CITY OF FRUITLAND, IDAHO

Basic Financial Statements
With Supplemental Information

September 30, 2024

Please see page page 13-15 Proprietary Enterprise Funds
"Paramedics Fund" for Payette County Ambulance District audit information.

CITY OF FRUITLAND, IDAHO

BASIC FINANCIAL STATEMENTS
For the Year Ended September 30, 2024
TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Title Page	
Table of Contents	2
FINANCIAL SECTION	
Independent Auditor's Report	4 - 6
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet - Governmental Funds	9
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Statement of Net Position - Proprietary Funds	13
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	14
Statement of Cash Flows - Proprietary Funds	15
Notes to the Financial Statements	16 - 28
REQUIRED SUPPLEMENTAL INFORMATION:	29
Schedule of Employer's Share of Net Pension Liability & Schedule of Employer Contributions	30
Statement of Revenues, Exp, and Changes in Fund Balance - Budget and Actual	
General Fund	31
Street Fund	32
State Revenue Sharing Fund	33
SUPPLEMENTAL INFORMATION:	34
Statement of Revenues, Exp, & Changes in Fund Balance - Budget and Actual	
Recreation Fund	35
Combining Statement of Net Position - Internal Service Funds	36
Combining Statement of Revenue, Expenses, & Changes in Fund Net Position	37
Combining Statement of Cash Flows - Internal Service Funds	38
Independent Auditor's Report on Compliance and on Internal Control	39 - 40

FINANCIAL SECTION

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council
City of Fruitland, ID

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the City of Fruitland, Idaho (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City'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, each major fund, and the aggregate remaining fund information of the City as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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

1408 Pomerelle Ave Suite C • Burley, Idaho 83318 • (208) 678-1300 • Fax (208) 678-1301 • www.pvc.cpa

aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 City'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 City'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 schedules and the schedules of employer's share of net pension liability and of employer contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

The budgetary comparison information for the recreation fund, the combining and individual internal service fund financial statements, and, where applicable, the cash flows thereof, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate 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, budgetary comparison information for the recreation fund and the schedule of expenditures of federal awards are 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 February 1, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Poulsen VanLeuven & Catmull

Burley, Idaho
February 1, 2025

CITY OF FRUITLAND, IDAHO

Statement of Net Position
September 30, 2024

ASSETS	Governmental Activities	Business Type Activities	Totals
Current assets:			
Cash & investments	$ 2,651,588	$ 2,578,995	$ 5,230,583
Receivables (net of allowances):			
Taxes	68,072	-	68,072
Accounts	25,320	836,398	861,718
Prepaid expenses	-	-	-
Due from other governments	346,991	-	346,991
Due from other funds	-	-	-
Total current assets	3,091,971	3,415,393	6,507,364
Noncurrent assets:			
Restricted cash	-	-	-
Restricted investments	-	730,040	730,040
Capital assets			-
Land	803,811	930,607	1,734,418
Other capital assets, net of depreciation	10,087,601	30,710,534	40,798,135
Total noncurrent assets	10,891,412	32,371,181	43,262,593
DEFERED OUTFLOWS OF RESOURCES			
Pension Obligations	440,947	444,138	885,085
Total deferred outflows of resources	440,947	444,138	885,085
Total assets & deferred outflows	14,424,330	36,230,712	50,655,042
LIABILITIES			
Current liabilities:			
Accounts payable & accrued exp	309,511	486,259	795,770
Compensated absences payable	177,621	170,307	347,928
Interest payable	-	186,968	186,968
Utility & other deposits	28,834	-	28,834
Due to other funds	-	-	-
Bonds & notes payable - current	-	1,152,032	1,152,032
Total current liabilities	515,966	1,995,566	2,511,532
Noncurrent liabilities:			
Net pension liability	1,783,722	1,796,633	3,580,355
Bonds payable - long term	-	21,473,077	21,473,077
Total noncurrent liabilities	1,783,722	23,269,710	25,053,432
Total liabilities	2,299,688	25,265,276	27,564,964
DEFERED INFLOWS OF RESOURCES			
Employer Pension Assumption	-	-	-
Total deferred inflows of resources	-	-	-
NET POSITION			
Net investment in capital assets	10,891,412	9,016,032	19,907,444
Restricted for:			
Highways & streets	1,011,659	-	1,011,659
Culture & recreation	339,131	-	339,131
Capital projects & debt service	-	730,040	730,040
Unrestricted	(117,560)	1,219,364	1,101,804
Total Net Position	$ 12,124,642	$ 10,965,436	$ 23,090,078

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Statement of Activities
For the Year Ended September 30, 2024

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business Type Activities	Totals
Governmental Activities:							
General Government	$ 684,483	$ 61,752	$ -	$ 104,566	$ (518,165)		$ (518,165)
Public Safety	2,231,943	45,620	-	-	(2,186,323)		(2,186,323)
Highways & Streets	1,180,313	-	-	-	(1,180,313)		(1,180,313)
Parks and Recreation	285,603	-	-	-	(285,603)		(285,603)
Public Works	649,276	-	-	-	(649,276)		(649,276)
Community Development	10,500	-	-	-	(10,500)		(10,500)
Interest on long-term debt	-	-	-	-	-		-
Total Governmental Activities	5,042,118	107,372	-	104,566	(4,830,180)		(4,830,180)
Business-Type Activities:							
Water	2,432,470	2,687,805	498,000	-		$ 753,335	753,335
Sewer	2,323,889	2,821,461	560,000	-		1,057,572	1,057,572
Paramedics	3,077,392	1,732,063	793,037	261,622		(290,670)	(290,670)
Total Business-Type Activities	7,833,751	7,241,329	1,851,037	261,622		1,520,237	1,520,237
Total	$ 12,875,869	$ 7,348,701	$ 1,851,037	$ 366,188	(4,830,180)	1,520,237	(3,309,943)
General Revenues							
Property Taxes					2,887,012	-	2,887,012
Franchise Fees					542,998	-	542,998
State Revenue Sharing					331,719	-	331,719
State Sales and Liquor Taxes					677,363	-	677,363
Highway Users Revenue					643,241	-	643,241
Investment Earnings					148,003	133,104	281,107
Miscellaneous (permits, rents, etc.)					4,980	30,082	35,062
Gain/loss on Sale of Assets					41,499	6,834	48,333
Transfers					-	-	-
Total General Revenues and Transfers					5,276,815	170,020	5,446,835
Change in Net Position					446,635	1,690,257	2,136,892
Net Position Beginning of Year					11,678,007	9,275,179	20,953,186
Net Position End of Year					$ 12,124,642	$ 10,965,436	$ 23,090,078

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Balance Sheet
Governmental Funds
September 30, 2024

	General Fund	Street Fund	State Revenue Sharing Fund	Recreation Fund (non-major)	Total Governmental Funds
ASSETS					
Cash and investments	$ 703,790	$ 975,534	$ 623,701	$ 348,563	$ 2,651,588
Receivables (net of allowances):					
Taxes	58,632	5,482	-	3,958	68,072
Accounts	-	25,320	-	-	25,320
Due from other governments	84,208	82,679	180,104	-	346,991
Due from other funds	-	-	-	-	-
Total assets	$ 846,630	$ 1,089,015	$ 803,805	$ 352,521	$ 3,091,971
LIABILITIES AND FUND EQUITY:					
Liabilities:					
Accounts payable and accrued liabilities	$ 225,900	$ 67,567	$ 6,249	$ 9,795	$ 309,511
Compensated absences	-	-	-	-	-
Deposits payable	24,000	4,834	-	-	28,834
Total liabilities	249,900	72,401	6,249	9,795	338,345
DEFERRED INFLOW OF RESOURCES:					
Unavailable revenue - property taxes	50,980	4,955	-	3,595	59,530
Total deferred inflows of resources	50,980	4,955	-	3,595	59,530
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	1,011,659	-	339,131	1,350,790
Unassigned	545,750	-	797,556	-	1,343,306
Total fund balances	545,750	1,011,659	797,556	339,131	2,694,096
Total liabilities, deferred inflow of resources and fund balances	$ 846,630	$ 1,089,015	$ 803,805	$ 352,521	$ 3,091,971

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
September 30, 2024

Total Governmental Fund Balances		$ 2,694,096
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		10,891,412
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property Taxes		59,530
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		(177,621)
General fund debt		-
Some liabilities, including pension obligations (liability) are not due and payable in the current period and, therefore are not reported in the funds, but are reported on the Statement of Net Position.		(1,783,722)
Balances at September 30, 2024:		
Deferred outflows of resources pension expense	375,609	
Deferred outflow of 2024 employer contributions	65,338	
		440,947
Deferred inflows or resources related to pensions.		-
Net Position of Governmental Activities		$ 12,124,642

.

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended September 30, 2024

	General Fund	Street Fund	State Revenue Sharing Fund	Recreation Fund (non-major)	Total Governmental Funds
Revenues:					
Taxes	$ 2,604,309	$ 183,392	$ -	$ 103,013	$ 2,890,714
Licenses, permits, & franchise fees	394,998	145,600	-	2,400	542,998
Intergovernmental	677,363	643,241	331,719	-	1,652,323
Charges for services	61,752	-	-	-	61,752
Fees and fines	44,436	710	-	474	45,620
Grants / Donations	57,442	46,124	1,000	-	104,566
Miscellaneous/interest	92,576	45,949	-	14,458	152,983
Total revenues	3,932,876	1,065,016	332,719	120,345	5,450,956
Expenditures:					
Administrative	260,398	-	9,500	-	269,898
Legislative	31,423	-	-	-	31,423
Executive	14,283	-	-	-	14,283
Legal & Professional	78,734	-	-	-	78,734
Building inspection	445,232	-	-	-	445,232
Planning & zoning	204,044	-	-	-	204,044
Police	3,366,593	-	868,205	-	4,234,798
Fire	242,422	-	-	-	242,422
Highways & Streets	-	647,742	-	-	647,742
Equipment maintenance	-	-	-	-	-
Parks and recreation	-	-	-	146,348	146,348
Community support	-	-	10,500	-	10,500
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Capital outlays	-	116,462	-	72,663	189,125
Total expenditures	4,643,129	764,204	888,205	219,011	6,514,549
Excess of revenues over (under) expenditures	(710,253)	300,812	(555,486)	(98,666)	(1,063,593)
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Bond / loan proceeds	-	-	-	-	-
Proceeds from the sale of capital assets	41,216	283	-	-	41,499
Total other financing sources (uses)	41,216	283	-	-	41,499
Net change in fund balances	(669,037)	301,095	(555,486)	(98,666)	(1,022,094)
Fund balance - beginning	1,214,787	710,564	1,353,042	437,797	3,716,190
Fund balance - ending	$ 545,750	$ 1,011,659	$ 797,556	$ 339,131	$ 2,694,096

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

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

Net Change in Fund Balances - Total Governmental Funds		$ (1,022,094)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:		
Fixed asset additions - purchased	$ 2,541,339	
Disposal of fixed assets	(141,662)	
Depreciation expense	(646,365)	
Excess of capital outlay over depreciation		1,753,312
Because some property taxes will not be collected for several months after the City's fiscal year ends, they are not considered as "available" revenues in the governmental funds. This is the increase/(decrease) in deferred unavailable revenue.		(3,702)
The issuance of long-term debt provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Repayment of long-term debt		-
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. These include:		
Net change in compensated absences		12,549
Decrease (increase) in accrued interest		-
In the Governmental Funds, pension contributions are considered an expense, while on the statements of activities the contributions are considered a deferred outflow.		(293,430)
Change in Net Position of Governmental Activities		$ 446,635

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Statement of Net Position
Proprietary Funds
September 30, 2024

	Business-Type Activities Enterprise Funds				Governmental Activities-
ASSETS	Water Fund	Sewer Fund	Paramedics Fund	Totals	Internal Service Funds
Current assets:					
Cash & investments	$ 1,012,345	$ 858,917	$ 707,733	$ 2,578,995	$ 273,694
Receivables (net of allowances):					
Accounts	264,280	261,440	310,678	836,398	-
Due from other governments	-	-	-	-	-
Total current assets	1,276,625	1,120,357	1,018,411	3,415,393	273,694
Noncurrent assets:					
Restricted cash	-	-	-	-	-
Restricted investments	-	730,040	-	730,040	-
Capital Assets:					-
Land	616,594	314,013	-	930,607	-
Other capital assets, net of depreciation	10,587,904	18,965,566	1,157,064	30,710,534	-
Total noncurrent assets	11,204,498	20,009,619	1,157,064	32,371,181	-
DEFERED OUTFLOWS OF RESOURCES					
Pension Obligations	88,668	85,151	270,319	444,138	-
Total deferred outflows of resources	88,668	85,151	270,319	444,138	-
Total assets & deferred outflows	12,569,791	21,215,127	2,445,794	36,230,712	273,694
LIABILITIES					
Current liabilities:					
Accounts payable & accrued expenses	255,485	93,381	137,393	486,259	32,443
Compensated absences payable	51,555	35,462	83,290	170,307	-
Interest payable	6,277	180,691	-	186,968	-
Utility deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Bonds & notes payable - current	603,814	548,218	-	1,152,032	-
Total current liabilities	917,131	857,752	220,683	1,995,566	32,443
Noncurrent liabilities:					
Net Pension Liability	358,683	344,452	1,093,498	1,796,633	-
Bonds & notes payable	7,110,269	14,362,808	-	21,473,077	-
Total noncurrent liabilities	7,468,952	14,707,260	1,093,498	23,269,710	-
DEFERED INFLOWS OF RESOURCES					
Employer Pension Assumption	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
NET POSITION					
Net Investment in capital assets	3,490,415	4,368,553	1,157,064	9,016,032	-
Restricted for:					
Debt Service	-	730,040	-	730,040	-
Unrestricted	693,293	551,522	(25,451)	1,219,364	241,251
Total net position	$ 4,183,708	$ 5,650,115	$ 1,131,613	$ 10,965,436	$ 241,251

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2024

	Business-Type Activities Enterprise Funds				Governmental Activities-
	Water Fund	Sewer Fund	Paramedics Fund	Totals	Internal Service Funds
Operating revenues:					
Charges for utilities and services	$ 2,490,655	$ 2,611,671	$ 1,732,063	$ 6,834,389	$ 701,497
Contract fees	197,150	209,790	793,037	1,199,977	-
Rents and rebates	-	-	-	-	-
Fine and forfeits	12,075	12,055	5,637	29,767	-
Miscellaneous	-	-	315	315	-
Total operating revenues	2,699,880	2,833,516	2,531,052	8,064,448	701,497
Operating expenses:					
Salaries & temp services	424,295	417,857	1,313,026	2,155,178	225,047
Payroll taxes	32,411	32,192	96,967	161,570	-
State retirement	96,977	88,676	395,088	580,741	-
Workman's compensation	8,081	5,050	36,363	49,494	-
Health and accident insurance	145,190	157,776	534,694	837,660	189,982
Administrative services	69,032	69,032	78,237	216,301	-
Insurance	27,818	27,818	26,182	81,818	-
Memberships, travel and training	5,834	4,647	20,796	31,277	-
Maintenance expense	476,168	188,423	127,586	792,177	230,376
Motor fuels and lubricants	8,790	12,025	57,295	78,110	-
Operating supplies	142,643	102,445	94,380	339,468	6,579
Professional services	175,747	125,368	117,737	418,852	-
Utilities and telephone	147,928	135,489	8,439	291,856	-
Miscellaneous expense	2,399	1,420	1,480	5,299	-
Depreciation	509,404	648,451	169,122	1,326,977	-
Total operating expenses	2,272,717	2,016,669	3,077,392	7,366,778	651,984
Operating income (loss)	427,163	816,847	(546,340)	697,670	49,513
Non-operating revenues (expenses)					
Grant revenue	-	-	261,622	261,622	-
Capital contributions	498,000	560,000	-	1,058,000	-
Gain/(loss) on sale of assets	2,834	-	4,000	6,834	-
Interest income	32,467	68,733	31,904	133,104	7,362
Interest (expense)	(159,753)	(307,220)	-	(466,973)	-
Total non-operating revenues (exp)	373,548	321,513	297,526	992,587	7,362
Income(Loss) before transfers	800,711	1,138,360	(248,814)	1,690,257	56,875
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Change in Net Position	800,711	1,138,360	(248,814)	1,690,257	56,875
Net Position Beginning of Year	3,382,997	4,511,755	1,380,427	9,275,179	184,376
Net Position End of Year	$ 4,183,708	$ 5,650,115	$ 1,131,613	$ 10,965,436	$ 241,251

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2024

	Business-Type Activities Enterprise Funds				Governmental Activities-
	Water Fund	Sewer Fund	Paramedics Fund	Totals	Internal Service Funds
Cash flows provided by operating activities:					
Receipts from customers and users	$ 2,667,637	$ 2,790,025	$ 2,562,566	$ 8,020,228	$ 701,497
Payments to suppliers	(840,216)	(593,481)	(532,132)	(1,965,829)	(669,881)
Payments to employees	(706,954)	(701,551)	(2,118,753)	(3,527,258)	-
Payments for interfund services used	-	-	-	-	-
Other receipts/(payments)	-	-	-	-	-
Net cash provided (used) by operating activities	1,120,467	1,494,993	(88,319)	2,527,141	31,616
Cash flows from noncapital and related financing activities:					
Grants received	-	-	261,622	261,622	-
Transfers from (to) other funds	-	-	-	-	-
Net cash provided (used) by noncapital and related financing activities	-	-	261,622	261,622	-
Cash flows from capital and related financing activities:					
Proceeds from long-term debt	-	-	-	-	-
Capital contributions	498,000	560,000	-	1,058,000	-
Principal and interest paid on long-term debt	(753,591)	(850,775)	-	(1,604,366)	-
Proceeds from the sale of capital assets	2,834	-	4,000	6,834	-
Acquisition of capital assets	(539,746)	(560,000)	(511,789)	(1,611,535)	-
Net cash used by capital and related financing activities	(792,503)	(850,775)	(507,789)	(2,151,067)	-
Cash flows from investing activities:					
Loans to other funds	-	-	-	-	-
Principal received on loans to other funds	-	-	-	-	-
Interest received on Investments	32,467	68,733	31,904	133,104	7,362
Net cash provided by investing activities	32,467	68,733	31,904	133,104	7,362
Net increase (decrease) in cash	360,431	712,951	(302,582)	770,800	38,978
Cash at beginning of year (including restricted)	651,914	876,006	1,010,315	2,538,235	234,716
Cash at end of year (including restricted)	$ 1,012,345	$ 1,588,957	$ 707,733	$ 3,309,035	$ 273,694
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	$ 427,163	$ 816,847	$ (546,340)	$ 697,670	$ 49,513
Depreciation & amortization	509,404	648,451	169,122	1,326,977	-
(Increase) decrease in accounts receivable	(32,243)	(43,491)	31,514	(44,220)	-
Net non-cash pension (revenue) expense	49,825	42,519	225,925	318,269	-
Increase (decrease) in payables	166,318	30,667	31,460	228,445	(17,897)
Net cash provided (used) by operating activities	$ 1,120,467	$ 1,494,993	$ (88,319)	$ 2,527,141	$ 31,616

See accompanying notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Fruitland is an incorporated city of the State of Idaho. The City operates under a Mayor/Council form of government. The accompanying financial statements present the operations of the City.

For financial reporting purposes, management has considered all potential component units which are controlled or whose boards are appointed by the City Council. Control by the City was determined on the basis of budget adoption, the selection of management, the ability to significantly influence operations, accountability for fiscal matters and other factors. Based on this criteria, there were no component units included in the City's report.

B. Government-Wide Financial Statements

The government-wide financial statements, which are the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the primary government and component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial condition of the governmental and business-type activities for the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period and other revenues if they are collected within 90 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental funds:

The General Fund is the governments primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Street Fund accounts for accumulated resources for maintenance and construction of city streets.

The State Revenue Sharing Fund accounts for state resources used for the benefit of the other funds as needed.

The government reports the following major proprietary funds:

The Water Fund accounts for the operations of providing water to the citizens of the City.
The Sewer Fund accounts for the operations of the City's wastewater system.
The Paramedics fund accounts for the operations of County's ambulance services.

As a general rule, the effect of interfund activity is eliminated from the government-wide financial statements. An exception to this rule is for payments from the Enterprise Funds to the General Fund for accounting and billing services rendered and rent of facilities. Elimination of these charges would distort the direct costs and program revenues of the funds involved.

Amounts reported as program revenues include charges to customers for goods and services, operating grants and contributions, and capital grants and contributions. All taxes are reported as general revenues as are internally dedicated resources.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Internal Service Funds
Internal service funds account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

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

The City reports the following classifications as applicable:

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

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

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

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

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

F. Deposits and Investments

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City has no deposit policy for custodial credit risk. At year end, none of the City's bank account balances were exposed to custodial credit risk. The City's bank accounts are held in a pooled public funds account that is fully collateralized.

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

Investment Type	Fair Value	Weighted Ave. Maturity
State Treasurer's investment pool	$ 5,423,195	84 Days

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

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the City voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name. And the fair value of the City's position in the external investment pool is the same as the value of the pool shares.

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

Interest rate risk and concentration of credit risk: The City has no policy regarding these two investment risk categories.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets;
Level 2: Observable inputs other than quoted market prices; and,
Level 3: Unobservable inputs.

The investments held with the State of Idaho are stated at fair value as of year end.

G. Inventory

Inventories of repair supplies at year end are considered immaterial.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, lighting systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $500 and an estimated useful life in excess of three years. All material fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair value on the date donated. When an asset is disposed of, cost and related accumulated depreciation are removed, and any gain or loss arising from its disposal is credited or charged to operations. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

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

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

I. Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

J. Budgets and Budgetary Accounting

The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 1, the City Clerk's office, the Mayor and City Council prepare 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.

2. At the regular council meeting in August the tentative budget is submitted to the councilmen and cleared for publications and public comment.

3. A public hearing is held at the regular council meeting in August to obtain public comment. After public comment, the budget is finalized and legally adopted.

4. Revisions to the budget can only be made by court order, public hearing or certain emergencies as defined by law.

5. Formal budgetary integration is employed as a management control device during the year for all Funds of the City.

6. Encumbrance accounting is not used for budget purposes and appropriations lapse at year end.

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

Accumulated unpaid vacation, sick pay, and other employee benefit amounts are accrued in the governmental funds in the statement of net position. It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. Encumbrances

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

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

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

O. Pensions
For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2: ACCOUNTS RECEIVABLE AND ALLOWANCE FOR UNCOLLECTIBLES

Historically, the allowance for uncollectible accounts in the Paramedics Fund had been determined to be approximately equal to 50% of the receivable balance as of year end. The City has contracted with System Design West to manage all billings for the Paramedic Fund and feels that the receivable balance as of September 30, 2024 is $310,678 is fully collectible, therefore, no allowance has been recorded. For the Water and Sewer Funds, the City exhausts all possible means to collect on past due accounts and, therefore, has not recorded an allowance for uncollectible accounts in these funds.

The City has not experienced any significant loss of delinquent taxes receivable in past years and, therefore, does not consider it necessary to establish any allowance for uncollectible taxes receivable.

NOTE 3: CAPITAL ASSETS

A summary of changes in capital assets follows:

Primary Government

	Balance 9/30/2023	Additions	Deletions	Balance 9/30/2024
Governmental Activities				
Cost / Historical Value				
Land (non-depreciable)	$ 803,811	$ -	$ -	$ 803,811
Easement (non-depreciable)	2,150	-	-	2,150
Construction in progress	-	-	-	-
Buildings	1,219,406	1,418,204	-	2,637,610
Improvements other than buildings	1,481,053	-	(4,224)	1,476,829
Infrastructure assets	12,551,896	1,058,000	-	13,609,896
Equipment	3,094,295	65,135	(788,234)	2,371,196
Total	19,152,611	2,541,339	(792,458)	20,901,492
Accumulated Depreciation:				
Buildings	716,766	65,225	-	781,991
Improvements other than buildings	701,518	52,535	(4,187)	749,866
Infrastructure assets	6,033,363	395,230	-	6,428,593
Equipment	2,562,864	133,375	(646,609)	2,049,630
Total	10,014,511	646,365	(650,796)	10,010,080
Net Book Value:				
Land (non-depreciable)	803,811	-	-	803,811
Easement (non-depreciable)	2,150	-	-	2,150
Const. in progress(non-depreciable)	-	-	-	-
Buildings	502,640	1,352,979	-	1,855,619
Improvements other than buildings	779,535	(52,535)	(37)	726,963
Infrastructure assets	6,518,533	662,770	-	7,181,303
Equipment	531,431	(68,240)	(141,625)	321,566
Total	$ 9,138,100	$ 1,894,974	$ (141,662)	$ 10,891,412

	Balance 9/30/2023	Additions	Deletions	Balance 9/30/2024
Business-type Activities				
Water Fund				
Cost / Historical Value				
Land (non-depreciable)	$ 616,594	$ -	$ -	$ 616,594
Construction in progress	-			-
Buildings	6,041,691	-	-	6,041,691
Improvements other than buildings	10,571,111	498,000	-	11,069,111
Equipment	2,211,498	41,746	-	2,253,244
Total	19,440,894	539,746	-	19,980,640
Accumulated Depreciation:				
Buildings	2,096,612	150,454	-	2,247,066
Improvements other than buildings	4,567,126	245,806	-	4,812,932
Equipment	1,603,000	113,144	-	1,716,144
Total	8,266,738	509,404	-	8,776,142
Net Book Value:				
Land (non-depreciable)	616,594	-	-	616,594
Construction in progress	-	-	-	-
Buildings	3,945,079	(150,454)	-	3,794,625
Improvements other than buildings	6,003,985	252,194	-	6,256,179
Equipment	608,498	(71,398)	-	537,100
Total	$ 11,174,156	$ 30,342	$ -	$ 11,204,498

	Balance 9/30/2023	Additions	Deletions	Balance 9/30/2024
Sewer Fund				
Cost / Historical Value				
Land (non-depreciable)	$ 314,013	$ -	$ -	$ 314,013
Construction in progress	-	-	-	-
Buildings	39,384	-	-	39,384
Improvements other than buildings	23,680,122	560,000	-	24,240,122
Equipment	1,157,488	-	-	1,157,488
Total	25,191,007	560,000	-	25,751,007
Accumulated Depreciation:				
Buildings	26,838	985	-	27,823
Improvements other than buildings	4,963,857	592,251	-	5,556,108
Equipment	832,282	55,215	-	887,497
Total	5,822,977	648,451	-	6,471,428
Net Book Value:				
Land (non-depreciable)	314,013	-	-	314,013
Construction in progress	-	-	-	-
Buildings	12,546	(985)	-	11,561
Improvements other than buildings	18,716,265	(32,251)	-	18,684,014
Equipment	325,206	(55,215)	-	269,991
Total	$ 19,368,030	$ (88,451)	$ -	$ 19,279,579

	Balance 9/30/2023	Additions	Deletions	Balance 9/30/2024
Paramedics Fund				
Cost / Historical Value				
Land (non-depreciable)	$ -	$ -	$ -	$ -
Construction in progress	-			-
Buildings	104,800	253,858	-	358,658
Improvements other than buildings	4,722	-	-	4,722
Equipment	1,334,767	257,931	-	1,592,698
Total	1,444,289	511,789	-	1,956,078
Accumulated Depreciation:				
Buildings	60,698	10,295	-	70,993
Improvements other than buildings	4,012	187	-	4,199
Equipment	565,181	158,641	-	723,822
Total	629,891	169,123	-	799,014
Net Book Value:				
Land (non-depreciable)	-	-	-	-
Construction in progress	-	-	-	-
Buildings	44,102	243,563	-	287,665
Improvements other than buildings	710	(187)	-	523
Equipment	769,586	99,290	-	868,876
Total	$ 814,398	$ 342,666	$ -	$ 1,157,064

General Government	$ 21,567
Public Safety	154,400
Highways & Streets	424,659
Culture and recreation	45,739
Total Governmental Activities Depreciation	$ 646,365

Depreciation was charged to functions/programs of the business-type activities as follows:

Water	$ 509,404
Sewer	648,451
Paramedics	169,123
Total Business Activities Depreciation	$ 1,326,978

All depreciable capital assets are being depreciated using the straight-line method over the respective estimated lives described in Note 1. The City elected to phase in reporting of existing infrastructure assets acquired between 1980 and 2003, as allowed for Phase 2 governments during the GASB 34 transition period. All infrastructure assets acquired during that time period have been reported with financial statements beginning with the year ended September 30, 2007. Infrastructure assets which had not previously been reported consist mainly of streets, curb and gutter, stop lights and street lights.

NOTE 4: PENSION PLAN

Plan Description - The City 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/EMS) of the average monthly salary for the highest consecutive 42 months. Amounts in parenthesis represent police/firefighters/EMS.

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

Member and Employer Contributions - Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) 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 statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2024 it was 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters. The City's contributions were $538,013 for the year ended September 30, 2024.

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

At September 30, 2024, the City 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 City's proportion of the net pension liability was based on the City'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 City's proportion was .095715 percent.

For the year ended September 30, 2024, the City recognized pension expense (revenue) of $611,698. At September 30, 2024, the City 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	$ 570,026	$ -
Changes in assumptions or other inputs	141,835	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	42,076	-
City contributions subsequent to the measurement date	131,148	-
Total	$ 885,085	$ -

The $131,148 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, 2024 the beginning of the measurement period ended June 30, 2023 and June 30, 2024 is 4.6 and 4.6 years.

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 Sept 30	
2025	216,111
2026	667,567
2027	(115,121)
2028	(82,286)

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, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return	6.35%, net of investment expenses
Cost-of-living adjustments	1%

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 other than mortality. The Total Pension Liability as of June 30, 2024 is based on the results of an actuarial valuation date of July 1, 2024.

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2024.

2024 Capital Market Assumptions

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

Discount Rate - The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate - The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset) - PERSI	$ 6,803,796	$ 3,580,356	$ 947,631

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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

NOTE 5: LONG-TERM DEBT

Long-term debt activity for the primary government is as follows:

Compensated absences:

Changes in compensated absences for the year are as follows:

	Beginning Balance	Increase/ (Decrease)	Ending Balance
General Fund	$ 157,227	$ (7,387)	$ 149,840
Street Fund	23,120	(7,051)	16,069
Recreation Fund	9,822	1,890	11,712
Water Fund	54,250	(2,695)	51,555
Sewer Fund	38,368	(2,906)	35,462
Paramedic Fund	67,621	15,669	83,290
Totals	$ 350,408	$ (2,480)	$ 347,928

Revenue Refunding Bonds:

The City issued revenue refunding bonds in 2011 to improve the City's drinking water system. The bonds are held with the Department of Environmental Quality and the original issue amount of $14,800,000 bearing a coupon rate of 1.98%. The annual requirements to amortize the bonds are as follows:

Year Ending Sept. 30	Principal	Interest	Total
2025	$ 603,814	$ 149,777	$ 753,591
2026	615,829	137,762	753,591
2027	628,083	125,509	753,592
2028	640,259	113,333	753,592
2029	653,320	100,271	753,591
2030-2034	3,466,665	301,293	3,767,958
2035-2036	1,106,113	21,974	1,128,087
Totals	$ 7,714,083	$ 949,919	$ 8,664,002

Sewer Revenue Bond, Series 2017

The City issued sewer revenue bond Series 2017 during 2017 to improve the City's wastewater system. The bonds are held with the Department of Environmental Quality with the original issue amount of $8,903,725 bearing a coupon rate of 1.25%. The annual requirements to amortize the bonds are as follows:

Year Ending Sept. 30	Principal	Interest	Total
2025	$ 268,782	$ 88,093	$ 356,875
2026	272,152	84,722	356,874
2027	275,565	81,310	356,875
2028	278,809	78,066	356,875
2029	282,516	74,359	356,875
2030-2034	1,466,440	317,935	1,784,375
2035-2039	1,560,754	223,621	1,784,375
2040-2044	1,661,093	123,282	1,784,375
2045-2046	1,046,222	23,060	1,069,282
Totals	$ 7,112,333	$ 1,094,448	$ 8,206,781

Sewer Revenue Bond, Series 2015A

The City issued sewer revenue bond Series 2015A during 2015 to improve the City's wastewater system. The bonds are held with the UDSA and the original issue amount of $6,000,000 bearing a coupon rate of 2.75%. The annual requirements to amortize the bonds are as follows:

Year Ending Sept. 30	Principal	Interest	Total
2025	$ 167,662	$ 128,678	$ 296,340
2026	172,272	124,068	296,340
2027	177,010	119,330	296,340
2028	181,878	114,462	296,340
2029	186,879	109,461	296,340
2030-2034	1,014,369	467,331	1,481,700
2035-2039	1,161,730	319,970	1,481,700
2040-2044	1,330,498	151,202	1,481,700
2045-2046	286,918	7,892	294,810
Totals	$ 4,679,216	$ 1,542,394	$ 6,221,610

Sewer Revenue Bond, Series 2015B

The City issued sewer revenue bond Series 2015B during 2015 to improve the City's wastewater system. The bonds are held with the UDSA and the original issue amount of $4,000,000 bearing a coupon rate of 2.75%. The annual requirements to amortize the bonds are as follows:

Year Ending Sept. 30	Principal	Interest	Total
2025	$ 111,774	$ 85,786	$ 197,560
2026	114,848	82,712	197,560
2027	118,006	79,554	197,560
2028	121,252	76,308	197,560
2029	124,586	72,974	197,560
2030-2034	676,246	311,554	987,800
2035-2039	774,486	213,314	987,800
2040-2044	886,999	100,801	987,800
2045-2046	191,280	5,260	196,540
Totals	$ 3,119,477	$ 1,028,263	$ 4,147,740

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

	Balance at 9/30/2023	Additions	Reductions	Balance at 9/30/2024
Compensated Absences (Governmental)	$ 190,169	$ -	$ (12,548)	$ 177,621
Water Revenue Bonds	8,307,438	-	(593,355)	7,714,083
Sewer Revenue Bond Series 2015A	4,842,391	-	(163,175)	4,679,216
Sewer Revenue Bond Series 2015B	3,228,260	-	(108,783)	3,119,477
Sewer Revenue Bond Series 2017	7,379,556	-	(267,223)	7,112,333
Compensated Absences (Business)	160,239	10,068	-	170,307
Totals	$ 24,108,053	$ 10,068	$ (1,145,084)	$ 22,973,037

NOTE 6: RISK MANAGEMENT/INSURANCE COVERAGE

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has transferred most of its risk by purchasing commercial insurance.

Worker's Compensation insurance is purchased through the Idaho State Insurance Fund.

NOTE 7: LITIGATION AND CONTINGENT LIABILITIES

The City is currently involved in various cases of threatened litigation. These cases involve tort claims against the City. The Idaho Tort Claims Act limits the City's potential liability to $500,000 per case. The ultimate resolution of these cases as of year end is unknown, however, the City is fully insured against any potential loss for these types of claims. There are no other known claims against the City as of year end.

NOTE 8: PROPERTY TAXES - DEFERRED REVENUE

Property taxes are levied by the 3rd Monday in September, in conformity with Title 31, Section 1605, of the Idaho State Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before December 20 and June 20 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and those expected to be collected during a 60 day period after the close of the fiscal year.

The deferred revenue account in the General Fund represents the taxes receivable after 60 days of the year end.

NOTE 9: STATEMENT OF CASH FLOWS

For purposes of the statement of cash flows, the enterprise funds consider all checking and certificates of deposit with maturity dates within 90 days to be cash equivalents.

Required supplemental information for the statement of cash flows:

Cash paid for interest during the year - Water Fund: $159,753.
Cash paid for interest during the year - Sewer Fund: $307,220.
Cash paid for interest during the year - Paramedics Fund: $0.

NOTE 10: TAX ABATEMENTS

Payette County is authorized by State statute to transact all property tax activity with property owners in the City. The County levy's and collects property taxes; then allocates and remits those collections among the taxing districts within the County.

The County is authorized to cancel or reduce any property taxes due to hardship or for property that has been damaged by a casualty. Application for relief is made directly to the County Commissioners for their consideration. The County is also authorized under the same statute to offer a property tax reduction program, commonly known as the Circuit Breaker Program, of up to $1,320. To qualify, the property under consideration must be a home the tax payer owns and lives in and their total household income, after deducting medical expenses, is $30,050 or less. They must also meet one of the following as of January 1st of the taxing year:

- Age 65 or older
- Widow(er)
- Blind
- Motherless or fatherless child under 18 years of age
- Former prisoner of war/hostage
- Recognized disabled by the Social Security Administration, Railroad Retirement Board, or Federal Civil Service
- Veteran with 10% or more service connected disability or receiving a pension from Veterans Affairs (VA) for a non-service connected disability.

NOTE 11: SUBSEQUENT EVENTS

Subsequent events were evaluated through February 1, 2025 the audit report date, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF FRUITLAND, IDAHO

SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS

For the Year Ended September 30, 2024

Schedule of Employer's Share of Net Pension Liability

PERSI - Base Plan

Last 10 Fiscal Years *

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's portion of the net pension liability	0.0810124%	0.078006%	0.075832%	0.078202%	0.083303%	0.078160%	0.080913%	0.084689%	0.094056%	0.009572%
Employer's proportionate share of the net pension liability	$ 1,066,802	$ 1,581,308	$ 1,191,950	$ 1,153,498	$ 950,850	$ 1,814,967	$ (63,903)	$ 3,335,688	$ 3,753,481	$ 3,580,356
Employer's covered-employee payroll	$ 2,293,082	$ 2,347,996	$ 2,342,875	$ 2,595,339	$ 2,637,281	$ 2,757,759	$ 2,990,993	$ 3,288,275	$ 4,111,139	$ 4,111,139
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	46.52%	67.35%	50.88%	44.44%	36.05%	65.81%	-2.14%	101.44%	91.30%	87.09%
Plan fiduciary net position as a percentage of the total pension liability	91.38%	87.26%	90.68%	91.69%	93.79%	88.22%	100.36%	83.09%	83.83%	85.54%

Data reported is measured as of June 30, 2024 (measurement date)

**GASB Statement No. 68 requires ten years of information to be presented in this table however, until a full 10-year trend is compiled, the City will present information for years which information is available.*

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 Fiscal Years *

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contribution	$ 264,993	$ 265,793	$ 266,619	$ 295,150	$ 326,018	$ 332,310	$ 360,534	$ 398,755	$ 477,504	$ 524,413
Contributions in relation to the statutorily required contribution	$ 260,245	$ 258,260	$ 268,000	$ 295,150	$ 326,018	$ 332,310	$ 360,534	$ 398,583	$ 477,504	$ 524,413
Contribution (deficiency) excess	(4,748)	(7,533)	1,381	-	-	-	-	(172)	-	-
Employer's covered-employee payroll	$ 2,293,082	$ 2,347,996	$ 2,342,875	$ 2,595,339	$ 2,637,281	$ 2,757,759	$ 2,990,993	$ 3,288,275	$ 4,111,139	$ 4,690,635
Contributions as a percentage of covered-employee payroll	11.56%	11.32%	11.38%	11.37%	12.36%	12.05%	12.05%	12.13%	11.61%	11.18%

Data reported is measured as of September 30, 2024

**GASB Statement No. 68 requires ten years of information to be presented in this table however, until a full 10-year trend is compiled, the City will present information for years which information is available.*

CITY OF FRUITLAND, IDAHO

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget: Favorable (Unfavorable)
Revenues:				
Taxes	$ 2,567,904	$ 2,567,904	$ 2,604,309	$ 36,405
Licenses, permits, & franchise fees	376,800	376,800	394,998	18,198
Intergovernmental	672,627	672,627	677,363	4,736
Charges for services	24,000	24,000	61,752	37,752
Fees and fines	37,700	37,700	44,436	6,736
Grants / Donations	21,000	21,000	57,442	36,442
Miscellaneous/interest	20,100	20,100	92,576	72,476
Total revenues	3,720,131	3,720,131	3,932,876	212,745
Expenditures:				
Administrative	592,825	592,825	260,398	332,427
Legislative	31,372	31,372	31,423	(51)
Executive	3,460	3,460	14,283	(10,823)
Legal & Professional	92,205	92,205	78,734	13,471
Building inspection	513,497	513,497	445,232	68,265
Planning & zoning	233,120	233,120	204,044	29,076
Police	3,742,392	3,742,392	3,366,593	375,799
Fire	332,704	332,704	242,422	90,282
Highways & Streets	-	-	-	-
Equipment maintenance	-	-	-	-
Parks and recreation	-	-	-	-
Community support	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
Capital outlays		-	-	-
Total expenditures	5,541,575	5,541,575	4,643,129	898,446
Excess (deficiency) of revenues over expenditures	(1,821,444)	(1,821,444)	(710,253)	1,111,191
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond / loan proceeds	-	-	-	-
Proceeds from the sale of capital assets	100	100	41,216	41,116
Excess (deficiency) of revenues over expenditures and other sources (uses)	(1,821,344)	(1,821,344)	(669,037)	1,152,307
Fund balance - beginning	1,214,787	1,214,787	1,214,787	-
Fund balance - ending	$ (606,557)	$ (606,557)	$ 545,750	$ 1,152,307

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Street Fund
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget: Favorable (Unfavorable)
Revenues:				
Taxes	$ 175,000	$ 175,000	$ 183,392	$ 8,392
Licenses, permits, & franchise fees	135,500	135,500	145,600	10,100
Intergovernmental	476,140	476,140	643,241	167,101
Charges for services	-	-	-	-
Fees and fines	1,500	1,500	710	(790)
Grants / Donations	3,133,356	3,133,356	46,124	(3,087,232)
Miscellaneous	10,500	10,500	45,949	35,449
Total revenues	3,931,996	3,931,996	1,065,016	(2,866,980)
Expenditures:				
Administrative	-	-	-	-
Legislative	-	-	-	-
Executive	-	-	-	-
Legal & Professional	-	-	-	-
Building inspection	-	-	-	-
Planning & zoning	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Highways & Streets	1,120,640	1,120,640	647,742	472,898
Equipment maintenance	-	-	-	-
Parks and recreation	-	-	-	-
Community support	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
Capital outlays	3,201,356	3,201,356	116,462	3,084,894
Total expenditures	4,321,996	4,321,996	764,204	3,557,792
Excess (deficiency) of revenues over expenditures	(390,000)	(390,000)	300,812	690,812
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond / loan proceeds	-	-	-	-
Proceeds from the sale of capital assets	-	-	283	283
Excess (deficiency) of revenues over expenditures and other sources (uses)	(390,000)	(390,000)	301,095	691,095
Fund balance - beginning	710,564	710,564	710,564	-
Fund balance - ending	$ 320,564	$ 320,564	$ 1,011,659	$ 691,095

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
State Revenue Sharing Fund
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget: Favorable (Unfavorable)
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses, permits, & franchise fees	-	-	-	-
Intergovernmental	391,727	391,727	331,719	(60,008)
Charges for services	-	-	-	-
Fees and fines	-	-	-	-
Grants / Donations	-	-	1,000	1,000
Miscellaneous	-	-	-	-
Total revenues	391,727	391,727	332,719	(59,008)
Expenditures:				
Administrative	30,000	30,000	9,500	20,500
Legislative	-	-	-	-
Executive	-	-	-	-
Legal & Professional	-	-	-	-
Building inspection	-	-	-	-
Planning & zoning	-	-	-	-
Police	900,000	900,000	868,205	31,795
Fire	-	-	-	-
Highways & Streets	-	-	-	-
Equipment maintenance	-	-	-	-
Parks and recreation	-	-	-	-
Community support	65,500	65,500	10,500	55,000
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
Capital outlays	621,227	621,227	-	621,227
Total expenditures	1,616,727	1,616,727	888,205	728,522
Excess (deficiency) of revenues over expenditures	(1,225,000)	(1,225,000)	(555,486)	669,514
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond / loan proceeds	-	-	-	-
Proceeds from the sale of capital assets	-	-	-	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(1,225,000)	(1,225,000)	(555,486)	669,514
Fund balance - beginning	1,353,042	1,353,042	1,353,042	-
Fund balance - ending	$ 128,042	$ 128,042	$ 797,556	$ 669,514

See accompanying notes to the financial statements.

SUPPLEMENTAL INFORMATION

CITY OF FRUITLAND, IDAHO

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Recreation Fund
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget: Favorable (Unfavorable)
Revenues:				
Taxes	$ 100,000	$ 100,000	$ 103,013	$ 3,013
Licenses, permits, & franchise fees	2,400	2,400	2,400	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fees and fines	650	650	474	(176)
Grants / Donations	-	-	-	-
Miscellaneous	5,000	5,000	14,458	9,458
Total revenues	108,050	108,050	120,345	12,295
Expenditures:				
Administrative	-	-	-	-
Legislative	-	-	-	-
Executive	-	-	-	-
Legal & Professional	-	-	-	-
Building inspection	-	-	-	-
Planning & zoning	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Highways & Streets	-	-	-	-
Equipment maintenance	-	-	-	-
Parks and recreation	156,660	156,660	146,348	10,312
Community support	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
Capital outlays	285,390	285,390	72,663	212,727
Total expenditures	442,050	442,050	219,011	223,039
Excess (deficiency) of revenues over expenditures	(334,000)	(334,000)	(98,666)	235,334
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond / loan proceeds	-	-	-	-
Proceeds from the sale of capital assets	-	-	-	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(334,000)	(334,000)	(98,666)	235,334
Fund balance - beginning	242,568	242,568	437,797	195,229
Fund balance - ending	$ (91,432)	$ (91,432)	$ 339,131	$ 430,563

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Combining Statement of Net Position
Internal Service Funds
September 30, 2024

	Internal Service Funds		
ASSETS	Health Insurance	Technology	Total Internal Service Funds
Cash & Investments	$ 273,694	$ -	$ 273,694
Receivables (Net of Allowances):			
Claims	-	-	-
Prepaid Expenses	-	-	-
Due from other fund	-	-	-
Capital Assets:			
Land	-	-	-
Other Capital Assets, Net of Depreciation	-	-	-
Total assets	273,694	-	273,694
LIABILITIES			
Accounts Payable and Accrued Expenses	-	32,443	32,443
Customer Deposits Payable	-	-	-
Interest Payable	-	-	-
Due to other fund	-	-	-
Long-Term Liabilities:			
Due Within One Year	-	-	-
Due in More Than One Year	-	-	-
Total liabilities	-	32,443	32,443
NET POSITION			
Net Investment in Capital Assets	-	-	-
Restricted for:			
Capital projects	-	-	-
Unrestricted	273,694	(32,443)	241,251
Total Net Position	$ 273,694	$ (32,443)	$ 241,251

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2024

	Internal Service Funds		
	Health Insurance	Technology	Total Internal Service Funds
Operating revenues:			
Insurance charges to other funds	$ 241,282	$ -	$ 241,282
Technology charges to other funds	-	460,215	460,215
Miscellaneous revenue	-	-	-
Total operating revenues	241,282	460,215	701,497
Operating expenses:			
Administrative services	-	225,047	225,047
Claims and premium costs	189,982	-	189,982
Computer software & support	-	104,055	104,055
IT hardware & computers	-	126,321	126,321
Operating supplies	-	6,579	6,579
Other expenses	-	-	-
Total operating expenses	189,982	462,002	651,984
Operating income (loss)	51,300	(1,787)	49,513
Non-operating revenues (expenses)			
Interest income	7,362	-	7,362
Interest (expense)	-	-	-
Gain (Loss) on sale of equipment	-	-	-
Total non-operating revenues (expenses)	7,362	-	7,362
Income/(Loss) before contributions and transfers	58,662	(1,787)	56,875
Transfers In	-	-	-
Transfers Out	-	-	-
Change in Net Position	58,662	(1,787)	56,875
Net Position Beginning of Year	215,032	(30,656)	184,376
Net Position End of Year	$ 273,694	$ (32,443)	$ 241,251

See accompanying notes to the financial statements.

CITY OF FRUITLAND, IDAHO

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2024

	Internal Service Funds		
	Health Insurance	Technology	Total Internal Service Funds
Cash flows provided by operating activities:			
Receipts from customers and users	$ 241,282	$ 460,215	$ 701,497
Payments to suppliers	(209,666)	(460,215)	(669,881)
Payments to employees	-	-	-
Payments for interfund services used	-	-	-
Other receipts/(payments)	-	-	-
Net cash provided (used) by operating activities	31,616	-	31,616
Cash flows from noncapital and related financing activities:			
Transfers to other funds	-	-	-
Transfers from other funds	-	-	-
Net cash provided (used) by noncapital and related financing activities	-	-	-
Cash flows from capital and related financing activities:			
Principal and interest paid on long-term debt	-	-	-
Disposal of capital assets	-	-	-
Acquisition of capital assets	-	-	-
Net cash used by capital and related financing activities	-	-	-
Cash flows from investing activities:			
Principal received on loan to other fund	-	-	-
Interest received on Investments	7,362	-	7,362
Net cash provided by investing activities	7,362	-	7,362
Net increase (decrease) in cash	38,978	-	38,978
Cash at beginning of year	234,716	-	234,716
Cash at end of year	$ 273,694	$ -	$ 273,694
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 51,300	$ (1,787)	$ 49,513
Depreciation & amortization	-	-	-
(Increase) decrease in accounts receivable	-	-	-
(Increase) decrease in prepaid expenses	-	-	-
Increase (decrease) in accounts payable	(19,684)	1,787	(17,897)
Net cash provided (used) by operating activities	$ 31,616	$ -	$ 31,616

See accompanying notes to the financial statements.

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Mayor and City Council
City of Fruitland, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fruitland, Idaho (the "City) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 1, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City of Fruitland'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*.

1408 Pomerelle Ave Suite C • Burley, Idaho 83318 • (208) 678-1300 • Fax (208) 678-1301 • www.pvc.cpa

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Poulsen VanLeuven & Catmull

Poulsen VanLeuven & Catmull PA
February 1, 2025