				67		4,462
Dues	435						435
Tree expense						5,258	5,258
	38,821	61,659	454,901	57,733	26,210	6,159	645,483
NET CHANGE IN FUND BALANCES	63,494	0	0	0	0	0	63,494
FUND BALANCES, beginning of year	(2,691)	0	0	0	0	0	(2,691)
FUND BALANCES, end of year	$ 60,803	$ 0	$ 0	$ 0	$ 0	$ 0	$ 60,803