NEW SWEDEN IRRIGATION DISTRICT
IDAHO FALLS, IDAHO
ANNUAL FINANCIAL STATEMENTS
and
OTHER SUPPLEMENTARY INFORMATION
with
INDEPENDENT AUDITOR'S REPORT
For the Year Ended October 31, 2024

NEW SWEDEN IRRIGATION DISTRICT – STATE OF IDAHO
ANNUAL FINANCIAL STATEMENTS
For the Year Ended October 31, 2024

TABLE OF CONTENTS

ITEM	PAGE NO.
Independent Auditor's Report	
FINANCIAL SECTION	
Statement of Net Position	1
Statement of Revenues, Expenses and Changes in Net Position	2
Statement of Cash Flows	3
Index to Notes to the Financial Statements	4
Notes to the Financial Statements	5 – 16
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Employer's Share of Net Pension Liability – PERSI Base Plan	17
Schedule of Employer Contributions – PERSI Base Plan	18
Notes to the Required Supplementary Information – PERSI Base Plan	19
OTHER SUPPLEMENTARY INFORMATION	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	20 - 21

Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
New Sweden Irrigation District
Idaho Falls, Idaho

Opinion

We have audited the financial statements of the business-type activities of the New Sweden Irrigation District, Idaho Falls, Idaho, 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 accompanying financial statements present fairly, in all material respects, the financial position of the New Sweden Irrigation District, Idaho Falls, Idaho, as of October 31, 2024, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the New Sweden Irrigation District, Idaho Falls, Idaho, as of and for the year ended October 31, 2024, and the related notes to the financial statements, which collectively comprise the New Sweden Irrigation District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 New Sweden Irrigation 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 GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of New Sweden Irrigation District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about New Sweden Irrigation 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 supplementary information, such as management's discussion and analysis, budgetary comparison information, and pension related schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

New Sweden Irrigation District does not prepare an annual budget, nor are they required to; therefore, budgetary comparison information is not included. Management has also 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. 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 a report dated January 21, 2025, on our consideration of New Sweden Irrigation District, Idaho Falls, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Searle Hart & Associates, PLLC
Idaho Falls, Idaho
January 21, 2025

FINANCIAL SECTION

NEW SWEDEN IRRIGATION DISTRICT-STATE OF IDAHO
STATEMENT OF NET POSITION
October 31, 2024

ASSETS		
Cash	$	816,275
Assessments receivable		6,181
Other receivables		-
Prepaid Expenses		2,649
Capital assets		
Land and improvements not being depreciated		52,234
Construction in Progress		848,633
Buildings		79,972
Equipment and vehicles		1,234,999
Equipment under capital leases		-
Canal systems		1,202,626
Water rights		667,958
Accumulated depreciation		(922,886)
Total capital assets		3,163,536
TOTAL ASSETS		3,988,641
DEFERRED OUTFLOWS - PENSION		95,793
LIABILITIES		
Accounts payable		24,630
Accrued payroll and related liabilities		10,141
Long-term liabilities		
Due within one year		
Line of credit payable		31,638
Accrued interest		-
Compensated absences		-
Due in more than one year		
Notes payable - net of current portion		-
Net pension liability		276,617
TOTAL LIABILITIES		343,026
DEFERRED INFLOWS - PENSION		-
NET POSITION		
Net investment in capital assets		3,131,898
Restricted for:		
Capital projects		-
Debt service		-
Other projects		-
Unrestricted		609,510
TOTAL NET POSITION	$	3,741,408

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

NEW SWEDEN IRRIGATION DISTRICT-STATE OF IDAHO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the Year Ended October 31, 2024

OPERATING REVENUES		
Water assessments	$	588,083
Water rental		618,838
Water recharge		52,807
Water carrying charges		85,748
Other revenue		17,441
TOTAL OPERATING REVENUE		1,362,917
OPERATING EXPENSES		
Salaries and benefits		545,509
Repairs and maintenance		142,046
Purchased water (rent)		100,117
Chemicals		61,794
Gas, fuel and oil		45,815
Insurance		33,595
Director fees and expense		24,820
Office expenses, utilities, and telephone		20,824
Legal and professional fees		44,472
Training		5,658
Depreciation expense		95,505
Other operating expenses		6,446
TOTAL OPERATING EXPENSES		1,126,601
INCOME FROM OPERATIONS		236,316
NON-OPERATING REVENUES (EXPENSES)		
Interest income		45,320
Interest expense		-
Rental property income (expense), net		7,450
Reimbursement from Idaho Water		654,746
Gain (loss) on sale of assets		-
TOTAL NON-OPERATING REVENUES (EXPENSES)		707,516
NET INCOME (LOSS)		943,832
NET POSITION, November 1, 2023		2,797,576
NET POSITION, October 31, 2024	$	3,741,408

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

NEW SWEDEN IRRIGATION DISTRICT-STATE OF IDAHO
STATEMENT OF CASH FLOWS
For the Year Ended October 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 1,360,255
Cash payments for goods and services	(460,042)
Cash payments to employees	(523,713)
Other operating cash payments	(6,446)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	370,054
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Sale of capital assets	-
Acquisition of capital assets	(522,049)
Reimbursement from Idaho Water for recharge project	654,746
Borrowing on line of credit	-
Interest expense on long-term debt	-
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	132,697
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash provided from rentals	7,450
Interest on investments	45,320
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	52,770
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	555,521
CASH AND CASH EQUIVALENTS, November 1, 2023	260,754
CASH AND CASH EQUIVALENTS, October 31, 2024	$ 816,275
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	$ 236,316
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	95,505
(Increase) decrease in receivables	(2,662)
(Increase) decrease in prepaid expenses	11,395
Increase (decrease) in payables	7,704
Increase (decrease) in accrued expenses	(2,133)
Difference between pension expense and contribution expense	23,929
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 370,054

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

NOTES TO THE FINANCIAL STATEMENTS

NEW SWEDEN IRRIGATION DISTRICT – STATE OF IDAHO
INDEX TO NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended October 31, 2024

NOTES INDEX

1. Summary of Significant Accounting Policies

   A. General
   B. Reporting Entity
   C. Government-wide and Fund Financial Statements
   D. Measurement Focus and Basis of Accounting
   E. Assets, Liabilities, and Fund Balances/Net Position
   F. Deferred Outflows/Inflows of Resources
   G. Budgets and Budgetary Accounting
   H. Compensated Absences and Post-Employment Benefits
   I. Revenues and Expenditures/Expenses
   J. Use of Estimates
   K. Pensions

2. Cash and Investments

3. Capital Assets

4. Pension Plan

5. Litigation and Contingent Liabilities

6. Long-Term Debt

7. Related Party Transactions

8. Material Violation of Finance-Related Legal and Contractual Provisions

9. Risk Management

10. Subsequent Events

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The New Sweden Irrigation District is organized and operates under the provisions of the Idaho Constitution and the accounting policies and practices of the District conform to generally accepted accounting principles (GAAP) as applied to governments, except for the exception noted hereafter. The District manages their daily operations on a cash basis, but the financial statements are reported in accordance with generally accepted accounting principles. A summary of the District's significant accounting principles applied in the preparation of the accompanying financial statements follows:

A. GENERAL

The financial statements listed in the table of contents have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The financial statements included herein present the financial position, results of operations, changes in net position and cash flows for the New Sweden Irrigation District. The reporting entity does not include those funds under the direct jurisdiction of other governing boards, elected or appointed, that exercise substantial or total administrative and supervisory authority in their own name and are considered to be substantially autonomous from the New Sweden Irrigation District's government, and are not included in this report.

C. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's basic financial statements consist of government-wide financial statements. The government-wide statements focus on the District as a whole. The consolidated financial statements included herein present the financial position, results of operations, changes in net position and cash flows for the New Sweden Irrigation District. The business and property of the District is managed by the Board of Directors who are empowered to sign contracts, documents, checks and other instruments for the payment of money. They also set the working budget and establish all fees and admission charges for the District.

Financial Statements

The financial statements present information on all non-fiduciary activities of the government. The District's activities are generally business-type in nature. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District only has one fund, therefore the District does not have any interfund activity.

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

The *Statement of Revenues, Expenses and Changes in Net Position* is the primary operating statement for the District. Operating revenues and expenses are segregated from non-operating revenues and expenses with the operating income (loss) presented before the non-operating activities. The change in net position is added to the beginning of year net position to attain the end of period net position.

The *Statement of Cash Flows* provides information about the cash receipts and payments during the period classified into receipts and payments resulting from operating, noncapital financing, capital and related financing, and investing activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

Fund Types

Proprietary Fund Types – Enterprise Funds

Enterprise funds account for operations that meet one of two criteria: 1) the activity runs in a manner similar to private business enterprises; the intent of the governing body is that the ongoing operating costs (including depreciation) of providing goods or services to the public are financed or recovered primarily through user charges, or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The New Sweden Irrigation District has one fund and it operates as a proprietary fund.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

New Sweden Irrigation District's funds are accounted for on an accrual basis in order to recognize the flow of economic resources. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, depreciation of assets is recognized, and all assets and liabilities associated with the operation of the District are included in the Statement of Net Position. The principal revenues of the District are assessment fees and supply sales. Operating expenses for the District include the costs of maintaining the irrigation system, administration, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When an expenditure or expense is incurred for purposes for which both restricted and unrestricted resources are available, the District generally uses restricted resources first, then unrestricted resources.

E. ASSETS, LIABILITIES AND NET POSITION

The following are the District's significant policies regarding recognition and reporting of certain assets, liabilities, and equity:

Cash and Investments

Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term investments with original maturities of three months or less from the purchase date. Investments include pooled investments and certificates of deposit with original maturities greater than three months.

Receivables

Receivables from customers primarily include past due assessment fees. The receivable amounts are reasonably assured; accordingly, no allowance for uncollectible accounts has been established.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets include District owned real estate, buildings, improvements and equipment used in the operation of the District. Depreciation is recognized by the district on the purchase of assets on a straight-line basis with lives ranging from 5 to 30 years. Equipment, buildings, land and infrastructure with an initial cost of $1,000 or more are capitalized. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated acquisition value on the date of acquisition.

Interest expense incurred during construction of capital assets is capitalized. Normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized.

Long-term Obligations

In the financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bond using the straight-line method, which approximates the effective interest method. Issuance costs, whether or not withheld from the actual debt proceeds received, are expensed. Bonds payable are reported net of the applicable bond premium or discount.

Net Position

The difference between assets and deferred outflows less liabilities and deferred inflows is reported as net position on the financial statements

F. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This financial statement element represents a consumption of net position that applies to a future period, or periods, so it will not be recognized as an outflow of resources until that time. The District has one deferred outflow at this time associated with pension reporting.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This financial statement element represents an acquisition of net position that applies to a future period, or periods, so it will not be recognized as an inflow of resources until that time. The District has one deferred inflow at this time associated with pension reporting.

G. BUDGETS AND BUDGETARY ACCOUNTING

New Sweden Irrigation District does not adopt an official budget as outlined in Idaho Code Section 22-307, nor are they required to. However, the Board of Directors does establish a working budget to more effectively monitor cash flows throughout the year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. COMPENSATED ABSENCES AND POST-EMPLOYMENT BENEFITS
The District does not provide compensated absences or post-employment benefits.

I. REVENUES AND EXPENSES
In proprietary fund accounting, revenues are recognized when earned and expenses are recorded when the related liability is incurred.

Operating revenue consists of income derived from service charges and fees. Operating expenses include costs of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

K. PENSIONS
For purposes of measuring the net pension liability and pension expenses, 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.

2. CASH AND INVESTMENTS

The District's cash and investments as of October 31, 2024 totaled $816,275, of which $11,386 represented demand deposits, and $804,889 represents investments in the State of Idaho Local Government Investment Pool.

The deposits by the District are not collateralized nor are they required to be by Idaho State statute. The District follows the requirements of the Idaho Public Depository Law (Idaho Code Section, Title 57-100), and applicable investment rights and restrictions cited by Idaho Code Section, Title 67, 67-1210.

Deposits

At year end, the carrying amount of the District's deposits in financial institutions was $11,386 and the bank balance was $26,998. All deposits were covered by FDIC insurance.

Investments

The fair value of the District's total investments at year end was $804,889. The amount not covered by SIPC or FDIC insurance was $656,461.

The fair value of investments with the State of Idaho Local Government Investment Pool (LGIP) was $656,461. The information on the amount not covered by SIPC or FDIC insurance is not available. The Idaho State Treasurer provides the oversight of those monies. Monies held by the LGIP were held in the following investments: government agency notes, commercial paper, corporate bonds, money markets, U.S. treasury notes, Idaho repurchase agreements, and purchased accrued interest. All investments held by the LGIP are carried at cost, which is not materially different than fair value (determined by the Idaho State Treasurer's office). The investment in the LGIP is subject to risk and from market and interest rate fluctuations. The weighted average maturity on September 30, 2024, was 84 days.

The deposits by the District are not collateralized nor are they required to be by Idaho State statute. The District follows the requirements of the Idaho Public Depository Law (Idaho Code Section 57-100), and applicable investment rights and restrictions cited by Idaho Code Sections 67-1210 and 67-1210A and Idaho Code Section 50-1013.

2. CASH AND INVESTMENTS (Continued)

At year end, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years) < 1	1 - 5	> 5	Rating	Percent
Corporate Bonds	$ 12,310	$ 12,310	$ -	$ -	Aaa	1.53%
Corporate Bonds	6,292	6,292	-	-	Aa2	0.78%
Corporate Bonds	16,345	16,345	-	-	Aa3	2.03%
Corporate Bonds	8,567	8,567	-	-	A1	1.06%
Corporate Bonds	10,126	10,126	-	-	A2	1.26%
Corporate Bonds	34,478	34,478	-	-	A3	4.28%
Corporate Bonds	19,257	19,257	-	-	Baa1	2.39%
Corporate Bonds	8,323	8,323	-	-	Baa2	1.03%
Mutual Funds	31,463	31,463	-	-	N/A	3.91%
State Investment Pool	656,461	656,461	-	-	NR	81.56%
Money Market	1,267	1,267	-	-	NR	0.16%
Total	$ 804,889	$ 804,889	$ -	$ -		100.0%

3. CAPITAL ASSETS

The following assets included in land, buildings, equipment, and infrastructure have been entered at estimated historical cost from depreciation records. Real property acquired prior to 1987 is entered at estimated historical cost from the time of acquisition.

Changes in capital assets for the year ended October 31, 2024 are as follows:

	Balance 11-01-2023	Additions	Deletions	Balance 10-31-2024
Business Activities:				
Capital assets, not being depreciated				
Construction in Progress	$ 433,642	$ 414,991	$ -	$ 848,633
Land	40,049	-	-	52,234
Water rights	667,958	-	-	667,958
Total capital assets, not being depreciated	1,153,834	414,991	-	1,568,825
Capital assets, being depreciated				
Equipment	1,229,633	5,366	-	1,234,999
Buildings and improvements	79,972	-	-	79,972
Canal systems	1,100,934	101,692	-	1,202,626
Total capital assets, being depreciated	2,410,539	107,058	-	2,517,597
Less accumulated depreciation for				
Equipment	(679,378)	(79,160)	-	(758,538)
Buildings and improvements	(70,422)	(935)	-	(71,357)
Infrastructure	(77,581)	(15,410)	-	(92,991)
Total accumulated depreciation	(827,381)	(95,505)	-	(922,886)
Total capital assets, being depreciated, net	1,583,158	11,553	-	1,594,711
Total capital assets, net	$ 2,736,992	$ 426,544	$ -	$ 3,163,536

Depreciation expense for the year ended October 31, 2024 was $95,505.

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.

4. PENSION PLAN (Continued)

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2024, it was 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters. The District's contributions were $40,516 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 October 31, 2024, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2024, the District's proportion was .0073949 percent.

4. PENSION PLAN (Continued)

For the year ended October 31, 2024, the District recognized pension expense/(revenue) of $52,441. 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	$ 44,040	$ -
Changes in assumptions or other inputs	10,958	-
Net difference between projected and actual earnings on pension plan investments	(5,021)	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	29,522	-
District contributions subsequent to the measurement date	16,294	-
Total	$ 95,793	$ -

$16,294 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 4.4 and 4.4 for the measurement period June 30, 2024.

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

Year ended June 30:	
2025	$ 13,653
2026	51,576
2027	(8,894)
2028	(6,357)

4. PENSION PLAN (Continued)

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, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

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

4. PENSION PLAN (Continued)

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	2024
Cash	0.00%
Fixed Income	30.00%
US/Global Equity	55.00%
International Equity	15.00%
Total	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%, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$525,659	$276,617	$73,214

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 from the PERSI website at www.persi.idaho.gov.

Payables to the pension plan

At October 31, 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

4. PENSION PLAN (Continued)

employee wages but not yet remitted to PERSI.

5. LITIGATION, CONTINGENT LIABILITIES, AND COMMITMENTS

The District is at various times involved in claims arising from the ordinary course of operations. The estimated possible loss to the District for such claims is uncertain as the likelihood of an unfavorable outcome is unknown. No accrual has been reflected in the financial statements for these matters. It is Management's opinion that the ultimate disposition of such claims will not have a materially adverse effect on the District's financial condition.

The District has water storage capacity agreements with the United State Department of the Interior in the American Falls Reservoir, Palisades Reservoir, and Jackson Lake. As part of these agreements, the District is responsible for its share of the operation and maintenance of the dams, related reservoirs and lake facilities. These operation and maintenance costs are expensed annually and can fluctuate significantly depending on necessary maintenance.

6. LONG-TERM DEBT

The long-term obligations of the District include accrued compensation and net pension liability. During the year ended October 31, 2024, the following changes occurred in long-term debt:

Business-type Activities	Balance 11-01-2023	Additions	Reductions	Balance 10-31-2024	Amount due within one year
Net pension liability	$ 298,044	$ -	$ (21,427)	$ 276,617	$ -
Total business-type activities	$ 298,044	$ -	$ (21,427)	$ 276,617	$ -

7. RELATED PARTY TRANSACTIONS

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

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

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

9. RISK MANAGEMENT

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

10. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date of this report. There are no known subsequent events that will have a material impact on the operation of the District.

REQUIRED SUPPLEMENTARY INFORMATION

NEW SWEDEN IRRIGATION DISTRICT - STATE OF IDAHO
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - BASE PLAN
Last 10 Fiscal Years*

PERSI BASE PLAN

Fiscal Year	Employer's portion of net pension liability	Employer's proportionate share of the net pension liability	Employer's covered employee payroll	Employer's proportional share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.0066835%	$ 155,200	$ 268,251	57.86%	93.79%
2021	0.0065970%	$ (5,210)	$ 238,355	-2.19%	100.36%
2022	0.0071265%	$ 280,696	$ 269,166	104.28%	83.09%
2023	0.0074685%	$ 298,044	$ 317,096	93.99%	83.83%
2024	0.0073949%	$ 276,617	$ 337,749	81.90%	85.54%

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

Data reported is measured as of June 30 each year.

NEW SWEDEN IRRIGATION DISTRICT - STATE OF IDAHO
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - BASE PLAN
Last 10 Fiscal Years*

PERSI BASE PLAN

Fiscal Year	Statutorily Required Contribution	Contribution in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2020	$ 32,029	$ 32,029	$ -	$ 268,251	11.94%
2021	$ 28,906	$ 28,906	$ -	$ 242,114	11.94%
2022	$ 33,060	$ 33,060	$ -	$ 276,884	11.94%
2023	$ 38,330	$ 38,330	$ -	$ 328,654	11.66%
2024	$ 40,533	$ 40,533	$ -	$ 354,107	11.45%

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

Data reported is measured as of October 31 each year.

NEW SWEDEN IRRIGATION DISTRICT – STATE OF IDAHO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
PERSI – BASE PLAN
For the Year Ended October 31, 2024

Methods and Assumptions Used in Calculations of Actuarily Determined Contributions

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

	PERSI Base Plan
Valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Amortization method	Level percentage of projected payroll open
Remaining amortization period	10.8 years
Asset valuation method	Fair Market value
<u>Actuarial assumptions</u>:	
Investment Rate of Return *	6.35%
Projected salary increases including inflation	3.05%
Postretirement benefit increase	1.00%
Implied price inflation rate	2.30%
Discount Rate – Actuarial Accrued Liability	6.35%

* net of investment expenses

OTHER SUPPLEMENTARY INFORMATION

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Directors
New Sweden Irrigation District – State of Idaho
Idaho Falls, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of New Sweden Irrigation District, Idaho Falls, Idaho, 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, and have issued our report thereon dated January 21, 2025.

Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies 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, as defined above, that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether New Sweden Irrigation 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 did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Idaho Falls • Rexburg

Purpose of this Report

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

Searle Hart & Associates, PLLC

Idaho Falls, Idaho
January 21, 2025