

sorren CPAs, PC

Financial Statements

City of Plummer, Idaho
Includes Supplementary Information
For the year ended September 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Plummer, Idaho
Plummer, Idaho

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Plummer, Idaho (The City) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund, 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 conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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

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 GAAS 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 GAAS, and GAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Plummer, Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Management has omitted Managements' Discussion and Analysis (MD&A), 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 opinions on the basic financial statements are not affected by this missing information

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2025, on our consideration of the City of Plummer, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Plummer, Idaho's internal control over financial reporting and compliance.

Sorren CPAs P.C.

Meridian, Idaho
May 21, 2025

BASIC FINANCIAL STATEMENTS

CITY OF PLUMMER, IDAHO
STATEMENT OF NET POSTION
September 30, 2024

ASSETS	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Current Assets			
Cash and Investments	$ 585,700	$ 839,549	$ 1,425,249
Receivables			
Accounts		293,587	293,587
Property tax	175,236		175,236
Franchise fees	5,686		5,686
Due from other governments	250,465		250,465
Internal balances	81,085	(81,085)	0
Prepaid expenses		7,199	7,199
Total Current Assets	1,098,172	1,059,250	2,157,422
Noncurrent Assets			
Restricted cash		57,528	57,528
Capital assets not being depreciated	386,402	6,653,775	7,040,177
Capital assets, net of accumulated depreciation	1,175,157	7,934,564	9,109,721
Total Noncurrent Assets	1,561,559	14,645,867	16,207,426
Total Assets	2,659,731	15,705,117	18,364,848
Deferred Outflows			
Pension obligations	41,222	134,562	175,784
Total Assets and Deferred Outflows	$ 2,700,953	$ 15,839,679	$ 18,540,632

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF NET POSTION (Continued)
September 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES AND DEFERRED INFLOWS			
Current Liabilities			
Accounts payable	$ 181,565	$ 61,079	$ 242,644
Accrued expenses	49,658	10,029	59,687
Accrued interest payable	10,860	137,646	148,506
Deposits payable		22,349	22,349
Advanced revenue	410,036	14,061	424,097
Bonds payable	15,320	212,460	227,780
Total Current Liabilities	667,439	457,624	1,125,063
Noncurrent Liabilities			
Accrued compensated absences	8,612	37,193	45,805
Bonds payable	325,387	4,083,610	4,408,997
Net pension liability	127,921	417,585	545,506
Total Noncurrent Liabilities	461,920	4,538,388	5,000,308
Total Liabilities	1,129,359	4,996,012	6,125,371
Deferred Inflows			
Unavailable property taxes	167,221		167,221
Pensions	2,322	7,580	9,902
Total Deferred Inflows	169,543	7,580	177,123
Total Liabilities and Deferred Inflows	1,298,902	5,003,592	6,302,494
NET POSITION			
Net investment in capital assets	1,220,852	10,278,208	11,499,060
Restricted		39,358	39,358
Unrestricted	181,199	518,521	699,720
Total Net Position	1,402,051	10,836,087	12,238,138
Total Liabilities, Deferred Inflows and Net Position	$ 2,700,953	$ 15,839,679	$ 18,540,632

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF ACTIVITIES
September 30, 2024

Functions/Programs	Expenses	PROGRAM REVENUES: Fees, Fines & Charges for Services	PROGRAM REVENUES: Operating Grants & Contributions	PROGRAM REVENUES: Capital Grants & Contributions	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total
Governmental Activities							
General government	$ 199,047	$ 25,493	$	$ 217,430	$ 43,876	$	$ 43,876
Public protection	133,979	3,324			(130,655)		(130,655)
Streets	143,600		126,086		(17,514)		(17,514)
Parks and recreation	33,802	2,898			(30,904)		(30,904)
Library	139,436	26,450			(112,986)		(112,986)
Unallocated depreciation	72,339				(72,339)		(72,339)
Interest on long-term debt	14,637				(14,637)		(14,637)
Total Governmental Activities	736,840	58,165	126,086	217,430	(335,159)		(335,159)
Business-Type Activities							
Water	356,449	237,896				(118,553)	(118,553)
Sewer	705,147	739,500				34,353	34,353
Sanitation	148,031	140,620				(7,411)	(7,411)
Electric	2,064,519	2,500,240				435,721	435,721
Total Business-Type Activities	3,274,146	3,618,256				344,110	344,110
Total Primary Government	4,010,986	3,676,421	126,086	217,430	(335,159)	344,110	8,951
General Revenues and Transfers							
Property taxes					135,372		135,372
Sales taxes /revenue sharing					115,851		115,851
Liquor apportionment					32,176		32,176
Earnings on interest and investments					30,877	899	31,776
Miscellaneous					123,802		123,802
Total General Revenues and Transfers					438,078	899	438,977
Change in Net Position					102,919	345,009	447,928
Net Position							
Beginning of Year					1,299,132	10,491,078	11,790,210
End of Year					$ 1,402,051	$ 10,836,087	$ 12,238,138

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
BALANCE SHEET-GOVERMENTAL FUND
September 30, 2024

	MAJOR FUND
	General Fund
ASSETS	
Cash and Investments	$ 585,700
Receivables	
Property taxes	175,236
Franchise fees	5,686
Due from other governments	250,465
Due from other funds	333,670
Total Assets	$ 1,350,757
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	
Liabilities	
Accounts payable	$ 181,565
Accrued expense	49,658
Advanced revenue	410,036
Due to other funds	252,585
Total Liabilities	893,844
Deferred Inflows	
Unavailable property taxes	174,792
Fund Balances	
Unassigned	282,121
Total Fund Balances	282,121
Total Liabilities, Deferred Inflows and Fund Balances	$ 1,350,757

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
RECONCILIATION OF THE GOVERMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
For the Year Ended September 30, 2024

Total fund balance - governmental funds		$ 282,121
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. These assets, net of accumulated depreciation, consist of:		
Land	168,974	
Buildings	2,362,192	
Equipment	475,343	
Construction in progress	217,428	
Accumulated depreciation	(1,662,378)	
Total capital assets, net of accumulated depreciation		1,561,559
Some of the City's taxes will be collected after year-end, but are not available soon enough to pay the current period's expenditures, and therefore are reported as deferred inflows in the funds.		7,571
The obligations related to PERSI base plan are not due and payable in the current period and are not financial resources in the current period and therefore not reported in the funds.		
Net pension liability	(127,921)	
Pension related deferred inflows	(2,322)	
Pension related deferred outflows	41,222	
Total long term liabilities		(89,021)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. These liabilities consist of:		
Accrued interest payable	(10,860)	
Bonds payable	(340,707)	
Compensated absences payable	(8,612)	
Total long term liabilities		(360,179)
Total net position of governmental activities		$ 1,402,051

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	MAJOR FUNDS	
		General Fund
REVENUES		
Property taxes	$	136,759
Sales tax / revenue sharing		115,851
State liquor apportionment		32,176
Franchise fees		8,422
Licenses, permits, and fees		17,071
Highway users		126,086
Charges for services		32,672
Earnings on investments		30,877
Federal grant revenue		217,430
Miscellaneous		123,802
Total Revenues		841,146
EXPENDITURES		
Current		
General government		194,204
Public protection		124,263
Streets		141,112
Parks & Cemetary		23,818
Library		139,255
Capital outlay		303,508
Debt service		
Principal		14,695
Interest		15,105
Total Expenditures		955,960
Net Change in Fund Balances		(114,814)
FUND BALANCES, Beginning of Year		396,935
FUND BALANCES, End of Year	$	282,121

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
RECONCILIATION OF THE GOVERMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Net change in fund balances - total governmental funds		$ (114,814)
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues that will not be collected for several months after the City's fiscal year end are not considered "available" revenues and are deferred in the governmental funds. Unavailable tax revenues decreased by this amount this year.		(1,387)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay		303,508
Depreciation expense		(72,339)
In governmental funds, bonds are considered a source of financing, but in the statement of net position, the debt obligation is reported as a liability. Similarly, principal payments are recorded as expenditures rather than reductions of a liability		
Principal payments	14,695	
		14,695
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable financial resources. In the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of financial resource availability.		
Change in pension related items	(24,378)	
Decrease in accrued interest payable	468	
Increase in compensated absence payable	(2,834)	
		(26,744)
Change in Net Position of Governmental Activities		$ 102,919

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
For the Year Ended September 30, 2024

ASSETS	Water Fund	Sewer Fund	Sanitation Fund	Electic Fund	Total
Current Assets					
Cash and cash equivalents	$ 392,722	$ 382,518	$ 64,309	$	$ 839,549
Accounts receivable	28,572	121,031	18,730	125,254	293,587
Due from other funds	263,000	634,585		69,563	967,148
Prepaid expenses			7,199		7,199
Total Current Assets	684,294	1,138,134	90,238	194,817	2,107,483
Non-current Assets					
Capital Assets					
Land	98,000	193,181		23,000	314,181
Construction in progress		40,973		6,298,621	6,339,594
Capital assets, net of accumulated depreciation	525,864	5,892,364		1,516,336	7,934,564
Total capital assets, net of accumulated depreciation	623,864	6,126,518		7,837,957	14,588,339
Restricted cash		39,358		18,170	57,528
Total Assets	1,308,158	7,304,010	90,238	8,050,944	16,753,350
Deferred Outflows					
Pension related items	16,084	22,922		95,556	134,562
Total Assets and Deferred Outflows	$ 1,324,242	$ 7,326,932	$ 90,238	$ 8,146,500	$ 16,887,912

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF NET POSITION-PROPRIETARY FUNDS (Continued)
For the Year Ended September 30, 2024

	Water Fund	Sewer Fund	Sanitation Fund	Electric Fund	Total
LIABILITIES					
Current Liabilities					
Accounts payable	$ 7,997	$ 39,959	$ 9,603	$ 3,520	$ 61,079
Accrued expenses	18,328	23,641		95,677	137,646
Accrued interest		10,029			10,029
Meter deposits payable				22,349	22,349
Due to other funds	69,563			978,670	1,048,233
Advanced revenue				14,061	14,061
Current portion of bonds payable		188,842		23,618	212,460
Total Current Liabilities	95,888	262,471	9,603	1,137,895	1,505,857
Non-current Liabilities					
Accrued compensated absences	3,705	5,313		28,175	37,193
Long-term portion of bonds payable		3,110,356		973,254	4,083,610
Net pension liability	49,914	71,134		296,537	417,585
Total Noncurrent Liabilities	53,619	3,186,803		1,297,966	4,538,388
Total Liabilities	149,507	3,449,274	9,603	2,435,861	6,044,245
Deferred Inflows					
Pension related items	906	1,291		5,383	7,580
NET POSITION					
Net investment in capital assets	623,864	2,827,320		6,827,024	10,278,208
Restricted		39,358			39,358
Unrestricted	549,965	1,009,689	80,635	(1,121,768)	518,521
Total Net Position	1,173,829	3,876,367	80,635	5,705,256	10,836,087
Total Liabilities, Deferred Inflows and Net Position	$ 1,324,242	$ 7,326,932	$ 90,238	$ 8,146,500	$ 16,887,912

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION-PROPRIETARY FUNDS
For the Year Ended September 30, 2024

	Water Fund	Sewer Fund	Sanitation Fund	Electric Fund	Total
Operating Revenues					
Charges for services	$ 237,896	$ 701,400	$ 140,620	$ 2,396,276	$ 3,476,192
Other income		38,100		103,964	142,064
Total Operating Revenues	237,896	739,500	140,620	2,500,240	3,618,256
Operating Expenses					
Production and treatment	308,131				308,131
Collection and transmission		371,579			371,579
Garbage services			148,031		148,031
Electric				1,977,366	1,977,366
Depreciation	48,318	240,824		63,319	352,461
Total Operating Expenses	356,449	612,403	148,031	2,040,685	3,157,568
Operating Income	(118,553)	127,097	(7,411)	459,555	460,688
Non-operating Revenues (Expenses)					
Interest revenues	422	308		169	899
Interest expense		(92,744)		(23,834)	(116,578)
Total Non-operating Revenues (Expenses)	422	(92,436)		(23,665)	(115,679)
Change in Net Position	(118,131)	34,661	(7,411)	435,890	345,009
Net Position, Beginning of Year	1,291,960	3,841,706	88,046	5,269,366	10,491,078
Net Position, End of Year	$ 1,173,829	$ 3,876,367	$ 80,635	$ 5,705,256	$ 10,836,087

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended September 30, 2024

	Water Fund	Sewer Fund	Sanitation Fund	Electric Fund	Total
Cash Flow From Operating Activities					
Cash received from customers	$ 406,600	$ 720,236	$ 142,008	$ 2,527,108	$ 3,795,952
Cash payments to suppliers for goods	(227,211)	(234,696)	(174,962)	(1,583,016)	(2,219,885)
Cash payments to employees for services	(91,341)	(150,682)		(548,470)	(790,493)
Net Cash Provided by (Used in) Operating Activities	88,048	334,858	(32,954)	395,622	785,574
Cash Flows From Noncapital Financing Activities					
Interfund loans				(153,071)	(153,071)
Net Cash (Used in) Noncapital Financing Activities				(153,071)	(153,071)
Cash Flow From Capital and Related Financing Activities					
Acquisition of capital assets		(60,838)		(187,270)	(248,108)
Principal payments on long-term debt		(313,048)		(28,512)	(341,560)
Interest payments on long-term debt		(93,396)		(23,834)	(117,230)
Net Cash Provided by (Used in) Capital and Related Financing Activities		(467,282)		(239,616)	(706,898)
Cash Flows From Investing Activities					
Interest on investments	422	308		169	899
Net Increase (Decrease) in Cash and Cash Equivalents	88,470	(132,116)	(32,954)	3,104	(73,496)
Cash and Cash Equivalents, Beginning of Year	304,252	553,992	97,263	15,066	970,573
Cash and Cash Equivalents, End of Year	$ 392,722	$ 421,876	$ 64,309	$ 18,170	$ 897,077
Unrestricted Cash Per Statement of Net Position	$ 392,722	$ 382,518	$ 64,309	$	$ 839,549
Restricted Cash Per Statement of Net Position		39,358		18,170	57,528
Total Cash and Cash Equivalents, End of Year	$ 392,722	$ 421,876	$ 64,309	$ 18,170	$ 897,077

See accompanying notes to the basic financial statements

CITY OF PLUMMER, IDAHO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
For the Year Ended September 30, 2024

	Water Fund	Sewer Fund	Sanitation Fund	Electric Fund	Total
Reconciliation of Operating Income (Loss) To Net Cash Provide by (Used in) Operating Activities					
Operating Income (Loss)	$ (118,553)	$ 127,097	$ (7,411)	$ 459,555	$ 460,688
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Depreciation	48,318	240,824		63,319	352,461
Change in Assets and Liabilities:					
(Increase) decrease in accounts receivable	168,704	(19,264)	1,388	85,443	236,271
(Increase) decrease in prepaid expense	933	933	(7,199)	7,460	2,127
(Increase) decrease in deferred outflows	11,091	13,728		31,437	56,256
Increase (decrease) in accounts payable	(26,959)	(23,457)	(19,732)	(226,579)	(296,727)
Increase (decrease) in net pension liability	(9,069)	(8,413)		20,902	3,420
Increase (decrease) in deferred inflows	681	988		4,331	6,000
Increase (decrease) in meter deposits payable				(58,575)	(58,575)
Increase (decrease) in compensated absences	608	1,007		15,711	17,326
Increase (decrease) in accrued expenses	12,294	1,415		(7,382)	6,327
Net Cash Provided By (Used in) Operating Activities	$ 88,048	$ 334,858	$ (32,954)	$ 395,622	$ 785,574

See accompanying notes to the basic financial statements

Note A – Summary of Significant Accounting Policies

General Statement

The City of Plummer (the City) is an incorporated city of the State of Idaho. The City operates under a mayor and council form of government and provides the following services: public safety (law enforcement), streets, recreation, and general administrative services. Other services include utility operators.

The City's financial statements are prepared in accordance with United States generally accepted accounting principles (GAAP) as applicable to governments. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Government Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the City are discussed below.

Financial Reporting Entity

The accompanying financial statements present the activities of the City of Plummer. In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may be financially accountable and, as such, should be included within the City's financial statements.

The most significant manifestation of this ability is financial interdependency. Other manifestations of this ability to exercise oversight responsibility include, but are not limited to, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. Based on management's evaluation there were no component units identified.

Basis of Presentation

Government-wide 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 non-fiduciary activities of the governmental entity. For most part, the effect of interfund activity has been removed from these statements. *Governmental activities* (government funds) which normally are supported by taxes and intergovernmental revenues are reported separately from *business-type activities* (proprietary funds) which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific program. *Program revenues* include (1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements: The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements: all non-major funds are aggregated and presented in a single column.

Note A – Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

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

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are a determination of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

The *Electric Fund* is used to account for the revenues and costs necessary to operate the City's electric services.
The *Water Fund* is used to account for the revenues and costs necessary to operate the City's water system.
The *Sewer Fund* is used to account for the revenues and costs necessary to operate the City's sewer system.
The *Sanitation Fund* is used to account for the revenues and costs necessary to operate the City's sanitation system.

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

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

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. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and are accounted for using the *modified accrual* basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year end. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Note A – Summary of Significant Accounting Policies (Continued)

Measurement Focus/Basis of Accounting (Continued)

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. Sales taxes collected and held by the state at year end on behalf of the government also are recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government.

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of the end of the fiscal year, have been recorded as deferred inflows. Receivables that will not be collected within the available period have also been reported as deferred inflows on the government fund financial statements.

Budgetary Control

Annual budgets are adopted on a basis consistent with state code and generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal yearend. Project-length financial plans are adopted for all capital projects funds when applicable. Annual operating budgets are adopted for proprietary funds.

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

1. The City publishes a proposed budget for public review.
2. Public hearings are set to obtain taxpayer comments.
3. Prior to October 1, the budget is adopted by resolution of the City Council and published
4. Legal budgetary control is established based on total revenue and expenditures. The level of control (level at which expenditures may not exceed budget) is the fund.

Cash and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statute authorizes the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments for the government are reported at fair value. The funds of the pool are invested in certificates of deposit, repurchase agreements, and U.S. government securities. The certificate of deposit are federally insured. The U.S. government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank.

Prepaid Expenses

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent year, and the reserve for prepaid expenses has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures.

Restricted Assets

Certain cash amounts of the business-type activities are classified as restricted cash. These funds are to be utilized for debt service payments in the event the City is unable to meet the obligations in a timely manner. Also meter deposits from utility customers are considered restricted.

Note A – Summary of Significant Accounting Policies (Continued)

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements.

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of resources are reported as fund balance transfers. All other interfund transfers are reported as operating transfers. These transfers offset each other and are not a part of the government-wide financial statements unless between business-type (enterprise) funds and governmental funds.

Non-tax receivables are recognized as revenues received from the State and Federal governments if designated for the current fiscal period.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

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 columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Capital assets are defined by the City as assets with an initial, 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 acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Property, plant and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	40-50
Utility systems	25-50
Equipment	15

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Note A – Summary of Significant Accounting Policies (Continued)

Compensated Absences

Employees of the City are entitled to paid vacation, paid sick leave and personal days off (comp time), depending on job classification, length of service and other factors. All vacation and personal days off are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. Governmental funds do not report a liability for these amounts unless payment will be made early in the following year.

Long-term Obligations

The accounting treatment of long-term debt depends on whether the related assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

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

In the fund financial statements, governmental fund types report debt proceeds as other financing sources and payment of principal and interest are reported as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position Classifications

Government-Wide Statements: Net position is displayed in three components as follows:

Net investment in capital assets – Consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net position that do not meet the definition of "net investment in capital assets" or "restricted"

Fund statements: Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned. Proprietary fund equity is classified the same as in the government-wide statements.

Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the City's policy to apply restricted resources first and then unrestricted resources as they are needed.

Note A – Summary of Significant Accounting Policies (Continued)

Use of Estimates

The City uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Property Tax Calendar

The City's property tax is levied each November on the value listed as of the prior September for all real property located in the City. Under Idaho Code Section 50-235, the City cannot levy taxes over nine-tenths percent (.9%) of the total City adjusted market value for real property located within the City. Taxes are due in two installments on December 20 and June 20 following the levy date. Property taxes levied for 2024 are recorded as receivables if uncollected and a deferred inflow amount is recorded, in the fund financial statements, to the extent of taxes not estimated to be collected within 60 days of the end of the accounting period.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows and inflows or resources. Deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. As of September 30, 2024, deferred inflows represented property taxes receivable unavailable for current use as well as future inflows related to pension obligations. Deferred outflows related to pension obligations result from changes in assumptions or other inputs in the actuarial calculation of the City's net pension liability.

Pensions

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

Note B – Cash and Investments

At September 30, 2024, the City's cash and investments consisted of the following:

Cash, Investments, and Restricted Cash	Bank Balance	Carrying Amount
Bank deposits	$ 1,453,292	$ 1,462,634
Local Government Investment Pool	20,001	20,143
Total Cash, Investments and Restricted Cash	$ 1,473,293	$ 1,482,777

Local Government Investment Pool

Investments invested in the Local Government Investment Pool (LGIP) are valued using net asset value per share, as they do not have readily obtainable fair values and are instead valued based on the City's pro-rata share of the pool's net position. The City values these investments based on the information provided by the State of Idaho Treasurer's Office. The following table presents the unfunded commitments, redemption frequency and the redemption notice period of the City's investments measured at net asset value:

	Net Asset Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
LGIP	$ 20,001	None	Next Business Day	3 days: Over $10,000,000

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of September 30, 2024, $1,203,292 of the City's bank balance was uninsured and uncollateralized.

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligation. It is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poor's and Fitch's. The LGIP is not rated by a national recognized rating agency for the purpose of credit risk.

Interest Rate Risk

Interest rate risk is the risk of loss in fair value should market interest rates change in the future. Investments with long-term, fixed interest rates are the most volatile. The investments within the Idaho State Treasurer's Local Government Investment Pool have an average maturity of one year or less.

Restrictions on Cash

The City has reserve obligations for bonds in the Sewer fund, and meter deposits in the Electric fund. At September 30, 2024, the restricted cash balances were $39,358, and $18,170, respectively.

Note B – Cash and Investments (Continued)

When investments are concentrated in one issue, this concentration represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The GASB has adopted a principal that government should provide note disclosure when five percent of the total entities are concentrated in any one issuer. Investments obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempts from disclosure. The City does not have any such investments.

Note C – Capital Assets

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

	October 1, 2023	Additions	Deletions	September 30, 2024
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	$ 92,674	$ 76,300	$	$ 168,974
Construction in Progress		217,428		217,428
Total capital assets, not being depreciated	92,674	293,728		386,402
Capital Assets Being Depreciated				
Buildings and improvements	2,362,192			2,362,192
Equipment	465,563	9,780		475,343
Total Depreciable Assets	2,827,755	9,780		2,837,535
Less Accumulated Depreciation				
Buildings and improvements	1,174,303	62,034		1,236,337
Equipment	415,736	10,305		426,041
Total Accumulated Depreciation	1,590,039	72,339		1,662,378
Governmental Activities Capital Assets-Net	$ 1,330,390	$ 231,169	$	$ 1,561,559

Note C – Capital Assets (Continued)

	October 1, 2023	Additions	Deletions	September 30, 2024
Business-type Activities				
Capital Assets Not Being Depreciated				
Land	$ 314,181	$	$	$ 314,181
Construction in progress	6,153,396	186,198		6,339,594
Total nondepreciable assets	6,467,577	186,198		6,653,775
Capital Assets Being Depreciated				
Building and improvements	100,521			100,521
Utility systems	14,159,014	22,485		14,181,499
Equipment	609,685	39,425		649,110
Total depreciable assets	14,869,220	61,910		14,931,130
Less Accumulated Depreciation				
Building and improvements	79,772	1,044		80,816
Utility systems	6,121,031	306,224		6,427,255
Equipment	443,302	45,193		488,495
Total Accumulated Depreciation	6,644,105	352,461		6,996,566
Business-type Activities Capital Assets-Net	$ 14,692,692	$ (104,353)	$	$ 14,588,339

Depreciation expense was charged to functions/programs as follows:

Governmental activities	
Unallocated	$ 72,339
Total Depreciation Expense	$ 72,339
Business -type activities	
Electric	$ 63,319
Water	48,318
Sewer	240,824
Total Depreciation Expense	$ 352,461

Note D – Due From Other Governments

Amounts due from other governments as of September 30, consist of:

	Due From Other Goverments	
	General	
State of Idaho		
Revenue sharing	$	231,194
Liquor apportionment		5,894
Highway user revenue		13,377
Totals	$	250,465

Note E – Pension Plan

Plan Description

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

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

Pension Benefits

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

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

Note E – Pension Plan (Continued)

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation and earnings from investments. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) 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 72% for public safety. As of June 30, 2024 it was 6.71% for general employees 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% general employees and 13.26% for police and firefighters. City of Plummer, Idaho's contributions were $84,666 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, City of Plummer, Idaho 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 0.00145832 percent.

For the year ended September 30, 2024, City of Plummer, Idaho recognized net pension expense (revenue) of $90,054. At September 30, 2024 City of Plummer, Idaho reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 86,850	$
Changes in assumptions or other inputs	21,610	
Net difference between projected and actual earnings on pension plan investments		9,902
Changes in the City's proportion and differences between the City's contributions and the employer's proportionate contributions contributions	44,644	
City's contributions subsequent to the measurement date	22,680	
Total	$ 175,784	$ 9,902

$22,680 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, 2025.

Note F – Pension Plan

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 4.4 and 4.4 for the measurement period ended June 30, 2024.

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

Year Ending September 30:	Amount
2025	$ 44,558
2026	115,978
2027	(7,616)
2028	(9,718)

Actuarial Assumptions

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

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return, net of investment expenses	6.35%
Cost-of-living adjustments	1.00%.

Contributing Members, Service Retirement Members, and Beneficiaries

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

Note F – Pension Plan (Continued)

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2024 is based on the results of an actuarial valuation date of July 1, 2024.

Contributing Members, Service Retirement Members, and Beneficiaries (Continued)

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2024.

Asset Class	DB Plans	Sick Leave
Fixed Income	30%	50.00%
US/Global Equity	55%	39.30%
International Equity	15%	10.70%
Cash	0%	0%
Total	100%	100%

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 F – Pension Plan (Continued)

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liabilty	$ 1,036,632	$ 545,506	$ 144,382

Pension plan fiduciary net position

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

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

Payables to the pension plan

At September 30, 2024, the City reported no payables to the defined benefit pension plan for legally required employee contributions.

Note G – Long-Term Debt

During the year ended September 30, 2024, the following changes occurred in long-term debt:

	October 1, 2023	Increases	Decreases	September 30, 2024	Due within a year
Govermental activities					
Bonds payable	$ 355,402	$	$ 14,695	$ 340,707	$ 15,320
Compensated absences	5,778	8,612	5,778	8,612	
Total	$ 361,180	$ 8,612	$ 20,473	$ 349,319	$ 15,320

Note G – Long-Term Debt (Continued)

	October 1, 2023	Increases	Decreases	September 30, 2024	Due within a year
Business-type activities					
Bonds payable- RUS Loan-Electric Fund	$ 1,025,384	$	$ 28,512	$ 996,872	$ 23,618
Bonds payable- Sewer Fund	3,612,246		313,048	3,299,198	188,842
Compensated absences	19,867	37,193	19,867	37,193	
Total	$ 4,657,497	$ 37,193	$ 361,427	$ 4,333,263	$ 212,460

Bonds Payable

Bonds payable at September 30, 2024, are comprised of the following individual revenue bond issues:

Government-Type Activities

$500,000 General Obligation Bond issued December 13, 2009, due in annual installments of $29,800 (including interest) through December 15, 2039. Interest is at 4.25% annually.

The annual requirement to amortize the debt outstanding at September 30, 2024, is as follows:

Maturity Date	Principal	Interest
2025	$ 15,320	$ 14,480
2026	15,971	13,829
2027	16,650	13,150
2028	17,357	12,443
2029	18,095	11,705
Thereafter	257,314	70,069
	$ 340,707	$ 135,676

Business-Type Activities:

Sewer Revenue Bonds:

$641,000 Sewer Revenue Bonds, Series 2005, due in annual installments of $39,358 (including interest) through January 7, 2035; interest at 4.5%.

$5,000,000 Sewer Revenue Bonds, Series 2007, due in annual installments of $234,950 (including interest) through September 22, 2040; interest is at 2.375%.

The annual requirements to amortize debt outstanding at September 30, 2024, is as follows (including interest):

Note G – Long-Term Debt (Continued)

Maturity Date	Series 2005 Principal	Series 2007 Principal	Interest
2025	$ 24,297	$ 164,545	$ 85,467
2026	25,390	168,453	80,465
2027	26,533	172,453	75,322
2028	27,727	176,549	70,032
2029	28,974	180,742	64,592
Thereafter	201,823	2,101,712	322,071
	$ 334,744	$ 2,964,454	$ 697,949

Electric Revenue Bond:

In November 2016, the City had a special election and voters elected to approve the issuance of electric revenue bonds in the aggregate principal amount not to exceed $6,000,000, for the purpose of acquiring, constructing, and installing certain additions and betterments to the City's electric system and facilities

In July 2017, the City received notifications from the United States Department of Agriculture Rural Development that the first $1,085,000 of funding was guaranteed by the Rural Utilities Service. As the City submits funding requests throughout the project's life, each funding is treated as its own loan with its own amortization period. As of September 30, 2018, the City had received 4 fundings totaling $561,986 in borrowings. During fiscal year ended September 30, 2019, the City received additional fundings totaling $523,014, resulting in a total amount funded/borrowed in the amount of $1,085,000 as of September 30, 2019. Interest rates on the funding range from 2.439 to 2.964 percent annually. No principal payments were due on any of the fundings until December 31, 2020. Interest accrued on borrowings is due quarterly. The annual requirement to amortize the debt outstanding at September 30, 2024, is as follows:

Maturity Date	Principal
2025	$ 23,618
2026	24,261
2027	24,941
2028	19,176
2029	26,069
Thereafter	878,807
	$ 996,872

Note H – Internal Balances and Transfers

Internal balances owed to the general fund comprise of negative cash in the Electric Fund which is expected to be settled within a year. Internal balances owed to the Water and Sewer fund represent internal loans to pay for the cost of construction of its electrical system upgrades prior to receiving full funding form the United States Department of Agriculture and are expected to be repaid within a year. The composition of interfund balances as of September 30, 2024 was as follows:

Note H – Internal Balances and Transfers (Continued)

Due From Other Funds	Due To Other Funds	Amount
General	Electric fund	$ 333,670
Water fund	Electric fund	263,000
Sewer fund	Electric fund	382,000
Sewer fund	General fund	252,585
Electric fund	Water fund	69,563
		$ 1,300,818

Note I – Risk Management

The government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PLUMMER, IDAHO
GENERAL FUND
STATEMENT OF REVENUES, EXPENITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended September 30, 2024

	Budget Original and Final	Actual	Variance
Revenues			
Property taxes	$ 185,868	$ 136,759	$ (49,109)
Sales tax/revenue sharing	46,641	115,851	69,210
State liquor apportionment	42,285	32,176	(10,109)
Franchise fees	77,000	8,422	(68,578)
Licenses, permits, and fees	3,500	17,071	13,571
Highway Users	66,887	126,086	59,199
Charges for services	6,700	32,672	25,972
Earnings on investments	1,000	30,877	29,877
Federal grant revenue		217,430	217,430
Miscellaneous	220	123,802	123,582
Total Revenue	430,101	841,146	411,045
Expenditures			
Current			
General government	136,114	194,204	(58,090)
Public protection	117,414	124,263	(6,849)
Streets	101,456	141,112	(39,656)
Parks & Cemetary	30,522	23,818	6,704
Library	129,163	139,255	(10,092)
Capital outlay		303,508	(303,508)
Debt service			
Principal		14,695	(14,695)
Interest		15,105	(15,105)
Total expenditures	514,669	955,960	(441,291)
Net Change in Fund Balance	(84,568)	(114,814)	(30,246)
Fund Balance, Beginning of Year		396,935	396,935
Fund Balance, End of Year	$ (84,568)	$ 282,121	$ 366,689

CITY OF PLUMMER, IDAHO
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABLITY AND EMPLOYER CONTRIBUTIONS
For the Year Ended September 30, 2024

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employer's portion of the net pension liability	0.0156000%	0.0111000%	0.0112000%	0.0129000%	0.0156000%	0.0104295%	0.0117729%	0.0117584%	0.0133610%	0.0145832%
Employer's proportionate share of the net pension liability (asset)	$ 205,200	$ 262,000	$ 176,000	$ 164,000	$ 128,000	$ 242,187	$ (9,298)	$ 463,134	$ 533,194	$ 545,506
Employer's covered payroll	$ 408,500	$ 366,600	$ 320,000	$ 377,129	$ 384,076	$ 358,685	$ 464,809	$ 623,083	$ 566,675	$ 701,794
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	50.23%	71.47%	55.00%	43.49%	33.33%	67.52%	-2.00%	74.33%	94.09%	77.73%
Plan fiduciary net position as a percentage of total pension liability	91.38%	87.26%	90.68%	91.69%	93.79%	88.22%	100.36%	83.09%	83.83%	85.54%

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

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contribution	$ 46,244	$ 41,498	$ 36,337	$ 42,839	$ 44,220	$ 42,992	$ 33,921	$ 55,364	$ 73,817	$ 84,666
Contributions in relation to statutorily required contribution	$ 46,244	$ 41,498	$ 36,337	$ 42,839	$ 44,220	$ 42,992	$ 33,921	$ 55,364	$ 73,817	$ 84,666
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll	$ 408,500	$ 366,600	$ 320,000	$ 377,129	$ 384,076	$ 358,685	$ 464,809	$ 623,083	$ 566,675	$ 734,267
Contributions as a percentage of covered payroll	11.32%	11.32%	11.36%	11.36%	11.51%	11.99%	7.30%	8.89%	13.03%	11.53%

Data reported is measured as of September 30, 2024 (The City's fiscal year end)

FEDERAL REPORTS

sorren
CPAs P.C.

INDEPENDENT AUDITORS' 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 City Council
City of Plummer, Idaho
Plummer, Idaho

We 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 in the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of City of Plummer, Idaho (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 21, 2025.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, as item 2024-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 an instance of noncompliance or other matter that are required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 2024-002.

City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Sorren CPAs P.C.

Meridian, Idaho
May 21, 2025

sorren CPAs P.C.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the City Council
City of Plummer, Idaho
Plummer, Idaho

Report on Compliance for Each Major Federal Program

Opinion on the Major Federal Program

We have audited City of Plummer, Idaho's (The City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City of Plummer, Idaho's major federal program for the year ended September 30, 2024. City of Plummer, Idaho's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal programs for the year ended September 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, material weaknesses may exit that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Sorren CPAs P.C.

Meridian, Idaho
May 21, 2025

CITY OF PLUMMER, IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2024

Federal Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Rural Electrification Loans and Loan Guarantees	10.850	N/A	$ 1,025,384
Total expenditures of federal awards			$ 1,025,384

See notes to the schedule of federal awards

CITY OF PLUMMER, IDAHO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2024

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of City of Plummer, Idaho and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the City of Plummer, Idaho, it is not intended to and does not present the financial position, changes in net position, or cash flows to the City of Plummer, Idaho.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate

The City of Plummer, Idaho has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note D – Loan Balances

Loans outstanding at the beginning of the year and loans made during the year are included in the schedule of expenditures of federal awards. The City had the following loan balances outstanding at September 30, 2024. The loan balances have continuing compliance requirements and are also included in the federal expenditures presented in the schedule.

Program Title	Federal Assistance Listing Number	Balances Outstanding September 30, 2024
Rural Electrification Loans and Loan Guarantees	10.850	$ 996,872

CITY OF PLUMMER, IDAHO
SCHEDULE OF FINDING AND QUESTIONED COSTS
For the Year Ended September 30, 2024

SECTION I – SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditors' report issued:			Unmodified	
Internal control over financial reporting:				
• Material weakness identified?	X	yes		no
• Significant deficiencies identified that are not considered to be material weaknesses?	X	yes		no
Noncompliance material to the financial statements noted?		yes	X	no

Federal Awards

Internal control over major programs:				
• Material weakness identified?		yes	X	no
• Significant deficiencies identified that are not considered to be material weaknesses?		yes	X	none reported
Type of auditors' report issued on compliance for major programs:			Unmodified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of the Uniform Guidance?		yes	X	no

Identification of major programs:

Assistance Listing Number	Name of Federal Program
10.850	Rural Electrification Loans and Loan Guarantees

Dollar threshold used to distinguish between type A and type B programs:	$ 750,000			
Auditee qualified as a low-risk auditee?		yes	X	no

CITY OF PLUMMER, IDAHO
SCHEDULE OF FINDING AND QUESTIONED COSTS (Continued)
For the Year Ended September 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS

2024-001 Material Weakness – Year-end close procedures

Criteria: Accounting tasks such as monthly reconciliations and year-end accruals should be completed in a timely manner. Good internal control processes require City management to review and reconcile general ledger accounts as part of year-end procedures.

Condition: The City was not reconciling various balance sheet accounts on a monthly basis and was unable to complete financial close and reporting procedures in a timely manner. There were multiple accounts that were found to be misstated and needed to be adjusted related to accounts payable, prepaid expenses, long-term debt, and deposit liability accounts.

Cause: The City did not have adequate staffing to ensure routine accounting and financial reporting procedures were performed on a timely basis.

Effect: There could be unexplained material differences between the general ledger and subsidiary ledgers, and statutory deadlines related to financial reporting could be missed. Material audit adjustments were required to correct account balances during the course of audit fieldwork.

Recommendation:

We recommend the City implement procedures to ensure subsidiary ledgers reconcile to the general ledger, and any differences noted during the reconciliation process are documented and corrected.

Management Response:

Management has been working with a contracted CPA to gain a better understanding of the accounting and reconciliation processes. Management will continue to take auditors recommendation and use third party CPA to help with timely reconciliations.

CITY OF PLUMMER, IDAHO
SCHEDULE OF FINDING AND QUESTIONED COSTS (Continued)
For the Year Ended September 30, 2024

2024-002: Noncompliance – Property tax levy in excess of the maximum amounts allowed for the Library levy

Criteria: Per Idaho Statute 33-2603 Cities may establish tax supported libraries. The City council of every city shall have power to establish a public library, and for such purpose may annually levy and cause to be collected a tax up to but no exceeding one-tenth percent (.010%) of market value for assessment purposes or fund a library out of allocations from the City's general fund.

Condition: The City's 2023 levy rate for the Library totaled .1179734%. The Cities 2024 levy rate for the Library totaled .1382768% which exceeded the maximum rate allowed by Idaho Statue 33-2603.

Cause: Per inquiry of management and Benewah County it appears no one at the County or State caught that the levy was over the limit. Management was not aware there was a limit.

Effect: Property tax assessment and revenue are overstated.

Recommendation: We recommend the City adjust the levy rates to maximum amount allowed by Idaho State Statue 33-2603 and review property tax levy rates annually in comparison with maximum amounts allowed.

Management Response: We concur with the finding as stated.

CITY OF PLUMMER, IDAHO
SCHEDULE OF FINDING AND QUESTIONED COSTS (Continued)
For the Year Ended September 30, 2024

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings related to federal awards were noted which would be required to be reported under generally accepted governmental auditing standards (GAGAS) and the Uniform Guidance.