OAKLEY RECREATION DISTRICT

Basic Financial Statement

September 30, 2024

OAKLEY RECREATION DISTRICT
BASIC FINANCIAL STATEMENTS
For the Year Ended September 30, 2024
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FINANCIAL SECTION

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

Members of the American Institute of CPA's
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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Oakley Recreation District
Oakley, Idaho

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Oakley Recreation District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District'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 and each major fund of Oakley Recreation District as of September 30, 2024, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund 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 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 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 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 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 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 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 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 District's internal control over financial reporting and compliance.

Poulsen VanLeuven & Catmull

Burley, Idaho
September 9, 2025

OAKLEY RECREATION DISTRICT

Statement of Net Position
September 30, 2024

	Governmental Activities
ASSETS	
Current assets:	
Cash & investments	$ 117,109
Receivables:	
Taxes receivable	3,202
Prepaid expenses	-
Noncurrent assets:	
Capital Assets	
Land	-
Other capital assets, net of depreciation	599,411
Total assets	719,722
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	4,797
Accrued interest payable	2,344
Current portion of long-term debt	
Noncurrent liabilities:	
Long-term debt, net of current portion	500,370
Net Pension Liability	-
Total liabilities	507,511
NET POSITION	
Net Investment in Capital Assets	99,041
Restricted	-
Unrestricted	113,170
Total Net Position	$ 212,211

See accompanying notes to the financial statements.

OAKLEY RECREATION DISTRICT

Statement of Activities
For the Year Ended September 30, 2024

	Net Revenue (Expense) and Changes in Net Position
Governmental Activities:	
Expenses	
Recreation expenses	$ 111,918
District administration	-
Public facilities & infrastructure	22,752
Interest on long-term debt	24,889
Total expenses	159,560
Program Revenues	
Charges for services	38,941
Operating grants and contributions	-
Capital grants and contributions	-
Total program revenues	38,941
Net program expenses	(120,619)
General Revenues	
Tax Revenue	157,909
Other revenue	5,830
Investment earnings	53
Total general revenues and transfers	163,791
Change in Net Position	43,172
Net Position Beginning of Year	169,039
Net Position End of Year	$ 212,211

See accompanying notes to the financial statements.

OAKLEY RECREATION DISTRICT

Balance Sheet
Governmental Funds
September 30, 2024

	General Fund
ASSETS	
Cash & investments	$ 117,109
Taxes receivable	3,202
Prepaid expenses	-
Total assets	$ 120,311
LIABILITIES	
Accounts payable	$ 3,143
Accrued expenses	1,654
Total liabilities	4,797
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - assessments	3,095
Total deferred inflows of resources	3,095
FUND BALANCE	
Fund balance (restricted)	-
Fund balance (unassigned)	112,419
Total fund balance	112,419
Total liabilities, deferred inflows of resources, and fund balance	$ 120,311

See accompanying notes to the financial statements.

OAKLEY RECREATION DISTRICT

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

Total Governmental Fund Balances	$	112,419
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		599,411
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Assessment Fees		3,095
Long-term liabilities, including accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds.		
Long-term debt		(500,370)
Accrued interest payable		(2,344)
Net Position of Governmental Activities	$	212,211

See accompanying notes to the financial statements.

OAKLEY RECREATION DISTRICT

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

	General Fund
Revenues:	
Program Service Fees	$ 38,941
Tax Revenue	157,905
Other Income	5,830
Interest income	53
Total revenues	202,728
Expenditures:	
Administration expense	-
Accounting/Audit fees	-
Contract services	961
Debt service - principal	22,911
Debt service - interest	24,889
Insurance expense	3,700
Legal expense	569
Misc. & office supplies	1,204
Operating expense	17,535
Payroll expense	41,747
Repairs & maintenance	22,506
Utilities	23,697
Public facilities & infrastructure	31,381
Total expenditures	191,100
Excess (deficiency) of revenues over expenditures	11,629
Other financing sources (uses)	
Transfers in	-
Transfers out	-
Proceeds from the sale of capital assets	-
Total other financing sources (uses)	-
Net change in fund balance	11,629
Fund balance - beginning	100,790
Fund balance - ending	$ 112,419

See accompanying notes to the financial statements.

OAKLEY RECREATION DISTRICT

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		$ 11,629
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 of capital outlay less depreciation expense in the current period:		
Fixed asset additions	$ 31,381	
Depreciation expense	(22,753)	8,628
Because some assessment fees 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 current year increase/(decrease) in unavailable revenue from assessment fees.		4
Long-term liabilities, including capitalized leases and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
(Increase)decrease in long-term debt		22,804
(Increase)decrease in accrued interest on long-term debt		107
Change in Net Position of Governmental Activities		$ 43,172

See accompanying notes to the financial statements.

OAKLEY RECREATION DISTRICT

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

	Original Budget	Final Budget	Actual	Variance with Final Budget: Favorable (Unfavorable)
Revenues:				
Program Service fees	$ 20,500	$ 20,500	$ 38,941	$ 18,441
Tax Revenue	133,803	133,803	157,905	24,102
Interest income	-	-	53	53
Other income	-	-	5,830	5,830
Total revenues	154,303	154,303	202,728	48,425
Expenditures:				
Administration expense	-	-	-	-
Accounting/Audit fees	-	-	-	-
Contract Services	-	-	961	961
Debt service - principal	46,529	46,529	22,911	(23,618)
Debt service - interest	-	-	24,889	24,889
Insurance expense	1,500	1,500	3,700	2,200
Legal expense	-	-	569	569
Misc. & office supplies	750	750	1,204	454
Operating Expenses	4,010	4,010	17,535	13,525
Payroll expense	26,000	26,000	41,747	15,747
Repairs & maintenance	65,314	65,314	22,506	(42,808)
Utilities	10,200	10,200	23,697	13,497
Public facilities & infrastructure	-	-	31,381	31,381
Total expenditures	154,303	154,303	191,100	36,797
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from long-term debt	-	-	-	-
Proceeds from the sale of capital assets	-	-	-	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	-	-	11,629	11,629
Fund balance - beginning	100,790	100,790	100,790	-
Fund balance - ending	$ 100,790	$ 100,790	$ 112,419	$ 11,629

See accompanying notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Oakley Recreation District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Oakley Recreation District was formed in 1986 by action of the Board of County Commissioners of Cassia County, Idaho. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The significant accounting policies of the District are described below.

A. Reporting Entity

Idaho State code specifies that a recreation district is organized for the uses and purposes of acquiring, providing, maintaining and operating public recreation centers, swimming facilities, pools, picnic areas, camping facilities, ball parks, handball courts, tennis courts, marine and snowmobile facilities, recreational pathways, ski areas, and golf courses and public transportation systems and facilities serving the district together with all related grounds, buildings, equipment and apparatus for the use of the residents of the district and the public generally. The District is governed by a board of three commissioners which has governing responsibility over all of the activities related to the District. The board is responsible for approving the budget, establishing spending limitations, funding any deficits and borrowing funds. There are no other boards, councils, or component units for which the District exercises authority.

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 nonfiduciary activities of the primary government. The District's basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the District's activities are categorized as governmental activities.

In the government-wide statement of net position, the activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position may be reported in three parts - invested in capital assets, net of related debt (when related debt exists), restricted net position, and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide statement of activities reports both the gross and net costs of each of the District's functions. The functions are also supported by general government revenues as reported in the statement of activities. The statement of activities reduces gross expenses (including depreciation when recorded) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function. Internal activity between funds (when two or more funds are involved) is eliminated in the government-wide statement of activities.

The net costs (by function) are normally covered by general revenues.

As the District has only one function (providing and supporting recreational activities) which is reported in one fund, all expenses are considered direct and, accordingly, there is no allocation of indirect costs.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

C. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category, when present, are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of assets, liabilities, revenues, and expenditures/expenses of the funds) for the determination of major fund. Major governmental funds of the District include the General Fund.

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

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Activities in the government-wide financial statements are presented on the accrual basis of accounting and are required to follow both governmental accounting standards board pronouncements and financial accounting standards board pronouncements issued before November 30, 1989. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within thirty days after year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which, if any, are recognized when due and payable.

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 District may report deferred revenue on its financial statements. For the fund financial statements, deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the revenue is recognized. For both the government-wide and fund financial statements, certain grant revenues are only recognized to the extent they have been used for qualifying expenditures; any excess revenues are reported as deferred revenue.

E. Fund Balance Classifications

Fund Balance Reserves - The District 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 District is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the District to classify and report amounts in the appropriate fund balance classifications. The District'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 District 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 District 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 Board of Commissioners. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board. 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 District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by: (a) the secretary/treasurer, or (b) an appointed body (e.g. a budget or finance committee) or an official to which the Board of Commissioners have delegated the authority 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 District 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 District has no deposit policy for custodial credit risk. At year end, none of the District's bank balance was exposed to custodial credit risk due to being uninsured and uncollateralized.

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 District held no investments.

Credit Risk: The District's policy is to comply with Idaho State statutes which authorize the District 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.

G. Inventory

The District had no inventory at year end. Inventory would consist of expendable supplies held for consumption or use in the District's activities.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental activities columns in the government-wide financial statements. 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 is remove, 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

Long-term liabilities consist of bonds, notes, and other indebtedness including material liabilities associated with compensated absences.

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position.

J. Budgets and Budgetary Accounting

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

1. Prior to August each year the District commissioners determine budgeted expenditures and the means of financing them for the year beginning the following October 1.
2. At the regular meeting in August the tentative budget is submitted for publication and public comment.
3. A public hearing is held 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 in certain emergencies defined by law.

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

Accumulated unpaid vacation, sick pay, and other employee benefit amounts have not been accrued in governmental funds. The amount of this accrual is not material to the financial statements.

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 District 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 District's policy is to first apply unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. Pensions
The District does not participate in the Public Employee Retirement System of Idaho.

P Leases:
The District has adopted GASB 87, See Note 5.

NOTE 2: ACCOUNTS RECEIVABLE
Receivables, when present, are reported net of any estimated uncollectible amounts.

NOTE 3: CASH & INVESTMENTS

Cash & Investments consists of the following at year end:

Cash-Demand Deposits	$	117,109
Cash-Money Market and Certificates of Deposit		-
Total	$	117,109

Deposits- At year end, the carrying amounts of the District's deposits were $117,109 and the bank balances were $118,978. The demand deposit accounts are insured up to $250,000.

NOTE 4: CAPITAL ASSETS
A summary of changes in capital assets follows:

	Balance 9/30/2023	Addition	Deletion	Balance 9/30/2024
Governmental Activities				
Equipment	$ -			$ -
Buildings & improvements	651,382	31,381		682,763
Land (Non-depreciable)	-			-
Construction in Progress	-	-	-	-
	651,382	31,381	-	682,763
Accumulated Depreciation:				
Equipment	-		-	-
Buildings & improvements	60,599	22,753	-	83,352
	60,599	22,753	-	83,352

continued on next page

Net Book Value:				
Equipment	-	-	-	-
Buildings & improvements	590,783	8,628	-	599,411
Land (Non-depreciable)	-	-	-	-
Construction in Progress	-	-	-	-
Total	$ 590,783	$ 8,628	$ -	$ 599,411

All assets are being depreciated using the straight line method over the respective estimated lives described in Note 1.

Depreciation was charged to functions/programs of the governmental activities as follows:

General Government	$ 22,753
Total Governmental Activities Depreciation	$ 22,753

NOTE 5: LONG-TERM DEBT

On September 1, 2019 the District entered into a sale lease-back transaction with DL Evans which is reported as long-term debt in the district's financial statements. The original loan amount was $600,000 and carries an interest rate of 4.75% and matures in 2035.

The annual debt service requirements to maturity for bonded debt as of September 30 follows:

FYE	General Fund		
Sept. 30	Principal	Interest	Total
2025	$ 23,694	$ 24,106	$ 47,800
2026	24,849	22,951	47,800
2027	26,060	21,740	47,800
2028	27,275	20,525	47,800
2029	28,659	19,141	47,800
2030-2039	369,834	102,251	472,085
	$ 500,370	$ 210,715	$ 711,085

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

	Balance at 9/30/2023	Additions	Reductions	Balance at 9/30/2023
General Fund Debt	$ 523,174	-	$ (22,804)	$ 500,370
	$ 523,174	-	$ (22,804)	$ 500,370

NOTE 6: ASSESSMENT FEES - UNAVAILABLE REVENUE

Assessment fees are levied by the 2nd Monday in September, in conformity with Title 31, Section 1605, of the Idaho State Code. Fees 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 fees, penalties, and interest ultimately imposed. Fee assessment 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 unavailable revenue account in the General Fund represent the fee assessments receivable more than 60 days after year end.

NOTE 7: RISK MANAGEMENT/INSURANCE COVERAGE

The District 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 District has transferred most of its risk by purchasing commercial insurance.

Workman's Compensation insurance is purchased through the Idaho State Insurance Fund. All other insurance has been purchased through ICRMP (Idaho Counties Reciprocal Management Program), which expires October 1, but is renewed annually. The policy coverage includes: All risks of physical loss or damage, automobile physical damage, comprehensive general liability, premises medical payments, automobile liability, errors or omissions liability, employee dishonesty, money & securities, and depositors forgery.

NOTE 8: LITIGATION, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

There is no litigation, present or pending, against the District.

NOTE 9: SUBSEQUENT EVENTS

Subsequent events were evaluated through September 9th, 2025, the date of the auditor's report, which is the date the financial statements were available to be issued. There were no subsequent events that occurred that would require an adjustment to the financial statements or disclosures.

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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*

To the Board Members
Oakley Recreation District
Oakley, 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 Oakley Recreation District as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Oakley Recreation District's basic financial statements and have issued our report thereon dated September 9, 2025.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Poulsen VanLeuven & Catmull

Poulsen VanLeuven & Catmull PA
September 9, 2025