NORTH BINGHAM COUNTY DISTRICT LIBRARY
BASIC FINANCIAL STATEMENTS
and SUPPLEMENTARY INFORMATION
with
INDEPENDENT AUDITOR'S REPORT
For the Year Ended September 30, 2024

NORTH BINGHAM COUNTY DISTRICT LIBRARY
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Year Ended September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
North Bingham County District Library
Shelley, Idaho

Opinions

We have audited the accompanying financial statements of the governmental activities of the North Bingham County District Library as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the North Bingham County District Library's basic financial statements as listed in the table of contents.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the North Bingham County District Library, as of September 30, 2024, and the respective changes in financial position for the year then ended 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. Our responsibilities under those standards are further described in the Auditors Responsibility under for the Audit of the Financial Statements section of our report. We are required to be independent to the North Bingham County District Library, 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 an appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and 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 North Bingham County District Library'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 Responsibility for the Audit of 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. Our responsibility is to express opinions on these financial statements based on our audit. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted 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 bases, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's, internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 23 and the schedules of employer's share of net pension liability and of employer contribution on pages 24-25 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 the 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 inquires, 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 (MD&A) which is management's analysis of the Entity's financial activities based on currently known facts, decisions, or conditions, that accounting principles generally accepted in the United States of America requires 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 Information

Management is responsible for the other information included in the annual report. The other information comprises introductory and statistical sections' but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Jensen Poulsen & Company, PLLC

JENSEN POULSEN & COMPANY, PLLC
Certified Public Accountants

Idaho Falls, ID
January 8, 2024

GENERAL PURPOSE FINANCIAL STATEMENTS

NORTH BINGHAM COUNTY DISTRICT LIBRARY
Statement of Net Position
September 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 1,306,609
Property tax receivable (net)	8,797
Prepaid expenses	13,577
Capital assets, net of depreciation	226,488
Total assets	$ 1,555,471
DEFERRED OUTFLOWS OF RESOURCES	
Pension deferred outflows	$ 23,402
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 1,578,873
LIABILITIES	
Accounts Payable	$ 7,346
Wages & benefits payable	8,246
Compensated absences	1,856
Net pension liability	99,393
Total liabilities	$ 116,841
DEFERRED INFLOWS OF RESOURCES	
Pension deferred inflows	$ -
NET POSITION	
Net investment in capital assets	$ 226,488
Restricted for:	
Permanent funds	
Expendable	2,366
Non-expendable	10,000
Unrestricted	1,223,178
Total net position	$ 1,462,032
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 1,578,873

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

NORTH BINGHAM COUNTY DISTRICT LIBRARY
Statement of Activities
For Fiscal Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues: Fees, Fines, & Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental activities:						
General government	$ 442,028	$ 3,463	$ 106,008	$ -	$ (332,557)	$ (332,557)
Total governmental activities	$ 442,028	$ 3,463	$ 106,008	$ -	$ (332,557)	$ (332,557)
General revenues:						
Taxes -- Bingham County					$ 537,129	$ 537,129
Franchise taxes					5,802	5,802
Interest and investment earnings					52,640	52,640
Miscellaneous					-	-
Pension expense					(6,605)	(6,605)
Total general revenues					$ 588,966	$ 588,966
Changes in net assets					$ 256,409	$ 256,409
Net assets--beginning					1,205,623	1,205,623
Net assets--ending					$ 1,462,032	$ 1,462,032

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

NORTH BINGHAM COUNTY DISTRICT LIBRARY
Balance Sheet
Governmental Funds
September 30, 2024

ASSETS	General Fund	Endowment Fund	Total
Cash and cash equivalents	$ 1,293,569	$ 13,040	$ 1,306,609
Taxes receivable (net)	8,797	-	8,797
Prepaid expense	13,577	-	13,577
Total assets	$ 1,315,943	$ 13,040	$ 1,328,983
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	$ 7,346	$ -	$ 7,346
Wages and benefits payable	8,246	-	8,246
Deferred revenues	1,568	-	1,568
Total liabilities	$ 17,160	$ -	$ 17,160
FUND BALANCE			
Nonspendable	$ 8,467	$ 10,000	$ 18,467
Restricted	-	3,040	3,040
Unassigned	1,290,316	-	1,290,316
Total fund balance	$ 1,298,783	$ 13,040	$ 1,311,823
Total liabilities and fund balance	$ 1,315,943	$ 13,040	$ 1,328,983

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

NORTH BINGHAM COUNTY DISTRICT LIBRARY
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
September 30, 2024

Total Governmental Fund Balances		$ 1,311,823
The cost of capital assets (land, buildings, furniture, and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in government funds.		
Cost of capital assets	470,106	
Depreciation expense to date	(243,618)	226,488
Property taxes received that are not available to pay for current period expenditures are deferred in the funds.		1,568
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences - 2024		(1,856)
GASB 68 requires the accrual of net pension assets and liabilities and the deferred inflows and outflows of resources related thereto.		
Deferred outflows of resources	23,402	
Deferred inflows of resources	-	
Current change in net pension asset	(99,393)	(75,991)
Net Position of Governmental Activities		$ 1,462,032

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

NORTH BINGHAM COUNTY DISTRICT LIBRARY
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For Fiscal Year Ended September 30, 2024

REVENUES	**General Fund**	**Endowment Fund**	**Total**
Local Sources:			
Tax charges	$ 545,185	$ -	$ 545,185
Grants & other contributions	110,508	-	110,508
Fees & Fines	723	-	723
Charges for services	2,740	-	2,740
Interest earnings	51,966	674	52,640
Total revenue	$ 711,122	$ 674	$ 711,796
EXPENDITURES			
General government	$ 426,880	$ -	$ 426,880
Capital Outlay	4,101	-	4,101
Total expenditures	$ 430,981	$ -	$ 430,981
Excess (deficiency) revenues over expenditures	$ 280,141	$ 674	$ 280,815
OTHER FINANCING SOURCES AND USES			
Transfers in (out)	-	-	-
Net change in fund balance	$ 280,141	$ 674	$ 280,815
Fund balances - beginning	1,018,642	12,366	1,031,008
Fund balances - ending	$ 1,298,783	$ 13,040	$ 1,311,823

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

NORTH BINGHAM COUNTY DISTRICT LIBRARY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For Fiscal Year Ended September 30, 2024

Net changes in fund balances - total governmental funds		$ 280,815
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is excess of capital outlays over (under) depreciation expense in the current period.		
Capitalized assets	-	
Depreciation expense	(12,439)	(12,439)
Property tax revenues are deferred and not recognized in the funds until they are available to pay for current period expenditures. In the statement of activities, however, they are recognized when levied. This is the difference between the amount deferred at the beginning and end of the current period.		
Deferred revenue - 2024	1,568	
Deferred revenue - 2023	(8,322)	(6,754)
Change in long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		1,392
GASB 68 requires the calculation of net pension revenue/(expense), and the deferral of current contributions		
Current contributions (measurement deferral)	3,640	
Net pension income (expense)	(10,245)	(6,605)
Change in Net Position of Governmental Activities		$ 256,409

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

North Bingham County District Library is organized and operates under the provisions of the Idaho Constitution and the accounting policies and practices of the Library conform to accounting principles generally accepted in the United States of America as applied to governments, except for the exceptions noted hereafter:

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 scope of the reporting entity is intended to cover those funds under the direct jurisdiction of the library board. Other governing boards elected or appointed, that exercise substantial or total administrative and supervisory authority in their name are considered to be substantially autonomous from North Bingham County District Library government and are not included in this report.

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Library's financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the Library as a whole, while the fund statements focus on individual funds.

Government-Wide Financial Statements

The government-wide statements present information on all non-fiduciary activities of the government. The Library's activities are governmental activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the Library'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 is either externally imposed or is imposed by constitutional provisions or enabling legislation.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The Library does not allocate general government (indirect) expenses to other functions. Program revenues include: I) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements

The financial transactions of the Library are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for governmental, proprietary, and fiduciary funds. For governmental and proprietary funds, the emphasis is on major funds, with each displayed in a separate column.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Library reports the following major governmental funds:

- General Fund – This fund is the principal operating fund of the Library. It is used to account for all financial resources not required to be accounted for in another fund.
- Endowment Fund – This fund is used to account for the revenue and expenditures of a donor- restricted endowment.

Governmental Fund Types

Governmental funds account for the Library's general activities including current financial resources and are those through which most governmental functions of the Library are financed. The Library has the following governmental funds:

General Fund – The General Fund is the general operating fund of the Library. It is used to account for all financial resources except those required to be accounted for in another fund.

Permanent Funds – Permanent funds report resources legally restricted so that only the earnings they generate, and not the resources themselves, may be used.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other revenues are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The Library does not have any proprietary, fiduciary, business-type or enterprise funds.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred.

E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES OR NET POSITION

The following are the Library'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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

Receivables include accrued amounts for sales taxes and delinquent property taxes. Receivables from other governments are reasonably assured; accordingly, no allowance for uncollectable accounts has been established.

Taxes Receivable

Property taxes are levied in September of each year and become payable on December 20 and June 20 of the following year for real property taxes and December 20 for personal property taxes.

Property taxes attach as an enforceable lien as of December 20 following levy in September. Therefore, no amount has been set aside for an allowance of doubtful accounts. Property taxes not collected before December 1, 2024 are classified as revenue unavailable for use in the governmental funds.

Capital Assets

The Library defines a capital asset as an asset with an initial cost of $5,000 or more for equipment, $50,000 or more for land and buildings and an estimated useful life of more than one year. 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. The Library does not capitalize any infrastructure assets.

Capital assets purchased in governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is not capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Building, equipment, and other depreciable assets are depreciated using the straight-line method over estimated useful lives of 5 to 70 years.

Capital assets are reported in the applicable governmental column m the government-wide financial statements.

Long-term Obligations

In the government-wide 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 bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond premiums, discounts, and issuance costs are recognized as expenditures in the current period. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The face amount of debt issued is reported as other financing sources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position/Fund Balances

The difference between assets plus deferred outflows and liabilities plus deferred inflows is net position on the government-wide statement and fund balance on the governmental fund statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred outflows of resources. This financial statement element represents a consumption of net position or fund balance that applies to a future period, or periods, so it will not be recognized as an outflow of resources until that time. The Library currently reports a deferred outflow associated with the net pension liability on the Statement of Net Position.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred inflows of resources. This financial statement element represents an acquisition of net position or fund balance that applies to a future period, or periods, so it will not be recognized as an inflow of resources until that time. The Library has an item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, revenue unavailable for use is reported only in the governmental funds Balance Sheet. This amount is deferred and recognized as an inflow of resources in the period that amounts become available. The Library also reports a deferred inflow associated with the net pension liability on the Statement of Net Position.

Nonspendable and Spendable Fund Balances

Fund balance is separated into nonspendable and spendable fund balance. The following is a list of nonspendable and spendable fund balance designations for North Bingham County District Library.

Nonspendable: This designation segregates fund balances that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable fund balance was designated as a permanent endowment by the donor.

Restricted: This designation segregates a portion of the fund balance when constraints have been placed on the use of the resources either externally by creditors, granters, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Library has one permanent endowment; the proceeds from this fund have been restricted by the donor for music.

Committed: This designation indicates a portion of the fund balance which can only be used for specific purposes pursuant to constraints imposed by formal action of the Library Board. It cannot be used for any other purpose unless the Library Board removes or changes the specified use by taking the same type of action it employed to previously commit it.

Assigned: This designation indicates a fund balance that can only be spent for purposes officially delegated by authority (budget) or is constrained by governmental intent but is not restricted or committed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned: This designation indicates a fund balance is not assigned to any specific purpose or is a negative fund balance. The Library may use the positive unassigned fund balance for expenditures in the subsequent fiscal year.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Library generally uses restricted fund balance first, then unrestricted

F. BUDGETS AND BUDGETARY ACCOUNTING

The Idaho Constitution and the Idaho Department of Revenue and Taxation prescribe the budget process and procedures for governmental subdivisions. The North Bingham County District Library has satisfied the basic requirements prescribed in the following particulars:

1) Formulation of subsequent year budget requirements by internal Library officers and personnel.

2) Perusal of formulated budgets by the Library Board of Trustees.

3) Presentation of preliminary and final budget requirements in formal news media of the Library.

4) Open hearings to permit taxpayer input before such budgets are formally adopted.

Subsequent control budgets following adoption are accomplished through a budget-expenditures control system with interim status accounting and reporting made available to officers and employees for management purposes. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The Library does not maintain a formal encumbrance accounting system.

G. COMPENSATED ABSENCES AND POST-EMPLOYMENT BENEFITS

Accumulated unpaid vacation and other employee benefits are not accrued in governmental funds on the modified accrual basis of accounting. At September 30, 2024, unrecorded fund liabilities included approximately $1,856 of total leave time accumulations and are considered normal to the Library operation.

Vacation and compensatory leave are recorded as an expenditure when used in governmental funds and as an expense when earned in the government-wide statements. A liability for unused vacation and compensatory leave is recorded in the government-wide Statement of Net Position.

H. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. REVENUES AND EXPENDITURES/EXPENSES

Under the modified accrual basis of accounting, revenues are recognized in governmental funds when "measurable and available." Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. North Bingham County District Library considers property tax revenues to be "available" if they are collected within 60 days after year-end. Grants and similar items are recognized as revenue when all eligibility requirements have been met. All other revenues, including sales taxes, are considered to be available if they are collected within 30 days after year-end. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

In the government-wide statements, revenues are recognized when earned.

J. EXPENDITURE/EXPENSE RECOGNITION

In governmental funds, expenditures are generally recorded when the related liability is incurred. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisition and construction are reported as expenditures in the period they are acquired.

In the government-wide statements, expenses are recorded when the related liability is incurred.

When an expenditure or expense is incurred for purposes for which both restricted and unrestricted resources are available, the Library generally uses restricted resources first, then unrestricted resources.

When an expenditure is incurred for purposes for which unrestricted fund balance is used, the Library generally uses committed first, then assigned and then unassigned fund balance.

K. INTERFUND ACTIVITY AND BALANCES

Government-wide Statements

In general, eliminations have been made to minimize the double-counting of internal activity. There were no interfund receivables or payables at September 30, 2024.

Governmental Fund Statements

Interfund transactions for goods and services provided and used are reported as revenues and expenditures/expenses in the funds involved. Cash transfers between funds of the Library are reported as other financing sources and uses in the governmental fund statements.

L. 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.

Notes to the Financial Statements
September 30, 2024

1. CASH AND INVESTMENTS

Deposits with financial institutions include bank demand deposits as authorized by Idaho statutes. At year end, the carrying amounts of the Library's deposits were $1,306,609 the bank balances were $240,649 at US Bank and $1,064,079 at the Local Government Investment Pool. Of the bank balances, $240,649 was covered by federal depository insurance or collateralized. Cash held at the Local Government Investment Pool is uninsured and uncollateralized.

Custodial credit risk is the risk that, in the event of a bank failure, the Library's deposits may not be returned to it. The Library does not have a deposit policy for custodial credit risk. As of September 30, 2024, $1,077,019 the City's bank balance of $1,317,769 was exposed to custodial credit risk.

Credit risk: Per the Local Government Investment Pool management, the investment pool itself does not have a credit rating.

The Library does not hold any investments at September 30, 2024.

2. CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Capital Acquisitions	Sales / Other Dispositions	Ending Balance
Non-depreciable Assets:				
Land	$ 73,578	$ -	$ -	$ 73,578
Construction in progress	-	-	-	-
Total capital assets, not depreciated	$ 73,578	$ -	$ -	$ 73,578
Depreciable Assets:				
Buildings & Equipment	$ 396,528	$ -	$ -	$ 396,528
Total capital assets	396,528	-	-	396,528
Less: accumulated depreciation	(231,178)	(12,439)	-	(243,617)
Govt'l Activity capital assets, net	$ 238,928	$ (12,439)	$ -	$ 226,488

Depreciation expense was charged to current function of the primary government as follows:

Governmental activities	
General government	$12,439
Total governmental activities	$12,439

3. PENSION PLAN

Plan Description

The District contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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

Pension Benefits

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

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

The contribution rates for employees are set by stature at 60% (74%) of the employer rate. As of June 30, 2024, it was 7.16% (9.13%). The employer contribution rate is set by the Retirement Board and was 11.94% (12.28%) of covered compensation. The Library's contributions were $14,001 for the year ended September 30, 2024.

4. PENSION ACTIVITY, Continued

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

At September 30, 2024, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 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 .0026571 percent.

For the year ended September 30, 2024, the District recognized pension expense (revenue) of $10,245. At September 30, 2024 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 15,824	$ -
Changes in assumptions or other inputs	3,937	-
Net difference between projected and actual earnings on pension plan investments	1,804	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	-
Contributions subsequent to the measurement date	3,640	-
TOTAL	$ 25,205	$ -

$3,640 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 September 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, 2023 the beginning of the measurement period ended June 30, 2024 is 4.7 and 4.6 for the measurement period June 30, 2024.

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

Year ended September 30, 2024:	
2025	$ 4,906
2026	$ 18,532
2027	$ (3,196)
2028	$ (2,284)

4. PENSION ACTIVITY, 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	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%

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 an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2023.

4. PENSION ACTIVITY, Continued

2024

Asset Class	DB Plans	Sick Leave
Fixed Income	30.0%	50.0%
US/Global Equity	55.0%	39.3%
International Equity	15.0%	10.7%
Cash	0.0%	0.00%
Total	100%	100%

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%)
Proportionate share of the net pension liability (asset)	188,877	99,393	26,307

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.

4. LITIGATION AND CONTINGENT LIABILITIES

The Library is not presently in active litigation. There are no claims pending against the Library that are expected to expose the Library to losses beyond the insurance protection provided.

5. LONG-TERM DEBT

The following summary recaps the changes in the City's long-term obligations for the year ended September 30, 2024:

Governmental-type activities	Beginning Balance	Additions	Subtractions	Ending Balance
Compensated absences	$ 3,248	$ -	$ 1,392	$ 1,856
Total governmental-type	$ 3,248	$ -	$ 1,392	$ 1,856

Compensated absences typically have been liquidated in the general fund.

6. RESTRICTED/NONSPENDABLE AND ENCUMBERED FUND BALANCES/RESTRICTED NET POSITION

As of September 30, 2024, there was a restricted fund balance of $3,040 and a nonspendable fund balance of $10,000 on the Balance Sheet and restricted net position of $13,040 on the Statement of Net Position. This represents a donor-restricted endowment fund for music.

There were no encumbrances as of September 30, 2024.

7. RELATED PARTY TRANSACTIONS

The Library 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 Library is exposed to various risks related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The Library's risk management program encompasses various means of protecting the Library against loss by obtaining property, casualty and liability coverage through commercial insurance carriers and from participation in a risk pool. The Library's participation in the risk pool is limited to paying premiums for its general liability insurance coverage. Settled claims have not exceeded insurance coverage in any of the previous three years. There has not been any significant reduction in coverage from that of the previous year.

10. DEFICITS

There were no fund deficits reportable by the Library.

11. INTERFUND TRANSFERS

There were no interfund transfers for the year ended September 30, 2024.

12. DONOR-RESTRICTED ENDOWMENT

In 1980, the Library received a donor-restricted endowment in the amount of $10,000 from Hazel T. Stuart. The Library can use the interest and appreciation from the endowment for music related purchases. The current value of the endowment fund is $13,040. These monies are reported on the Balance Sheet as $10,000 nonspendable and $3,040 restricted and on the Statement of Net Position as $13,040 restricted. The Library board authorizes expenditures of the interest and appreciation from the endowment fund through the normal expenditure approval process.

13. SUBSEQUENT EVENTS

There are no known subsequent events that will have a material impact on the operation of the District. Subsequent events were considered through the report date of January 8, 2025.

REQUIRED SUPPLEMENTAL INFORMATION

NORTH BINGHAM COUNTY DISTRICT LIBRARY
Statement of Revenues and Expenditures, Budget to Actual Comparison
General Fund
For Fiscal Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Local Sources:				
Tax charges	$ 539,810	$ 539,810	$ 545,185	$ 5,375
Grants & other contributions	8,690	8,690	110,508	101,818
Fees & Fines	1,000	1,000	723	(277)
Charges for services	2,500	2,500	2,740	240
Interest earnings	20,000	20,000	51,966	31,966
Total revenue	$ 572,000	$ 572,000	$ 711,122	$ 139,122
EXPENDITURES				
General government	$ 538,000	$ 538,000	$ 426,880	$ 111,120
Capital outlay	62,000	62,000	4,101	57,899
Total expenditures	$ 600,000	$ 600,000	$ 430,981	$ 169,019
Net change in fund balances	$ (28,000)	$ (28,000)	$ 280,141	$ 308,141
FUND BALANCE				
Beginning balance	1,018,642	1,018,642	1,018,642	-
Ending balance	$ 990,642	$ 990,642	$ 1,298,783	$ 308,141

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

NORTH BINGHAM COUNTY DISTRICT LIBRARY
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - Base Plan
Last 10 Fiscal Years

	2022	2023	2024
Library's portion of the net pension liability	0.0030849%	0.0028739%	0.0026571%
Library's proportionate share of the net pension liability	$ 121,505	$ 114,687	$ 99,393
Library's covered-employee payroll	$ 113,889	$ 117,945	$ 124,072
Library's proportional share of the net pension liability as a percentage of its covered-employee payroll	106.69%	97.24%	80.11%
Plan fiduciary net position as a percentage of the total pension liability	83.09%	83.83%	85.54%

- Data reported is measured as of June 30, 2024

	2019	2020	2021
Library's portion of the net pension liability	0.0028100%	0.0031938%	0.0033668%
Library's proportionate share of the net pension liability	$ 32,075	$ 74,164	$ (2,659)
Library's covered-employee payroll	$ 94,974	$ 113,946	$ 125,641
Library's proportional share of the net pension liability as a percentage of its covered-employee payroll	33.77%	65.09%	-2.12%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	88.22%	100.36%

- Data reported is measured as of June 30, 2024

	2016	2017	2018
Library's portion of the net pension liability	0.0031500%	0.0031212%	0.0031518%
Library's proportionate share of the net pension liability	$ 63,855	$ 49,060	$ 46,490
Library's covered-employee payroll	$ 92,132	$ 100,017	$ 96,632
Library's proportional share of the net pension liability as a percentage of its covered-employee payroll	69.31%	49.06%	48.11%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	90.68%	91.69%

- Data reported is measured as of June 30, 2024

	2015
Library's portion of the net pension liability	0.0032255%
Library's proportionate share of the net pension liability	$ 42,475
Library's covered-employee payroll	$ 90,344
Library's proportional share of the net pension liability as a percentage of its covered-employee payroll	47.01%
Plan fiduciary net position as a percentage of the total pension liability	91.38%

- Data reported is measured as of June 30, 2024

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

NORTH BINGHAM COUNTY DISTRICT LIBRARY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last 10 Fiscal Years

	2022	2023	2024
Statutorily required contribution	$ 14,285	$ 12,552	$ 17,283
Contributions in relation to the statutorily required contribution	$ 14,697	$ 14,767	$ 14,731
Contribution (deficiency) excess	$ 412	$ 2,215	$ (2,552)
Employer's covered-employee payroll	$ 121,128	$ 121,698	$ 121,519
Contributions as a percentage of covered-employee payroll	12.13%	12.13%	12.12%

- Data reported is measured as of June 30, 2024

	2019	2020	2021
Statutorily required contribution	$ 10,752	$ 13,209	$ 12,180
Contributions in relation to the statutorily required contribution	$ 10,961	$ 14,499	$ 13,911
Contribution (deficiency) excess	$ 209	$ 1,290	$ 1,731
Employer's covered-employee payroll	$ 96,036	$ 119,388	$ 114,656
Contributions as a percentage of covered-employee payroll	11.41%	12.14%	12.13%

- Data reported is measured as of June 30, 2024

	2016	2017	2018
Statutorily required contribution	$ 9,364	$ 10,525	$ 12,240
Contributions in relation to the statutorily required contribution	$ 10,522	$ 11,123	$ 11,635
Contribution (deficiency) excess	$ 1,158	$ 598	$ 209
Employer's covered-employee payroll	$ 91,206	$ 96,431	$ 100,870
Contributions as a percentage of covered-employee payroll	11.54%	11.53%	11.53%

- Data reported is measured as of June 30, 2024

	2015
Statutorily required contribution	$ 10,551
Contributions in relation to the statutorily required contribution	$ 10,825
Contribution (deficiency) excess	$ 274
Employer's covered-employee payroll	$ 90,027
Contributions as a percentage of covered-employee payroll	12.02%

- Data reported is measured as of June 30, 2024

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

Notes to the Financial Statements
September 30, 2024

NOTE 1 BUDGETS AND BUDGETARY ACCOUNTING

The Idaho Constitution and the Idaho State Tax Commission prescribe the budget process and procedures for governmental subdivisions. The Library has satisfied the basic requirements prescribed in the following particulars:

a. Formulation of subsequent year budget requirements by Library officials and personnel.
b. Perusal of formulated budgets by Library officials.
c. Presentation of preliminary and final budget requirements in formal news media of the Library.
d. Open hearings to permit taxpayer input before such budgets are formally adopted.

Subsequent control of budgets following adoption is accomplished through a budget-expenditures control system with interim status accounting and reporting made available to officials and employees for management purposes. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). All annual appropriations lapse at the end of the fiscal year.

NOTE 2 PENSIONS

The North Bingham County District Library contributes to 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.

During the fiscal year ended September 30, 2024, there were no changes of benefit terms, neither was there any significant change in the composition of the population covered by the benefit terms. All assumptions used in actuarial calculations were not significantly different from those used in the past.

SUPPLEMENTAL INFORMATION

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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*

The Honorable Board of Trustees
North Bingham County District Library, Idaho
Shelley, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Bingham County District Library, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the North Bingham County District Library's basic financial statements and have issued our report thereon dated January 3, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library's internal control over financial reporting 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 the Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the North Bingham County District Library'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 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

As part of obtaining reasonable assurance about whether the North Bingham County District Library'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.

Jensen Poulsen & Company, PLLC

JENSEN POULSEN & COMPANY, PLLC
Certified Public Accountants
Idaho Falls, Idaho
January 8, 2025