Southern Idaho Regional Solid Waste District

Financial Statements
&
Independent Auditors' Report

September 30, 2024 & September 30, 2023

GARALD PRICE & ASSOCIATES, PLLP

Southern Idaho Regional Solid Waste District

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"Making life less taxing since 1978"

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southern Idaho Regional Solid Waste District

Opinions

We have audited the accompanying financial statements of Southern Idaho Regional Solid Waste District which comprise the statements of financial position as of September 30, 2024 and 2023, the related statements of revenues, expenses & changes to net position and statements of cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise Southern Idaho Regional Solid Waste District's basic financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter discussed in the Required Supplementary Information paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Southern Idaho Regional Solid Waste District, as of September 30, 2024 and 2023 and the results of its operations and cash flows of the proprietary fund types for the years then ended in conformity 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 Statement section of our report. We are required to be independent of the Southern Idaho Regional Solid Waste District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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 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 Southern Idaho Regional Solid Waste District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 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 Southern Idaho Regional Solid Waste District's internal control system. 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 Southern Idaho Regional Solid Waste 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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Southern Idaho Regional Solid Waste District's basic financial statements. The details of statements of revenue, expenses and changes in net position financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the details of statements of revenue, expenses and changes in net position financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

In accordance with *Government Auditing Standards,* we have also issued our report dated January 2, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain

provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southern Idaho Regional Solid Waste District's internal control over financial reporting and compliance.

Garald Price & Associates

Garald Price & Associates, PLLP
Burley, ID 83318

January 2, 2025

Southern Idaho Regional Solid Waste District

Statements of Net Position
September 30,

Assets

	2024	2023
Current Assets		
Cash & cash equivalents (note B)	$ 7,859,273	$ 6,763,230
Accounts receivable (note A-8)	2,478,876	2,167,848
Other current assets (note C)	1,347,118	1,338,948
Total Current Assets	11,685,267	10,270,026
Restricted Assets (note B)		
Acquisition, closure & construction:		
Cash & cash equivalents	7,463,968	5,761,142
Total Restricted Assets	7,463,968	5,761,142
Property, Plant & Equipment (note D)		
(net of depreciation and amortization)	25,484,324	23,512,527
Other Assets (note A-6)	-	-
Total Other Assets	-	-
Total Assets	44,633,559	39,543,695
Deferred outflows of resources		
Related to pensions (note M)	825,588	1,458,081
Total assets and deferred outflow of resources	$ 45,459,147	$ 41,001,776

The accompanying notes and auditors' report are an integral part of these statements.

Southern Idaho Regional Solid Waste District

Statements of Net Position
September 30,

	2024	2023
Liabilities		
Current Liabilities		
Accounts payable	$ 274,132	$ 340,601
Accrued liabilities (note E)	580,677	499,741
Financing lease payable - current portion (note H)	1,227,091	701,641
Loans payable - current (note G)	-	-
Total Current Liabilities	2,081,900	1,541,983
Long-Term Liabilities		
Loans payable - non-current (note G)	-	-
Financing lease payable (note H)	8,432,585	6,961,051
Net pension liability (note M)	3,459,758	3,673,082
Closure payable (note I)	3,188,028	2,968,954
Total Long-Term Liabilities	15,080,371	13,603,087
Total Liabilities	17,162,271	15,145,070
Deferred inflows of resources		
Related to Pensions (note M)	62,800	-
Related to deferred county revenues (note F)	4,319,508	4,127,786
Total deferred inflows of resources	4,382,308	4,127,786
Net Position		
Net Investment in Capital Assets	19,265,709	18,262,302
Restricted	834,879	379,721
Unrestricted	3,813,980	3,086,897
Total Net Position	23,914,568	21,728,920
Total liabilities, deferred inflows of resources and net position	$ 45,459,147	$ 41,001,776

The accompanying notes and auditors' report are an integral part of these statements.

Southern Idaho Regional Solid Waste District

Statements of Revenues, Expenses & Changes in Net Position
For Years Ended September 30,

	2024	2023
Operating Revenues	$ 16,597,756	$ 13,849,852
Operating Expenses	14,523,205	12,618,663
Net Operating Income	2,074,551	1,231,189
Non-Operating Revenues & Expenses		
Gain (Loss) on sale of equipment	20,033	72,276
Interest income	-	-
Investment income (loss)	757,298	510,155
Interest expense	(666,234)	(488,554)
Total Non-Operating Revenues & Expenses	111,097	93,877
Change in Net Position	2,185,648	1,325,066
Net Position - Beginning	21,728,920	20,403,854
Net Position - Ending	$ 23,914,568	$ 21,728,920

The accompanying notes and auditors' report are an intergral part of these statements.

Southern Idaho Regional Solid Waste District

Statements of Cash Flows

For Years Ended September 30,

	2024	2023
Cash Flows from Operating Activities		
Cash received from member counties	$ 12,271,020	$ 12,288,912
Cash received from other sources	4,207,430	2,556,275
Cash paid to employees	(4,714,528)	(4,095,357)
Cash paid for retirement	(524,876)	(474,904)
Cash paid for payroll taxes	(332,827)	(308,120)
Cash paid to suppliers	(5,446,081)	(5,382,498)
Net Cash Provided by Operating Activities	5,460,137	4,584,307
Cash Flows from Financing Activities		
Interest received	0	0
Investment Income (Loss)	757,298	510,155
Proceeds from sale of fixed assets	20,033	79,746
Payments on lease liabilities	(1,162,320)	(332,892)
Payments on equipment loans	0	(207,791)
Interest paid	(636,712)	(506,170)
Net Cash Provided (Used) by Financing Activities	(1,021,701)	(456,952)
Cash Flows from Investing Activities		
Reinvestment of Investment income	(757,298)	(510,155)
Investments purchased	(5,651,647)	(3,807,369)
Investments matured	3,028,841	5,398,949
Fixed assets purchased	(1,742,800)	(3,061,634)
Net Cash Provided (Used) by Investing Activities	(5,122,904)	(1,980,209)
Net Increase (Decrease) in Cash	(684,467)	2,147,147
Cash, October 1, 2023 & October 1, 2022	9,215,725	7,068,578
Cash, September 30, 2024 & September 30, 2023 (note B)	$ 8,531,257	$ 9,215,725
Reconcilliation of operating income to net cash provided by (used in) operating activities:		
Operating income before contributions	$ 2,074,551	$ 1,231,189
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation & Amortization	2,837,716	2,181,578
(Increase) decrease in accounts receivable	(311,028)	177,184
(Increase) decrease in prepaid expenses	(9,653)	(169)
(Increase) decrease in inventory	(8,169)	(142,720)
Increase (decrease) in accounts payable	(66,469)	(387,688)
Increase (decrease) in accrued liabilities	50,424	60,931
Increase (decrease) in deferred revenues	191,722	818,149
Increase (decrease) in Pension Liabilities and related deferrals	481,969	383,468
Increase (decrease) in Closure Payable	219,074	262,385
Net Cash Provided by Operating Activities	$ 5,460,137	$ 4,584,307

The accompanying notes and auditors' report are an intergral part of these statements.

NOTE A - SUMMARY OF ACCOUNTING POLICIES

The accompanying financial statements of Southern Idaho Regional Solid Waste District have been prepared in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board. A summary of the District's significant accounting policies are described below:

1. Reporting Entity

The general-purpose financial statements included herein present the statements of net position, statements of revenues and expenses and changes in net position, and statement of cash flows of the Southern Idaho Regional Solid Waste District. The scope of the reporting entity is intended to cover those funds under the direct jurisdiction of the Southern Idaho Regional Solid Waste District.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision about when to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only criterion for including a potential component unit with the reporting entity, is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, and the ability to significantly influence operations and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no other boards, councils, or component units for which the Southern Idaho Regional Solid Waste District exercises authority. The District is governed by a board made up of county commissioners, based on one commissioner for each of the seven counties in the District.

2. Fund Accounting

The accounts of the District are organized on the basis of an enterprise fund. Enterprise funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises when the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

3. Revenue Recognition

The accrual basis of accounting is utilized. Under this method, revenues are recorded when earned. Expenses are recognized when the liability is incurred, and it is expected that the liability will be discharged by expending available financial resources of the District.

4. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

5. 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.

6. Other Assets

There are no other assets as of September 30, 2024 or September 30, 2023.

7. Deposits & Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturity dates within 3 months of fiscal year end and are highly liquid.

Investments are stated at fair value as determined by quoted market prices.

NOTE A - SUMMARY OF ACCOUNTING POLICIES (continued)

8. Receivables

Accounts receivable, as stated in the statement of net position, is stated net of Allowance for Credit Losses - Gate. This allowance was calculated based on 50% of gate receipts outstanding past 90 days. While this method of accounting for the credit losses is not in conformity with accounting principles generally accepted in the United States of America, this amount is immaterial and does not cause a material misstatement on the financial statements. Following is a summary of accounts receivable at September 30:

October to March Assessment

	2024	2023
Blaine	$ 821,348	$ 747,009
Twin Falls	1,167,796	1,155,564
Totals	1,989,144	1,902,573
Other Landfill Receivables		
Gate receipts	213,495	148,767
Waste contract - Elko County	6,195	7,684
Idaho Power LFGE	137,459	60,252
Waste contract - Amalgmated Sugar	17,274	-
Waste contract - Power County	62,026	35,732
Renewable Energy Credit - Karbone	7,548	-
Recycling - United Metals	44,207	3,840
Other	7,748	9,000
Allowance for Credit Losses - Gate	(6,221)	-
Totals	489,732	265,275
Total Accounts Receivable	$ 2,478,876	$ 2,167,848

9. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than $20,000 and an estimated useful life of over one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed

Property, plant, equipment, and infrastructure are depreciated over their useful lives using the straight-line method and includes amortization of assets acquired under right-of-use leases.

Assets	Years
Buildings and Improvements	20-50
Machinery and Equipment	5-10
Land Improvements	15-20
Landfill	40-60
Right Of Use Assets	5-15

Right-to-use leased assets are recognized at the lease commencement date and represent the district's right-to use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease plus any payments made to the lessor before commencement of the lease terms, less any lease incentives received from the lessor before the commencement of the lease term, plus any initial direct costs necessary it put the lease asset into service. Right-to-use leased assets are amortized over the shorter of the lease terms or useful life of the underlying asset using the straight-line method. The amortization period varies from 5 to 15 years.

10. Lease Liability

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on implicit rates given to the District from the lessors

11. Depreciation

Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation has been provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives on a straight-line basis.

NOTE A - SUMMARY OF ACCOUNTING POLICIES (continued)

12. Budgets and budgetary accounting

The District adopts a budget annually at a regular Board of Directors meeting. Budgets are reviewed and revised throughout the fiscal year.

13. Operating vs. non-operating funds

The district's non-operating funds include interest income and changes in values of investments. The District's operating funds are everything else, including member county payments, gate receipts, and landfill gas energy income.

14. Inventory

Inventories are stated at the lower of cost or market and are valued using the first-in, first out ("FIFO") method.

15. Net Position

The statement of net position reports all financial and capital resources. Net position represents total assets and deferred outflows of resources less total liabilities and deferred inflow of resources. There are three components of net position.

Net investment in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent, related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted - This component of net position consists of constraints placed on the use of net position by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There are no net positions restricted by enabling legislation.

Unrestricted - This component of net position consists of net position that do not meet the definition of net investment in capital assets or restricted.

NOTE B - CASH ON HAND, DEPOSITS, AND INVESTMENTS

Cash on hand represents authorized petty cash funds for current operation purposes. The carrying amount as of September 30, 2024 was $2,135.

As of September 30, 2024, the carrying amount of deposits was $15,298,256 and the bank balance was $15,323,242. The difference between deposit amounts and bank balance was attributable to accrued interest.

	Unrestricted	Restricted	Total
Cash on Hand (Petty cash)	$ 2,135	$ -	$ 2,135
Short-term investments - 3 mos.	6,936,106	1,593,016	8,529,122
Total Cash & cash equivalents	6,938,241	1,593,016	8,531,257
Short-term investments	405,341	657,877	1,063,218
Long-term investments	515,692	5,213,075	5,728,767
Total Investments	921,033	5,870,952	6,791,985
Total District's cash and investment balance	$ 7,859,274	$ 7,463,968	$ 15,323,242

Cash on hand represents authorized petty cash funds for current operation purposes. The carrying amount as of September 30, 2023 was $2,135.

As of September 30, 2023, the carrying amount of deposits was $12,521,064 and the bank balance was $12,524,370. The difference between deposit amounts and bank balance was attributable to outstanding checks and deposits.

	Unrestricted	Restricted	Total
Cash on Hand (Petty cash)	$ 2,135	$ -	$ 2,135
Short-term investments - 3 mos.	5,973,336	3,240,254	9,213,590
Total Cash & cash equivalents	5,975,471	3,240,254	9,215,725
Short-term investments	387,212	581,384	968,596
Long-term investments	400,545	1,939,504	2,340,049
Total Investments	787,757	2,520,888	3,308,645
Total District's cash and investment balance	$ 6,763,228	$ 5,761,142	$ 12,524,370

NOTE B - CASH ON HAND, DEPOSITS, AND INVESTMENTS (continued)

Custodial Credit Risk - Deposits

In the case of deposits, custodial credit risk is the risk that in the event of a financial institution failure, the District's deposits may not be recovered. The District's deposit policy for custodial credit risk is to have interest bearing checking accounts and certificate of deposits in federally insured banks and savings and loans to not exceed federally insured amounts per institution.

As of September 30, 2024 the District's cash bank balance was $15,323,242 of which $14,416,855 was subject to custodial credit risk.

As of September 30, 2023 the District's cash bank balance was $12,808,041 of which $12,072,374 was subject to custodial credit risk.

	2024	2023
Deposits insured by FDIC	$ 906,386	$ 735,667
Uninsured & uncollateralized investments:		
Cash, checking, & savings	6,156,328	4,892,093
Certificate of deposits	-	-
Money markets	1,775,977	1,982,912
Mutual funds	-	-
U.S. Government Issues	4,513,421	2,050,692
U.S Treasury Bill	1,971,128	2,863,006
Total uninsured & uncollateralized	14,416,855	11,788,703
Bank value of deposits	$ 15,323,241	$ 12,524,370

Cash Restricted for Acquisition, Closure & Construction

The District has cash reserves at year end set aside for future projects, closure and post-closure care, and contingencies.

	2024	2023
Next cell reserve	$ 1,984,852	$ 1,404,427
Next cell reserve -Operating Reserve	74,191	35,523
Equipment reserve	942,345	610,291
General reserve	166,268	169,939
Land trust reserve	273,405	192,287
Post-closure reserve	4,022,907	3,348,675
LFGE Escrow	-	-
Totals	$ 7,463,968	$ 5,761,142

INVESTMENTS

District's investment policy authorizes the District to invest in obligations of the United States, obligations of the state or any taxing district in the state, obligations issued by Farm Credit System, obligations of public corporations of the state of Idaho, repurchase agreements, tax anticipation notes of the state or any taxing district in the state, time deposits, savings deposits, revenue bonds of institutions of higher education, and the state treasurer's pool.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. To address custodial credit risk, the District's policy is to invest in investments, which are rated in the highest tier by a nationally recognized rating agency.

Concentration of Credit Risk

The District's investment policy does not allow for more than 10% at cost of the investment pool be in the securities of any one issuer with the exception of obligations of the U.S. Government, its Agencies and instrumentalities, repurchase agreements collateralized by obligations of the U.S. Government, its Agencies and instrumentalities and federally-insured certificate of deposits. The District held investments only in U.S. government issues, corporate issues or certificate of deposits, mutual funds, & money markets that meet the exception, during the year.

NOTE B - CASH ON HAND, DEPOSITS, AND INVESTMENTS (continued)

As of September 30, 2024 the percent of portfolio investments

Investment Type	Fair Value	Rating	Percent of Portfolio Investments
Fannie Mae	$ -	AA + & AAA	0.0%
Federal Home Loan Corp.	-	AA + & AAA	0.0%
U S Treasury Bonds	-	AAA	0.0%
U S Treasury	6,389,920	AAA	100.0%
	$ 6,389,920		

As of September 30, 2023 the percent of portfolio investments

Investment Type	Fair Value	Rating	Percent of Portfolio Investments
Fannie Mae	$ -	AA + & AAA	0.0%
Federal Home Loan Corp.	-	AA + & AAA	0.0%
U S Treasury Bonds	-	AAA	0.0%
U S Treasury	4,913,699	AAA	100.0%
	$ 4,913,699		

Interest Rate Risk

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. In accordance with investment policy, the District manages its exposure to declines in fair value by investing in securities with maturities that are consistent with needs and use of the District.

As of September 30, 2024 the District investments have the following maturites:

		Investment Maturities				
Investment Type	Fair Value	Less than 3 months	3 months 1 year	1 - 5 Years	6 - 10 years	Greater than 10 Years
Certificates of Deposits	$ 656,386	$ 323,506	$ 50,678	$ 282,202	$ -	$ -
U.S. Government Issues	4,513,421	25,445	1,012,539	3,475,437	-	-
U.S. Treasury Bills	1,971,128	-	-	1,971,128	-	-
Money Market	1,775,977	1,775,977	-	-	-	-
Mutual Fund	-	-	-	-	-	-
TOTALS	$ 8,916,913	$ 2,124,928	$ 1,063,218	$ 5,728,767	$ -	$ -

As of September 30, 2023 the District investments have the following maturites:

		Investment Maturities				
Investment Type	Fair Value	Less than 3 months	3 months 1 year	1 - 5 Years	6 - 10 years	Greater than 10 Years
Certificates of Deposits	$ 485,667	$ 49,478	$ -	$ 436,189	$ -	$ -
U.S. Government Issues	2,050,692	-	146,832	1,903,860	-	-
U.S. Treasury Bills	2,863,006	2,041,242	821,764	-	-	-
Money Market	1,982,912	1,982,912	-	-	-	-
Mutual Fund	-	-	-	-	-	-
TOTALS	$ 7,382,277	$ 4,073,632	$ 968,596	$ 2,340,049	$ -	$ -

NOTE C - INVENTORY & OTHER CURRENT ASSETS

Inventory

Inventory consists of fuel, scrap metal, gravel & sand. The District utilizes first in, first out ("FIFO") method of accounting for inventory. Fuel is carried at cost. Scrap metal is carried at fair market value due to scrap metal being obtained from waste. Scrap metal value comes from all of the metal being sold by December 2023. Gravel is carried at cost based on gravel agreement.

A summary of inventory & other current assets as of September 30, 2024 and September 30, 2023 is as follows:

	2024	2023
Prepaid workman's compensation	$ 14,184	$ 5,311
Prepaid HRA Account	27,560	26,780
Fuel inventory	133,507	125,881
Scrap metal inventory	120,211	129,320
Gravel inventory	1,036,970	1,036,970
Sand inventory	14,686	14,686
Totals	$ 1,347,118	$ 1,338,949

NOTE D - PROPERTY, PLANT & EQUIPMENT

A summary of changes in property, plant, and equipment at cost or fair market value, if donated, follows:

	Sep 30, 2023	Additions	Deletions	Sep 30, 2024
Capital assets not being depreciated:				
Land & water rights	$ 757,413	$ -	$ -	$ 757,413
Capital assets being depreciated:				
Land improvements	11,709,844	485,997	-	12,195,841
Building & improvements	7,071,276	72,959	-	7,144,235
Vehicles & equipment	21,529,123	1,183,844	217,333	22,495,634
Total capital assets being depreciated	40,310,243	1,742,800	217,333	41,835,710
Less: Accumulated Depreciation:				
Land improvements	3,682,626	299,880		3,982,506
Building & improvements	3,965,103	148,776		4,113,879
Vehicles & equipment	15,164,737	1,154,551	214,166	16,105,121
Total accumulated depreciation	22,812,466	1,603,207	214,166	24,201,506
Net capital assets being depreciated	17,497,777	139,594	3,167	17,634,204
Total capital assets	$ 18,255,190	$ 139,594	$ 3,167	$ 18,391,617
Right-Of-Use not being amortized				
Engine 3-work in progress	$ -	$ -	$ -	$ -
Right-Of-Use Leases				
Building & improvements	4,207,567	-	-	4,207,567
Vehicles & equipment	4,368,161	3,069,878	-	7,438,039
Total Right-Of-Use	8,575,728	3,069,878	-	11,645,606
Less: Right-Of-Use Leases Amortization				
Building & improvements	885,924	280,504	-	1,166,428
Vehicles & equipment	2,432,465	954,005	-	3,386,470
Total accumulated Amortization	3,318,389	1,234,509	-	4,552,898
Total Right-Of-Use Leases being amortized	5,257,339	1,835,369	-	7,092,708
Total Right-Of-Use Leases	$ 5,257,339	$ 1,835,369	$ -	$ 7,092,708

NOTE D - PROPERTY, PLANT & EQUIPMENT (continued)

	Sep 30, 2022	Additions	Deletions	Sep 30, 2023
Capital assets not being depreciated:				
Land & water rights	$ 757,413	$ -	$ -	$ 757,413
Engine 3-work in progress	1,066,099	-	1,066,099	-
Capital assets being depreciated:				
Land improvements	11,515,098	194,746	-	11,709,844
Building & improvements	7,071,276	-	-	7,071,276
Vehicles & equipment	18,043,721	3,932,987	447,585	21,529,123
Total capital assets being depreciated	36,630,095	4,127,733	447,585	40,310,243
Less: Accumulated Depreciation				
Land improvements	3,387,550	295,076	-	3,682,626
Building & improvements	3,818,455	146,648	-	3,965,103
Vehicles & equipment	14,632,532	972,320	440,115	15,164,737
Total accumulated depreciation	21,838,537	1,414,044	440,115	22,812,466
Net capital assets being depreciated	14,791,558	2,713,689	7,470	17,497,777
Total capital assets	$ 16,615,070	$ 2,713,689	$ 1,073,569	$ 18,255,190
Right-Of-Use not being amortized				
Engine 3-work in progress	$ 723,828	$ -	$ 723,828	$ -
Right-Of-Use Leases				
Building & improvements	4,207,567	-	-	4,207,567
Vehicles & equipment	3,026,235	1,341,926	-	4,368,161
Total Right-Of-Use	7,233,802	1,341,926	-	8,575,728
Less: Right-Of-Use Leases Amortization				
Building & improvements	605,420	280,504	-	885,924
Vehicles & equipment	1,945,436	487,029	-	2,432,465
Total accumulated Amortization	2,550,856	767,533	-	3,318,389
Total Right-Of-Use Leases being amortized	4,682,945	574,393	-	5,257,338
Total Right-Of-Use Leases	$ 5,406,773	$ 574,393	$ 723,828	$ 5,257,338

Fixed asset acquisitions for the year ended September 30, 2024 included:

	2024
Well	$ 202,583
Pond	65,646
Next cell and ground water engineering	217,768
Shop mezzanine	72,959
2022 Ram	81,588
Western trailer 2024 # 771	119,843
Western trailer 2024 # 772	119,843
Truck Lift	34,500
2 long blocks for Genset 2 & 3	464,215
Work in progress engine 3	234,866
Track Stacker	128,989
Total	$ 1,742,800

NOTE E - ACCRUED LIABILITIES

A summary of accrued liabilities as of September 30, 2024 and September 30, 2023 is as follows:

	2024	2023
Accrued payroll	$ 317,620	$ 278,393
Accrued vacation	221,106	211,368
Interest payable	30,512	990
Medical insurance payable	11,439	8,984
Totals	$ 580,677	$ 499,735

NOTE F - DEFERRED COUNTY REVENUES

The following counties were billed for their October assessment in the preceding year by Southern Idaho Regional Solid Waste District:

	2024	2023
Blaine	$ 821,348	$ 747,009
Cassia	436,980	414,346
Gooding	495,712	478,017
Jerome	696,982	656,536
Lincoln	170,790	165,720
Minidoka	529,900	510,594
Twin Falls	1,167,796	1,155,564
Totals	$ 4,319,508	$ 4,127,786

NOTE G - LOANS PAYABLE

	2024	2023
Municipal Asset Management, secured by a roll-off truck, 4 refuse trailers, and 5 semi-tractors, with net book values of $907,534, payable in semi-annual installments of $71,226 including interest at 2.82%. The obligation is due November 15, 2023.	$ -	$ 70,236
Total Loans Payable	-	70,236
Less: Current Portion	-	(70,236)
Net Long-Term Debt	$ -	$ -

The District is obligated on the following long-term debts as of September 30, 2024:

	Beg. Bal.	Additions	Reductions	Ending Balance	Due within one year
Municipal Asset Management 2	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -

The District is obligated on the following long-term debts as of September 30, 2023:

	Beg. Bal.	Additions	Reductions	Ending Balance	Due within one year
Municipal Asset Management 2	70,236	-	70,236	-	-
	$ 70,236	$ -	$ 70,236	$ -	$ -

Following are maturities of long-term debt for each of the next five years as of September 30,

	2024	2023
September 30, 2023	$ -	$ -
September 30, 2024	-	-
September 30, 2025 and after	-	-
Totals	$ -	$ -

NOTE H - LEASES

On March 17, 2017 CAFCo Idaho Refuse Management, LLC (CAFCo) and the Southern Idaho Regional Solid Waste District (District) entered into a financing lease agreement in the aggregate principal amount of $8,000,000. The proceeds of the financing lease are being used to construct a landfill gas to energy project. Simultaneously CAFCo exercised its right to purchase and the District entered into a lease agreement for the use of the landfill gas to energy facilities. Beginning on June 17, 2017, the District is obligated to pay quarterly lease payments of various amounts. Unless the District affirmatively acts in a board meeting to renew and extend for another year, the appropriated lease will expire at the end of the current fiscal year (September 30th.) If not renewed and extended, the District has no further obligation or exposure to penalty or recourse, except that it surrenders possession of the project. Interest rate for lease was 6.115%.

The lease expired on June 17, 2024, but was renewed for a one-year term, ending June 17, 2025.The lease may be renewed for a total of fifteen consecutive one-year terms commencing June 18 and ending June 17, expiring June, 2033. The District also has an option to purchase after the purchase option commencement date of March 1, 2027. The lease agreement qualifies as a financing lease for accounting purposes, therefore, has been recorded at the present value of its anticipated future minimum lease payments as of the inception date.

Building, and equipment under this financing lease in capital assets at September 30, include the following:

	2024	2023
Building	$ 4,207,566	$ 4,207,566
Equipment	3,750,065	3,750,065
Total	$ 7,957,631	$ 7,957,631

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 6,737,023	$ 3,884,615

Beginning June 19, 2023 the Southern Idaho Regional Solid Waste District entered into a 5 year lease with John Deere Financial to lease a 2023 544P loader with a purchase option of $72,603. The principal amount for this was $238,609 The District is obligated to pay annual payments, the first being $37,996.40 and all future payments being $45,138.36. The interest rate on the lease is 7.70%.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 170,921	$ 174,980

Beginning February 2, 2024 the Southern Idaho Regional Solid Waste District entered into a 7 year lease with John Deere Financial to lease a 2023 444P loader with a purchase option of $71,995. The principal amount for this was $218,758 The district is obligated to pay annual payments, the payments being $31,624. The interest rate on the lease is 8.15%.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 187,134	$ 197,924

The District has enter into a master lease with PACCAR for eight different leases for five (5) 2024 Kenworth garbage trucks and three (3) 2025 Kenworth garbage trucks. Three of the leases began in fiscal year 2023 and the others began in 2024.

Truck 25's lease which started July 1, 2023 was updated from the previous year. The lease was turned into a 6 year lease. The payments are annual. The first payment is $33,636 and all subsequent payments were change to $29,962. The total principal to be paid amount for this lease change to $157,693. The implicit rate on the lease is 7.56%. The District will own this lease asset at the end of the period.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 94,095	$ 125,149

Truck 26's lease which started in July 1, 2023 was updated from the previous year. The lease was turned into a 6 year lease. The payments are annual. The first payment is $33,636 and all subsequent payments were change to $29,962. The total principal to be paid amount for this lease change to $157,693. The implicit rate on the lease is 7.56%. The District will own this lease asset at the end of the period.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 94,095	$ 125,149

Beginning September 13, 2023, truck 27's lease payment terms are annual payments. The lease term is 5 years. The first payment is $34,327 and all subsequent payments are $28,327.The principal amount for this lease was $129,012. The implicit rate on the lease is 7.59%. Lease has a purchase option at the end of the lease, however this purchase option is based on the fair market value of the truck at year end of the lease so no value has been assigned for it.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 94,685	$ 101,059

NOTE H - LEASES (continued)

Beginning November 6, 2023, truck 28's lease payment terms are annual payments. The lease term is 5 years. The payments are is $30,053.The principal amount for this lease was $130,261. The implicit rate on the lease is 7.70%. Lease has a purchase option at the end of the lease, however this purchase option is based on the fair market value of the truck at year end of the lease so no value has been assigned for it.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 100,208	$ 106,380

Beginning November 6, 2023, truck 29's lease payment terms are annual payments. The lease term is 5 years. The payments are is $30,053.The principal amount for this lease was $130,261. The implicit rate on the lease is 7.70%. Lease has a purchase option at the end of the lease, however this purchase option is based on the fair market value of the truck at year end of the lease so no value has been assigned for it.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 100,208	$ 106,380

Beginning March 11, 2024, trucks 30,31, and 32 lease payment terms are annual payments. The lease term is 6 years. The payments are is $118,414.The principal amount for this lease was $586,523. The implicit rate on the lease is 7.50%. The District owns the vehicles at the end of the leasing period.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 468,108	$ 529,500

Beginning March 4, 2024 the Southern Idaho Regional Solid Waste District entered into a 5 year lease with Caterpillar Financial Services Corporation to lease a 2023 Caterpillar 623K Scraper with a purchase option of $510,000. The principal amount for this was $1,079,915 The district is obligated to pay annual payments, the payments being $159,830. The interest rate on the lease is 6.49%.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 920,085	$ 953,925

Beginning May 22, 2024 the Southern Idaho Regional Solid Waste District entered into a 5 year lease with Caterpillar Financial Services Corporation to lease a 2024 Caterpillar 950-14 with a purchase option of $145,000. The principal amount for this was $459,670 The district is obligated to pay annual payments, the payments being $79,924. The interest rate on the lease is 6.49%.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 379,747	$ 421,364

Beginning May 2, 2024 the Southern Idaho Regional Solid Waste District entered into a 5 year lease with Zions Bank to lease 2025 Kenworth Trucks #33 and #34. The principal amount for this was $399,580 The district is obligated to pay annual payments, the payments being $87,718. The interest rate on the lease is 4.68%.The District owns the vehicles at the end of the leasing period.

Assets and Liabilities related to this Lease:	Lease Liability	Right-Of-Use Net
	$ 313,368	$ 366,281

Annual requirements to amortize long-term obligations and related interest are as follows:

September 30	Principal	Interest
2025	$ 1,227,091	$ 596,602
2026	1,359,293	526,314
2027	1,512,685	435,642
2028	1,585,939	333,837
2029-2033	3,974,669	550,601
Total	$ 9,659,677	$ 2,442,995

NOTE I - CLOSURE & POST-CLOSURE CARE COSTS

State and federal laws and regulations require that the District place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post-closure costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and post-closure care costs is $3,188,028. This amount is based on what it would cost to perform all closure and post closure care in 2024. Management has decided to close the landfill in increments. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The District is required by state and federal laws to make annual contributions to finance closure and post-closure care. According to the 2015 Financial Assurance Plan the District should have $3,356,293 in the fund as of September 30, 2024. At September 30, 2024, investments of $3,984,388 ($4,022,907 market value) are held for these purposes. These investments are held and managed by a third-party trustee and are presented as "Landfill Closure and Post-Closure Reserves". It is anticipated that future inflation costs will be financed in part from earnings on investments held by the trustee. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users.

Management estimates the percentage of landfill used to date is 14% and the estimated remaining landfill life is 49 years.

NOTE J - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

NOTE K - SUBSEQUENT EVENTS

For these financial statements, the District evaluated subsequent events through January 2, 2025, the day the financial statements were available to be issued. With the exception of those matters discussed below, there were no material susequent events that required recognition or additional disclosure in these financial statements.

On October 30, 2024, the District entered into a 7-year lease with Zions Bank for a John Deere 444 P-Tier Wheel Loader for the Carey Transfer Station. The lease term commenced November 14, 2024. The principal amount for this lease is $217,346.84, with an interest rate of 4.37%. Annual payments will begin September 15, 2025.

At the October Board Meeting, the Board approved the Request for Obligations of Funds and the Letter of Intent to Meet Conditions for a USDA loan of $36,585,000.00. These funds will be used for improvements at the landfill site and several transfer stations. At the December meeting, the Board approved the Interim Financing Proposal from Municipal Capital Marketing for a fully funded market structure. Those funds will be placed with US Bank in late February/early March. The District will pay interest (3.65%) on the full loan amount for the length of the financing but will earn interest income on unspent cash balances which will offset the interest expense.

On December 18, 2024, the Board approved a 5-year Lease Agreement with Zions Bank for 2 waste haul trucks (#35 & #36). The principal amount of this lease is $394,980.32 with an interest rate of 4.77%. Annual payments will begin July 15, 2025.

NOTE L - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omission; employee injuries, natural disaster, and employee health. Except for employee health, which is partially insured, risks of loss are insured by the purchase of commercial insurance through participation in the Idaho Counties Risk Management Program (ICRMP). ICRMP is an insurance pool serving public entities in Idaho through provision of property, general liability, auto liability, physical damage, and public officials' insurance. Under the terms of the ICRMP policy, the District's liability is limited to the amount of annual financial membership contributions plus deductible. The District pays semi-annual premiums to ICRMP for insurance coverage.

NOTE M - DEFINED BENEFIT 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.

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 statue 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) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statue at 60% of the employer rate for general employees. As of June 30, 2024 it was 6.71%. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and as was 11.18%. The District contributions were $525,800.84 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 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 employers. At June 30, 2024, the District's proportion was .0009249095 percent.

For the year ended September 30, 2024, the District recognized pension expense of $476,751.20. At September 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ -	
Changes in assumptions or other inputs	137,059	
Net difference between projected and actual earnings on pension plan investments	550,825	62,800
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions		-
Employer contributions made subsequent to the measurement date	137,701	-
Total as of September 30, 2024	$ 825,585	$ 62,800

NOTE M - DEFINED BENEFIT PENSION PLAN (continued)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 344,773	$ -
Changes in assumptions or other inputs	363,712	
Net difference between projected and actual earnings on pension plan investments	629,594	
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions		-
Employer contributions made subsequent to the measurement date	120,002	-
Total as of September 30, 2023	$ 1,458,081	$ -

$137,701 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 is 4.6 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 (revenues) as follows:

Year Ended September 30,	
2025	$ 181,560
2026	685,882
2027	(118,279)
2028	(84,544)
2029	-

Actuarial Assumptions
Valuations are based upon actuarial assumptions, 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 increase including inflation	3.05%
Salary inflation	3.05%
Investment return	6.35% net of investment expenses
Cost of living adjustments	1.00%

Contributing Member, 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 - Female 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.

NOTE M - DEFINED BENEFIT PENSION PLAN (continued)

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	
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%	0.0%
Total	100.0%	100.0%

Discount Rate

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

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate.

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	6,990,465	3,678,589	973,630

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 September 30, 2024, the District reported no payables to the defined benefit pension plan for legally required employer contributions and nothing for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE N - CHANGE IN ACCOUNTING POLICIES

The District made some changes to their accounting policies. The first was a change to the capitalization policy. The District has established a written policy to capitalize assets with lives over one year whose costs exceed $20,0000. Previously the financial statements defined capital assets as items with lives that exceed two years and whose costs exceed $1,000. The District also changed the lives of machinery and equipment from 3-15 years to 5-10 years. As this is a prospective change, there will be no adjustments to the previous years' assets that have been capitalized.

The District implemented an allowance for credit losses for outstanding landfill gate receipts that are past 90 days. The District calculated allowance based on 50% of items past 90 days. The current year allowance of $6,221 was estimated based on gate receipts past 90 days, which created a bad debt expense of the same amount. As this is a prospective change, there were no changes to the prior years.

Required Supplemental Information

Southern Idaho Regional Solid Waste District

Required Supplementary Information
September 30, 2024

Schedule of Employer's Proportionate Share of the Net Pension Liability
PERSI-Base Plan
Last 10 - Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's portion of the net pension liability	0.0009249095	0.000920417	0.0009834103	0.000934368	0.000931351	0.000914015	0.000849742	0.000841972	0.000811049	0.000797578
Employer's proportionate share of the net pension liability/(asset)	3,459,758	3,673,082	3,873,415	(73,794)	2,162,720	1,043,323	1,253,384	1,323,435	1,652,732	1,050,280
Employer's covered-employee payroll ^	4,635,064	4,048,018	3,905,231	3,530,793	3,384,263	3,199,633	2,930,526	2,679,228	2,538,746	2,314,936
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	74.64%	90.74%	99.19%	-2.09%	63.91%	32.61%	42.77%	49.40%	65.10%	45.37%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%

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

^ For the fiscal year ended on the date shown.

Data reported is measured as of June 30, 2024 (PERSI Year End).

GARALD PRICE & ASSOCIATES, PLLP

Southern Idaho Regional Solid Waste District

Required Supplementary Information
September 30, 2024

Schedule of Employer's Contributions
PERSI - Base Plan
Last 10 - Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	525,801	476,751	466,284	421,577	392,485	361,916	313,000	260,982	269,925	257,159
Contributions in relation to the statutorily required contribution	525,801	476,751	466,284	421,577	392,485	361,916	313,000	260,982	269,925	257,159
Contributions (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Employer's covered- employee payroll ^	4,635,064	4,048,018	3,905,231	3,530,793	3,384,263	3,199,633	2,930,526	2,679,228	2,538,746	2,314,936
Contributions as a percentage of the covered-employee payroll	11.34%	11.78%	11.94%	11.94%	11.60%	11.31%	10.68%	9.74%	10.63%	11.11%

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

^ For the fiscal year ended on the date shown.

Data reported is measured as of September 30, 2024 (District Year End)

GARALD PRICE & ASSOCIATES, PLLP

Supplemental Information

Southern Idaho Regional Solid Waste District
Supplemental Information

Details of Statements of Revenue, Expenses and Changes in Net Position
For the Years Ended September 30,

	2024	2023
Operating Revenues:		
County Revenue		
Owner county collections	$ 12,165,869	$ 11,383,707
Self-Charged Waste Haul Revenue	3,508,368	3,221,950
Self-Charged Roll-off truck revenue	114,871	106,950
Self-Charge Wood Grinding Revenue	46,365	156,853
Total County Revenue	15,835,473	14,869,460
Less Self-Charged Transportation Charges	(3,623,239)	(3,328,899)
Less Self-Charged Wood Grinding Charges	(46,365)	(156,853)
Net County Revenue	$ 12,165,869	$ 11,383,708
Cash receipts	2,032,434	827,775
Waste contracts	647,373	429,800
Recycling revenue	214,559	354,382
Landfill gas to energy income	1,363,230	707,808
Wood grinding	166,075	143,172
Miscellaneous income	8,216	3,208
Total Operating Revenues	$ 16,597,756	$ 13,849,852
Operating Expenses:		
Accounting & legal	$ 38,328	$ 69,733
Insurance	164,658	130,681
Employee medical insurance, unemployment, workers compensation	852,022	779,583
Operating supplies	437,685	369,110
Site Expenses	169,320	-
Leases	-	-
Utilities	116,647	108,179
Engineering and gas monitoring	111,137	27,387
Landfill gas to energy expenses	666,615	559,541
Equipment operating costs	2,700,979	2,662,013
Salaries	4,763,493	4,154,947
Payroll taxes	332,827	308,120
PERSI	1,006,845	858,372
Tire recovery	85,472	94,404
Wood grinding	14,166	52,630
Depreciation and amortization	2,837,716	2,181,578
Bad Debt Expense	6,221	-
Closure Costs	219,074	262,385
Total Operating Expenses	$ 14,523,205	$ 12,618,663

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

Board of Commissioners
Southern Idaho Regional Solid Waste District

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 Southern Idaho Regional Solid Waste District, as of and for the years ended September 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Southern Idaho Regional Solid Waste District's financial statements, and have issued our report thereon dated January 2, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southern Idaho Regional Solid Waste District's internal control over financial reporting (internal control) as a basis for designing 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 Southern Idaho Regional Solid Waste District's internal control. Accordingly, we do not express an opinion on the effectiveness of Southern Idaho Regional Solid Waste District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings as item 2024-1 to be a significant deficiency but not a material weakness.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southern Idaho Regional Solid Waste District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. 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*.

Southern Idaho Regional Solid Waste District's Response to Findings

Southern Idaho Regional Solid Waste District's response to the findings identified in our audit is described in the accompanying schedule of findings. Southern Idaho Regional Solid Waste District's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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.

Garald Price & Associates

Garald Price & Associates, PLLP

Burley, Idaho 83318
January 2, 2025

Southern Idaho Regional Solid Waste District
SCHEDULE OF FINDINGS AND RESPONSES
For the year ended September 30, 2024

SECTION I – Summary of Auditor's Results

Financial Statement Audit

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	1 reported

SECTION II – Financial Statement Findings

Finding 2024-001: Preparation of Financial Statements

Criteria: The district must issue an annual financial statement and therefore management is responsible for the preparation of the financial statement. A good system of internal controls allows an adequate system for recording and processing entries material to the financial statements, and the ability to internally prepare their financial statements.

Condition: The district and management are competent, capable and perform daily and monthly internal control functions very well. Their controls and expertise are limited, however, in the drafting of financial statements and disclosures in accordance with generally accepted accounting principles, specifically with full accrual basis statements required by GASB 34. The auditors were requested to draft the District's financial statements and accompanying notes to the financial statements.

Cause: This condition was caused by the district's decision that it is more cost effective to outsource the drafting of its annual financial statements to the auditors than to incur the time and expense for the government to perform this task internally.

Effect: The district's management would struggle to timely prevent, detect, and correct material misstatements in a financial statement and disclosures drafted for them.

Recommendation: This is not unusual in a District this size. However, it is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Response: Southern Idaho Regional Solid Waste District has traditionally engaged the auditor to assist them in preparing the annual financial statement. Although this is not the perfect solution it is most likely the most practical. The district agrees having an internal control system over financial reporting is very important but the resources and cost benefit of implementing these controls are not in place to effectively implement these changes.