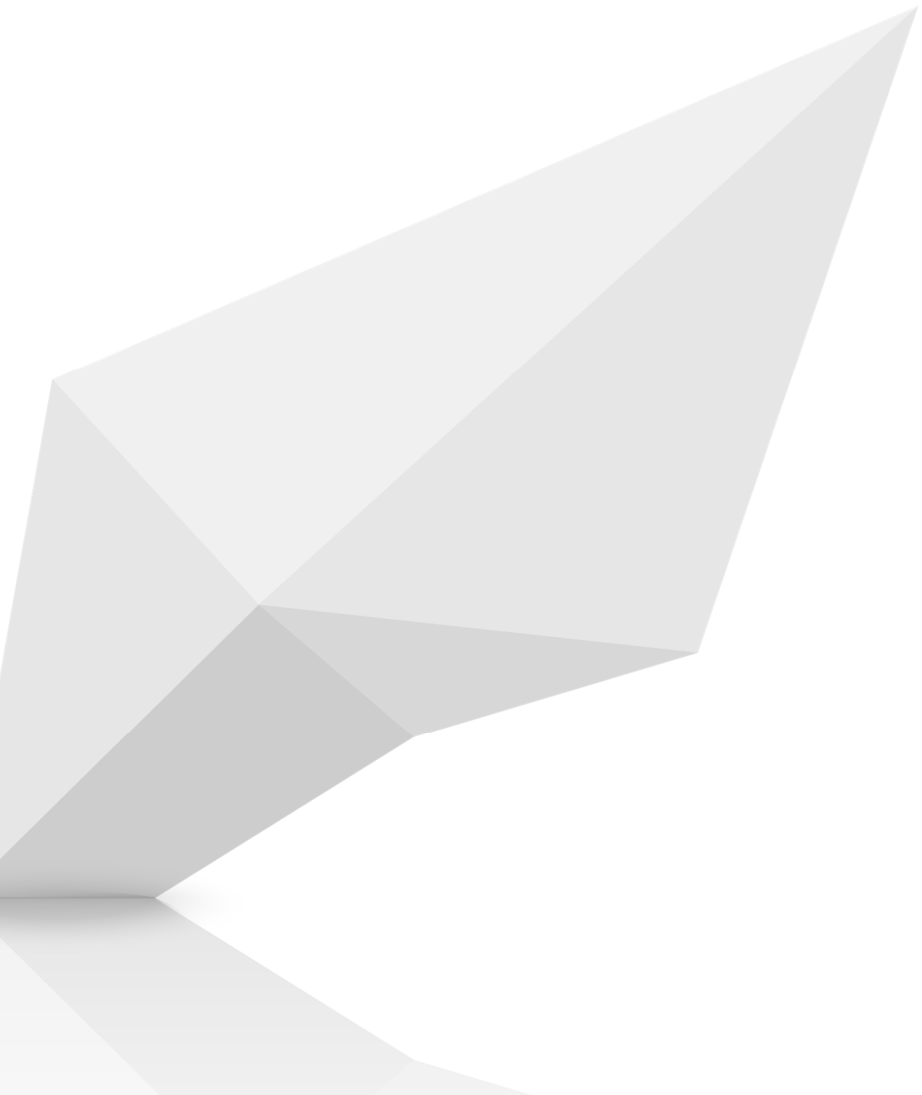
Jefferson Soil and Water Conservation District

Financial Statements and Supplemental Information

Years ended June 30, 2024 and 2023



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Jefferson Soil and Water Conservation District

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Independent Auditor's Report

Board of Directors
Jefferson Soil and Water Conservation District
Rigby, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Jefferson Soil and Water Conservation District (the "District"), as of and for the years ended June 30, 2024 and 2023, 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 financial position of of the Jefferson Soil and Water Conservation District as of June 30, 2024 and 2023, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 of America. 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 Jefferson Soil and Water Conservation District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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

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 (GAAP), 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 Jefferson 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 Responsibility 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 *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Jefferson 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 Jefferson 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

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

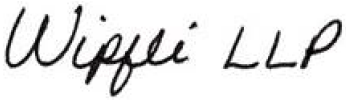
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of revenues, expenses, and changes in net position - budget to actual - operating fund but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jefferson 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 the District's internal control over financial reporting and compliance.



Wipfli LLP

Idaho Falls, Idaho
February 13, 2025

Jefferson Soil and Water Conservation District

Statements of Net position
Proprietary Fund

As of June 30,	Business-type Activities Enterprise Fund 2024	2023
ASSETS		
Cash	$ 189,373	$ 129,483
Accounts receivable	-	2,032
Inventory	910	11,822
Capital assets		
Property and equipment - Net	-	30,470
Total assets	190,283	173,807
LIABILITIES		
Accounts payable	382	611
Sales tax payable	3,872	3,781
Rental Deposit	-	400
Payroll liabilities	1,426	1,066
Total Liabilities	5,680	5,858
NET POSITION		
Net investment in capital assets	-	30,470
Unrestricted	184,603	137,479
Total net position	$ 184,603	$ 167,949

See accompanying notes to financial statements.

Jefferson Soil and Water Conservation District

Statements of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund

For the Years Ended June 30,	Business-type Activities Enterprise Fund 2024	2023
OPERATING REVENUES		
Grant revenue	$ 122,730	$ 89,430
Product and tree sales	66,480	69,058
Inter-governmental revenue	36,705	39,230
Other revenue	3,272	3,454
Total operating revenues	229,187	201,172
OPERATING EXPENSES		
Accounting fees	1,115	895
Charitable contributions	1,100	33,650
Depreciation	2,770	5,540
Dues & memberships	2,658	2,439
Grants and allocations	111,573	81,300
Insurance	1,141	1,318
Payroll	24,120	22,813
Public outreach	11,537	11,497
Rent	1,080	1,080
Travel	3,813	4,960
Tree program expenses	51,724	50,634
Other expenses	2,537	1,672
Total operating expenses	215,168	217,798
Income (loss) from operations	14,019	(16,626)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	335	65
Gain on sale of asset	2,300	-
Total nonoperating revenues (expenses)	2,635	65
Change in net position	16,654	(16,561)
Net position, beginning of year	167,949	184,510
Net position, end of year	$ 184,603	$ 167,949

See accompanying notes to financial statements.

Jefferson Soil and Water Conservation District

Statements of Cash Flows
Proprietary Fund

For the Years Ended June 30,	Business-type Activities Enterprise Fund 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants	$ 122,730	$ 89,430
Cash received from product and tree sales	68,603	66,495
Cash received from inter-governmental sources	36,705	39,230
Other operating cash receipts	3,272	3,454
Cash paid for grants	(111,573)	(81,300)
Cash paid to employees and related expenses	(23,760)	(28,912)
Cash paid for tree program expenes	(40,812)	(58,832)
Cash paid for other operating expenses	(25,610)	(50,500)
Net cash flows from operating activities	29,555	(20,935)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of equipment	30,000	-
Cash received from interest on investments	335	65
Net cash flows from investing activities	30,335	65
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net change in cash	59,890	(20,870)
Cash at beginning of year	129,483	150,353
Cash at end of year	$ 189,373	$ 129,483
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	$ 14,019	$ (16,626)
ADJUSTMENT TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Depreciation	2,770	5,540
Change in accounts receivable	2,032	(2,032)
Change in inventory	10,912	(8,198)
Change in accounts payable	(229)	611
Change in sales tax payable	91	(531)
Change in rental deposit	(400)	400
Change in payroll liabilities	360	(99)
Net cash flows from operating activities	$ 29,555	$ (20,935)

See accompanying notes to financial statements.

Note 1: Summary of Significant Accounting Policies

General

The Jefferson Soil and Water Conservation District (the District) was established in 1951 as a subdivision of the Idaho state government and is charged with the conservation of soil, water and related natural resources and was organized pursuant to Title 22, Chapter 27 of the Idaho Code. Conservation Districts are the primary entities to provide assistance to private landowners and land users in the conservation, sustainability, improvement and enhancement of Idaho's natural resources. They are catalysts for coordinating and implement conservation programs, channeling expertise from all levels of government into action at the local level. The total area of the District is over 620,000 acres primarily located in Jefferson County, Idaho. The Jefferson Soil and Water Conservation District is governed by an elected Board of Directors.

The following is a summary of significant accounting policies followed in the preparation of these financial statements.

Financial Reporting

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District's basic financial statements include fund financial statements that categorize its primary activities as business-type. This fund is a set of self-balancing accounts which comprise its assets, liabilities, net position, revenues, and expenses.

Measurement Focus / Basis of Accounting, and Financial Statement Presentation

The proprietary funds 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budgets

The District adopts a budget for its sole operating fund at the annual meeting. The budget is prepared on a basis generally consistent with generally accepted accounting principles, except that expenses for capital acquisitions are budgeted. The reported operating expense amounts exclude actual capital acquisitions since they are capitalized and depreciated.

Note 1: Summary of Significant Accounting Policies (Continued)

Cash

Cash and cash equivalents are identified as cash and short-term, highly liquid investments. Cash and cash equivalents for the District include cash in checking and savings accounts, and investments in the Idaho State Treasurer's Pool on the statement of net position and statement of cash flows.

Inventory

Inventories are valued at cost. The purchase method is used to account for inventories. Under the purchase method, inventories are reported as an asset at year end.

Capital Assets

Capital assets, which include property and equipment, are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful life of the asset, which is seven to ten years for assets of the District. Depreciation of fixed assets is charged as an expense against operations. Capital assets are reported net of accumulated depreciation on the statement of net position. When an asset is disposed of, cost and related accumulated depreciation are removed from the Districts financial statements, and any gain or loss arising from the asset's disposal is credited or charged to operations. Capital assets are defined by the District as assets with an initial, individual cost of more than $3,000 and an initial useful life of one year or greater. The cost of normal maintenance and repairs that do not add to the value of the asset or materiality extend the asset's life are not capitalized. Donated capital assets are recorded at their acquisition value at the date of donation.

Use of Estimates

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

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Note 1: Summary of Significant Accounting Policies (Continued)

Adoption of GASB Pronouncements

During the fiscal year ended June 30, 2024, the District implemented the following GASB Pronouncement:

GASB Statement No. 100, Accounting Changes and Error Corrections, enhances accounting and financial reporting for accounting changes in error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

The following GASB pronouncements have been issued, but are effective in the future:

GASB Statement No. 101, Compensated Absences, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

GASB Statement No. 102, Certain Risk Disclosures: Issued December 2023, the objective of this statement is to provide financial statement users with essential information about risks related to government's vulnerabilities due to certain concentrations or constraints. This statement is effective for the fiscal years beginning after June 15, 2024.

The District is still in the process of determining what effect, if any, the above statements will have on the basic financial statements and related disclosures.

Subsequent Events

Subsequent events have been evaluated through February 13, 2025, which was the date the financial statements were available to be issued. There were no subsequent type events, identified by management of the District, that are required to be disclosed.

Note 2: Cash

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has no deposit policy for custodial credit risk due to being uninsured and uncollateralized. As of June 30, 2024 and 2023, $0 and $0 of the District's deposits were exposed to custodial credit risk because they were uninsured and uncollateralized. The District's bank balance as of June 30, 2024 and 2023 was $191,391 and $130,496.

Note 3: Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Depreciation will be provided over the estimated useful lives using the straight line method. A summary of changes in capital assets for the year ended June 30, 2024 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities				
Equipment	$ 63,835	$ -	$ (55,400)	$ 8,435
Accumulated depreciation	(33,365)	(2,770)	27,700	(8,435)
Net book value	$ 30,470	$ (2,770)	$ (27,700)	$ -

A summary of changes in capital assets for the year ended June 30, 2023 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities				
Equipment	$ 63,835	$ -	$ -	$ 63,835
Accumulated depreciation	(27,825)	(5,540)	-	(33,365)
Net book value	$ 36,010	$ (5,540)	$ -	$ 30,470

Depreciation expense for the years ended June 30, 2024 and 2023 was $2,770 and $5,540.

Note 4: Long - Term Liabilities

The District had no long-term liabilities as of June 30, 2024 and 2023.

Note 5: Risk Management / Insurance Coverage

The District is subject to various risks of loss related to tort claims; theft, damage to and destruction of assets; errors and omissions; and natural disasters. The Treasurer is bonded for errors and omissions. As an instrumentality of the State of Idaho, other risks of loss are covered by the State's liability insurance policy.

Other Information

Jefferson Soil and Water Conservation District

Statement of Revenues, Expenses, and Changes in Net Position
-Budget to Actual-
Operating Fund

For the Year Ended June 30, 2024

	Operating Fund		
	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Assessments			
Grant revenue	$ 39,765	$ 122,730	$ 82,965
Product and tree sales	70,160	66,480	(3,680)
Inter-governmental revenue	39,230	36,705	(2,525)
Other revenue	3,050	3,272	222
Total operating revenues	152,205	229,187	76,760
OPERATING EXPENSES			
Accounting fees	900	1,115	(215)
Charitable Contributions	1,900	1,100	800
Depreciation	-	2,770	(2,770)
Dues & memberships	2,600	2,658	(58)
Grants and allocations	36,150	111,573	(75,423)
Insurance	1,490	1,141	349
Payroll	29,000	24,120	4,880
Public Outreach	14,880	11,537	3,343
Rent	1,080	1,080	0
Travel	4,980	3,813	1,167
Tree program expenses	44,225	51,724	(7,499)
Other expenses	2,717	2,537	180
Total Operating Expenses	139,922	215,168	(75,246)
Income (Loss) from operations	12,283	14,019	1,736
NONOPERATING REVENUES (EXPENSES)			
Interest income	70	335	265
Gain on sale of asset	0	2,300	2,300
Total nonoperating revenues (expenses)	70	2,635	265
Change in net position	$ 12,353	16,654	$ 2,001
Net position at June 30, 2023		167,949	
Net position at June 30, 2024		$ 184,603	

See Independent Auditor's Report.

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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*

Board of Directors
Jefferson Soil and Water Conservation District
Rigby, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Jefferson 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 Jefferson Soil and Water Conservation District's basic financial statements, and have issued our report thereon dated February 13, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Jefferson Soil and Water Conservation District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Jefferson Soil and Water Conservation District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Jefferson 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 reasonable possibility that a material misstatement of the Jefferson Soil and Water Conservation District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

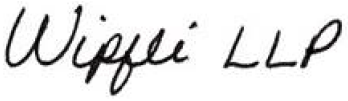
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jefferson Soil and Water Conservation District'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 Jefferson Soil and Water Conservation District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

Idaho Falls, Idaho
February 13, 2025