SOUTH BINGHAM SOIL CONSERVATION DISTRICT
A SUBDIVISION OF THE STATE OF IDAHO

ANNUAL FINANCIAL STATEMENTS

JUNE 30, 2024

DEATON & COMPANY

Certified Public Accountants

SOUTH BINGHAM SOIL CONSERVATION DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
South Bingham Soil Conservation District
Pocatello, 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 South Bingham Soil Conservation District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise South Bingham Soil Conservation 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 South Bingham Soil Conservation District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of South Bingham Soil 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.

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 South Bingham Soil 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 South Bingham Soil 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 South Bingham Soil 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

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and pension schedules listed in the table of contents to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 21, 2025, on our consideration of the South Bingham Soil 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 South Bingham Soil 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 South Bingham Soil Conservation District's internal control over financial reporting and compliance.

Denton & Company

Pocatello, Idaho
February 21, 2025

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	Governmental Activities
	2024
ASSETS	
Cash and cash equivalents	$ 78,179
Accounts receivable	8,387
Total assets	86,566
Lease receivable	389,295
Capital assets, net of accumulated depreciation	204,519
	680,380
DEFERRED OUTFLOW OF RESOURCES	
Deferred outflows - pension	24,547
LIABILITIES	
Current liabilities	
Accounts payable	13,177
Payroll related liabilities	4,010
Total liabilities	17,187
Non-current liabilities	
Net pension liability	50,253
	67,440
DEFERRED INFLOW OF RESOURCES	
Lease deferrals	372,686
	372,686
NET POSITION	
Net investment in capital assets	204,519
Unrestricted	60,282
Total net position	$ 264,801

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

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Function/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue Revenue and Changes Net Position 2024 Governmental Activities
GOVERNMENTAL ACTIVITIES				
General administration	$ 115,296	$ 44,910	$ 37,121	$ (33,265)
Land conservation projects	121,817	-	133,999	12,182
Total governmental activities	$ 237,113	$ 44,910	$ 171,120	$ (21,083)
General revenues:				
State and local aid not restricted to specific purposes				21,512
Interest and investment earnings				15,810
Total general revenues				37,322
Changes in net position				16,239
Beginning net position				248,562
Ending net position				$ 264,801

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

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund
ASSETS	
Cash and cash equivalents	$ 78,179
Accounts receivable	8,387
	86,566
Lease receivable	389,295
Total assets	$ 475,861
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	$ 13,177
Payroll related liabilities	4,010
Total liabilities	17,187
DEFERRED INFLOWS OF RESOURCES	
Lease deferrals	372,686
Total deferred inflows of resources	372,686
Fund Balances:	
Unassigned	85,988
Total fund balances	85,988
Total liabilities and fund balances	$ 475,861

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

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENTS OF NET POSITION
JUNE 30, 2024

	2024
Total *fund* balances for governmental funds	$ 85,988
Total *net position* reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	
Cost of capital assets	391,950
Depreciation expense to date	(187,431)
	204,519
Deferred outflows - Pension related deferrals	24,547
Deferred inflows - Pension related deferrals	-
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Net pension liability	(50,253)
Total net position of governmental activities	$ 264,801

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

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund
REVENUES	
County appropriations	$ 3,000
Farm lease	21,605
Hay and straw income	21,199
Interest	15,810
State appropriations	18,512
Sales	2,106
PMC grant reimbursement	37,121
Grant income	133,999
Total revenues	253,352
EXPENDITURES	
Current	
General administration	108,153
Land conservation projects	121,817
Capital outlay	65,547
Total expenditures	295,517
NET CHANGE IN FUND BALANCE	(42,165)
BEGINNING FUND BALANCE	128,153
ENDING FUND BALANCE	$ 85,988

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

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	2024
Net changes in *fund balances* - total government funds	$ (42,165)
The change in *net position* reported for governmental activities in the statement of activities is different because:	
Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	
Pension expense in excess of contributions	(6,615)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is excess of capital outlays over (under) depreciation expense in the current period.	
Capitalized assets	65,547
Depreciation expense	(528)
	65,019
Net adjustment	58,404
Change in net position of governmental activities	$ 16,239

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of South Bingham Soil Conservation District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

A. Reporting Entity

The District is a governmental subdivision of the State of Idaho. The District was created under the laws of the State of Idaho to provide supervision, assistance and educational programs related to wind erosion of the South Bingham area farm, ranch, range, and forest lands. Members of the Board of Supervisors are elected by the public.

The South Bingham Soil Conservation District's Board of Supervisors has control over the operations of the District.

In the evaluation of how to define the District, for the financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made using criteria set forth in the accounting principles generally accepted in the United States of America. All funds and activities of the District are included in the basic financial statements. Using the above criteria, the District has no component units.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the district. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal balances and transfers. These statements distinguish between the *governmental and business-type* activities of the District. Governmental activities are generally financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. All activities of the District are currently classified as governmental activities.

The statement of activities presents a comparison between direct expenses and direct revenues and for each function of the District's governmental activities. 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, fines, and charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of the particular program. Revenues that are not classified as programs revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of presentation, Basis of Accounting, continued

Proprietary fund operating revenues, such as charges for services, 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 revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Thus, it is always considered a major fund.

Measurement Focus, Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements: The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Nonexchange 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. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Government Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures in the governmental funds when paid for. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

The District reports grants received in advance on its governmental funds balance sheet. Grants received in advance arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue criteria are met, the revenue is recognized. Additionally, for both the government-wide and funds financial statements, certain grant revenues are only recognized to the extent they have been used for qualifying expenditure; any excess revenues are thus reported as grants received in advance.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. All governmental activities of the District follow GASB issued standards.

The District does not maintain an encumbrance system, but in lieu of, exercises control through the administration of the budget process.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of presentation, Basis of Accounting, continued

Net position is the difference between assets and deferred outflows less liabilities and deferred inflows. Net investments in capital assets are capital assets, less accumulated depreciation and any outstanding debt related to the acquisition, construction, or improvement of those assets. Net positions are reported as restricted when there are legal limitations that are imposed on their use by the District, or external restrictions by other governments, creditors or grantors. When expenses are incurred for purposes for which both restricted and unrestricted net position is available, restricted net position is applied first.

C. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require the District 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 expenditures during the reporting period. Actual results could differ from those estimates.

D. Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of the District Charter, the State Code, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed - Amounts than can be used only for specific purposes determined by a formal action at the highest level of decision-making authority and required formal action at the same level to remove. This is done by a Board of Supervisors resolution approved by the Board of Supervisors. This includes any budget reserve account.

Assigned - Amounts that are designated by the Board of Supervisors for a particular purpose but are not spendable until a budget is passed or there is a majority vote approval (for capital projects or debt service) by the Board of Supervisors.

Unassigned - All amounts not included in other spendable classifications.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications—committed and then assigned fund balances before using unassigned fund balances.

E. Capital Assets and Depreciation

Capital assets purchased or acquired with an original cost of $500 or more are reported at historical costs or estimated historical costs. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred. Depreciation on assets is provided on the straight-line (SL) method over five to ten years. Historical cost of assets acquired prior to July 29, 2005, have been estimated.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 - CASH AND INVESTMENTS

Deposits with financial institutions include bank demand deposits as authorized by Idaho statutes. Bank balance for cash and investments for all funds consist of the following at years end:

Cash-demand deposits	$ 79,198
	$ 79,198

Custodial credit risk is the risk that, in the event of a bank failure, the district's deposits may not be returned to it. The district does not have a deposit policy for custodial credit risk. As of June 30, 2024, the District's bank balance of $79,198 was fully insured.

Credit Risk: Risk is expressed in terms of the credit quality ratings issued by rating agencies. The investment pool is unrated.

Investments

Idaho statutes authorized districts to invest in obligations of the United States Treasury, agencies and instrumentalities of the United States, repurchase agreements, interest-bearing bonds of any city, county, district or municipality in Idaho, tax anticipation notes, time deposits accounts in state depositories, accounts in financial institutions, and the State of Idaho's Joint Exercise of Powers Act Investment Pool. The District's investment policy complies with state statutes.

The Joint Exercise of Powers Act Investment Pool is managed by the State of Idaho Treasurer's office. The funds of the pool are invested in certificates of deposit, repurchase agreement, and U.S. government securities. The certificates of deposits are federally insured. The U.S. government securities and the collateral for the repurchase agreement are held in trust by a safekeeping bank. Interest income earned on pooled investments is allocated to the various funds of the District in proportion to each fund's respective investment balances. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments.

Statement 3 of the Government Accounting Standards Board requires government entities disclose the level of risk assumed on deposit and investment balances.

Statement 40 of the Government Accounting Standards Board requires more comprehensive disclosure requirements addressing other common risks of the deposits and investment of governmental entities. As of June 30, 2024, the District did not hold any investments that require disclosure. The District has chosen to recognize the monies held at the Local Government Investment Pool as cash.

NOTE 3 - CONTINGENT LIABILITIES

Grants

As a recipient of various federal funds, the District is subject to the audit of these programs that could result in disallowance of grant expenditures. The District is unaware of any disallowances and expects such amounts, if any, to be immaterial.

Litigation

The District may periodically be the defendant in a lawsuit arising principally in the normal course of operations. In the opinion of the Administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and accordingly, no provision for losses has been recorded.

NOTE 4 - 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.

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

Pension Benefits

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

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

NOTE 4 - PENSION PLAN - continued

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2024 it was 7.18% for general employees and 10.83% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.96% general employees and 14.65% for police and firefighters. The District's contributions were $6,240 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, 2023, 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, 2023, the District's proportion was 0.00125926 percent.

For the year ended June 30, 2024, the District recognized pension expense (revenue) of $12,855. 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	$ 4,717	$ -
Changes in assumptions or other inputs	4,976	-
Net difference between projected and actual earnings on pension plan investments	8,614	-
District's contributions subsequent to the measurement date	6,240	-
Total	$ 24,547	$ -

The amount of $6,240 is reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2022, the beginning of the measurement period ended June 30, 2022, is 4.6 years and 4.6 for the measurement period June 30, 2023.

NOTE 4 - PENSION PLAN - continued

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

Year Ending June 30,	
2025	$ 6,511
2026	3,059
2027	9,517
2028	(780)
2029	-

Actuarial Assumptions

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

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05
Investment rate of return	6.35%, net of investment expenses
Cost-of-living adjustments	1%

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021.

Contributing Members, Service Retirement Members, and Beneficiaries

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

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.

NOTE 4 - PENSION PLAN - continued

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Asset Class	Target allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.00%
Large Cap	18%	4.50%
Small/Mid Cap	11%	4.70%
International Equity	15%	4.50%
Emerging Markets Equity	10%	4.90%
Domestic Fixed	20%	-0.25%
TIPS	10%	-0.30%
Real Estate	8%	3.75%
Private Equity	8%	6.00%

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher 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)	$ 90,382	$ 50,253	$ 17,455

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.

NOTE 5 - SUBSEQUENT EVENTS

Subsequent events were evaluated up to February 21, 2025, the date the financial statements were available to be issued.

NOTE 6 - DISTRICT AS LESSOR

The District is the lessor in on property of approximately 45 acres (Home Farm) plus improvements, associated shop and storage buildings, and 37 acres, land only (Pearl Farm) located in Aberdeen, Idaho. The lease term is for twenty years. The agreement is for monthly installments of $2,375 for the first ten years and then $2,540 monthly installments for the second ten years. During the fiscal year, the District recognized $21,604 in lease revenue and $12,928 in interest income related to these agreements. At June 30, 2024, the District recorded $389,295 in lease receivables for these arrangements. Also, the District has a deferred inflows of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2024, the balance of deferred inflows of resources was $372,686.

Year ending June 30,	Principal	Interest	Total
2025	$ 16,086	$ 12,414	$ 28,500
2026	16,617	11,883	28,500
2027	17,165	11,335	28,500
2028	17,731	10,769	28,500
2029	18,316	10,184	28,500
2030-2034	106,739	41,206	147,945
2035-2039	130,593	21,807	152,400
2040-2044	66,048	2,534	68,582
Total	$ 389,295	$ 122,132	$ 511,427

REQUIRED SUPPLEMENTARY INFORMATION

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
REVENUES	Original	Final	Amounts	(Negative)
County appropriations	$ 3,000	$ 3,000	$ 3,000	$ -
Farm lease	28,500	28,500	21,605	(6,895)
Hay and straw income	20,000	20,000	21,199	1,199
Interest income	500	500	15,810	15,310
State of Idaho	17,000	17,000	18,512	1,512
Sales	2,000	2,000	2,106	106
PMC grant reimbursement	59,400	59,400	37,121	(22,279)
Refunds and rebates	50	50	-	(50)
Seed cleaning	1,000	1,000	-	(1,000)
WQPA grant	-	133,999	133,999	-
Total revenues	131,450	265,449	253,352	(12,097)
EXPENDITURES				
Training	200	200	-	200
Payroll	28,000	28,000	28,542	(542)
PMC grant	54,000	54,000	47,261	6,739
M&O: administrative expenses	5,000	5,000	7,772	(2,772)
M&O: Property management/purchase	40,000	40,000	8,118	31,882
Travel	5,000	5,000	4,457	543
Hay expense	2,000	2,000	4,408	(2,408)
Public outreach	3,000	3,000	2,381	619
Tree expense	4,000	4,000	1,754	2,246
Miscellaneous expense	1,000	1,000	1,000	-
Fees	100	100	-	100
Project expense	2,000	121,817	121,817	-
Dues	4,000	4,000	2,460	1,540
Capital outlay	-	-	65,547	(65,547)
Total expenditures	148,300	268,117	295,517	(27,400)
EXCESS REVENUES (EXPENDITURES)	$ (16,850)	$ (2,668)	(42,165)	$ (39,497)
BEGINNING FUND BALANCE			128,153	
ENDING FUND BALANCE			$ 85,988	

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

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
JUNE 30, 2024

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

	June 30, 2023	June 30, 2022
Employer's portion of net the pension liability	0.001259%	0.001129%
Employer's proportionate share of the net pension liability (asset)	$ 50,253	$ 50,827
Employer's covered-employee payroll	$ 53,543	$ 50,888
Employer's proportional share of the net pension liability as a percentage of its covered employee payroll	93.86%	99.88%
Plan fiduciary net position as a percentage of the total pension liability	83.83%	83.09%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for the years for which information is available.

Data reported is measured as of June 30, 2023.

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

	June 30, 2024	June 30, 2023
Statutorily required contribution	$ 6,240	$ 6,393
Contributions in relation to the statutorily required contribution	6,240	6,393
Contribution (deficiency) excess	$ -	$ -
Employer's covered-employee payroll	$ 55,814	$ 53,543
Contributions as a percentage of covered-employee payroll	11.18%	11.94%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for the years for which information is available.

Data is reported is measured as of June 30, 2024.

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

Budgetary Basis of Accounting

The District's budget is prepared using the modified accrual basis of accounting and are adopted on a basis consistent with generally accepted accounting principles.

The District's expenditures exceeded the budgeted amount. The District used additional revenues and beginning fund balance to cover the excess expenditures.

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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*

To the Board of Supervisors
South Bingham Soil Conservation District
Aberdeen, 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 South Bingham Soil Conservation District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise South Bingham Soil Conservation District's basic financial statements and have issued our report thereon dated February 21, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered South Bingham Soil 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of South Bingham Soil Conservation District's internal control. Accordingly, we do not express an opinion on the effectiveness of South Bingham Soil 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 certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies [2024-001 and 002].

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether South Bingham Soil 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.

South Bingham Soil Conservation District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on South Bingham Soil Conservation District's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. South Bingham Soil 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.

Deaton & Company

Pocatello, Idaho
February 21, 2025

SOUTH BINGHAM SOIL CONSERVATION DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2024

Findings of Significant Deficiency And Responses

2024-001 The District's internal control system does not currently require the entity to employ a person with the qualifications and training necessary to prepare the District's financial statements, notes, and required supplementary information in accordance with generally accepted accounting principles. The auditing firm was requested to draft the financial statements, notes, and required supplementary information to the financial statements. This circumstance is not unusual in an organization of this size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Management Response

Management believes the above significant deficiency is not material and the cost of providing an individual as described above would outweigh the benefits.

2024-002 The South Bingham Soil Conservation District has a lack of segregation of duties. There are a limited number of employees at the South Bingham Soil Conservation District resulting in an inadequate separation of financial duties. Good internal control requires that the same person cannot perform all of the following accounting functions 1) authorize transactions, 2) have custody of assets, 3) record transactions, or 4) reconcile accounts. Although it was noted the board approves the disbursements, we were unable to verify with written documentation. The lack of ideal segregation of duties may increase the risk that loss of assets would not be detected and prevented in a timely manner in the normal course of operations.

Management Response

Management will review controls and procedures.