MINIDOKA IRRIGATION DISTRICT

Basic Financial Statements

October 31, 2024

MINIDOKA IRRIGATION DISTRICT

BASIC FINANCIAL STATEMENTS

For the Year Ended October 31, 2024

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FINANCIAL SECTION

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

Members of the American Institute of CPA's
and the Idaho Society of CPA's
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Minidoka Irrigation District
Rupert, Idaho

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Minidoka Irrigation District, as of and for the year ended October 31, 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 the major fund of the District, as of October 31, 2024, and the respective changes in financial position and budgetary comparison information for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 schedules of employer's share of net pension liability and of employer contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Poulsen VanLeuven & Catmull

Poulsen VanLeuven & Catmull P.A.

Burley, Idaho
December 9, 2024

MINIDOKA IRRIGATION DISTRICT

Statement of Net Position
October 31, 2024

	Governmental Activities
ASSETS	
Cash & Investments - Note 1	$ 586,294
Receivables:	
Assessments	44,284
Interest	2,323
Other Receivables	2,724
Prepaid Expenses	30,478
Inventory - Note 1	393,843
Capital Assets - Note 3:	
Land	51,043
Water Rights	12,684,631
Other Capital Assets, Net of Depreciation	1,595,602
Total assets	15,391,222
DEFERRED OUTFLOWS OF RESOURCES	
Pension obligations	329,731
Total Deferred Outflows of Resources	329,731
LIABILITIES	
Accounts Payable and Accrued Expenses	247,470
Interest Payable	3,027
Long-Term Liabilities - Note 4:	
Due Within One Year	65,172
Due in More Than One Year	98,887
Net pension liability	1,339,078
Total liabilities	1,753,634
DEFERRED INFLOWS OF RESOURCES	
Employer pension assumption	108,636
Total Deferred Inflows of Resources	108,636
NET POSITION	
Net Investment in Capital Assets	14,167,217
Restricted for Debt Service	-
Unrestricted	(308,534)
Total Net Position	$ 13,858,683

See accompanying notes to the financial statements

MINIDOKA IRRIGATION DISTRICT

Statement of Activities
For the Year Ended October 31, 2024

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Total Governmental Activities
Governmental Activities:					
Irrigation	5,847,497	8,126	225,929	-	$ (5,613,442)
Interest Expense	3,243	-	-	-	(3,243)
Total Governmental Activities	5,850,740	8,126	225,929	-	(5,616,685)
		General Revenues			
		Assessments & Penalties			3,920,149
		Investment Earnings			56,071
		Water Rental			1,484,552
		Miscellaneous			34,274
		Gain on Sale or Disposal of Capital Assets			-
		Total General Revenues and Transfers			5,495,046
		Change in Net Position			(121,639)
		Net Position Beginning of Year			13,980,322
		Net Position End of Year			$ 13,858,683

See accompanying notes to the financial statements

MINIDOKA IRRIGATION DISTRICT

Balance Sheet
Governmental Funds
October 31, 2024

	General Fund
ASSETS	
Cash & investments	$ 586,294
Assessments receivable	44,284
Other receivables	2,724
Prepaid expenses	30,478
Interest receivable	2,323
Inventory	393,843
Total assets	$ 1,059,946
LIABILITIES AND FUND EQUITY	
Liabilities	
Accounts payable	$ 144,897
Accrued liabilities	102,573
Total liabilities	247,470
Fund Balances	
Nonspendable - inventory and prepaid expenses	424,321
Committed for debt service	-
Committed for capital improvements	980,005
Assigned for spillway construction	-
Unassigned	(591,850)
Total fund balances	812,476
Total liabilities and fund balances	$ 1,059,946

See accompanying notes to the financial statements.

MINIDOKA IRRIGATION DISTRICT

Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
October 31, 2024

Total Governmental Fund Balances		$ 812,476
Amounts reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resourses and therefore are not reported in the funds.		14,331,276
Long-term liabilities, including accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds.		
Contracts payable		(164,059)
Accrued interest payable		(3,027)
Some liabilities, including pension obligations (liability) are not due and payable in the current period and, therefore are not reported in the funds, but are reported on the Statement of Net Position.		(1,339,078)
Balances at year end:		
Deferred outflows of resources pension expense	266,241	
Deferred outflow of current year employer contributions	63,490	
		329,731
Deferred inflows or resources related to pensions.		(108,636)
Net Position of Governmental Activities		$ 13,858,683

See accompanying notes to the financial statements.

MINIDOKA IRRIGATION DISTRICT

Statement of Revenues, Expenditures, and
Changes in Fund Balance
Governmental Funds
For the Year Ended October 31, 2024

	General Fund
REVENUES:	
O&M assessments & penalties (net of discounts of $117,486)	$ 3,146,261
Capital improvement assessments	773,888
Grant revenue	225,929
Interest income	56,071
Rental income	3,408
Water rental income	1,484,552
Sale of assets	-
Miscellaneous	38,992
Total revenues	5,729,101
EXPENDITURES:	
Salaries and payroll taxes	1,943,822
Temporary help	81,868
Administrative	34,135
Insurance and bonds	772,677
Employee benefits	43,741
Retirement	201,371
Professional fees	146,678
Telephone	28,821
Office supply and printing	39,195
Dues and memberships	23,178
O&M storage	377,508
Water District #1	57,646
Southside operation	12,646
Miscellaneous	31,130
Repair and maintenance	582,855
Gas, oil and lubricants	168,491
Electric power and heat	80,495
Shop supplies	10,110
Equipment & capital outlay	52,377
Chemical and moss removal	624,533
Debt service - principal	103,899
Debt service - interest	9,154
Employee workshop & travel	18,561
Grant money expenses	228,016
Total expenditures	5,672,907
Excess (deficiency) of revenues over expenditures	56,194
OTHER FINANCING SOURCES (USES)	
Proceeds from equipment lease	-
Spillway replacement costs	-
Total other financing sources and uses	-
Net change in fund balances	56,194
Fund balance - beginning	756,282
Fund balance - ending	$ 812,476

See accompanying notes to the financial statements.

MINIDOKA IRRIGATION DISTRICT

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended October 31, 2024

Net Change in Fund Balances - Total Governmental Funds		$ 56,194
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 as depreciation expense. This is the amount of capital outlay less depreciation expense in the current period:		
Capital Outlay	$ 166,506	
Depreciation expense	(206,765)	
		(40,259)
Because governmental funds report capital outlays as expenditures, when capital assets are sold the proceeds are recorded as revenue. In the statement of activities, a gain or loss on the sale of the asset is reported based on net proceeds and adjusted basis of the asset.		
Difference in gain or loss on sale or disposal of capital assets		-
The issuance of long-term debt provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Repayment of loan principal		103,889
Issuance of new debt		-
In the statement of activities, interest is accrued on outstanding debt, whereas in government funds, interest is expensed when due.		5,911
In the Governmental Funds, pension contributions are considered an expense, while on the statements of activities the contributions are considered a deferred outflow.		(247,374)
Change in Net Position of Governmental Activities		$ (121,639)

See accompanying notes to the financial statements.

MINIDOKA IRRIGATION DISTRICT

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended October 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget: Favorable (Unfavorable)
Revenues:				
O&M assessments & penalties (net of discounts)	$ 3,138,714	$ 3,138,714	$ 3,146,261	$ 7,547
Spillway assessments	773,888	773,888	773,888	-
Grant revenue	1,617,265	1,617,265	225,929	(1,391,336)
Interest income	41,500	41,500	56,071	14,571
Rental income	-	-	3,408	3,408
Water rental income	1,275,669	1,275,669	1,484,552	208,883
Carry over funds	362,134	362,134	-	(362,134)
Sale of assets	10,000	10,000	-	(10,000)
Miscellaneous	26,000	26,000	38,992	12,992
Total revenues	7,245,170	7,245,170	5,729,101	(1,516,069)
Expenditures:				
Salaries and payroll taxes	2,033,760	2,033,760	1,943,822	89,938
Temporary help	85,000	85,000	81,868	3,132
Administrative	32,000	32,000	34,135	(2,135)
Insurance and bonds	863,500	863,500	772,677	90,823
Employee benefits	40,500	40,500	43,741	(3,241)
Retirement	205,995	205,995	201,371	4,624
Professional fees	91,610	91,610	146,678	(55,068)
Telephone	27,000	27,000	28,821	(1,821)
Office supply and printing	30,757	30,757	39,195	(8,438)
Dues and memberships	23,178	23,178	23,178	-
O&M storage	377,508	377,508	377,508	-
Water District #1	49,000	49,000	57,646	(8,646)
Southside operation	12,625	12,625	12,646	(21)
Miscellaneous	52,340	52,340	31,130	21,210
Repair and maintenance	819,134	819,134	582,855	236,279
Gas, oil and lubricants	175,000	175,000	168,491	6,509
Electric power and heat	90,000	90,000	80,495	9,505
Shop supplies	11,500	11,500	10,110	1,390
Equipment & capital outlay	528,579	528,579	52,377	476,202
Chemical and moss removal	750,000	750,000	624,533	125,467
Debt service - principal	-	-	103,899	(103,899)
Debt service - interest	-	-	9,154	(9,154)
Employee workshop & travel	26,000	26,000	18,561	7,439
Grant money expenses	920,184	920,184	228,016	692,168
Total expenditures	7,245,170	7,245,170	5,672,907	1,572,263
Excess (deficiency) of revenues over expenditures	-	-	56,194	56,194
OTHER FINANCING SOURCES (USES)				
Proceeds from equipment lease	-	-	-	-
Spillway replacement costs	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	-	-	56,194	56,194
Fund balance - beginning	756,282	756,282	756,282	-
Fund balance - ending	$ 756,282	$ 756,282	$ 812,476	$ 56,194

See accompanying notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Minidoka Irrigation District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of the District are described below.

A. Reporting Entity

The District was created in 1909 as a political subdivision of the State of Idaho, organized under State law by landowners within the District who owned land susceptible to irrigation from a common source and system. The District presently makes assessments for operations and maintenance costs against 77,213.67 acres. The District is governed by a board of directors which has governing responsibility over all of the activities related to the District. The board is responsible for approving the budget, establishing spending limitations, funding any deficits and borrowing funds. There are no other boards, councils, or component units for which the District exercises authority.

B. Government-Wide Financial Statements

The government-wide financial statements, which are the statement of net position and the statement of activities, report information on all of the nonfiduciary activities of the primary government. This District reports only governmental activities and has no business-type or fiduciary activities.

The statement of net position presents the financial condition of the governmental activities for the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

C. Fund Financial Statements

The District maintains only one fund, the General fund, which presents all activities of the District. Accordingly, the General fund is the only major fund and there are no non-major funds.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when

The District reports the following major governmental funds:

The General Fund is the District's operating fund. It accounts for all financial resources of the District.

Amounts reported as program revenues include charges to customers for goods and services, operating grants and contributions, and capital grants and contributions.

E. Deposits and Investments

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District has no deposit policy for custodial credit risk. At year end, the District had no deposits that were exposed to custodial credit risk because they were uninsured or uncollateralized.

Investments: Custodial credit risk, in the case of investments, is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the District held the following investments:

Investment Type	Fair Value	Weighted Avg Maturity (days)
Idaho State Local Government Investment Pool	$ 572,335	84

These investments are unrated external investment pools sponsored by the Idaho State Treasurer's Office. They are classified as "Investments in an External Investment Pool" and are exempt from custodial credit risk and concentration of credit risk reporting. Interest rate risk is summarized as follows: Asset-backed securities are reported using weighted average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the District voluntarily participates. 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. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name. And the fair value of the District's position in the external investment pool is the same as the value of the pool shares.

Credit Risk: The District's policy is to comply with Idaho State statutes which authorize the District to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued by the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or taxing district in the State, time deposits, savings deposits, revenue bonds of institutions of higher education, and the State Treasurer's Investment Pools.

F. Inventory

Inventories are valued at cost. The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories are reported as an asset at year end. Reported inventories in the General Funds are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation even though they are a component of reported assets.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. water system improvements, pumps, headgates) are reported in the governmental activities column in the government-wide financial statements. All material fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair value on the date donated. When an asset is disposed of, cost and related accumulated depreciation is removed, and any gain or loss arising from its disposal is credited or charged to operations. The cost 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.

Depreciation of all exhaustible fixed assets is charged as an expense against operations in the statement of activities. Capital assets are reported net of accumulated depreciation on the statement of net assets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	25-40 years
Improvements	10-45 years
Equipment	3-10 years

H. Long-Term Liabilities

Long-term liabilities consist of notes, and other indebtedness including material liabilities associated with compensated absences. In the government-wide financial statements, long-term obligations are reported as liabilities of the applicable governmental activity.

I. Budgets and Budgetary Accounting

Formal budgetary accounting is employed as a management control for all funds of the District. Annual operating budgets are adopted each fiscal year through passage of an annual budget and amended as required for the General Fund, and the same basis of accounting is used to reflect actual revenues and expenditures recognized on a generally accepted accounting principles basis.

J. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

Accumulated unpaid vacation, sick pay, and other employee benefits have not been accrued in the financial statements. The amount of the liability is not considered material to the financial statements.

K. Encumbrances

Encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because it is not considered necessary at present to assure effective budgetary control or to facilitate effective cash planning and controls.

L. Fund Classifications

Fund Balance Reserves - The District has adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement establishes criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the District to classify and report amounts in the appropriate fund balance classifications. The District's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned or unassigned.

The District reports the following classifications as applicable:

Non-spendable Fund Balance - Non-spendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form - such as inventory or prepaid insurance, or (b) legally or contractually required to be maintained intact - such as a trust that must be retained in perpetuity.

Restricted Fund Balance - Restricted fund balances are amounts that cannot be spent because they are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions are placed on fund balances when legally enforceable legislation establishes a specific purpose for the funds. Legal enforceability means that the District can be compelled by an external party (e.g. citizens, public interest groups, the judiciary) to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed Fund Balance - Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the Board. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by: (a) the secretary/treasurer, or (b) an appointed body (e.g. a budget or finance committee) or an official to which the Board has delegated the authority to assign, modify, or rescind amounts to be used for specific purposes. Assigned fund balance includes: (a) all remaining amounts that are reported in governmental funds (other than the general fund) that are not classified as non-spendable, restricted, or committed, and (b) amounts in the general fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, are assigned for purposes in accordance with the nature of their fund type. Assignment within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the general fund. This classification represents general fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the general fund.

M. 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 as of the date of the financial financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

N. Application of Restricted or Unrestricted Resources
The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

O. 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: ASSESSMENTS RECEIVABLE

The 2023 assessment rate per acre was $42.00 plus $10.00 for construction for the North side and $41.75 plus $10.00 for construction for the South side. The same rate applies for primary water rights acreage. Minimum assessment was $55.00 plus $10.00 for construction. The District offers a 5% discount for O&M charges (not construction charges) paid on or before March 1.

The assessments receivable are stated at the full value, with no allowance for doubtful accounts being considered necessary as tax deeds are taken on all assessments that are three years delinquent. The aged balances as of October 31, 2024 are as follows:

Year of Assessment	Receivable
2023	34,062
2022	9,276
2021	946
2020	-
Totals	$ 44,284

NOTE 3: CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance 10/31/2023	Addition	Deletion	Balance 10/31/2024
Governmental Activities				
Equipment & Machinery	$ 2,485,520	$ -	$ -	$ 2,485,520
Infrastructure	711,546	129,397	-	840,943
Buildings	139,307	37,109	-	176,416
Non-Depreciable Assets				
Water Rights	12,684,631	-	-	12,684,631
Land	51,043	-	-	51,043
	16,072,047	166,506	-	16,238,553
Accumulated Depreciation:				
Equipment & Machinery	1,454,515	158,805	-	1,613,320
Infrastructure	135,829	43,330	-	179,159
Buildings	110,168	4,630	-	114,798
	1,700,512	206,765	-	1,907,277
Net Book Value:				
Equipment & Machinery	1,031,005	(158,805)	-	872,200
Infrastructure	575,717	86,067	-	661,784
Buildings	29,139	32,479	-	61,618
Non-Depreciable Assets				
Water Rights	12,684,631	-	-	12,684,631
Land	51,043	-	-	51,043
	$ 14,371,535	$ (40,259)	$ -	$ 14,331,276

All depreciable capital assets are being depreciated using the straight-line method over the respective estimated lives described in Note 1. The District has elected not to retroactively report infrastructure assets. Therefore, only infrastructure assets acquired or significantly improved subsequent to October 31, 2003 are reported by the District. Infrastructure assets not reported consist mainly of canal improvements and headgates.

NOTE 4: LONG-TERM LIABILITIES

The District's long-term liabilities as of the end of the fiscal year consist of the following:

DL Evans Bank - the District leased a Kubota Excavator on March 12, 2021. The lease purchase calls for annual payments of $18,750 for 4 years beginning March 1, 2022. The lease includes an interest component at a rate of 3.520%.

DL Evans Bank - the District leased a 2018 Volvo Excavator in November 2018. The lease purchase calls for annual payments of $41,620 for 5 years beginning November 2019. Interest in being compounded annually at a rate of 4.74%. The final payment was made during the fiscal year ended October 31, 2024.

DL Evans Bank - the District leased a 2021 Hitachi Excavator in March 2022. The lease purchase calls for annual payments of $51,565 for 5 years beginning November 2022. Interest in being compounded annually at a rate of 3.172%.

The following is a summary of maturities and funding requirements:

FYE October 31,	Principal	Interest	Total
2025	65,172	5,253	70,425
2026	48,442	3,122	51,564
2027	50,445	1,586	52,031
2028	-	-	-
2029	-	-	-
2030 - 2034	-	-	-
Total	$ 164,059	$ 9,961	$ 174,020

A summary of changes in long-term liabilities is as follows:

Contract	Balance at 10/31/2023	Additions	Reductions	Balance at 10/31/2024
DL Evans Bank	35,789	-	(17,570)	18,219
DL Evans Bank	191,349	-	(45,509)	145,840
DL Evans Bank	40,810	-	(40,810)	-
	$ 267,948	$ -	$ (103,889)	$ 164,059

NOTE 5: LITIGATION, CONTINGENT LIABILITIES AND COMMITMENTS

Water Call and Ground Water Management Area: The District remains active in an administrative hearing pertaining to a call on its water rights against junior ground water users. In addition, the Director issued an order establishing a Ground Water Management Area over the Eastern Snake River Plain Aquifer. The District will be actively involved in the development of a Ground Water Management Area Plan. Other than costs incurred as a result of the District's involvement with the development of the plan, there is no potential liability to the District as a result of these proceedings.

Administrative Proceedings: The District is involved in several administrative proceedings pertaining to its water rights and seeking to protect its water rights. Other than the costs incurred in litigation, there is no potential liability to the District as a result of these proceedings.

NOTE 6: RISK MANAGEMENT/INSURANCE COVERAGE

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District has transferred most of its risk by purchasing commercial insurance through the Idaho State Insurance Fund and the Idaho Counties Reciprocal Management Program (ICRMP). The coverage through ICRMP, which expires October 1 but is renewed annually, includes coverage for Property, General Liability, Automobile Liability, Errors & Omissions, Crime, Machinery Breakdown and Chemical Spraying Activities

NOTE 7: RETIREMENT 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% 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.

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. As of June 30, 2024 it was 6.71%. The employer contribution rate is set by the Retirement Board and was 11.18% of covered compensation. The District's contributions were $201,371 for the year ended October 31, 2024.

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

At year end, 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 .03579804 percent.

For the year ended October 31, 2024, the District recognized pension expense (revenue) of $(247,375). At October 31, 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	213,194	
Changes in assumptions or other inputs	53,047	
Net difference between projected and actual earnings on pension plan investments	(24,306)	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions		108,636
District contributions subsequent to the measurement date	63,490	
Total	$ 305,425	$ 108,636

The $63,490 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 October 31, 2024.

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 4.6 and 4.6 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 expense (revenue) as follows:

Year ended October 31	
2024	80,827
2025	249,674
2026	(43,056)
2027	(30,776)

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, 2022 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	6.35%	, net of investment expenses
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%
Disabled Members - Males Pub - 2010 Disabled Tables, increased 38%
Disabled Members - Females Pub-2010 Disabled 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 other than 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 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. The capital market assumptions are as of 2024.

Asset Class	**DB Plans**	**Sick Leave**
Fixed Income	30.00%	50.00%
US/Global Equity	55.00%	39.30%
International Equity	15.00%	10.70%
Cash	0.00%	0%
Total	100.00%	100.00%

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 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 (5.35 percent) or 1-percentage-point higher (7.35 percent) 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)	2,544,665	1,339,078	354,420

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 year end the District reported no payables to the defined benefit pension plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 8: COMMITTED AND ASSIGNED FUND BALANCE

The Board has committed the Capital Improvement Fund assessment to be used for Capital Improvement expenditures. The amount of the fund balance labeled as committed is the unspent balance of this assessment as of the end of the fiscal year.

NOTE 9: WATER RIGHTS

The District has paid a significant amount of money to the Bureau of Reclamation for various facilities since the inception of the District. Those payments that can be attributable to an intangible right to receive water from the reservoir facility have been capitalized and shown as an inexhaustible capital asset under Non-Depreciable Assets in Note 3.

The following is a schedule of water rights at October 31, 2024:

Jackson Lake Reservoir	1,720,932
Palisades Reservoir	339,020
American Falls Dam	940,097
Minidoka Dam	9,684,582
Total	$ 12,684,631

NOTE 10: SUBSEQUENT EVENTS

Subsequent events have been evaluated through the auditor's report date, which is the date the financial statements were available to be issued.

No events have occurred subsequent to year end that would require adjustment to the financial statements or disclosure.

NOTE 11: OFFICERS AND DIRECTORS

	Term Expires
Ronald Kowitz, Chairman	1/1/2027
Brent Smith, Vice-Chairman	1/1/2026
Terry Short, Director	1/1/2028
Josh Kowitz, Director	1/1/2026
JR "Luke" McCall	1/1/2027
Dan Davidson, Manager	
Ruth Bailes, Secretary-Treasurer	
Kent Fletcher, Attorney	

NOTE 12: STORAGE AND WATER RIGHTS

Natural Flow
Priority of 3-26-1903, 1726 cfs - 62% = 1,070 cfs
Priority of 8-6-1900, 1000 cfs - 62% = 620 cfs
Priority of 4-1-1939, 430 cfs - 62% = 267 cfs

	Acre-Feet	Percent
Minidoka Dam		
Active capacity of dam - 95,200 acre-feet		
Priority of 12-14-09, 66.5%	63,308	17.27%
American Falls Dam		
Active capacity of dam - 1,672,590 acre-feet		
Contract of 2-11-17 - 50,000 acre-feet		
Act of 9-30-50 - 16,963 acre-feet		
Upon signing of Palisades Contract - 15,253 acre-feet		
Total to Mindoka Irrigation District	82,216	22.43%
Palisades Reservoir		
Active capacity of dam - 1,200,000 acre-feet		
Share to Minidoka Irrigation District - 2.916%	35,000	9.55%
Jackson Lake Reservoir		
Active capacity of dam - 847,000 acre-feet		
District has bottom right below 6,752 elevation		
Priorities: 8-23-06 - 299,000		
Additional - 139,000		
Share to Minidoka Irrigation District - 42.47%	186,030	50.75%
TOTAL ACRE FEET	366,554	100.00%

REQUIRED SUPPLEMENTAL INFORMATION

MINIDOKA IRRIGATION DISTRICT
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
For the Year Ended October 31, 2024

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's portion of the net pension liability	0.030721%	0.032191%	0.034795%	0.037410%	0.036337%	0.034944%	0.034778%	0.036004%	0.040080%	0.035798%
Employer's proportionate share of the net pension liability	404,540	652,569	546,916	551,798	414,776	811,434	(27,467)	1,418,129	1,599,473	1,339,078
Employer's covered-employee payroll	913,020	985,438	1,075,008	1,197,255	1,228,933	1,239,108	1,292,607	1,413,730	1,697,255	1,637,179
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	44.31%	66.22%	50.88%	46.09%	33.75%	65.49%	-2.12%	100.31%	94.24%	81.79%
Plan fiduciary net position as a percentage of the total pension liability	91.38%	87.26%	90.68%	91.69%	93.79%	88.22%	100.36%	83.09%	83.83%	85.54%

Data reported is measured as of June 30, 2023 (measurement date)

*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 years which information is available.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contribution	103,354	111,552	121,691	135,529	139,115	147,950	154,337	168,799	202,652	183,037
Contributions in relation to the statutorily required contribution	(101,859)	(108,223)	(127,219)	(135,529)	(139,115)	(147,950)	(154,337)	(168,799)	(202,652)	(183,037)
Contribution (deficiency) excess	(1,495)	(3,329)	5,528	(0)	-	-	-	-		
Employer’s covered-employee payroll	913,020	985,438	1,075,008	1,197,255	1,228,933	1,239,108	1,292,607	1,413,730	1,697,255	1,637,179
Contributions as a percentage of covered-employee payroll	11.16%	10.98%	11.83%	11.32%	11.32%	11.94%	11.94%	11.94%	11.94%	11.18%

Data reported is measured as of October 31, 2023

*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 years which information is available.

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

Members of the American Institute of CPA's
and the Idaho Society of CPA's
Jeffrey D. Poulsen, CPA
Darren B. VanLeuven, CPA
Jacob H. Catmull, CPA

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 Directors
Minidoka Irrigation District
Rupert, 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 and the major fund of Minidoka Irrigation District, as of and for the year ended October 31, 2024, and the related notes to the financial statements, which collectively comprise Minidoka Irrigation District's basic financial statements, and have issued our report thereon dated December 9, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Poulsen VanLeuven & Catmull

Poulsen VanLeuven & Catmull P.A.

Burley, Idaho
December 9, 2024

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