GARDEN VALLEY LIBRARY DISTRICT

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2024

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Independent Auditor's Report

Board of Directors
Garden Valley Library District
Crouch, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of the Garden Valley Library District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Garden Valley Library 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 respective financial position of the governmental activities and each major fund of the Garden Valley Library District, as of September 30, 2024, and the respective changes in financial position in accordance 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 the Garden Valley Library District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Garden Valley Library District'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 Garden Valley Library District'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 generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Garden Valley Library District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Garden Valley Library District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 22 and 23 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 the 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 opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Garden Valley Library District's basic financial statements. The Schedule of Revenue and Expenditures – Budget (GAAP Basis) and Actual – General Fund on page 25 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Revenue and Expenditures – Budget (GAAP Basis) and Actual – General Fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenue and Expenditures – Budget (GAAP Basis) and Actual – General Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2024 on our consideration of the Garden Valley Library District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Garden Valley Library District's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
November 4, 2024

Garden Valley District Library
Statement of Net Position
September 30, 2024

	Governmental Activities
Assets	
Current Assets	
Cash and Cash Equivalents	$ 164,644
Certificate of Deposits	99,790
Taxes Receivable, Net	2,954
Due from Other Government	4,885
Prepaid Items	5,017
Total Current Assets	277,290
Capital Assets	
Land	30,000
Buildings and Improvements, Net	734,771
Total Capital Assets	764,771
Noncurrent Assets	
Right-To Use Asset	1,930
Total Assets	1,043,991
Liabilities	
Current Liabilities	
Accounts Payable	7,752
Salaries and Benefits Payable	10,753
Accrued Interest	1,280
Bonds Payable - Current Portion	60,000
Lease Payable - Current Portion	1,138
Total Current Liabilities	80,923
Long-Term Liabilities	
Lease Payable	792
Total Long-Term Liabilities	792
Total Liabilities	81,715
Net Position	
Net Investment in Capital Assets	704,771
Restricted For:	
Debt Service	6,183
Unrestricted	251,322
Total Net Position	$ 962,276

The accompanying notes are an integral part of the financial statements

Garden Valley District Library
Statement of Activities
For the Year Ended September 30, 2024

	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
Primary Government:					
Governmental Activities:					
General and Administrative	$ 314,375	$ 4,503	$ 9,101	$ -	$ (300,771)
Debt Service	5,907	-	-	-	(5,907)
Total Governmental Activities	$ 320,282	$ 4,503	$ 9,101	$ -	(306,678)

General Revenues:	
Property Taxes	262,342
State Sources	19,783
Other	60,749
Unrestricted Investment Earnings	10,438
Total General Revenues and Special Items	353,312
Change in Net Position	46,634
Net Position, Beginning of Year	915,642
Net Position, End of Year	$ 962,276

The accompanying notes are an integral
part of the financial statements

Garden Valley District Library
Balance Sheet - Governmental Funds
September 30, 2024

	General	Debt Service	Total Governmental Funds
Assets			
Cash and Cash Equivalents	$ 151,689	$ 12,955	$ 164,644
Certificate of Deposit	99,790	-	99,790
Taxes Receivable, Net	2,069	885	2,954
Due from Other Governments	4,885	-	4,885
Prepaid Items	5,017	-	5,017
Due from Other Funds	6,855	-	6,855
Total Assets	$ 270,305	$ 13,840	$ 284,145
Liabilities, Deferred Inflows, and Fund Balances			
Liabilities			
Accounts Payable	$ 7,752	$ -	$ 7,752
Salaries and Benefits Payable	10,753	-	10,753
Due to Other Funds	-	6,855	6,855
Total Liabilities	18,505	6,855	25,360
Deferred Inflows			
Unearned Property Tax Revenue	1,891	802	2,693
Total Deferred Inflows	1,891	802	2,693
Fund Balances			
Nonspendable	5,017	-	5,017
Restricted For:			
Debt Service	-	6,183	6,183
Unassigned	244,892	-	244,892
Total Fund Balances	249,909	6,183	256,092
Total Liabilities, Deferred Inflows, and Fund Balances	$ 270,305	$ 13,840	$ 284,145

The accompanying notes are an integral part of the financial statements

Garden Valley District Library
Reconciliation of the Balance Sheet of the
Governmental Funds to the Statement of Net Position
September 30, 2024

Total Fund Balances - Governmental Funds		$ 256,092
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of assets consist of:		
Land	$ 30,000	
Buildings and Improvements,	1,105,783	
Less: Accumulated Depreciation	(371,012)	
Net Cost of Assets		764,771
Property taxes receivable will be collected this year, but are not available soon enough to pay for current period's expenditures and, therefore, are deferred in the funds.		2,693
Long-term liabilities, applicable to the Library's governmental activities, are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Position.		
Lease Liability		(1,930)
Right-To Use Asset		1,930
Bonds Payable		(60,000)
Accrued Interest		(1,280)
Net Position - Governmental Activities		$ 962,276

The accompanying notes are an integral
part of the financial statements

Garden Valley District Library
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2024

	General	Debt Service	Total Governmental Funds
Revenues			
Property Taxes	$ 189,059	$ 74,156	$ 263,215
Sales Tax Distribution	19,783	-	19,783
Interest	9,740	698	10,438
Donations	3,351	-	3,351
Fees	731	-	731
Book Sales	663	-	663
Copies and Faxes	2,780	-	2,780
Circuit Account	329	-	329
Grant Revenue	5,750	-	5,750
Other Revenue	60,749	-	60,749
Total Revenues	292,935	74,854	367,789
Expenditures			
Current:			
General and Administrative	285,642	550	286,192
Debt Service:			
Principal	-	60,000	60,000
Interest	-	6,300	6,300
Total Expenditures	285,642	66,850	352,492
Net Change in Fund Balances	7,293	8,004	15,297
Fund Balances - Beginning	242,616	(1,821)	240,795
Fund Balances - Ending	$ 249,909	$ 6,183	$ 256,092

The accompanying notes are an integral
part of the financial statements

Garden Valley District Library
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of the Governmental
Funds to the Statement of Activities
For the Year Ended September 30, 2024

Total Net Change in Fund Balances - Governmental Funds		$ 15,297
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. Only the proceeds of capital disposals are reported in the governmental funds but in the Statement of Activities, the proceeds are reported net of cost less accumulated depreciation. In the current period these amounts are:		
Depreciation Expense	$ (28,183)	
Total		(28,183)
Because some property taxes will not be collected for several months after the Library's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities.		(873)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Principal Payments Made		60,000
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.		
Change in Accrued Interest on Long-Term Debt		393
Change in Net Position - Governmental Activities		$ 46,634

The accompanying notes are an integral
part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Garden Valley Library District (the Library), came into existence in Garden Valley, Idaho in 1962. It has grown, to a great extent, through the contributions of buildings, equipment, and books received from area patrons, clubs and organizations. It presently offers reference material, books, and videos for loan to area members.

On November 13, 1978, the Library was organized as a District Library in Boise County, Idaho, making it eligible to receive county tax monies. In addition to Boise County taxes, the Library receives fees from book fines and copy services, as well as grant and contract funds from the Idaho State Library and the State of Idaho for various project services. Grant contract funds are also available for purchase of library equipment, materials and subscriptions, and are received by the Library, generally, as reimbursement for expended funds.

The accompanying financial statements present the activities of the Library, which has responsibility and control over all activities related to the Library District. The Library receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the Library is not included in any other governmental reporting entity as defined by generally accepted accounting principles. Board members are elected by the public 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 Library'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 Library. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Library's governmental activities.

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

- Indirect expenses are expenses of the general government related to the administration and support of the Library's programs, such as personnel and accounting (but not interest on long-term debt) and are allocated to programs based on their percentage of total primary government expenses. Interest expenses are allocated to the programs that manage the capital assets financed with long-term debt.
- Program revenues include (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, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Library's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The Library reports the following major governmental funds:

- *General fund.* This is the Library's primary operating fund. It accounts for all financial resources of the Library, except those required to be accounted for in another fund.
- *Debt Service.* This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the Library's activities.

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. Nonexchange transactions, in which the Library receives value without directly giving equal value in return, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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 library considers all revenues reported in the governmental funds to be available if they are collected within sixty-days after the end of the year. 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 statements and in governmental fund financial statements. The Library uses the following fund balance categories in the governmental fund financial statements

- *Nonspendable.* Balances, for example, in permanent funds, prepaid expenditures, and inventories that are permanently precluded from conversion to cash.
- *Restricted.* Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Unassigned.* Balances available for any purpose.

The remaining fund balance classifications (committed, and assigned) 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 Directors, the Library's highest level of decision-making authority, through a formal action. The Board of Directors would also have the authority to assign fund balance or authorize another official to do so.

Under the terms of grant agreements, the Library 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 position or fund balance available to finance the program. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

There is no formal policy regarding the use of committed, assigned, or unassigned fund balances. However, it is the Library'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 Library considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

C. Assets and Liabilities

Cash Equivalents

The library requires all cash belonging to the library to be placed in custody of the Clerk.

All amounts included in the pooled cash and investment accounts with an original maturity of three months or less are considered to be cash and cash equivalents. See Note 2.

Receivables

All trade and property tax receivables are shown net of an allowance for doubtful accounts. No receivable is accrued for fines because all fines are estimated to be uncollectible.

Property Tax Calendar

The Library levies its real property taxes through the county on the second Monday in September of each year based upon the assessed valuation as of the previous July. Property taxes are due in two installments on December 20 and June 20 and are considered delinquent on January 1 of the following year, at which time the property is subject to lien.

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 Threshold	Depreciation Method	Estimated Useful Life
Buildings and Improvements	$5,000	Straight Line	7-40 Years

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives. The Library does not own any infrastructure.

Accounts Payable

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

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 September 30, 2024, the carrying amount of the Library's deposits was $164,644 and the respective bank balances totaled $172,066. The entire bank balance was insured or collateralized with pooled securities held by the pledging institution in the name of the Library.

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 September 30, 2024, all of the Library's deposits were covered by the federal depository insurance or by collateral held by the Library's agent or pledging financial institution's trust department or agent in the name of the Library, and thus were not exposed to custodial credit risk. The Library also keeps 99,790 of petty cash on hand. The Library does not have a formal policy limiting its exposure to custodial credit risk.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Library does not have a formal policy limiting its exposure to custodial credit risk for investments.

Interest Rate Risk

The Library 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 Library follows Idaho Statute that outlines qualifying investment options as follows:

> Idaho Code authorizes the Library 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.

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

	Governmental Activities
Cash and Cash Equivalents	$264,433
Certificate of Deposits	99,790
	$364,223

3. INTERFUND BALANCES

There is $6,855 due from the Debt Service fund to the General fund to cover bond costs paid by the General fund. The amount will be paid back within the next fiscal year.

4. PROPERTY TAXES

Property taxes are an enforceable lien on property. The lien date is January 1 for property taxes levied on the second Monday of the prior September. Taxes can be paid in two installments with payments due by December 20 and June 20. Boise County bills and collects the taxes and remits them to the Library monthly. Library property tax revenues are recognized when entered on the tax rolls to the extent that they result in receivables.

Taxes receivable represent balances due as of August 31, 2024. Taxes collected by the Boise County Tax Collector in September, 2024, are on deposit with the Boise County Treasurer. These collections were turned over to the Garden Valley Library District subsequent September 30, 2024. Balances not received within 60 days after the end of the year are considered deferred in the fund financial statements.

5. DUE FROM OTHER GOVERNMENTS

Amounts due from other governmental units (State of Oregon) consists of sales tax revenue of $4,885.

6. CAPITAL ASSETS

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

	Balance 9/30/2023	Additions	Disposals	Balance 9/30/2024
Governmental Activities:				
Nondepreciable Capital Assets:				
Land	$ 30,000	$ -	$ -	$ 30,000
Depreciable Capital Assets:				
Buildings and Improvements	1,105,783	-	-	1,105,783
Total Historical Cost	1,105,783	-	-	1,105,783
Less: Accumulated Depreciation:				
Buildings and Improvements	342,829	28,183	-	371,012
Total Accumulated Depreciation	342,829	28,183	-	371,012
Net Depreciable Assets	762,954	(28,183)	-	734,771
Governmental Activities - Net Capital Assets	$ 792,954	$ (28,183)	$ -	$ 764,771

Depreciation expense was charged to the functions of the Library as follows:

Governmental Activities:	
General and Administrative	$ 28,183

7. RISK MANAGEMENT

The Library 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. Commercial insurance policies are purchased to transfer the risk of loss for property and content damage, employee torts, and professional liabilities.

8. SALARIES AND PAYROLL TAXES PAYABLE

The Library follows the practice of paying salaries and related benefits in the month after such payroll is earned. Salaries and benefits payable, as reflected at September 30, 2024, represent amounts earned but not paid at that date. Since the amount of salaries and related benefits due to the employees are pertinent to the fiscal year, such amounts have been accrued as salaries and benefits payable with related expenditures recorded in the current fiscal year's operations.

The balance at September 30, 2024, was $8,783.

9. LONG-TERM LIABILITIES

In 2007, the library issued General Obligation Bonds to provide for the acquisition, construction, and remodel of major capital facilities. General Obligation Bonds are direct obligations and pledge the full faith and credit of the Library.

A summary of long-term liability activity for the year ended September 30, 2024, is as follows:

	Rate	Beginning	Increase	Decrease	Ending	Current
Governmental Activities:						
Series 2007 GOB	5-5.25%	$ 120,000	$ -	$ (60,000)	$ 60,000	$ 60,000

Debt service requirements on long-term debt at September 30, 2024, are as follows:

Year Ending	Bonds and Notes		
September 30,	Principal	Interest	Total
2025	$ 60,000	$ 3,150	$ 63,150
	$ 60,000	$ 3,150	$ 63,150

$5,907 of interest was expensed during the year ended September 30, 2024. No interest was capitalized during the period.

10. OTHER COMMITMENTS

The Organization maintains credit cards with a total credit limit of $10,000 . As of September 30, 2023, $2,763 of the available credit was in use.

11. LEASES

The organization reports all leases that have an original term, including all options to extend, of 12 months or more on their balance sheet as a right-to-use asset and a corresponding lease liability. If the original term of the lease, including all options to extend, is less than 12 months it is expensed over the life of the lease and is not recorded on the balance sheet.

The organization entered into a lease with Ricoh USA, Inc in May 2021, for copiers and printers, for the length of 60 months. This lease is an operating lease, because at the end of the lease the organization intends to return all equipment.

The organization has elected to use the IRS risk free rate to determine the interest portion of the lease. At this time this lease was entered into the organization used a rate of 5.25%

The future payments of this debt are as follows

Year Ending September 30,	Amount
2025	$ 1,212
2026	808
Total	2,020
Less: Amount attributed to interest	(90)
Less: Current portion	(1,138)
Long-term Lease Liability	$ 792

The leased copiers were reported on the balance sheet as follows:

Right to Use Asset - Cost	$ 4,035
Less: Accumulated Amortization	(2,105)
Right to Use Asset - Book Value	$ 1,930

REQUIRED SUPPLEMENTARY INFORMATION

Garden Valley District Library
Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ 185,262	$ 185,262	$ 189,059	$ 3,797
Sales Tax Distribution	12,365	12,365	19,783	7,418
Interest	3,000	3,000	9,740	6,740
Donations	4,000	4,000	3,351	(649)
Fees	500	500	731	231
Book Sales	800	800	663	(137)
Copies and Faxes	2,400	2,400	2,780	380
Circuit Account	300	300	329	29
Grant Revenue	20,000	20,000	5,750	(14,250)
Other Revenue	41,273	41,273	60,749	19,476
Total Revenues	269,900	269,900	292,935	23,035
Expenditures				
Current:				
General and Administrative	275,950	275,950	285,642	(9,692)
Total Expenditures	275,950	275,950	285,642	(9,692)
Net Change in Fund Balances	(6,050)	(6,050)	7,293	13,343
Fund Balances - Beginning	6,050	6,050	242,616	236,566
Fund Balances - Ending	$ -	$ -	$ 249,909	$ 249,909

1. BUDGETS AND BUDGETARY ACCOUNTING

The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

A. Prior to September 1, the Board of Directors prepares a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

B. Public hearings are conducted to obtain taxpayer comments.

C. Prior to October 1, the budget is legally passed.

D. The Board of Directors, by following the same budgetary procedures used to adopt the original budget, may amend it to a greater amount if additional revenue will accrue to the Library as a result of increases in state or federal grants or allocations, or as a result of an increase in revenues from any source other than ad valorem tax revenues.

E. Formal budgetary integration is employed as a management control device during the year for the General fund.

F. The budget for the General fund is adopted on a basis consistent with generally accepted accounting principles.

G. Expenditures may not legally exceed budgeted appropriations at the fund level. The Library does not use the encumbrance method of accounting.

2. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The General fund reports expenditures in excess of appropriations in the amount of $9,692.

SUPPLEMENTARY INFORMATION

Garden Valley District Library
Schedule of Revenue and Expenditures -
Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2024

	Budget	Actual	Variance
Revenues			
Property Taxes	$ 185,262	$ 189,059	$ 3,797
Sales Tax Distribution	12,365	19,783	7,418
Interest	3,000	9,740	6,740
Donations	4,000	3,351	(649)
Fees	500	731	231
Book Sales	800	663	(137)
Copies and Faxes	2,400	2,780	380
Circuit Account	300	329	29
Grant Revenue	20,000	5,750	(14,250)
Other Revenue	41,273	60,749	19,476
Total Revenues	$ 269,900	$ 292,935	$ 23,035
Expenditures			
Audit	$ 5,000	$ 5,000	$ -
Books and Materials	22,000	18,184	3,816
Dues and Advertising	400	323	77
Equipment	20,000	2,234	17,766
Grant Expenses	20,000	9,198	10,802
Insurance	6,000	5,326	674
Miscellaneous	14,850	12,039	2,811
Office Expense	13,000	8,808	4,192
Postage and Freight	1,200	437	763
Printing and Copying	2,000	2,038	(38)
Program Expense	8,000	5,885	2,115
Repairs and Maintenance	22,000	80,029	(58,029)
Salaries and Payroll Taxes	122,500	119,514	2,986
Telephone and Utilities	18,000	16,488	1,512
Travel and Training	1,000	139	861
Total General and Administrative	$ 275,950	$ 285,642	$ (9,692)

FEDERAL REPORT

ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS
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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Garden Valley Library District
Crouch, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Garden Valley Library District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Garden Valley Library District's basic financial statements, and have issued our report thereon dated November 4, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Garden Valley Library District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Garden Valley Library District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Garden Valley Library District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

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
November 4, 2024