IDAHO BARLEY COMMISSION

Report on Audited
Basic
Financial Statements
and
Additional Information

For the Year Ended June 30, 2024

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ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS
Zwygart John & Associates CPAs, PLLC
16130 North Merchant Way, Suite 120 ◆ Nampa, Idaho 83687
Phone: 208-459-4649 ◆ FAX: 208-229-0404

Independent Auditor's Report

To the Board of Commissioners
Idaho Barley Commission
Boise, Idaho

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the fund information of Idaho Barley Commission (the Commission) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission'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 respective financial position of the governmental activities and the fund information of Idaho Barley Commission, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

The Commission's 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 Commission's ability to continue as a going concern for one year after the date that the financial statements are issued.

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 judgment made by a reasonable user based on the financial statements.

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of the Commission's proportionate share of the net pension liability, and schedule of Commission contributions on pages 24 through 26 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.

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 September 27, 2024, on our consideration of the Idaho Barley Commission'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 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 Idaho Barley Commission's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
September 27, 2024

Idaho Barley Commission
Statement of Net Position
June 30, 2024

	Governmental Activities
Assets	
Current Assets	
Cash and Cash Equivalents	$ 298,083
Accounts Receivable	99,215
Total Assets	397,298
Deferred Outflows	
Pension Related Items	72,815
Total Deferred Outflows	72,815
Liabilities	
Accounts Payable	116,750
Payroll Taxes Payable	10,344
Long-term Liabilities	
Due Within One Year:	
Compensated Absences	10,247
Due in More Than One Year:	
Compensated Absences	10,248
Net Pension Liability	147,811
Total Liabilities	295,400
Deferred Inflows	
Pension Related Items	-
Total Deferred Inflows	-
Net Position	
Unrestricted Surplus	174,713
Total Net Position	$ 174,713

The accompanying notes are an integral part of the financial statements

Idaho Barley Commission
Statement of Activities
For the Year Ended June 30, 2024

Primary Government:	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position - Governmental Activities
Governmental Activities:					
Administration	$ 209,390	$ -	$ -	$ -	$ 209,390
Research	336,154	-	-	-	336,154
Market Development	145,944	-	-	-	145,944
Industry Partnership	173,837	-	-	-	173,837
Education and Promotion	67,880	-	-	-	67,880
Total Governmental Activities	$ 933,205	$ -	$ -	$ -	933,205
General Revenues:					
Barley Tax					776,288
Earnings on Investments					6,152
Miscellaneous Income					5,844
Total General Revenues					788,284
Change in Net Position					(144,921)
Net Position, Beginning					319,634
Net Position, End of Year					$ 174,713

The accompanying notes are an integral part of the financial statements

Idaho Barley Commission
Balance Sheet -
Governmental Funds
June 30, 2024

	General Fund
Assets	
Cash and Cash Equivalents	$ 298,083
Accounts Receivable	99,215
Total Assets	$ 397,298
Liabilities and Fund Balances	
Accounts Payable	$ 116,750
Accrued Payroll Liabilities	10,344
Total Liabilities	127,094
Fund Balances:	
Unassigned	270,204
Total Fund Balance	270,204
Total Liabilities and Fund Balance	$ 397,298

The accompanying notes are an integral
part of the financial statements

Idaho Barley Commission
Reconciliation of the Balance Sheet of the Governmental
Fund to the Statement of Net Position
June 30, 2024

Total Fund Balances - Governmental Funds		$ 270,204
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:		
Long-term liabilities applicable to the Commission's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Position.		
Compensated Absences		(20,495)
The Commission participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.		
Net Pension Liability	$ (147,811)	
Pension Related Deferred Inflows	-	
Pension Related Deferred Outflows	72,815	
		(74,996)
Total Net Position-Governmental Activities		$ 174,713

The accompanying notes are an integral
part of the financial statements

Idaho Barley Commission
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds
For the Year Ended June 30, 2024

	General Fund
Revenues	
Barley Tax Receipts	$ 776,288
Interest Income	6,152
Miscellaneous Income	5,844
Total Revenues	788,284
Expenditures	
Current:	
Personnel Expenses	280,845
Supplies and Materials	10,320
Professional Services	4,594
Advertising and Promotion	226,016
Other Operating Expenses	383,524
Capital Outlay	4,547
Total Expenditures	909,846
Net Change in Fund Balances	(121,562)
Fund Balance, Beginning	391,766
Fund Balance, Ending	$ 270,204

The accompanying notes are an integral
part of the financial statements

Idaho Barley Commission
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balance of the Governmental
Fund to the Statement of Activities
For the Year Ended June 30, 2024

Total Net Change in Fund Balance - Governmental Funds	$	(121,562)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. This requires an adjustment in the following accounts:		
Compensated Absences		(4,124)
The District participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities.		(19,235)
Total Net Position-Governmental Activities	$	(144,921)

The accompanying notes are an integral
part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying financial statements present the activities of the Commission. The Commission receives funding from tax assessments on barley. The Commission is not included in any other governmental reporting entity as defined by generally accepted accounting principles. Commissioners are appointed by the Governor upon recommendation of the Idaho Grain Producers Association, and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters. In addition, the Commission's reporting entity does not contain any component units as defined in Governmental Accounting Standards.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the Commission. Governmental activities are financed through, primarily, barley tax assessed on all barley as it enters the channels of trade in Idaho.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Commission.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

- Indirect expenses—expenses of the general government related to the administration and support of the Commission's programs, such as personnel and accounting (but not interest on long-term debt)—are allocated to programs based on their percentage of total primary government expenses. Interest expenses are allocated to the programs that manage the capital assets financed with long-term debt.

- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Commission's funds. The emphasis of fund financial statements is on major governmental funds. At this time, the Commission has only one fund and, therefore, one major fund.

The Commission reports the following major governmental fund:

- *General fund.* This is the Commission's primary operating fund. It accounts for all financial resources of the Commission, except those required to be accounted for in another fund.

Basis of Accounting

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 at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Commission considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet.

The Commission uses the following fund balance categories in the governmental fund Balance Sheet:

- *Unassigned.* Balances available for any purpose.

The remaining fund balance classifications are either not applicable or no formal policy has yet been established to be able to utilize such classifications of fund balance. However, if there had been committed funds, these amounts would have been decided by the Board of Commissioners, the Commission's highest level of decision-making authority, through a formal action. The Board of Commissioners would also have the authority to assign funds or authorize another official to do so.

Under the terms of grant agreements, the Commission funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. When both restricted and unrestricted resources are available for use, it is the Commission's intent to use restricted resources first, then unrestricted resources as they are needed.

There is also no formal policy regarding the use of committed, assigned, or unassigned fund balances. However, it is the Commission's intent that when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the Commission considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

A. Assets and Liabilities

Cash Equivalents

The Commission's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments maintained in the investment pool, regardless of maturity are considered cash equivalents. See Note 2.

Receivables

All trade and assessment receivables are shown net of an allowance for uncollectible. There was no allowance as of June 30, 2024.

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are shown below.

	Capitalization Policy	Depreciation Method
Equipment	$ 5,000	Straight Line

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

The Commission has no infrastructure or other capital assets to report.

Accounts Payable

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

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.

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.

2. CASH AND INVESTMENTS

Deposits

As of June 30, 2024, the carrying amount of the Commission's deposits were $176,928 and the bank balances totaled $177,889. All of the bank balance was insured or collateralized with pooled securities held by the pledging institutions in the name of the Commission.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of June 30, 2024, All of the Commission's deposits were covered by the federal depository insurance or by collateral held by the Commission's agent or pledging financial institution's trust department or agent in the name of the Commission, and thus were exposed to custodial credit risk. The Commission does not have a formal policy limiting its exposure to custodial credit risk.

Custodial Credit Risk – Investments

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Commission does not have a formal policy limiting its custodial credit risk.

Interest Rate Risk

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

Investments

The Commission voluntarily participates in the State of Idaho Investment Pool which does not have a credit rating. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the pool is with the State Treasurer, and Idaho Code defines allowable investments. The fair value of the Commission's investment in the pool is the same as the value of the pool shares. The Commission follows Idaho Statute that outlines qualifying investment options as follows:

> Idaho Code authorizes the Commission to invest any available funds in obligations issued or guaranteed by the United States Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements.

Investments

The Commission's investments as June 30, 2024, are summarized below:

		Investment Maturities (in Years)	
Investment	Fair Value	Less than 1	1 - 5
External Investment Pool	$ 121,155	$ 121,155	$ -

At year-end, cash and investments were reported in the basic financial statements in the following categories:

	Governmental Activities
Cash and cash equivalents	$ 176,928
Investments categorized as cash	121,155
	$ 298,083

3. FUNDING

The Commission is financed by a tax of 3.5¢ per hundred-weight collected by the Commission on barley as it enters the channels of trade in Idaho. The amount of funds received by the Commission is subject to various conditions, including market price, storage of barley, weather, and number of acres planted.

4. COMPENSATED ABSENCES

Vacation leave is granted to all regular Commission employees. In the event of termination, an employee is reimbursed for accumulated vacation leave. Changes in vacation leave during the year is as follows:

	6/30/2023	Earned	Used	6/30/2024	Current Portion
Governmental Activities	$ 16,374	$ 16,591	$ (12,470)	$ 20,495	$ 10,247

5. RISK MANAGEMENT

The Commission is exposed to a considerable number of risks of loss including, but not limited to, a) damage to and loss of property and contents, b) employee torts, c) professional liabilities, i.e. errors and omissions, d) environmental damage, and e) worker's compensation, i.e. employee injuries. The Commission participates in various self-insurance programs established by the State for property and casualty losses and employee health insurance.

6. PENSION PLAN

Plan Description

Idaho Barley Commission 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.

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

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

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, 2023, it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. Idaho Barley Commission's contributions were $18,968 the year ended June 30, 2024.

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

At June 30, 2024, Idaho Barley Commission reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Idaho Barley Commission's proportion of the net pension liability was based on Idaho Barley Commission's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2023, Idaho Barley Commission's proportion was 0.003703900 percent.

For the year ended June 30, 2024, Idaho Barley Commission recognized pension expense/(revenue) of $38,204 . At June 30, 2024, Idaho Barley Commission 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	$ 25,336	$ -
Changes in assumptions or other inputs	14,636	-
Net difference between projected and actual earnings on pension plan investments	13,875	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	-
Idaho Barley Commission's contributions subsequent to the measurement date	18,968	-
Total	$ 72,815	$ -

$18,968 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 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, 2022, the beginning of the measurement period ended June 30, 2022, is 4.6 years and 4.6 for the measurement period June 30, 2023.

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:

For the Year Ended June 30:	PERSI
2024	$ 38,117
2025	8,999
2026	27,993
2027	(2,294)

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%
Investment rate of return	6.35%, net of investment expense
Cost-of-living adjustments	1%

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

Assumptions used to calculate the enclosed figures are described in our 2021 Experience Study. The Total Pension Liability as of June 30, 2023 is based on the results of an actuarial valuation date of July 1, 2021.

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.

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)	$ 265,845	$ 147,811	$ 51,341

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.

7. LEASE COMMITMENTS

The Commission entered into a five-year lease for office and parking space in October 2018. Monthly payments are due in the amount of $901 for the office spaces and $170 for vehicle parking through September 30, 2023. Changes in long-term obligations for the year June 30, 2024, are as:

	Maturity	Interest Rate	6/30/23	Addition	Payment	6/30/24	Current Portion
Right to Use Lease	2024	5%	$ 3,186	$ -	$ (3,186)	$ -	$ -

8. RELATED-PARTY TRANSACTIONS

The Commission works jointly with the Idaho Grain Producer's Association (IGPA). The IGPA provides government and legislative affairs including policy development, lobbying and related activities for the priority issues of Farm Program implementation, Conservation and Environmental Programs and regulations, Transportation, Trade and Marketing of Grain, Research, Risk Management, Pesticide Management, Grain Quality, Energy, and Tax Policy, to promote the development and competitiveness of the Idaho barley economy. In addition, IGPA recommends new Barley Commissioners to the Governor as mandated by Idaho Code 22-4002.

The Commission does not obtain other bids for these services because IGPA is currently the only association representing barley growers throughout the state of Idaho, and has used the services of the IGPA for several years. In fiscal year 2024, the Commission made the following payments to IGPA:

- $95,198 for government and legislative affairs including policy development, lobbying, and related activities.
- $10,000 for Idaho Barley Commission pages in the IGPA quarterly magazine publication.
- $3,400 for barley related workshops and educational programs at the IGPA's annual convention.
- $500 to sponsor a mentorship program for growers provided through IGPA

As of June 30, 2024, there were no receivables or payables due to or from the Association.

9. OTHER COMMITMENTS

The Commission has credit cards with a total credit limit of $9,000. Of the available credit $1,888 was in use as of June 30, 2024.

10. REPORTING ENTITY

For financial reporting purposes, the State of Idaho's primary government includes commissions, among others that are an integral part of the state. The Idaho Barley Commission is considered such an entity.

REQUIRED SUPPLEMENTARY INFORMATION

Idaho Barley Commission
Budgetary Comparison Schedule (GAAP Basis)
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Barley Tax Receipts	$ 664,848	$ 914,458	$ 776,288	$ (138,170)
Interest Income	6,000	6,000	6,152	152
Miscellaneous Income	-	-	5,844	5,844
Total Revenues	670,848	920,458	788,284	(132,174)
Expenditures				
Current:				
Administration	136,046	135,798	185,550	(49,752)
Research	346,261	356,291	334,916	21,375
Market Development	185,566	187,148	144,599	42,549
Industry Partnership	197,369	195,598	172,599	22,999
Education and Promotion	73,600	70,680	67,635	3,045
Strategic Planning	-	15,000	-	15,000
Capital Outlay	500	500	4,547	(4,047)
Total Expenditures	939,342	961,015	909,846	51,169
Net Change in Fund Balances	(268,494)	(40,557)	(121,562)	81,005
Fund Balance - Beginning	391,766	391,766	391,766	-
Fund Balance, Ending	$ 123,272	$ 351,209	$ 270,204	$ 81,005

1. BUDGETS AND BUDGETARY ACCOUNTING

The Commission begins developing its modified accrual basis budget in April for the next fiscal year – July 1 through June 30. The budget is approved by the Commissioners in June. Projected budget revenues are based on the March 31 U.S. Department of Agriculture (USDA) Prospective Planting Report and planting projections from other industry sources, and adjusted by the Commissioners if needed at the fall Commission meeting based on the September 30 USDA Annual Small Grains Summary Report which lists actual Idaho harvested acres and average yield for the current year's barley crop. Expenditures are based on funding levels, expected expenditures, and spending proposals.

Idaho Barley Commission
Schedule of Required Supplementary Information
Public Employee Retirement System of Idaho
Last 10 - Fiscal Years

Schedule of the Commission's Proportionate Share of Net Pension Liability

Year	Commission's proportion of the net pension liability	Commission's proportionate share of the net pension liability	Commission's covered-employee payroll	Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as percentage of the total pension liability
2024	0.0037039%	$ 147,811	$ 169,255	87.33%	83.83%
2023	0.0037758%	148,718	157,488	94.43%	83.09%
2022	0.0037349%	(2,950)	148,894	-1.98%	100.36%
2021	0.0037282%	86,574	139,378	62.11%	88.22%
2020	0.0039503%	45,092	133,050	33.89%	93.79%
2019	0.0039894%	58,844	134,170	43.86%	91.69%
2018	0.0039921%	62,749	128,352	48.89%	90.68%
2017	0.0038601%	78,250	123,990	63.11%	87.26%
2016	0.0036661%	48,277	112,898	42.76%	91.38%
2015	0.0043525%	32,041	102,685	31.20%	94.95%

Data reported is measured as of June 30 , 2023

Schedule of Employer Contributions

Year	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Commission's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2024	$ 18,968	$ 18,968	$ -	$ 169,255	11.21%
2023	18,804	18,804	-	157,488	11.94%
2022	17,778	17,778	-	148,894	11.94%
2021	16,642	16,642	-	139,378	11.94%
2020	15,851	15,851	-	133,050	11.91%
2019	15,188	15,188	-	134,170	11.32%
2018	14,530	14,530	-	128,352	11.32%
2017	14,036	14,036	-	123,990	11.32%
2016	12,780	12,780	-	112,898	11.32%
2015	11,624	11,624	-	102,685	11.32%

Data reported is measured as of June 30 , 2024

FEDERAL REPORT

ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS
Zwygart John & Associates CPAs, PLLC
16130 North Merchant Way, Suite 120 ◆ Nampa, Idaho 83687
Phone: 208-459-4649 ◆ FAX: 208-229-0404

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 G*overnment Auditing Standards*

Board of Commissioners
Idaho Barley Commission
Boise, 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 Standard* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the fund information of Idaho Barley Commission (the Commission), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Idaho Barley Commission's basic financial statements, and have issued our report thereon dated September 27, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Idaho Barley Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Idaho Barley Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Idaho Barley Commission'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 may exist that have not been identified.

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

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.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
September 27, 2024