CITY OF GEORGETOWN

Financial Statements

For the Year Ended September 30, 2024

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Georgetown
Georgetown, Idaho

Opinion

I have audited the accompanying financial statements of the City of Georgetown, Idaho (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the City and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Key Audit Matters

I have determined that there are no key audit matters to communicate in my report.

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 for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in my judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* I have also issued my report dated May 2, 2025 on my consideration of the City's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of my 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 the City's internal control and compliance.

MATTHEW REGEN, CPA, PC



Logan, Utah
May 2, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Georgetown (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the financial statements which follow this section

FINANCIAL HIGHLIGHTS

- The total net position (government and business-type activities) of the City decreased during fiscal year 2024 by $80,557 to a total of $1,921,215. The governmental net position decreased by $83,050 and the business-type net position increased by $2,493.

- The total net position (government and business-type activities) of the City consist of $1,000,913 in capital assets, net of related debt, $91,422 in restricted net position, and $828,880 in unrestricted net position.

- The total long-term liabilities of the City decreased by $105,077 during the fiscal year 2024.

REPORTING THE CITY AS A WHOLE

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

- *The statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, there will also be a need to consider other non-financial factors.

- *The statement of activities* presents information showing how the City's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and

intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, parks and recreation, and public works. The business-type activities of the City include the water and wastewater collection utilities. The government-wide financial statements can be found on pages 12 and 13 of this report.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

  Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the city's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

  The only major governmental funds (as determined by generally accepted accounting principles) are the General Fund and the Capital Projects Fund. The City has several non-major funds.

- **Proprietary funds** - The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Georgetown uses enterprise funds to account for its Water Utility and Wastewater Collection Utility. As determined by generally accepted accounting principles, all enterprise funds meet the criteria of major fund classification.

- **Fiduciary funds -** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City currently has no fiduciary funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $1,921,215.

By far, the largest portion of the City's net position (52 percent) reflect its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less depreciation and any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following schedules present summarized information from the Statement of Net Position and the Statement of Activities:

STATEMENT OF NET POSITION

	Governmental Activities			Business-type Activities		
	2024	2023	2022	2024	2023	2022
Current and other assets	$ 279,208	292,178	269,910	799,049	753,396	770,725
Capital assets	216,617	229,007	247,397	3,095,937	3,224,858	3,318,087
Total assets	495,825	521,185	517,307	3,894,896	3,978,254	4,088,812
Deferred outflows–Pensions	20,296	25,246	31,258	-	-	-
Current liabilities	10,829	4,858	2,764	75,027	56,711	50,632
Noncurrent liabilities	92,395	60,024	58,557	2,311,641	2,416,718	2,520,776
Total liabilities	103,224	64,882	61,321	2,386,6686	2,473,429	2,571,408
Deferred inflows	-	-	1,694	-	-	-
Invested in capital assets, net of debt	216,617	229,007	247.397	784,296	808,14	797,311
Restricted	-	-	-	91,422	91,422	91,422
Unrestricted	196,280	252,542	238,153	632,600	605,263	628,671
Total net position	$ 412,897	481,549	485,550	1,508,318	1,504,825	1,517,404

CHANGES IN NET POSITION

	Governmental Activities			Business-type Activities		
	2024	2023	2022	2024	2023	2022
Revenues:						
Program revenues:						
Charges for services	$ 16,126	21,298	20,033	292,333	272,410	262,273
Operating grants	117,023	95,460	91,501	-	-	-
Capital grants	239,000	-	53,129	-	-	-
General revenues:						
Property taxes	33,371	32,517	31,890	-	-	-
Other taxes	22,069	23,643	26,107	-	-	-
Other revenues	8,197	14,967	5,780	3,808	2,970	757
Total revenues	435,786	187,885	228,440	296,141	275,380	263,030
Expenses:						
General government	80,357	65,636	55,794	-	-	-
Public safety	42,182	13,878	22,715	-	-	-
Streets and roads	347,224	84,435	43,866	-	-	-
Parks and recreation	49,073	36,878	29,971	-	-	-
Interest on LTD	-	-	-	-	-	-
Water utility	-	-	-	112,888	137.,279	105,346
Sewer utility	-	-	-	180,888	150,680	135,262
Total expenses	518,836	200,827	152,346	293,648	287,959	240,608
Change in net position	(83,050)	(12,942)	76,094	2,493	(12,579)	22,422
Transfer out	-	-	-	-	-	-
Net position – beginning, restated	481,549	485,550	409,456	1,504,825	1,517,404	1,494,982
Net position – ending	$ 412,897	481,549	485,550	1,508,318	1,504,825	1,517,404

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The financial reporting focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $266,209, a decrease of $19,806 in comparison with the prior year. Of this total amount $266,209 constitutes unassigned fund balance, which is available to meet the future financial needs of the City. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been restricted or assigned for future capital expenditures.

The General Fund is the chief operating fund of the City. All activities which are not required to be accounted for in separate funds either by state or local ordinance or by a desire to maintain a matching of revenues and expenses are accounted for in this fund.

Taxes continue to be the largest source of revenue in the General Fund and represent 13 percent of total general fund revenues.

The City maintains enterprise funds to account for the business-type activities of the City, namely the water and wastewater collection utilities. The separate fund statements included in this report provide the same information for business-type activities as is provided in the government-wide financial statements. However, the difference is that the fund statements provide much more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year the General Fund budget for revenue was $414,443. The actual revenue was $435,785. This resulted in a favorable variance of $21,341 for revenue. The General Fund budget for expenditures was $519,695. The actual expenditures were $455,591. This resulted in a favorable variance of $64,104 for expenditures. Overall, the City had a favorable variance for the excess of revenues over expenditures of $85,446.

CAPITAL ASSETS

Capital assets - The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to $3,312,554 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, park facilities, roads and infrastructure (streets, sidewalks, curb and gutter, etc.). The increase in the City's investment in capital assets for the current fiscal year was $6,000 and depreciation expense was $147,764.

Major capital assets purchased during the fiscal year included the following:

- Equipment

Additional information on the City's capital assets can be found in the footnotes to this financial report.

LONG-TERM DEBT

Long-term debt – At September 30, 2024, the City had total debt outstanding of $2,311,641which is a note payable for a water bond and a sewer revenue bond. Additional information on the outstanding debt obligations of the City can be found in the footnotes to this financial report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to City of Georgetown, PO Box 99, Georgetown, ID 83239.

BASIC FINANCIAL STATEMENTS

CITY OF GEORGETOWN
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government		
Assets	Governmental Activities	Business-type Activities	Total
Pooled cash and cash equivalents	$ 172,265	803,538	975,803
Receivables, net	106,943	(4,489)	102,454
Fixed assets, net	216,617	3,095,937	3,312,554
Total assets	495,825	3,894,986	4,390,811
Deferred Outflows of Resources			
Deferred outflows - Pensions	20,296	-	20,296
Liabilities			
Liabilities:			
Accounts payable and accrued expenses	10,829	75,027	85,856
Bonds payable:			
Due within one year	-	106,823	106,823
Due within more than one year	-	2,204,818	2,204,818
Net pension liability	92,395	-	92,395
Total liabilities	103,224	2,386,668	2,489,892
Deferred Inflows of Resources			
Deferred inflows - Pensions	-	-	-
Total deferred inflows	-	-	-
Net Position			
Investments in capital assets, net of related debt	216,617	784,296	1,000,913
Restricted:	-	91,422	91,422
Unrestricted	196,280	632,600	828,880
Total net position	$ 412,897	1,508,318	1,921,215

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Primary government:							
Governmental:							
General government	$ 80,357	3,947	55,067	-	(21,343)	-	(21,343)
Parks and recreation	49,073	9,565	-	-	(39,508)	-	(39,508)
Streets and public improvements	347,224	-	61,956	239,000	(46,268)	-	(46,268)
Public safety	42,182	2,614	-	-	(39,568)	-	(39,568)
Total governmental activities	518,836	16,126	117,023	239,000	(146,687)	-	(146,687)
Business-type activities:							
Water fund	112,760	129,960	-	-	-	17,200	17,200
Sewer fund	180,888	162,373	-	-	-	(18,515)	(18,515)
Total business-type activities	293,648	292,333	-	-	-	(1,315)	(1,315)
Total primary government	$ 812,484	308,459	117,023	239,000	(146,687)	(1,315)	(148,002)
General revenues:							
Taxes:							
Property tax					33,371	-	33,371
Other taxes					29,686	-	29,686
Inventory allocations					331	-	331
Total taxes					63,388	-	63,388
Interest income					249	3,808	4,057
Total general revenues					63,637	3,808	67,445
Change in net position					(83,050)	2,493	(80,557)
Net position - beginning					495,947	1,505,825	2,001,772
Net position - ending					$ 412,897	1,508,318	1,921,215

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
BALANCE SHEET -
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

Assets		General Fund	Total Governmental Funds
Pooled cash and cash equivalents	$	172,265	172,265
Receivables, net		106,943	106,943
Other assets		-	-
Total assets		279,208	279,208
Liabilities, Deferred Inflows of Resources & Fund Balance			
Liabilities:			
Accounts payable and accrued liabilities		10,829	10,829
Bonds payable:			
Due within one year		-	-
Due within more than one year		-	-
Deferred inflows of resources		2,170	2,170
Total liabilities & deferred inflows		12,999	12,999
Fund balance:			
Restricted for:			
Capital outlay		-	-
Unassigned		266,209	266,209
Total fund balance		266,209	266,209
Total liabilities, deferred inflows of resources and fund balance	$	279,208	279,208

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total fund balance for governmental funds		$ 266,209
Net position is different because:		
The net pension liability, deferred outflows and inflows of resources related to pensions are not reported in the funds.		
Deferred outflows of resources - pensions	$ 20,296	
Deferred inflows of resources - pensions	-	
Deferred inflows of resources - property tax	2,170	
Net pension liability	(92,395)	(69,929)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Property, plant, and equipment	$ 369,843	
Accumulated depreciation	(153,226)	216,617
Net position of governmental activities		$ 412,897

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

		General Fund	Total Governmental Funds
Revenues:			
Taxes	$	33,371	33,371
Intergovernmental		377,963	377,963
Charges for services		19,411	19,411
Miscellaneous revenues		2,800	2,800
Licenses and permits		2,240	2,240
Fines and forfeitures		-	-
Total revenues		435,785	435,785
Expenditures:			
General government		61,168	61,168
Streets and public improvements		315,070	315,070
Parks and recreation		41,033	41,033
Public safety		38,320	38,320
Total expenditures		455,591	455,591
Excess (deficiency) of revenues over expenditures		(19,806)	(19,806)
Other financing sources:			
Transfers in (out)		-	-
Total other financing uses		-	-
Excess (deficiency) of revenues and other financing uses over expenditures and other financing uses		(19,806)	(19,806)
Fund balance - beginning of year		286,015	286,015
Fund balance - end of year	$	266,209	266,209

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
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 balance - Total governmental funds		$ (19,806)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expend of $18,390 exceeded capital outlay of $6,000 in the current year.		(12,390)
The net effect of transactions involving net pension liability and deferred outflows and inflows of resources related to pensions, are not recorded in the governmental funds, but are reported in the Statement of Activities.		
Deferred outflows - pensions	$ -	
Deferred inflows - pensions	-	
Change in pension expense	(50,854)	(50,854)
Change in net position of governmental activities		$ (83,050)

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
STATEMENT OF NET POSITION -
PROPRIETARY FUND
SEPTEMBER 30, 2024

Assets		Water Fund	Sewer Fund	Total Business-Type Activities
Pooled cash and cash equivalents	$	287,874	515,664	803,538
Receivables, net		(1,811)	(2,678)	(4,489)
Fixed assets, net		862,470	2,233,467	3,095,937
Total assets		1,148,533	2,746,453	3,894,986
Liabilities				
Accounts payable and accrued liabilities		60,830	14,197	75,027
Non-current liabilities:				
Due within one year		17,133	89,690	106,823
Due in more than one year		348,856	1,855,962	2,204,818
Net pension liability		-	-	-
Total liabilities		426,819	1,959,849	2,386,668
Net Position				
Investments in capital assets, net of related debt		496,481	287,815	784,296
Restricted:				
Bond reserve/Grant restrictions		-	91,422	91,422
Unrestricted		225,233	407,367	632,600
Total net position	$	721,714	786,604	1,508,318

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION -
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

		Water Fund	Sewer Fund	Total Business-Type Activities
Operating revenues:				
Services	$	129,960	156,045	286,005
Connection fees		-	6,328	6,328
Total operating revenues		129,960	162,373	292,333
Operating expenses:				
Wages and benefits		32,089	41,062	73,151
Depreciation		39,273	90,101	129,374
Current expenses		30,194	47,792	77,986
Total operating expense		101,556	178,955	280,511
Operating income		28,404	(16,582)	11,822
Non-operating income (expense):				
Interest income		1,537	2,271	3,808
Interest expense		(11,204)	(1,933)	(13,137)
		-		
Total non-operating income (expense)		(9,667)	338	(9,329)
Change in net position		18,737	(16,244)	2,493
Net position - beginning of year		702,977	802,848	1,505,825
Net position - end of year	$	721,714	786,604	1,508,318

The accompanying notes are an integral part of these financial statements.

CITY OF GEORGETOWN
STATEMENT OF CASH FLOWS -
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

		Water Fund	Sewer Fund	Total Business-Type Activities
Cash flows from operating activities:				
Receipts from customers and users	$	131,611	163,591	295,202
Payments to employees		(32,089)	(41,062)	(73,151)
Payments to suppliers		(25,631)	(26,472)	(52,103)
Net cash provided by operating activities		73,891	96,057	169,948
Cash flows from non-capital financing activities		-	-	-
Cash flows from capital and related financing activities:				
Purchase of capital assets		-	-	-
Impact fee income		-	-	-
Principal payments on bonds and long-term debt		(15,588)	(89,489)	(105,077)
Interest payments on bonds		(11,204)	(1,933)	(13,137)
Net cash used in capital and related financing activities		(26,792)	(91,422)	(118,214)
Cash flows from investing activities:				
Interest on investments		1,537	2,271	3,808
Net cash provided by investing activities		1,537	2,271	3,808
Net decrease in cash and cash equivalents		48,636	6,906	55,542
Cash and cash equivalents at beginning of year		239,238	508,758	747,996
Cash and cash equivalents at end of year	$	287,874	515,664	803,538
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$	28,404	(16,582)	11,822
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization		39,273	90,101	129,374
Change in assets and liabilities:				
Decrease in accounts receivable		1,651	1,218	2,869
Increase in accounts payable		4,563	21,320	25,883
Total adjustments		45,487	112,639	158,126
Net cash provided by operating activities	$	73,891	96,057	169,948

The accompanying notes are an integral part of these financial statements.

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The City of Georgetown (the City) was chartered under the laws of the state of Idaho. The City operates by ordinance under the Mayor-Council form of government and provides such services as are authorized by its charter including streets, public improvements, planning and zoning, and general administration. In addition, the City owns and operates water and sewer utilities.

The accounting and reporting policies of the City relating to the accompanying financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to December 1, 1989, which do not conflict with or contradict GASB pronouncements. The City has elected not to follow FASB pronouncements issued after November 30, 1989 in the preparation of these financial statements. The following represents the more significant accounting and reporting policies and practices used in the preparation of these financial statements:

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. The interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Note 1 – Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recognized only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be available only when cash is received by the City.

The City reports the following major governmental funds:

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

The City reports the following major proprietary funds:

- The Water Utility accounts for the activities of the City's water production, treatment, and distribution operations.
- The Sewer Utility accounts for the activities of the City's sewer treatment operations.

Note 1 – Summary of Significant Accounting Policies (continued)

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an individual cost of more than $5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible fixed assets used is charged as an expense against the City's operations. Accumulated depreciation is reported on the financial statements. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings and improvements	15 to 50 years
Water system and equipment	7 to 50 years
Machinery and equipment	3 to 20 years
Infrastructure	15 to 40 years

In the governmental fund financial statements, the acquisition or construction of capital assets is accounted for as capital outlay expenditures.

Long-term Debt

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide financial statements. The long-term debt consists of bonds and notes payable.

Long-term debt for the governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principle and interest are reported as expenditures. The accounting for proprietary fund long-term debt is the same as in the fund statements as in the government-wide statements.

Note 1 – Summary of Significant Accounting Policies (continued)

Equity Classifications: Government-wide Financial Statements

Equity in the government-wide financial statements is classified as net position and displayed in three components:

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of these assets.
- Restricted net position – Consists of net position with constraints placed on the usage whether by 1) external groups such as creditors, grantors or laws and regulations of other governments; 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Equity Classifications: Fund Financial Statements

In February 2009, GASB issued Statement No. 54 on Fund Balance Reporting and Governmental Fund Type Definitions. The statement is effective for years beginning after June 15, 2010. The statement applies only to governmental fund financial statements and not to government-wide statements or proprietary fund statements. Proprietary fund equity is classified the same as in the government-wide statements. The governmental fund balances may be classified as follows:

a. Non-spendable – Fund balances that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
b. Restricted fund balances – Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, by law through constitutional provision or enabling legislation, or restrictions set by creditors, grantors, or contributors.
c. Committed fund balance – Fund balances are reported as committed when the Council formally designates the use of resources by ordinance or resolution for a specific purpose and cannot be used for any other purpose unless the City Council, likewise, formally changes the use.
d. Assigned fund balance – Fund balances are reported as assigned when the City Council or management intends to use funds for a specific purpose. Normally funds are assigned by the appropriation process of setting the budget. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds.

Note 1 – Summary of Significant Accounting Policies (continued)

e. Unassigned fund balance – Fund balances in the General Fund are reported as unassigned when they are neither restricted, committed, nor assigned. They may be used for any governmental purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed unless City Council has provided otherwise in its commitment or assignment actions.

Property Taxes

Bear Lake County levies, collects, and distributes all property tax revenue as required by State law. Idaho statutes establish the process by which taxes are levied and collected. Final certification of these levies by the State of Idaho Tax Commission is not completed until after September 30. Property taxes are billed to the tax payers in November and are due in two installments. Half of the real, personal, and mobile home property taxes are due on December 20 and the remainder is due the following June 20. Other property taxes are due December 20. Property taxes not paid constitute a lien on the property when entered on the real property assessment roll as delinquent on the first day of January of the succeeding year. The County bills and collects all property taxes and remits to the City its share on a monthly basis.

As of January 1, real property taxes assessed but uncollected for previous calendar year and earlier are delinquent property taxes. It is expected that all delinquencies and accrued interest will be collected within a three year period, after which time, the County Treasurer may force the sale of property to collect the delinquent taxes.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for governmental and proprietary fund types. Encumbrance accounting is not employed by the City in its governmental funds, therefore all annual appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital projects funds.

Note 1 – Summary of Significant Accounting Policies (continued)

Use of Estimates

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

Cash and Cash Equivalents

For the purpose of the Statement of Net Position, the term "cash and cash equivalents" includes all demand deposit accounts, savings accounts, or other short-term, highly-liquid investments. For the purposes of the Statement of Cash Flows, the enterprise funds consider all highly liquid investments (including restricted assets) with original maturities of three months or less to be cash equivalents.

Deferred Outflows/Inflows of Resources

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Pensions

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

Note 1 – Summary of Significant Accounting Policies (continued)

Subsequent Events

The City has evaluated all subsequent events through May 2, 2025, the date the financial statements were available to be issued.

Note 2 – Deposits and Investments

The City follows the requirements for deposits and investments for local government as governed by Idaho Code.

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City does not have a formal deposit policy for custodial credit risk. The uninsured and uncollateralized portion of the City's bank balances was $679,512 on September 30, 2024.

Investments

State law defines the types of securities authorized as appropriate investments for the City and the conditions for making investment transactions. Investment transactions may only be conducted through qualified depositories, certified dealers or directly with the issuers of the investment securities.

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Service or Standards & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes and bonds; bonds, notes and other evidence of indebtedness of political subdivisions of the state; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in money market mutual fund.

Interest Rate Risk – Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City has no policy for managing its exposure to fair value loss arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for reducing its exposure to credit risk is to comply with the Act as previously discussed. See the quality ratings on the investment schedules above.

Note 2 – Deposits and Investments (continued)

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy for custodial credit risk in regard to the custody of the City's investments.

Concentration of Credit Risk – Concentrations of credit risk is the risk of loss attributed to the magnitude of government's investment in a single issuer. The City has no policy for reducing this risk of loss.

Note 3 – Legal Compliance – Budgets

The City follows these procedures in establishing the budgetary data reflected in the financial statements. Prior to September 30, the City holds hearings on a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

During the fiscal year, the Council of the City may amend the annual appropriated budget by unanimous resolution, in case of an emergency, through the courts, or by the budget hearing process. The appropriated budget can only be increased by an amount equal to unanticipated revenues. In no even can property taxes be increased. Management at department level does not have authority to amend the budget.

Note 4 – Long-term Debt

Long-term liability transactions for the fiscal year ended September 30, 2024, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities:					
DEQ sewer waste water loan	2,035,141	-	(89,489)	1,945,652	89,690
DEQ water project bond	381,577	-	(15,588)	365,989	16,727
Total business-type long-term liabilities	$ 2,416,718	-	(105,077)	2,311,641	106,417

Note 4 – Long-term Debt (continued)

Business-type Activities

Long-term debt for business-type activities consists of the following:

Bonds and loans payable

$2,704,115 Idaho DEQ sewer waste water loan, issued September 30, 2016, payable in bi-annual installments of $47,711, including interest of .093%, through September 2046.	1,945,652
$410,000 Idaho DEQ water project bond, issued February 26, 2022, payable in bi-annual installments of $13,396, including interest of 2.75%, through March 2040.	365,989
Total	$ 2,311,641

The following is a summary of the annual payments to maturity:

Year Ending September 30,	Principal	Interest	Totals
2025	106,417	11,796	118,213
2026	106,904	11,309	118,213
2027	107,459	10,754	118,213
2028	108,025	10,188	118,213
2029	108,611	9,602	118,213
Thereafter	1,774,224	53,831	1,828,055
Totals	$ 2,311,641	107,480	2,419,120

Note 5 – Capital Assets

Capital asset changes occurring for the year ended September 30, 2024, are as follows:

	October 1, 2023	Additions	Deletions	September 30, 2024
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 66,022	-	-	66,022
Total capital assets not being depreciated	66,022	-	-	66,022
Capital assets being depreciated:				
Buildings and improvements	182,252	-	-	182,252
Equipment	115,569	6,000	-	121,569
Total capital assets being depreciated	297,821	6,000	-	303,821
Accumulated depreciation for:				
Buildings	(74,206)	(9,801)	-	(84,007)
Equipment	(60.630)	(8,589)	-	(69,219)
Total accumulated depreciation	(134,836)	(18,390)	-	(153,226)
Total capital assets being depreciated, net	162,985	(12,390)	-	150,595
Total governmental activities Capital assets, net	$ 229,007	(12,390)	-	216,617

Note 5 – Capital Assets (continued)

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

General government	$	1,390
Public safety		3,11
Streets and public improvements		12,321
Parks and recreation		868
Total depreciation expense	$	18,390

	October 1, 2023	Additions	Deletions	September 30, 2024
Business-type Activities:				
Capital assets not being depreciated:				
Land and water rights	$ -	-	-	-
Total capital assets not being depreciated	-	-	-	-
Capital assets being depreciated:				
Buildings and improvements	5,163,477	-	-	5,163,477
Total capital assets being depreciated	5,163,477	-	-	5,163,477
Accumulated depreciation for:				
Buildings and improvements	(1,938,165)	(129,374)	-	(2,067,539
Total accumulated depreciation	(1,938,165)	(129,374)	-	(2,067,539)
Total capital assets being depreciated, net	3,225,312	(129,374)	-	3,095,938
Total business-type activities capital assets, net	$ 3,225,312	(129,374)	-	3,095,938

Note 6 – Receivables

The District has taxes receivable accounts of September 30, 2024 as follows:

Year	Beginning Balance	Roll Charge	Collections	Adjs	Ending Balance
2020	$ 219		219		$ -
2021	148		-		148
2022	938		539		399
2023	-	33,998	32,376		1,622
	$ 1,305	33,998	33,134	-	$ 2,169
			September 2024 collections receivable from County		238
			Total taxes receivable		$ 2,407

Deferred taxes at September 30, 2024 were $2,169

Note 7 - Retirement Plans

Plan Description

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

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

Note 7 - Retirement Plans (continued)

Pension Benefits

The Base Plan provides retirement, disability, death, and survivor benefits of eligible members or beneficiaries. Benefits are based on member's 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 statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2024 it was 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters. The City's contributions were $13,701 for the year ended September 30, 2024.

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

At September 30, 2024, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2024, the City's proportion was .00247002%.

Note 7 - Retirement Plans (continued)

For the year ended September 30, 2024, the City recognized pension expense (revenue) of $50,854. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 14,710	$ -
Change in assumptions or other inputs	$ 3,660	$ -
Net difference between projected and actual earnings on pension plan investments	$ (1,677)	$ -
Changes in employer's proportion and differences between employer's contributions and the employer's proportionate contributions.		
Contributions subsequent to the measurement date	$ 3,603	$ -
Total	$ 20,296	$ -

$3,603 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, 2024 is 4.6 and 4.6 years for the measurement period June 30, 2024.

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

2025	4,560
2026	17,227
2027	(2,971)
2028	(2,123)

Note 7 - Retirement Plans (continued)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries-Males Pub-2010 General Tables, increased 11%.
General Employees and All Beneficiaries-Female Pub-2010 General Tables, increased 21%.
Teachers-Males Pub-2010 Teacher Tables, increased 12%.
Teachers-Female Pub-2010 Teacher Tables, increased 21%. Fire and Police-Males Pub-2010 Safety Tables, increased 21%.
Fire and Police-Females Pub-2010 Safety Tables, increased 26%.
Disabled Members-Males Pub-2010 Disabled Tables, increased 38%.
Disabled Members-Female Pub-2010 Disabled Tables, increased 36%.

An experience study was performed for the period of 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 dated 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 7 - Retirement Plans (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.

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

Discount Rate

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

Note 7 - Retirement Plans (continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the Employer's-proportionate share of the net pension liability calculated using the discount rate of 6.35%, 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%) or 1 percentage point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	175,579	92,395	24,455

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 PERS!. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payables to the Pension Plan

At September 30, 2024, the Commission reported payables to the defined pension plan of $3,780 for legally required employer contributions and $3,765 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Note 8 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The City participates in the Idaho Counties Risk Management Program (the Program), a public entity risk pool to manage its risk of loss. The City pays an annual premium to the trust for its general insurance coverage. The Program was created to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of one million dollars for each insured event. There have been no claim settlements that exceeded the City's insurance coverage for the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GEORGETOWN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Property tax	$ 33,998	33,998	33,371	(627)
Licenses and permits	2,000	2,000	2,240	240
Intergovernmental	107,901	346,901	377,963	31,062
Charges for services	22,060	22,060	19,411	(2,649)
Miscellaneous revenues	9,484	9,484	2,800	(6,684)
Total revenues	175,443	414,443	435,785	21,342
Expenditures:				
General government	85,620	85,620	61,168	24,452
Public safety	43,800	43,800	38,320	5,480
Streets and public improvements	79,250	342,760	315,070	27,690
Parks and recreation	47,515	47,515	41,033	6,482
Total expenditures	256,185	519,695	455,591	64,104
Excess (deficiency) of revenues over expenditures	(80,742)	(105,252)	(19,806)	85,446
Other financing sources (uses):				
Beginning fund balance	-	-	-	-
Transfers in/(out):	80,742	105,252	-	(105,252)
Total other financing uses	80,742	105,252	-	(105,252)
Excess (deficiency) of revenue and other financing sources over expenditures and other financing sources	$ -	-	(19,806)	(19,806)
Fund balance - beginning of year			286,015	
Fund balance - end of year	$		266,209	

See Independent Auditor's Report.

CITY OF GEORGETOWN
SCHEDULE OF REQUIRED
SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

Schedule of Proportionate Share of the Net Pension Liability
Last 10 Fiscal years

As of fiscal year ended June 30,	Portion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered-employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2015	0.0025064%	33,005	73,160	45.11%	91.38%
2016	0.0026033%	52,773	74,763	70.59%	87.26%
2017	0.0024511%	38,527	76,586	50.31%	90.68%
2018	0.0024448%	36,061	78,423	45.98%	91.69%
2019	0.0020153%	23,004	87,423	26.31%	93.79%
2020	0.0022071%	51,252	82,546	62.09%	88.22%
2021	0.0014621%	(1,155)	69,592	-1.66%	100.36%
2022	0.0014867%	58,557	59,851	97.84%	83.09%
2023	0.0015041%	60,024	80,126	74.91%	83.83%
2024	0.0024700%	92,395	120,451	76.71%	85.54%

Note:
This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68.
Data reported is measured as of June 30, 2024

CITY OF GEORGETOWN
SCHEDULE OF REQUIRED
SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

Schedule of Contributors
Last 10 Fiscal years

As of fiscal year ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contribution as a percentage of covered employee payroll
2015	8,198	8,052	146	73,160	11.01%
2016	7,739	8,737	(998)	74,763	11.69%
2017	8,265	8,735	(470)	76,586	11.41%
2018	9,494	9,025	469	78,423	11.51%
2019	7,711	7,861	(150)	87,423	8.99%
2020	8,659	9,505	(845)	82,546	11.51%
2021	5,773	6,593	(821)	69,592	9.47%
2022	6,884	7,083	(198)	59,851	11.83%
2023	6,569	7,728	(1,159)	80,126	9.65%
2024	16,066	13,694	2,372	120,451	11.37%

Note:
This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative practices.

Data reported is measured as of September 30, 2024

Changes in Assumptions

No changes were made in actuarial assumptions from the prior year's valuation

GOVERNMENTAL AUDIT REPORT

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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*

Honorable Mayor and City Council
City of Georgetown
Georgetown, Idaho

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Georgetown (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Georgetown's basic financial statements and have issued my report thereon dated May 2, 2025.

Internal Control Over Financial Reporting

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

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

My consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I 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 City's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion of 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.

MATTHEW REGEN, CPA, PC



May 2, 2025