LEMHI SOIL AND WATER CONSERVATION DISTRICT
SALMON, IDAHO
ANNUAL FINANCIAL STATEMENTS
And
COMPLIANCE REPORTS
With
INDEPENDENT AUDITOR'S REPORT
For the Year Ended June 30, 2024

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
ANNUAL FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Directors
Lemhi Soil and Water Conservation District
Salmon, Idaho

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, and each major fund balance of Lemhi Soil and Water Conservation District (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 and each major fund information of the District, as of June 30, 2024, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity 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 (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 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

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

In performing an audit in accordance with GAAS, 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 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require supplementary information, such as management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such 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. 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 response 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.

Management has omitted 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. Our opinion on the basic financial statements is not affected by this missing information.

Lemhi Soil and Water Conservation District does not have a legally adopted budget and therefore is not required to present budgetary comparison information to supplement the basic financial statements.

Other Information

Although not required to, Lemhi Soil and Water Conservation District, Idaho, has presented budgetary comparison information to supplement the basic financial statements. We have applied certain limited procedures to the budgetary comparison schedules 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 response 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 do so.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lemhi Soil and Water Conservation District, Idaho's basic financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 9, 2025 on our consideration of the Lemhi 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 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 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 Lemhi Soil and Water Conservation District's internal control over financial reporting and compliance.

Searle Hart + Associates PLLC

Idaho Falls, Idaho
January 9, 2025

FINANCIAL SECTION

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
STATEMENT OF NET POSITION
June 30, 2024

	GOVERNMENTAL ACTIVITIES	TOTAL
ASSETS		
Cash and cash equivalents	$ 111,537	$ 111,537
Investments	-	-
Accounts receivable	26,095	26,095
Taxes receivable	-	-
Due from other governmental agencies	-	-
Inventories	-	-
Other assets	2,550	2,550
Capital Assets		
Land and improvements not being depreciated	-	-
Construction in progress	-	-
Buildings	-	-
Equipment and furniture	26,400	26,400
Equipment under capital leases	-	-
Less: accumulated depreciation	(14,060)	(14,060)
Total Capital Assets	12,340	12,340
TOTAL ASSETS	152,522	152,522
DEFERRED OUTFLOWS	$ 6,784	$ 6,784

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

	GOVERNMENTAL ACTIVITIES	TOTAL
LIABILITIES		
Accounts payable and accrued expenses	$ 47,110	$ 47,110
Due to other governmental agencies	-	-
Long-term liabilities		
Due within one year		
Bonds, capital leases and contracts	-	-
Accrued interest	-	-
Compensated absences	1,285	1,285
Claims and judgments	-	-
Due in more than one year		
Bonds, capital leases and contracts	-	-
Compensated absences	-	-
Claims and judgments	-	-
Net pension liability	62,422	62,422
TOTAL LIABILITIES	110,817	110,817
DEFERRED INFLOWS	-	-
NET POSITION		
Net investment in capital assets	12,340	12,340
Restricted for:		
Capital projects	-	-
Debt service	-	-
Other projects	-	-
Unrestricted	36,149	36,149
TOTAL NET POSITION	$ 48,489	$ 48,489

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUE: Charges for Services	PROGRAM REVENUE: Operating Grants and Contributions	PROGRAM REVENUE: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ -	$ -	$ -	$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Health, welfare and sanitation	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Conservation/economic development	617,200	170,735	244,885	-
Interest on long-term debt	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	617,200	170,735	244,885	-
TOTAL PRIMARY GOVERNMENT	$ 617,200	$ 170,735	$ 244,885	$ -
General revenues:				
Taxes:				
Property taxes, levied for general purposes				
Property taxes, levied for specific purposes				
Franchise taxes				
Public service taxes				
Sales taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Miscellaneous				
Special item - gain on sale of assets				
Transfers				
TOTAL GENERAL REVENUES, SPECIAL ITEMS, AND TRANSFERS				
Change in net position				
Net Position, July 1, 2023				
NET POSITION, June 30, 2024				

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
Primary Government	
Governmental Activities	Total
$ -	$ -
-	-
-	-
-	-
-	-
-	-
(201,580)	(201,580)
-	-
(201,580)	(201,580)
(201,580)	(201,580)
-	-
-	-
-	-
-	-
-	-
-	-
1,968	1,968
50,624	50,624
-	-
-	-
52,592	52,592
(148,988)	(148,988)
197,477	197,477
$ 48,489	$ 48,489

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2024

	GENERAL FUND	PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and cash equivalents	$ 71,419	$ 40,118	$ 111,537
Investments	-	-	-
Due from other funds	-	-	-
Receivable from other governments	-	-	-
Other receivables	-	26,095	26,095
Prepaid expenses	2,550	-	2,550
TOTAL ASSETS	73,969	66,213	140,182
DEFERRED OUTFLOWS	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 73,969	$ 66,213	$ 140,182
LIABILITIES			
Accounts payable	$ 2,686	$ 44,424	$ 47,110
Due to other funds	-	-	-
Payable to other governments	-	-	-
Other payables	-	-	-
TOTAL LIABILITIES	2,686	44,424	47,110
DEFERRED INFLOWS			
Revenue unavailable for use	-	-	-
FUND BALANCES			
Nonspendable	2,550	-	2,550
Restricted	-	-	-
Assigned for projects	-	21,789	21,789
Unassigned	68,733	-	68,733
TOTAL FUND BALANCES	71,283	21,789	93,072
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 73,969	$ 66,213	$ 140,182

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

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2024

		GOVERNMENTAL FUNDS
Total fund balance, governmental funds:	$	93,072
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		12,340
Some revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as revenue unavailable for use in the fund financial statements.		-
A net pension liability for the mesuredportion of the present value of projected benefit payments is reported on the Statement of Net Position, but not in the fund financial statements:		
Net pension liability		(62,422)
Deferred outflows associated with the net pension liability		6,784
Deferred inflows associated with the net pension liability		-
Some liabilities, (such as notes payable, capital lease contracts payable, long-term compensated absences, and bonds payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		(1,285)
Net position of governmental activities in the Statement of Net Position:	$	48,489

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

	GENERAL FUND	PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Property taxes	$ -	$ -	$ -
Sales and miscellaneous taxes	-	-	-
Fees and fines	-	-	-
Intergovernmental	36,845	212,224	249,069
Charges for services	166,297	254	166,551
Investment earnings	1,968	-	1,968
Miscellaneous	1,079	49,545	50,624
TOTAL REVENUES	206,189	262,023	468,212
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health, welfare and sanitation	-	-	-
Culture and recreation	-	-	-
Education	-	-	-
Conservation/economic development	190,569	408,913	599,482
Debt Service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	190,569	408,913	599,482
Excess (deficiency) of revenues over expenditures	15,620	(146,890)	(131,270)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
SPECIAL ITEM			
Proceeds from sale of assets	-	-	-
Net change in fund balances	15,620	(146,890)	(131,270)
Fund Balances, July 1, 2023	55,663	168,679	224,342
Fund Balances, June 30, 2024	$ 71,283	$ 21,789	$ 93,072

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

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

		GOVERNMENTAL FUNDS
Net change in fund balances - total governmental funds:	$	(131,270)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.		
This is the amount by which depreciation of $5,280 was exceeded by capital outlay of $0 in the current period.		(5,280)
Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain or loss on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold.		-
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. This is the net change in revenue unavailable for use.		-
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Net change in pension expense not reflected on governmental funds.		(12,145)
Governmental funds do not recognize lease payments as expenditures until they are paid. In contrast, the Statement of Activities treats leases payable as a long-term liability. This amount is the net change in the leases payable liability.		
Governmental funds do not recognize compensated absences as expenditures until they are paid. In contrast, the Statement of Activities treats compensated absences as a long-term liability. This is the net change in the compensated absence liability.		(293)
Change in net position of governmental activities:	$	(148,988)

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NOTES TO THE FINANCIAL STATEMENTS

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
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For the Year Ended June 30, 2024

NOTES INDEX

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LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lemhi Soil and Water Conservation District (District) is organized and operates under the provisions of the Idaho Constitution and the accounting policies and practices of the District conform to accounting principles generally accepted in the United States of America as applied to governments, except for the exceptions noted hereafter.

A. GENERAL

The financial statements listed in the table of contents have been 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 consist of government-wide financial statements, including the Statement of Net Position and the Statement of Activities, and fund financial statements which provide a more detailed level of financial reporting.

B. REPORTING ENTITY

The District was founded in 1963 under Idaho Code Title 22 Chapter 27. The District's primary goal is to improve water and soil conservation through the implementation of construction projects such as fish screens, fences, upgraded head gates, etc. The District is primarily an administrative organization. All construction work is subcontracted out to local contractors and or the land owners themselves. The District handles the administrative work on the grants and the oversight of the construction projects.

The District receives its funding from the Federal Government, the State of Idaho, Lemhi County, Pacific Coast Salmon Recovery, and from the Bonneville Power Association (BPA).

The District has a five member board, who are elected volunteers serving a 4-year term. The board member elections are held along with the general elections on the even years, with two seats up for re-election one year and the other three seats up for re-election two years later. The board members receive a reimbursement for mileage. The Board has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters.

The scope of the reporting entity is intended to cover those funds under the direct jurisdiction of the District. Other governing boards, elected or appointed, that exercise substantial or total administrative and supervisory authority in their own name are considered to be substantially autonomous from the Lemhi Soil and Water Conservation District government and are not included in this report.

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The District's financial statements consist of both government-wide and fund financial statements. The government-wide statements focus on the District as a whole, while the fund statements focus on the individual funds.

Government-wide Financial Statements

The government-wide statements present information on all non-fiduciary activities of the government. The District's activities are governmental in nature. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. The effects of interfund activity have been eliminated from the government-wide statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

The *Statement of Net Position* presents the District's non-fiduciary assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Net position is restricted when constraints placed upon it are either externally imposed or are imposed by constitutional provisions or enabling legislation.

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 within a specific function. The District allocates general government (indirect) expenses related to the administration and support of the District's programs, such as personnel and accounting (but not interest on long-term debt), and are allocated to programs based on their percentage of total primary government expenses. Interest expenses are allocated to the programs that manage the capital assets financed with long-term debt. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements

The financial transactions of the District are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for governmental, proprietary, and fiduciary funds. For governmental and proprietary funds, the emphasis is on major funds, with each displayed in a separate column.

Governmental Fund Types

Governmental funds account for the District's general activities including current expendable financial resources and are those through which most governmental functions of the District are financed.

The District reports the following major governmental funds:

- **General Fund** - This fund is the principal operating fund of the District. It is used to account for all financial resources not required to be accounted for in another fund.
- **Special Projects Fund** – This fund is used to account for the accumulation of resources for, and the payment of, special projects. Grants are awarded for the special projects and the money reimbursed to the District for those expenses incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Proprietary Fund Types – Enterprise Funds

Enterprise Funds account for operations that meet one of two criteria: 1) the activity runs in a manner similar to private business enterprises with the intent of the governing body that the ongoing operating costs (including depreciation) of providing goods or services to the public are financed or recovered primarily through user charges, or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District does not have any proprietary funds.

Fiduciary Fund Types

Fiduciary Funds account for assets held in a trustee capacity or as an agent for individuals, private organizations, or other governments. The District does not have any fiduciary funds.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other revenues are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary and fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating items, such as interest expense and investment earnings, result from nonexchange transactions or ancillary activities.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred.

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES/ NET POSITION

Following are the District's significant policies regarding recognition and reporting of certain assets, deferred outflows, liabilities, deferred inflows, and equity.

Cash and Investments

Cash and cash equivalents consist of demand deposits with financial institutions. The District does not have any investments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES/ NET POSITION (continued)

Receivables

Receivables typically include accrued amounts for services provided that have not yet been paid for. The District does not have any exchange type revenues; therefore, no allowance for uncollectible accounts has been established.

Capital Assets

Capital assets purchased by governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is not capitalized. Interest expense incurred during construction of capital assets related to business-type activities is capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Equipment, buildings and infrastructure, and other depreciable assets are depreciated using the straight line method over the estimated useful lives of the assets from 5 to 40 years.

Capital assets are reported at actual or estimated historical cost.

Deferred Outflows

In addition to assets, the Statement of Net Position and the fund-based Balance Sheet will sometimes report a separate section for deferred outflows of resources. This financial statement element represents a consumption of net position/fund balance that applies to a future period, or periods, so it will not be recognized as an outflow of resources until that time. The District has deferred outflows related to the net pension liability.

Accounts Payable

Accounts payable represents debts that will be paid in the next billing cycle. Accounts payable are not over 60 days past due.

Long-term Obligations

In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond premiums and discounts are recognized as expenditures in the current period. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. The face amount of debt issued is reported as other financing sources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES/ NET POSITION (Continued)

Deferred Inflows

The Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources in addition to liabilities. This financial statement element represents an acquisition of net position/fund balance that applies to a future period, or periods, so it will not be recognized as an inflow of resources until that time. The District recognizes grants receivable that will not be collected within 30 days in the fund based statements and amounts related to net pension liability as deferred inflows.

Net Position/Fund Balances

The difference between assets plus deferred outflows and liabilities plus deferred inflows is reported as net position on the government-wide and fund balance on the fund-based financial statements.

Nonspendable and Spendable Fund Balances

Fund balance is separated into nonspendable and spendable fund balance. The following is a list of nonspendable and spendable fund balance designations for the Lemhi Soil and Water Conservation District.

Nonspendable: This designation segregates fund balances that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted: This designation segregates a portion of the fund balance when constraints have been placed on the use of the resources either externally by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed: This designation indicates a portion of the fund balance which can only be used for specific purposes pursuant to constraints imposed by formal action of the District's board. It cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit it.

Assigned: This designation indicates a fund balance that can only be spent for purposes officially delegated by authority (such as the budget process) or is constrained by governmental intent, but is not restricted or committed.

Unassigned: This designation indicates a fund balance is not assigned to any specific purpose or is a negative fund balance. The District may use the positive unassigned fund balance for expenditures in subsequent fiscal years.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District generally uses restricted fund balance first, then unrestricted.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. BUDGETS AND BUDGETARY ACCOUNTING

The District has adopted an informal budget on a cash basis of accounting.

Subsequent budget controls following adoption are accomplished through a budget-expenditure control system with interim status accounting and reporting made available to board members for management purposes. The District does not maintain a formal encumbrance accounting system.

G. COMPENSATED ABSENCES AND POST-EMPLOYMENT BENEFITS

Accumulated unpaid vacation and other employee benefits are accrued when incurred in the government-wide financial statements on the accrual basis of accounting. Such amounts are not accrued in governmental funds on the modified accrual basis of accounting. At June 30, 2024, unrecorded fund liabilities included approximately $1,285 of total leave time accumulations and are considered normal to the District's operation.

H. REVENUE RECOGNITION

Under the modified accrual basis of accounting, revenues are recognized in governmental funds when measurable and available. Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. Lemhi Soil and Water Conservation District considers revenues to be available if they are collected within 30 days after year-end. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

In government-wide statements, revenues are recognized when earned.

I. EXPENDITURE/EXPENSE RECOGNITION

In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisition and construction are reported as expenditures in the period in which they are acquired or the construction takes place.

In proprietary funds and government-wide statements, expenses are recorded when the related liability is incurred. Operating expenses for enterprise funds, if applicable, include the cost of services, administrative expenses, and depreciation on capital assets. All expenses not meeting this definition are reported as non-operating expenses.

When an expenditure or expense is incurred for purposes for which restricted, committed, assigned and unassigned resources are available, the District generally uses restricted resources first, and then committed, assigned and unassigned resources.

J. INTERFUND ACTIVITY AND BALANCES

Government-wide Statements

In general, eliminations have been made to minimize the double-counting of internal activity. There were no interfund receivables or payables at June 30, 2024.

Governmental Fund Statements

Interfund transactions for goods and services provided and used are reported as revenues and expenditures/ expenses in the funds involved. There were no interfund receivables or payables at June 30, 2024.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. 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 revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. CASH AND INVESTMENTS

Cash and cash equivalents are defined as those financial instruments that have a maturity date of three months or less from the date of acquisition.

Cash deposits and investments of the District as of June 30, 2024, totaled $111,537, of which $48,569 represented demand deposits, and $62,968 represented investments in the State of Idaho Local Government Investment Pool. (LGIP). All of the deposits were allocated to governmental funds.

Deposits

At June 30, 2024, the carrying amount of the District's deposits in financial institutions was $48,569. The bank balance at year end was $50,281. At June 30, 2024, the full amount is covered by FDIC insurance.

Investments

The fair value of the District's investments at year end was $62,968. The information on the amount not covered by SIPC or FDIC insurance is not available.

The investments in the LGIP are through the Idaho State Treasurer who provides the oversight of those monies. Monies held by the LGIP were held in the following investments: government agency notes, commercial paper, corporate bonds, money markets, U.S. treasury notes, Idaho repurchase agreements, and purchased accrued interest. All investments for the LGIP are collateralized with securities held by the LGIP's safekeeping agent in the LGIP's name. The investments held by the LGIP are carried at cost, which is not materially different than fair value (determined by the Idaho State Treasurer's office). The investments in the LGIP are subject to risk from market and interest rate fluctuations. The weighted average maturity at June 30, 2024 was 106 days.

Interest Rate Risk

The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Credit Risk

The deposits and simple investments by the District are not collateralized nor are they required to be by Idaho statute. The District's policy limits investments to the safest types of securities and to diversify the District's investment portfolio so that potential losses on securities will be minimized. The District follows the requirements of the Idaho Public Depository Law (Idaho Code Section, Title 57-100), and applicable investment rights and restrictions cited by the Idaho Code Section, Title 67, 67-210.

3. ACCOUNTS RECEIVABLE/PAYABLE

The District has accounts payable for project expenditures of $44,424 in the Special Projects Fund at June 30, 2024.

4. CAPITAL ASSETS

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

Governmental Activities	Balance 07-01-2023	Additions	Deletions	Balance 06-30-2024
Capital assets, not being depreciated				
Land	$ -	$ -	$ -	$ -
Construction in process	-	-	-	-
Total capital assets, not being depreciated	-	-	-	-
Capital assets, being depreciated				
Buildings and improvements	-	-	-	-
Machinery and equipment	26,400	-	-	26,400
Total capital assets, being depreciated	26,400	-	-	26,400
Less accumulated depreciation for				
Buildings and improvements	-	-	-	-
Machinery and equipment	(8,780)	(5,280)	-	(14,060)
Total accumulated depreciation	(8,780)	(5,280)	-	(14,060)
Total capital assets, being depreciated, net	17,620	(5,280)	-	12,340
Governmental activity, capital assets, net	$ 17,620	$ (5,280)	$ -	$ 12,340

Depreciation expense was charged to the current functions of the primary government as follows:

Governmental activities	
Conservation/economic development	$ 5,280
Current depreciation expense	$ 5,280

5. PENSION PLAN

Plan Description

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

5. PENSION PLAN (Continued)

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2024, it was 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters. The District's contributions were $9,143 for the year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2024, the District's proportion was .00166876 percent.

5. PENSION PLAN (Continued)

For the year ended June 30, 2024, the District recognized pension expense/(revenue) of $21,288. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,938	$ -
Changes in assumptions or other inputs	2,473	-
Net difference between projected and actual earnings on pension plan investments	(1,133)	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	(4,494)	-
District contributions subsequent to the measurement date	-	-
Total	$ 6,784	$ -

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2024, the beginning of the measurement period ended June 30, 2023 is 4.4 and 4.4 for the measurement period June 30,2024.

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

Year ended June 30:	
2025	$ 3,081
2026	11,639
2027	(2,007)
2028	(1,435)

Actuarial Assumptions

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

5. PENSION PLAN (Continued)

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2023.

Asset Class	2024
Cash	0.00%
Fixed Income	30.00%
US/Global Equity	55.00%
International Equity	15.00%
Total	100.00%

5. PENSION PLAN (Continued)

Discount Rate

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

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$118,622	$62,422	$16,522

Pension plan fiduciary net position

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

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

Payables to the pension plan

At June 30, 2024, the District reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

6. LITIGATION AND CONTINGENT LIABILITIES

No claims or lawsuits are pending against the District.

7. LONG-TERM DEBT

There are no debts or obligations outstanding at year end.

8. RELATED PARTY TRANSACTIONS

The District has not been directly involved in related party transactions that would violate the Idaho Code or Federal Regulations.

9. MATERIAL VIOLATION OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

There are no known violations of direct finance-related legal and contractual provisions.

10. RISK MANAGEMENT

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, and liability coverage through commercial insurance carriers.

11. INTERFUND TRANSACTIONS

During the current fiscal year, the Project fund reimbursed the District $141,059 for project related expenditures.

12. SUBSEQUENT EVENTS

Subsequent events have been considered through the report date of January 9, 2025.

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REQUIRED SUPPLEMENTARY INFORMATION

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - BASE PLAN
Last 10 Fiscal Years*

	PERSI BASE PLAN				
Fiscal Year	Employer's portion of net pension liability	Employer's proportionate share of the net pension liability	Employer's covered employee payroll	Employer's proportional share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.00164512%	$ 64,797	$ 64,878	99.88%	83.09%
2023	0.00312954%	$ 124,890	$ 133,063	93.86%	83.83%
2024	0.00166876%	$ 62,422	$ 81,535	76.56%	85.54%

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

Data reported is measured as of June 30.

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - BASE PLAN
Last 10 Fiscal Years*

	PERSI BASE PLAN				
Fiscal Year	Statutorily Required Contribution	Contribution in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2022	$ 7,746	$ 7,746	$ -	$ 64,878	11.94%
2023	$ 15,888	$ 15,888	$ -	$ 133,063	11.94%
2024	$ 9,143	$ 9,143	$ -	$ 81,535	11.21%

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

Data reported is measured as of June 30.

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
PERSI – BASE PLAN
For the Year Ended June 30, 2024

Methods and Assumptions Used in Calculations of Actuarily Determined Contributions

The actuarially determined contribution rates in the employer's contributions are calculated as of June 30, 2024. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule.

	PERSI Base Plan
Valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Amortization method	Level percentage of projected payroll open
Remaining amortization period	13.5 years
Asset valuation method	Fair Market value
Actuarial assumptions:	
Investment Rate of Return *	6.35%
Projected salary increases including inflation	3.05%
Postretirement benefit increase	1.00%
Implied price inflation rate	2.30%
Discount Rate – Actuarial Accrued Liability	6.35%

* net of investment expenses

OTHER SUPPLEMENTARY INFORMATION

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
BUDGET AND ACTUAL (WITH BUDGET TO GAAP DIFFERENCES)
GENERAL FUND
For the Year Ended June 30, 2024

	BUDGETED AMOUNTS		BUDGETARY
	ORIGINAL	FINAL	BASIS
REVENUES			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental revenues	7,500	7,500	36,845
Charges for services	192,500	192,500	166,297
Fines and forfeitures	-	-	-
Investment interest	-	-	1,968
Miscellaneous and contributions	-	-	1,079
TOTAL REVENUES	200,000	200,000	206,189
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and sanitation	-	-	-
Conservation/economic development	200,000	200,000	194,883
Education	-	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	200,000	200,000	194,883
Excess (deficiency) of revenues over expenditures	-	-	11,306
OTHER FINANCING SOURCES (USES)			
Proceeds from long-term debt	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES AND USES	-	-	-
SPECIAL ITEM			
Proceeds from sale of capital assets	-	-	-
Net change in fund balances	-	-	11,306
Fund Balance, July 1, 2023	55,663	55,663	55,663
FUND BALANCES, June 30, 2024	$ 55,663	$ 55,663	$ 66,969

GAAP DIFFERENCES	GAAP BASIS
$ -	$ -
-	-
-	36,845
-	166,297
-	-
-	1,968
-	1,079
-	206,189
-	-
-	-
-	-
-	-
(4,314)	190,569
-	-
-	-
-	-
-	-
(4,314)	190,569
4,314	15,620
-	-
-	-
-	-
-	-
-	-
4,314	15,620
-	55,663
$ 4,314	$ 71,283

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
BUDGET AND ACTUAL (WITH BUDGET TO GAAP DIFFERENCES)
PROJECTS
For the Year Ended June 30, 2024

	BUDGETED AMOUNTS		BUDGETARY
	ORIGINAL	FINAL	BASIS
REVENUES			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental revenues	802,100	802,100	330,160
Charges for services	-	-	254
Fines and forfeitures	-	-	-
Investment interest	-	-	-
Miscellaneous and contributions	-	-	49,545
TOTAL REVENUES	802,100	802,100	379,959
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and sanitation	-	-	-
Conservation/economic development	802,100	802,100	566,905
Education	-	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	802,100	802,100	566,905
Excess (deficiency) of revenues over expenditures	-	-	(186,946)
OTHER FINANCING SOURCES (USES)			
Proceeds from long-term debt	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES AND USES	-	-	-
SPECIAL ITEM			
Proceeds from sale of capital assets	-	-	-
Net change in fund balances	-	-	(186,946)
Fund Balance, July 1, 2023	168,679	168,679	168,679
FUND BALANCES, June 30, 2024	$ 168,679	$ 168,679	$ (18,267)

GAAP DIFFERENCES	GAAP BASIS
$ -	$ -
-	-
(117,936)	212,224
-	254
-	-
-	-
-	49,545
(117,936)	262,023
-	-
-	-
-	-
-	-
(157,992)	408,913
-	-
-	-
-	-
-	-
(157,992)	408,913
40,056	(146,890)
-	-
-	-
-	-
-	-
-	-
40,056	(146,890)
-	168,679
$ 40,056	$ 21,789

LEMHI SOIL AND WATER CONSERVATION DISTRICT - STATE OF IDAHO
NOTES TO THE OTHER SUPPLEMENTARY INFORMATION
BUDGET TO ACTUAL
For the Year Ended June 30, 2024

1. Lemhi Soil and Water Conservation District – State of Idaho does not have a legally adopted budget.

2. The adopted budget for the Lemhi Soil and Water Conservation District – State of Idaho is based on the cash basis of accounting. Adjustments to the modified accrual basis of accounting are listed as GAAP differences.

3. Higher operating expenses may be reflected on the GAAP basis if equipment or infrastructure was purchased at year-end with a partial payment budgeted in the current year and an account payable booked to reflect the final payment in the subsequent year's budget.

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Directors
Lemhi Soil and Water Conservation District
Salmon, 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 the governmental activities and each major fund of Lemhi Soil and Water Conservation District, State of Idaho, 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 January 9, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lemhi Soil and Water Conservation District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lemhi Soil and Water Conservation District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Lemhi Soil and Water Conservation District's internal control over financial reporting.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lemhi 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 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*.

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Idaho Falls • Rexburg

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 result of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Searle Hart + Associates PLLC

Idaho Falls, Idaho
January 9, 2025