CITY OF SODA SPRINGS, IDAHO

ANNUAL FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

CITY OF SODA SPRINGS, IDAHO

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Soda Springs, Idaho

Report on the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Soda Springs as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Soda Springs'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 City of Soda Springs'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 management's discussion and analysis and budgetary comparison information and other required supplementary information listed in the table of contents 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. 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Soda Spring's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 17, 2025, on our consideration of the City of Soda Springs, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Soda Springs, Idaho's internal control over financial reporting and compliance.

Deaton & Company

Pocatello, Idaho
November 17, 2025

CITY OF SODA SPRINGS, IDAHO
REQUIRED SUPPLMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

The following is a discussion and analysis of the City of Soda Springs financial performance for the fiscal year ended September 30, 2024. This section is a summary of the City's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year. This section is only an introduction and should be read in conjunction with the City's financial statements, which immediately follow this section.

A government is charged with a specific range of functions, and to accomplish these functions, monies must be acquired and expended. The City derives income from a variety of sources. Property taxes, road use or fuel taxes, fines and fees, donations, some interest income, and permits and licenses are a few income sources that go in to a general fund. There are enterprise funds such as our water fund, power fund, sewer fund, garbage fund, and some interest income that are restricted to paying only costs incurred in those areas. The monies in these funds are accounted for separately to ensure that the money is used only for the purpose for which it was collected. The City also has fixed assets such as water and sewer plants, equipment, buildings and office equipment. These fixed assets are also accounted for during the audit.

FINANCIAL HIGHLIGHTS

Government-Wide Highlights:

Net Position – Governmental assets of the City exceeded its liabilities at the close of fiscal year 2024 by $9,457,332. Of this amount $6,826,967 (72%) represented the net investment in capital assets with only $10,725 being restricted and $2,619,640 considered "unrestricted" and may be used to meet the City's ongoing obligations to citizens and creditors. The assets of the City's business-type activities also exceeded its liabilities by $19,543,445. Of this amount, $14,747,513 (75%) represented the net investment in capital assets.

Changes in Net Position – The City's total net position increased by $3,815,431 in fiscal year 2024. Net position of governmental activities increased by $2,563,787 and the business-type activities increased by $1,251,644.

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of fiscal year 2024, the City's governmental funds reported a combined ending fund balance of $3,417,280 which is an increase of $495,600 from the prior year. Of the total fund balance reported, $2,165,379 represents the "unassigned fund balances", available for use in the fiscal year 2025 budget.

Proprietary Funds – Fund Balances – As of the close of the fiscal year, the City's proprietary funds reported a combined ending net position of $19,543,445 an increase of $1,251,644 over the prior year. Of the total net position reported, $4,550,683 represents the "Unrestricted net position".

CITY OF SODA SPRINGS, IDAHO
REQUIRED SUPPLMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. Those statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) and other supplementary information (combining financial statements) in addition to the basic financial statements themselves. These components are described below:

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the City – the **Government-Wide Financial Statements** and the **Fund Financial Statements**. These financial statements also include the **Notes to the Financial Statements** that explain some of the information in the financial statements and provide more detail.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the City's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the City's financial position, which assists in assessing the City's economic condition at the end of the fiscal year. These are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This basically means they follow methods that are similar to those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The government-wide financial statements include two statements:

The *statement of net position* presents all the government's assets, deferred outflows, liabilities, and deferred inflows with the difference between the two reported as "Net Position". Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the fiscal year. 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 not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused personal time off). This statement also presents a comparison between direct expenses and program revenues for each function of the City.

Both of the above financial statements have separate sections for two different types of City programs or activities. These two types of activities are:

Governmental Activities – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most services normally associated with City government fall into this category, including the general government, public safety, highway and streets, and cultural and recreational.

Business-Type Activities – These functions normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. These business-type activities of the City include the operation of Soda Springs's, water, sewer and power facilities.

The City does not have any discretely presented component units.

Fund Financial Statements

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, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. All of the funds of the City can be divided into two categories. It is important to note that these fund categories use different accounting approaches and should be interpreted differently. The two categories of funds are:

Governmental Fund Financial Statements - Most of the basic services provided by the City are financed through 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, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the City's finances that assist in determining whether there will be adequate financial resources available to meet the current needs of the City.

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 impact of the government's near-term financing decision. 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 the governmental activities. These reconciliations are presented at the bottom of the governmental fund financial statement.

The City has two major governmental funds that are considered major funds for presentation purposes. That is, each major fund is presented in a separate column in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances. The City's two major governmental funds are – the General Fund and the Street Fund. The basic governmental funds financial statements can be found immediately following the government-wide statements.

Proprietary Fund Financial Statements – These funds are used to show activities that operate more like those of commercial enterprises. Because these funds charge fees for services provided to outside customers including local governments, they are known as enterprise funds. Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. There is no reconciliation needed between the government-wide financial statements for business type activities and the proprietary fund financial statements. The City has three major and one nonmajor enterprise funds. The Water Fund, the Power Fund and the Sewer Fund are major funds. The Garbage fund is nonmajor. The basic proprietary funds financial statements can be found immediately following the governmental fund financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found immediately following the proprietary fund financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information. This section includes a budgetary comparison schedule for the general fund. The budgetary schedule includes a reconciliation between budgetary and GAAP revenues and expenditures for the general fund. Also included are the required pension schedules.

Other Supplementary Information

Combining Financial Statements

Combining financial statements are presented for non-major governmental funds. These are presented following the required supplementary information. The total columns of these combining financial statements are presented in the applicable fund financial statement.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, the net position may serve over time as a useful indicator of a government's financial position. The City's combined net position (government and business-type activities) totaled $29,000,777 compared to $25,185,346 at the end of the previous year.

The largest portion of the City's net position, $21,574,480 reflects the investment in capital assets such as land, building, and equipment less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to citizens; consequentially, 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 sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF SODA SPRING'S NET POSITION

	Governmental Activities	Business-Type Activities	Total
Current and other assets	$ 5,247,215	$ 5,373,653	$ 10,620,868
Capital assets	7,159,727	19,317,910	26,477,637
Total assets	12,406,942	24,691,563	37,098,505
Deferred outflows of resources	211,652	86,449	298,101
Total assets and deferred outflows of resources	12,618,594	24,778,012	37,396,606
Long-term liabilities	1,243,276	4,731,455	5,974,731
Other liabilities	1,917,986	503,112	2,421,098
Total liabilities	3,161,262	5,234,567	8,395,829
Deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	3,161,262	5,234,567	8,395,829
Net position			
Net investment in capital assets	6,826,967	14,747,513	21,574,480
Restricted	10,725	245,249	255,974
Unrestricted	2,619,640	4,550,683	7,170,323
Total net position	$ 9,457,332	$ 19,543,445	$ 29,000,777

Changes in Net Position

The City's overall net position increased by $3,815,431 in 2024 and approximately 17% of the City's total revenue came from taxes, 53% from services, and 23% from grants.

Governmental Activities

Governmental activities increased the City's net position by $2,563,787.

Business-Type Activities

The business-type activities increased the City's net position by $1,251,644.

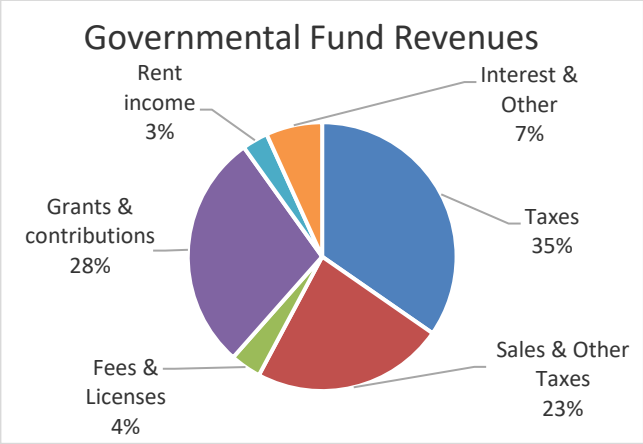
FINANCIAL ANALYSIS OF THE CITY'S INDIVIDUAL FUNDS

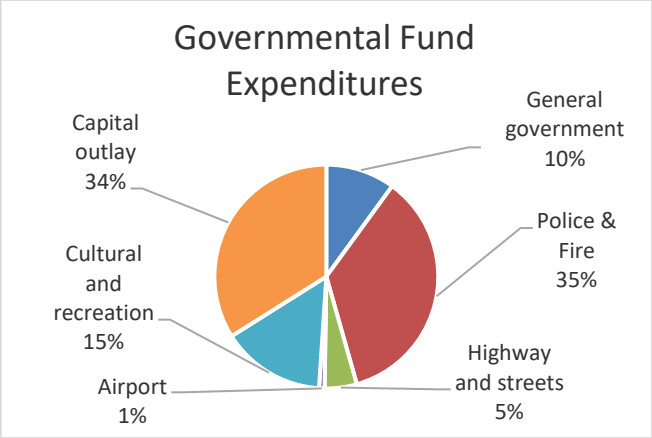
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is 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.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was $2,084,771. As a measure of the general fund's liquidity, it may be useful to compare the unreserved fund balance to total fund expenditures. The unreserved fund balance represents approximately 95% of the total general fund expenditures.





Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As discussed in the business-type activities above, the City's net position increased by $1,251,644 as a result of operations in the individual enterprise funds.

BUDGETARY HIGHLIGHTS

General fund revenues were a little under budget due to some funds being over budgeted or not being received for the year. General Fund expenditures were well under budget, primarily due to unutilized equipment and capital funds. The Street Fund revenues came under budget due to grant funds, and State Highway Revenue was slightly less than expected. Street Fund expenses were over for operating and supplies but under budget for projects because of the Main Street grant from LHTACT2. Recreation revenues were under the budgeted amounts, but expenditures were under budget because salary, benefit, and facility improvement funds were unspent. Library revenues and expenditures were close to the budgeted amounts, with expenditures unutilized with equipment and capital funds. The Water and Sewer Funds revenues and expenditures were under budget. The Power Fund revenues were over budget, and expenditures were under budget due to unutilized equipment and capital funds.

The Water and Sewer Funds revenues and expenditures were under budget. The Power Fund revenues were over budget, and expenditures were under budget due to unutilized equipment and capital funds.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City's current book value of capital assets for governmental type activities is $7,159,727 and the business type activities are $19,317,910. The City's capital assets for all land, buildings, equipment and furniture total $26,477,637.

The authority of the City to incur debt is governed by federal and state laws which restrict the amounts and purposes for which a municipality can incur debt.

General obligation bonds are backed by the full faith and credit of the City, including the City's power to levy additional taxes to ensure repayment of the debt. Accordingly, all general obligation debt is approved by a vote of the City Council. The City currently has no outstanding general obligation debt.

Revenue bonds are payable solely from revenues of specific income-producing properties such as water, sewer or electrical generating systems. A special election must be held and voters must approve or a judicial confirmation received in order for the city to incur indebtedness in excess of its income and revenue for the year. The City's new wastewater treatment facility completed in 2014 was authorized by a combination of special election and judicial confirmation. The Department of Environmental Quality (DEQ) finalized the approval of the construction in 2016 and the two DEQ loans that were used for the project were set for repayment. The fiscal yearend balance on the loans total $4,570,397. Bi-annual payments in the amount of $136,250 will be made on the loans for approximately 20 years.

The City's other outstanding debt at the end of the 2024 fiscal year includes the lease-purchase on the Police Department vehicles and a CAT wheel loader for $332,760. Formation Springs Well will be paid in full in January 2025. The fire truck's internal loans were paid off, and there are no outstanding internal loans.

UPCOMING PROJECTS, BUDGET AND FINANCIAL POSITION

The City's executive and legislative administration continues to focus on the aging infrastructure and is prioritizing projects to be completed annually. Budgets are closely monitored and excess funds are allocated to additional projects as appropriate.

Year 2024 was a relatively active capital project for the Main Street Project, and the 220 S project was finished. The 2024 budget includes a lot of needed equipment and project funds due to the Mayor and Council's desire to protect reserves being challenged by State legislature. The aggressive budget will utilize the City's reserves to upgrade critical equipment and provide improvements to community infrastructure. Over the next three to five years, the City expects to apply for and hopefully receive substantial federal funds for numerous water and sewer projects. These funds are being made available to help offset the economic impact.

The City maintains appropriate cash fund balances in order to address ongoing and emergency infrastructure upgrades without having to spend the time to go through a judicial confirmation or bond election process. The City Council over the past several years have agreed on increasing fees based on services in order to keep up with the needed annual improvement projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all of Soda Springs's citizens, taxpayers, customers, and investors and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional information should be addressed to: City of Soda Springs, 9 West 2nd South, Soda Springs, Idaho.

CITY OF SODA SPRINGS, IDAHO
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 2,375,040	$ 1,993,904	$ 4,368,944
Investments	2,670,923	2,563,465	5,234,388
Accounts receivable, net	-	520,408	520,408
Taxes receivable	47,769	-	47,769
Intergovernmental receivable	142,758	-	142,758
Total current assets	5,236,490	5,077,777	10,314,267
Non-current assets			
Restricted cash and investments	10,725	-	10,725
Designated cash and investments	-	295,876	295,876
Capital assets:			
Capital assets	11,993,521	34,042,370	46,035,891
Accumulated depreciation	(4,833,794)	(14,724,460)	(19,558,254)
Total non-current assets	7,170,452	19,613,786	26,784,238
Total assets	12,406,942	24,691,563	37,098,505
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflows - pension	211,652	86,449	298,101
LIABILITIES			
Current liabilities			
Accounts payable and other liabilities	255,760	171,667	427,427
Payroll liabilities	41,697	16,986	58,683
Grant received in advance	1,488,628	-	1,488,628
Accrued compensated absences	55,127	21,631	76,758
Current portion of long-term debt	76,774	242,201	318,975
Payable from restricted assets			
Power deposits	-	50,627	50,627
Total current liabilities	1,917,986	503,112	2,421,098
Non-current liabilities			
Long term portion of debt	255,986	4,328,196	4,584,182
Net pension liability	987,290	403,259	1,390,549
Total non-current liabilities	1,243,276	4,731,455	5,974,731
Total liabilities	3,161,262	5,234,567	8,395,829
DEFERRED INFLOW OF RESOURCES			
Deferred inflows - pension	-	-	-
	-	-	-
NET POSITION			
Net investment in capital assets	6,826,967	14,747,513	21,574,480
Restricted	10,725	245,249	255,974
Unrestricted	2,619,640	4,550,683	7,170,323
	$ 9,457,332	$ 19,543,445	$ 29,000,777

The notes to financial statements are an integral part of these financial statements

CITY OF SODA SPRINGS, IDAHO
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

FUNCTIONS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Program Revenues: Capital Grants	Net (Expense) Revenue and Change in Net Position: Governmental Activities	Net (Expense) Revenue and Change in Net Position: Business-Type Activities	Net (Expense) Revenue and Change in Net Position: Total
Governmental activities:							
General government	$ 649,220	$ 129,535	$ 458,835	$ 1,520,000	$ 1,459,150	$ -	$ 1,459,150
Public Safety	1,131,752	-	-	-	(1,131,752)	-	(1,131,752)
Highway and streets	170,637	-	-	345,251	174,614	-	174,614
Airport	26,056	17,023	105,151	-	96,118	-	96,118
Cultural and recreational	500,811	28,598	17,032	-	(455,181)	-	(455,181)
Animal control	18,056	-	-	-	(18,056)	-	(18,056)
Community service	25,375	-	-	-	(25,375)	-	(25,375)
	2,521,907	175,156	581,018	1,865,251	99,518	-	99,518
Business-type activities:							
Garbage	423,665	423,665	-	-	-	-	-
Water	752,791	1,138,361	-	-	-	385,570	385,570
Power	2,109,450	2,736,515	-	-	-	627,065	627,065
Sewer	1,123,340	1,263,132	-	-	-	139,792	139,792
	4,409,246	5,561,673	-	-	-	1,152,427	1,152,427
	$ 6,931,153	$ 5,736,829	$ 581,018	$ 1,865,251	$ 99,518	$ 1,152,427	$ 1,251,945

	General Activities	Business-type Activities	Total
General revenues			
Property taxes	$ 1,128,586	$ -	$ 1,128,586
Franchise fees	46,414	-	46,414
Intergovernmental receipts	750,116	-	750,116
Investment income	211,094	277,180	488,274
Miscellaneous	8,480	141,616	150,096
Transfers	319,579	(319,579)	-
	2,464,269	99,217	2,563,486
CHANGE IN NET POSITION	2,563,787	1,251,644	3,815,431
BEGINNING NET POSITION	6,893,545	18,291,801	25,185,346
ENDING NET POSITION	$ 9,457,332	$ 19,543,445	$ 29,000,777

The notes to financial statements are an integral part of these financial statements

CITY OF SODA SPRINGS, IDAHO
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Street Fund	Nonmajor Library Fund	Nonmajor Governmental Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 998,286	$ 1,291,605	$ 18,771	$ 66,378	$ 2,375,040
Investments	1,117,603	1,445,984	33,022	74,314	2,670,923
Taxes receivable	33,647	4,359	5,012	4,751	47,769
Intergovernmental receivable	104,646	38,112	-	-	142,758
Restricted assets - cash	-	-	10,725	-	10,725
	$ 2,254,182	$ 2,780,060	$ 67,530	$ 145,443	$ 5,247,215
LIABILITIES					
Accounts payable and other liabilities	$ 25,985	$ 229,775	$ -	$ -	$ 255,760
Grants received in advance	83,879	1,404,749	-	-	1,488,628
Payroll liabilities	28,660	5,644	4,856	2,537	41,697
	138,524	1,640,168	4,856	2,537	1,786,085
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	30,887	4,001	4,601	4,361	43,850
FUND BALANCES					
Restricted, expendable for memorials	-	-	10,725	-	10,725
Assigned to					
Special revenue funds	-	1,135,891	47,348	57,937	1,241,176
Unassigned	2,084,771	-	-	80,608	2,165,379
	2,084,771	1,135,891	58,073	138,545	3,417,280
	$ 2,254,182	$ 2,780,060	$ 67,530	$ 145,443	

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, net of accumulated depreciation of $4,833,794.	7,159,727
Unavailable tax revenue represents amounts that were not available to fund current expenditures and, therefore, are not reported in the funds:	43,850
Deferred outflows - Pension related deferrals	211,652
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Net pension liability (asset)	(987,290)
Capital lease	(332,760)
Accrued compensated absences	(55,127)
Net position of governmental activities	$ 9,457,332

The notes to financial statements are an integral part of these financial statements

CITY OF SODA SPRINGS, IDAHO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (PAGE 1 OF 2)
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Street Fund	Nonmajor Library Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 801,104	$ 100,689	$ 116,039	$ 104,972	$ 1,122,804
Intergovernmental	419,654	329,123	-	1,339	750,116
Franchise fees	46,414	-	-	-	46,414
Licenses, permits, and fines	30,664	-	4,355	39,131	74,150
Grants and contributions	458,835	345,251	17,032	105,151	926,269
Rent and lease income	98,871	-	-	2,135	101,006
Investment income	87,342	113,703	4,004	6,045	211,094
Miscellaneous	7,758	-	722	-	8,480
	1,950,642	888,766	142,152	258,773	3,240,333
EXPENDITURES					
General government	248,765	-	-	17,177	265,942
Police services	954,489	-	-	-	954,489
Fire protection	57,328	-	-	-	57,328
Highway and streets	-	153,544	-	-	153,544
Airport	-	-	-	26,056	26,056
Cultural and recreational	95,753	-	299,541	101,383	496,677
Other public safety	21,815	-	-	-	21,815
Animal control	18,056	-	-	-	18,056
Community service	25,375	-	-	-	25,375
Capital outlay	117,888	898,826	15,806	89,070	1,121,590
Debt service					
Principal retirement	91,156	45,809	-	-	136,965
Interest and fiscal charges	13,523	13,951	-	-	27,474
	1,644,148	1,112,130	315,347	233,686	3,305,311
Excess Revenues (Expenditures)	306,494	(223,364)	(173,195)	25,087	(64,978)
OTHER FINANCING SOURCES (USES)					
Proceeds from leases	-	240,999	-	-	240,999
Transfers in	319,579	-	162,500	111,940	594,019
Transfers out	(274,440)	-	-	-	(274,440)
	45,139	240,999	162,500	111,940	560,578
NET CHANGE IN FUND BALANCES	351,633	17,635	(10,695)	137,027	495,600
BEGINNING FUND BALANCE	1,733,138	1,118,256	68,768	1,518	2,921,680
ENDING FUND BALANCE	$2,084,771	$1,135,891	$ 58,073	$ 138,545	$ 3,417,280

The notes to financial statements are an integral part of these financial statements

CITY OF SODA SPRINGS, IDAHO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (PAGE 2 OF 2)
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

Reconciliation of the net change in fund balances of governmental funds to the change in net assets of governmental activities:	
Net change in fund balances	$ 495,600
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchases	1,121,590
Contributed asset	1,520,000
Depreciation expense	(377,031)
The issuance of long-term debt provides current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the Statement of Net Position. In the current year the following debt was incurred:	
Capital leases	(240,999)
Unavailable tax revenues are not recorded as current period receipts	5,782
Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:	
Pension expense in excess of contributions	(89,986)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental fund:	
Note payable - interfund	34,699
Capital leases	102,266
Accrued compensated absences	(8,134)
Change in net position	$ 2,563,787

The notes to financial statements are an integral part of these financial statements

CITY OF SODA SPRINGS, IDAHO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Water Fund	Power Fund	Sewer Fund	Nonmajor Garbage Fund	Total Proprietary Fund
ASSETS					
Current assets					
Cash and cash equivalents	$ 627,975	$ 1,086,170	$ 279,759	$ -	$ 1,993,904
Investments	703,034	1,272,672	587,759	-	2,563,465
Accounts receivable	203,779	200,893	103,354	12,382	520,408
Total current assets	1,534,788	2,559,735	970,872	12,382	5,077,777
Non-current assets					
Restricted assets - cash	-	50,627	245,249	-	295,876
Capital assets	7,935,255	7,402,777	18,704,338	-	34,042,370
Accumulated depreciation	(2,962,052)	(5,059,543)	(6,702,865)	-	(14,724,460)
Total non-current assets	4,973,203	2,393,861	12,246,722	-	19,613,786
Total assets	6,507,991	4,953,596	13,217,594	12,382	24,691,563
DEFERRED OUTFLOW OF RESOURCES					
Deferred outflows - pension	20,867	23,848	41,734	-	86,449
LIABILITIES					
Current liabilities					
Accounts payable	-	159,285	-	12,382	171,667
Payroll liabilities	4,826	5,796	6,364	-	16,986
Accrued compensated absences	7,266	5,552	8,813	-	21,631
Current portion of long term debt	-	-	242,201	-	242,201
Deposits	-	50,627	-	-	50,627
Total current liabilities	12,092	221,260	257,378	12,382	503,112
Non-current liabilities					
Long term debt	-	-	4,328,196	-	4,328,196
Net pension liability	97,338	111,244	194,677	-	403,259
Total non-current liabilities	97,338	111,244	4,522,873	-	4,731,455
Total liabilities	109,430	332,504	4,780,251	12,382	5,234,567
NET POSITION					
Net investments in capital assets	4,973,203	2,343,234	7,431,076	-	14,747,513
Restricted	-	-	245,249	-	245,249
Unrestricted	1,446,225	2,301,706	802,752	-	4,550,683
	$ 6,419,428	$ 4,644,940	$ 8,479,077	$ -	$ 19,543,445

The notes to financial statements are an integral part of these financial statements

CITY OF SODA SPRINGS, IDAHO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Water Fund	Power Fund	Sewer Fund	Nonmajor Garbage Fund	Total Proprietary Fund
OPERATING FUNDS					
Service revenue	$ 1,138,361	$ 2,736,515	$ -	$ 423,665	$ 4,298,541
Pledged revenues for bond	-	-	1,263,132	-	1,263,132
Investment income	91,325	107,035	78,820	-	277,180
Miscellaneous	110,274	13,006	18,336	-	141,616
	1,339,960	2,856,556	1,360,288	423,665	5,980,469
OPERATING EXPENSES					
Salaries and benefits	213,267	269,191	282,668	-	765,126
Operating supplies	123,887	96,288	92,505	-	312,680
Insurance	27,938	43,174	27,938	-	99,050
Bad debts	-	16,116	-	-	16,116
Other purchased services	190,791	1,525,172	201,078	423,665	2,340,706
Interest expense	-	-	32,628	-	32,628
Depreciation	196,908	159,509	486,523	-	842,940
	752,791	2,109,450	1,123,340	423,665	4,409,246
NET INCOME	587,169	747,106	236,948	-	1,571,223
TRANSFERS OUT	-	(319,579)	-	-	(319,579)
CHANGE IN NET POSITION	587,169	427,527	236,948	-	1,251,644
BEGINNING NET POSITION	5,832,259	4,217,413	8,242,129	-	18,291,801
ENDING NET POSITION	$ 6,419,428	$ 4,644,940	$ 8,479,077	$ -	$ 19,543,445

The notes to financial statements are an integral part of these financial statements

CITY OF SODA SPRINGS, IDAHO
COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Water Fund	Power Fund	Sewer Fund	Nonmajor Garbage Fund	Total Proprietary Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from revenues	$ 1,241,226	$ 2,835,325	$ 1,365,216	$ 430,637	$ 5,872,404
Cash paid to suppliers	(344,664)	(1,633,611)	(356,196)	(430,637)	(2,765,108)
Cash paid to employees	(203,706)	(258,894)	(262,338)	-	(724,938)
Net cash provided by operating activities	692,856	942,820	746,682	-	2,382,358
CASH FLOWS FROM INVESTING ACTIVITIES					
Repayment of interfund loan	-	34,699	-	-	34,699
Proceeds from investments	40,078	122,046	144,129	-	306,253
Net cash provided by investing activities	40,078	156,745	144,129	-	340,952
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES					
Transfers to other funds	-	(319,579)	-	-	(319,579)
Net cash used in financing activities	-	(319,579)	-	-	(319,579)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal payment on long-term debt	-	-	(239,869)	-	(239,869)
Capital expenditures	(512,007)	(407,160)	(526,833)	-	(1,446,000)
Net cash used in financing activities	(512,007)	(407,160)	(766,702)	-	(1,685,869)
NET CHANGE IN CASH	220,927	372,826	124,109	-	717,862
BEGINNING CASH	407,048	763,971	400,899	-	1,571,918
ENDING CASH	$ 627,975	$ 1,136,797	$ 525,008	$ -	$ 2,289,780
PRESENTED IN FINANCIALS AS:					
Cash and cash equivalents	$ 627,975	$ 1,086,170	$ 279,759	$ -	$ 1,993,904
Restricted assets - cash	-	50,627	245,249	-	295,876
	$ 627,975	$ 1,136,797	$ 525,008	$ -	$ 2,289,780
RECONCILIATION OF NET INCOME TO NET					
NET INCOME	$ 587,169	$ 747,106	$ 236,948	$ -	$ 1,571,223
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Depreciation	196,908	159,509	486,523	-	842,940
Pension deferrals-net	22,156	25,321	44,312	-	91,789
(Increase) decrease in assets					
Accounts receivable	(98,734)	(9,918)	4,928	6,972	(96,752)
Increase (decrease) in liabilities					
Accounts payable	(2,048)	47,139	(2,047)	(6,972)	36,072
Payroll liabilities	292	56	355	-	703
Net pension liability	(13,285)	(15,182)	(26,568)	-	(55,035)
Deposits	-	(11,313)	-	-	(11,313)
Accrued compensated absences	398	102	2,231	-	2,731
Total adjustments	105,687	195,714	509,734	-	811,135
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 692,856	$ 942,820	$ 746,682	$ -	$ 2,382,358

The notes to financial statements are an integral part of these financial statements

NOTE 1 - Summary of Significant Accounting Policies

The City of Soda Springs was chartered in 1921 under the laws of the State of Idaho. The City is presently governed by a Mayor/Council form of government and provides the following services: public improvements, public safety (fire, police, and animal control), sanitation, highway and streets, parks and recreation, library, planning and zoning, water, sewer and power and general administrative services. In addition, the City owns and operates a water, power, and sewer system.

The City complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

A. Reporting Entity

The City's financial reporting entity comprises the following:

Primary Government

In determining the financial reporting entity, the City complies with the provisions of GASB pronouncements and includes all component units of which the City appointed a voting majority of the units' board; the City is either able to impose its will on the unit or a financial benefit or burden relationship exists.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Council or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation. Currently, the City has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the City has no discretely presented component units.

B. Basis of Presentation

Government-wide Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charges to external parties for goods or services.

NOTE 1 - Summary of Significant Accounting Policies (continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: Governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

B. Basis of Presentation (continued)

a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

b. Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Governmental Funds

General Fund

The General Fund is the general operating fund of the City and always classified as a major fund. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

In addition to the general fund the City reports the Street fund as a major special revenue fund.

Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

The City reports the Water, Sewer, and Power funds as major proprietary funds.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b. below.

NOTE 1 - Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows, liabilities, and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes and other internally dedicated resources are reported as general revenues rather than program revenues.

D. Budgets and Encumbrances

Annual budgets are prepared and adopted by the City Council before the following fiscal year which begins on October 1. Budgets may be revised by resolution of the Council at any time during the year. All annual appropriations lapse at the end of the fiscal year.

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

a. The mayor submits to the Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the mans of financing them for the upcoming year.

b. Public hearings are conducted to obtain taxpayer comment.

NOTE 1 - Summary of Significant Accounting Policies (continued)

D. Budgets and Encumbrances (continued)

c. Prior to October 1, the budget is legally enacted through passage of an ordinance.

d. The City Clerk, with the concurrence of the Mayor, is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

e. Formal budgetary integration is employed as a management control device during the year.

f. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budget amounts are as originally adopted.

The City's legal budget is prepared using the modified accrual basis of accounting. Idaho State Code allows the City to reopen the annual budget if a need for increased appropriations beyond the budgeted total is experienced. The reopened budget must be adopted by following a process similar to that which was used to adopt the original budget, including public hearings and adoption of a revised annual appropriations ordinance.

E. Cash and Investments

For the purpose of the Statement of Net Position, “cash and cash equivalents” includes all demand, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all unrestricted and restricted demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Idaho Code provides authorization for the investment of funds as well as specific guidelines as to what constitutes an allowable investment. The City's policy is consistent with Idaho Code.

F. Accounts Receivable

Accounts receivable consists of garbage, water, power, and sewer service fees. The City has strong collection ability and write-offs historically have been low and therefore no allowance has been recorded.

G. Taxes Receivable

Idaho Code provides taxing entities the ability to levy property taxes for the current or ensuing year. The City levies property taxes, as most entities do, for the ensuing year. This results in the tax collections being received in the fiscal year they are budgeted for and used to pay expenditures for that period. Property taxes are collected by the County Treasurer and subsequently remitted to the City. Property taxes of the governmental fund types which have been collected within sixty days following year-end are considered measurable and available and are recognized as revenues in the funds. All other property taxes receivable for the governmental fund types are recorded as deferred inflows of resources, should be offset by deferred revenues and, accordingly, not recorded as revenue. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectable is provided.

The property tax calendar is as follows:

Property taxes attach, as an enforceable lien, on property as of January 1st.
Taxes are levied on the third Monday in September for the subsequent year.
Caribou County bills and collects property taxes for the City.
The first half of the taxes is payable to Caribou County by December 20th and the second by June 20th of the following year.

NOTE 1 - Summary of Significant Accounting Policies (continued)

H. Intergovernmental Receivables

The amounts due at year end are from the State Liquor Dispensary, Highway Users tax and State Revenue Sharing.

I. Inventories

Inventories of fuel, supplies, etc., are immaterial and are not maintained, therefore, the cost of those items are recognized as expenditures in governmental financial statements and as expenses in government-wide and proprietary fund financial statements when purchased.

J. Property, Plant, and Equipment

Capital assets including property, plant, and equipment are reported in the applicable governmental or business type activities column in the government wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of the donation. The City established a threshold of $1,000 and a useful life in excess of one year for capitalization of depreciable assets.

Major outlays for capital and improvements are capitalized as the assets are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated on a straight-line basis over their estimated useful lives, as follows:

Buildings and utility improvements	10-50 years
Vehicles and machinery and equipment	3-15 years

K. Restricted Assets

This includes cash and investments that are restricted by purpose or earmarked for future projects by the City or contract. While there is no written policy, the practice is to use restricted assets first when an expense is incurred for the purposes for which both restricted and unrestricted assets are available.

L. Accounts Payable and Other Liabilities

Accounts Payable and Other Liabilities consist of accrued accounts payable, payroll taxes payable, contingent liabilities, and other accrued expenses.

M. Payroll and Compensated Absences Payable

Payroll and compensated absences payable include accrued payroll payable, personal time off (PTO), and prior leave and compensatory time earned but not paid.

N. Deposits

Deposits consist of cash or other assets held for an individual or entity until conditions of an agreement are met, at which time the assets are returned to the owner. Occasionally, the owner will default on the conditions and the asset held as a deposit becomes the property of the City and it's recorded as a revenue at that time.

NOTE 1 - Summary of Significant Accounting Policies (continued)

O. Deferred Outflows / Inflows of Resources

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

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

P. Long-term Debt

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

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable, capital leases, and accrued compensated absences.

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

Q. Equity Classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

a. Net investment in capital assets - Consists 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 these assets.

b. Restricted net assets - Consists of net assets 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.

c. Unrestricted net assets - All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

d. The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Statements

Governmental fund equity is classified as fund balance. Fund Balance is further classified as:

NOTE 1 - Summary of Significant Accounting Policies (continued)

Q. Equity Classifications (continued)

Nonspendable items - This category includes a portion of net resources that cannot be spent because of the form or because they must be maintained intact. This includes inventories and prepaid items.

Restricted items - This category includes resources where limitations are imposed by external entities, such as grantors and creditors, or to comply with laws and regulations of governments.

Committed items - This category includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision making authority, the City Council. Commitments may be changed or lifted only by the Council taking the same formal action that imposed the constraint originally.

Assigned items - Assigned items represent the City's intent to use certain resources for specific purposes. The Mayor may establish the intended use of these funds for a designated purpose.

Unassigned items - Represents the remainder of the City's equity in governmental fund-type balances in excess of the aforementioned classifications.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

R. Use of estimates

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

S. 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.

T. Interfund Charges

The City allocates to several funds a percentage of salaries and wages, personnel benefits and operating supplies of several departments of the General Fund and Street Fund for services and expenditures rendered for such funds.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. Charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

NOTE 2 - Restricted Assets and Payable from Restricted Assets

Assets have been set aside for special items and are restricted for that purpose. To date cash has been restricted for the following items:

Governmental Funds	
Library memorials	$ 10,725
Proprietary Funds	
Power fund deposits	50,627
Sewer fund debt payment reserve	245,249
Total	$ 306,601

DEQ requires a reserve to be established and maintained for funds to be set aside for at least one years worth of payments per the contract set up by the state of Idaho.

Power deposits are collected from individuals to guarantee account payment. Money on deposit are held until a specified payment history is established.

NOTE 3 - Concentration of Credit Risk

The organization is subject to credit risk on deposits with banks that exceed the FDIC maximum insured balance amount.

Additionally, the City grants credit to customers in the City for utility service. This extension of credit potentially subjects the City to credit risk.

NOTE 4 - Cash and Investments

Legal Provisions Governing Cash Deposits with Financial Institutions - For cash depositories with deposits in excess of federal insurance, State code requires the City to obtain an annual affidavit showing the amount of the financial institution's capital stock and surplus. The City's deposits may not exceed the depository's capital and surplus.

Deposits - Custodial Credit Risk for deposits is the risk that, in the event of bank failure, the government's deposits may not be returned to it. At September 30, 2024, the City had uninsured and uncollateralized deposits amounting to $388,103.

Deposits with maturity of 3 months or less, or redeemable on demand with no penalty **-** The elected State Treasurer, following Idaho Code, is authorized to sponsor an investment pool (Pool) that the City voluntarily participates in. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the investment pool is performed by the State Treasurer. Idaho Code defines allowable investments. The fair value of the City's position in the Pool is the same as the value of the Pool. The value of the Pool is not identified with specific investments and are not subject to custodial credit risk. The City's other deposits are stated at fair value which is the amount an investment could be exchanged between willing parties. The Pool is unrated.

Investment Policy

Idaho Code 50-1013 limits the City's legal investments to savings accounts, prime commercial paper, general obligations of the State of Idaho and the United States Treasury, notes, bonds, and obligations of Government Sponsored Enterprises (FNMA, FHLMC, FFCB, FHLB), A-rated corporate bonds, and money market and mutual funds hose portfolios consist of the aforementioned underlying instruments.

NOTE 4 - Cash and Investments (continued)

The City's Investment Policy requires that investments within the portfolio are to be diversified as to security type, duration, and issuer in order to maintain a balanced portfolio. The policy does not place specific restrictions with regard to credit, concentration, and interest rate risks. The City only conducts investment purchases on a delivery versus payment basis with all securities held by a safe keeper, in the City's name, to eliminate custodial risk.

The City had the following investments and maturities at year end:

		Investment Maturities (in Years)		
Investment Type	**Fair Value**	**Less than 1**	**1-5**	**6-10**
Certificates of Deposit	$ 3,295,912	$ 1,466,697	$ 1,829,215	$ -
US Treasury Notes	1,498,293	574,470	923,823	-
Diversified Bond Fund	440,183	-	440,183	-
Total	$ 5,234,388	$ 2,041,167	$ 3,193,221	$ -

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. In accordance with investment policy, the City's investments shall have maturities that are consistent with the needs and use of the City. The City does not have a specific policy addressing interest rate risk and exposure to declines in fair values. The segmented time distribution method has been used to disclose interest rate risk.

Credit Risk. State law requires investments in corporate bonds to have, at the time of purchase, an A rating or higher by a commonly known rating service. Credit ratings associated with investments are as follows:

Investment Type	**Fair Value**	**Aaa**	**Aa**	**A**	**Unrated**
Certificates of Deposit	$ 3,295,912	$ -	$ -	$ -	$ 3,295,912
US Treasury Notes	1,498,293	1,498,293	-	-	-
Diversified Bond Fund	440,183	-	-	-	440,183
Total	$ 5,234,388	$ 1,498,293	$ -	$ -	$ 3,736,095

Concentration of Credit Risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Exclusive of the State of Idaho Investment Pool and investments guaranteed by the U.S. government, the City's deposits in any one issuer does not represent a concentration of total credit risk. The funds in the State of Idaho Investment Pool are in a variety of investments which are required to have an A quality credit rating or better.

NOTE 5 - Fair Value Measurements

Fair value accounting guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value guidance also establishes a fair value hierarchy that requires a government to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Based on the inputs used to determine fair value, a three-level hierarchy is used as follows:

Level 1: Fair value is determined using quoted prices (adjusted) for identical assets or liabilities in active markets that the government can access at the measurement date.

Level 2: Fair value is determined using inputs - other than quoted prices included within Level 1 - that are observable for an asset or liability, either directly or indirectly, such as quotes prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs are derived principally from or corroborated by observable market data.

NOTE 5 - Fair Value Measurements (continued)

Level 3: Fair value is determined using unobservable inputs for an asset or liability and requires the government to develop its own assumptions, based on the best information available in the circumstances, about the considerations market participants would use in pricing the asset or liability.

The following table represents the City's investments that are measured or disclosed at fair value on a recurring basis. The City does not have any financial assets that are measured at fair value on a non-recurring basis.

	Level 1	Level 2	Level 3	Total
Diversified bond fund	$ 440,183	$ -	$ -	$ 440,183
US Treasury Notes	1,498,293	-	-	1,498,293
Certificates of deposit	-	3,295,912	-	3,295,912
Total	$ 1,938,476	$ 3,295,912	$ -	$ 5,234,388

NOTE 6 - Intergovernmental Receivables

The following is a summary of amounts due from other governments:

	General Fund	Street Fund	Total
State revenue sharing	$ 98,301	$ -	$ 98,301
State liquor dispensary	10,341	-	10,341
Franchise fees	5,692	-	5,692
Customer credit memos	(9,688)	-	(9,688)
Highway user revenue	-	38,112	38,112
	$ 104,646	$ 38,112	$ 142,758

NOTE 7 - Changes in General Fixed Assets

A summary of governmental capital assets at September 30 is as follows:

	Balance 10/1/2023	Additions	Deletions	Balance 9/30/2021
Land	$ 506,636	$ 1,520,340	-	$ 2,026,976
Land improvements	2,704,960	434,099	-	3,139,059
Buildings	2,434,795	32,725	-	2,467,520
Automobile and truck	1,782,965	89,564	-	1,872,529
Equipment and other	1,810,922	422,137	-	2,233,059
Construction in process	111,653	142,725	-	254,378
	$ 9,351,931	$ 2,641,590	$ -	$ 11,993,521
Accumulated depreciation				
Land improvements	$ (1,283,133)	$ (104,401)	-	$ (1,387,534)
Buildings	(936,786)	(62,233)	-	(999,019)
Automobile and truck	(1,116,094)	(119,824)	-	(1,235,918)
Equipment and other	(1,120,750)	(90,573)	-	(1,211,323)
	(4,456,763)	(377,031)	-	(4,833,794)
	$ 4,895,168	$ 2,264,559	$ -	$ 7,159,727

NOTE 7 - Changes in General Fixed Assets (continued)

A summary of proprietary capital assets at September 30 is as follows:

	Balance 10/1/2023	Additions	Deletions	Balance 9/30/2024
Land	$ 163,783	$ -	$ -	$ 163,783
Buildings	127,322	-	-	127,322
Wastewater plant	14,064,805	22,349	-	14,087,154
Water and sewer system improvements	9,856,915	76,064	-	9,932,979
Electrical systems	6,243,952	111,786	-	6,355,738
Automobiles and trucks	1,239,947	105,251	-	1,345,198
Machinery and equipment	672,450	196,845	-	869,295
Construction in progress	227,197	933,704	-	1,160,901
	$ 32,596,371	$ 1,445,999	$ -	$ 34,042,370
Accumulated depreciation				
Buildings	$ (97,195)	$ (4,173)	$ -	$ (101,368)
Wastewater plant	(4,337,827)	(357,677)	-	(4,695,504)
Water and sewer system improvements	(3,939,610)	(253,261)	-	(4,192,871)
Electrical systems	(4,109,454)	(138,427)	-	(4,247,881)
Automobiles and trucks	(837,877)	(65,903)	-	(903,780)
Machinery and equipment	(559,558)	(23,498)	-	(583,056)
	(13,881,521)	(842,939)	-	(14,724,460)
	$ 18,714,850	$ 603,060	$ -	$ 19,317,910

Depreciation expense is charged to the various functions of governmental activities as follows:

General government	$ 355,804
Street	17,093
Cultural and recreation	4,134
	$ 377,031

NOTE 8 - Operating Transfers

Transfers to General fund from the Power fund	
Power fund-unexpended excess funds	$ 319,579
	$ 319,579

The General fund transferred $111,940 to the Recreation fund and $162,500 to the Library fund.

Interfund transfers were used to 1) move unrestricted revenues collected in the General Fund to finance other funds in accordance with budgetary authorization and 2) move unexpended excess funds to other funds.

NOTE 9 - Garbage Contract

The City has contracted for garbage disposal with a third party. Under the terms of the agreement, the City remits the majority of the billed sanitation fees collected to the contracting party, while the City retains $0.20 per customer per month.

NOTE 10 Subsequent Events

Management has evaluated subsequent events through November 17, 2025, the date the financial statements were available to be issued.

NOTE 11 Long-term Debt

General fund

Capital lease payable for Equipment with an original cost of $541,450 to be paid in seven annual installments with a 3.25% interest rate secured by the equipment purchased.	$ 332,760

Sewer fund

DEQ Notes Payable:

DEQ loan (waste water treatment plant) Loan 1 WWW0801 - Note issued for $1,646,352 at 2.91% interest to be repaid in biannual installments over 20 years. The loan originated February 12, 2016.	1,061,440
DEQ loan 2 WW1201 - Note issued for $4,899,472 at 0% interest to be repaid in biannual installments over 30 years. The loan originated February 12, 2016.	3,508,957
Total	$ 4,903,157

Principal payments due on long-term debt outstanding at year end and succeeding years are as follows:

Fiscal Year Ending	Governmental Activities		Business Type Activities		Total	
30-Sep	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 76,774	$ 10,821	$ 242,201	$ 30,296	$ 318,975	$ 41,117
2026	55,592	17,778	244,513	27,984	300,105	45,762
2027	59,692	13,678	246,893	25,604	306,585	39,282
2028	140,702	9,298	249,281	23,216	389,983	32,514
2029	-	-	251,863	20,634	251,863	20,634
2030-2034	-	-	1,299,765	62,719	1,299,765	62,719
2035-2039	-	-	974,333	4,665	974,333	4,665
2040-2044	-	-	816,580	-	816,580	-
2045-2046	-	-	244,968	-	244,968	-
	$ 332,760	$ 51,575	$ 4,570,397	$ 195,118	$ 4,903,157	$ 246,693

	Balance October 1, 2023	Additions	Deductions	Balance September 30, 2024	Amounts Due Within One Year
Governmental Activities:					
Capital leases	$ 194,027	$ 240,999	$ (102,266)	$ 332,760	$ 76,774
Interfund note payable	34,699	-	(34,699)	-	-
Compensated absences	46,993	93,786	(85,652)	55,127	55,127
Total general long-term debt	$ 275,719	$ 334,785	$ (222,617)	$ 387,887	$ 131,901

NOTE 11 Long-term Debt (continued)

	Balance October 1, 2023	Additions	Deductions	Balance September 30, 2024	Amounts Due Within One Year
Business-type Activities:					
DEQ notes payable	$ 4,810,266	$ -	$ (239,869)	$ 4,570,397	$ 242,201
Compensated absences	18,900	31,352	(28,620)	21,631	21,631
	$ 4,829,166	$ 31,352	$ (268,489)	$ 4,592,028	$ 263,832

NOTE 12 Pension Disclosures

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by 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.

NOTE 12 Pension Disclosures (continued)

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% 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% general employees and 13.26% for police and firefighters. The City of Soda Springs's contributions were $202,668 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 of Soda Springs 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 of Soda Springs'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 .03717404 percent.

For the year ended September 30, 2024, the City of Soda Springs recognized pension expense (revenue) of $329,409. At September 30, 2024, the City of Soda Springs 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	$ 221,388	$ -
Changes in assumptions or other inputs	55,086	-
Net difference between projected and actual earnings on pension plan investments	(25,241)	-
City of Soda Springs's contributions subsequent to the measurement date	46,868	-
Total	$ 298,101	$ -

An amount of $46,868 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.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2024 the beginning of the measurement period ended June 30, 2023 is 4.6 and 4.6 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:

Year ended September 30:	
2025	$ 68,632
2026	259,271
2027	(44,711)
2028	(31,959)
2029	-

NOTE 12 Pension Disclosures (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, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021.

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%.

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 of PERSI'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.

NOTE 12 Pension Disclosures (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.00%
Large Cap	18%	4.50%
Small/Mid Cap	11%	4.70%
International Equity	15%	4.50%
Emerging Markets Equity	10%	4.90%
Domestic Fixed	20%	-0.25%
TIPS	10%	-0.30%
Real Estate	8%	3.75%
Private Equity	8%	6.00%

Discount Rate

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

Sensitivity of the net pension liability (asset) to changes in the discount rate – The following presents the net pension liability of PERSI employer's calculated using the discount rate of 6.35% as well as what the employer's liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (5.35%)	**Current Discount Rate (6.35%)**	**1% Increase (7.35%)**
Employer's proportionate share of the net pension liability (asset)	$ 2,642,476	$ 1,390,549	$ 368,043

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 of Soda Springs reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SODA SPRINGS, IDAHO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources				
Taxes and franchise fees	$ 862,312	$ 862,312	$ 847,518	$ (14,794)
Licenses and permits	21,075	21,075	30,664	9,589
Intergovernmental revenue	457,000	457,000	419,654	(37,346)
Miscellaneous	1,074,688	1,074,688	652,806	(421,882)
Amounts available for appropriations	2,415,075	2,415,075	1,950,642	(464,433)
Charges to appropriations				
Legal and administration	20,085	20,085	20,286	(201)
Executive administration	8,778	8,778	1,490	7,288
Financial administration	29,966	29,966	56,959	(26,993)
Legal expenses	22,904	22,904	38,448	(15,544)
Planning and zoning	1,000	1,000	1,563	(563)
Public and community relations	57,255	57,255	53,840	3,415
Other general government	108,806	108,806	76,519	32,287
Enforcement and protection	1,110,169	1,110,169	954,489	155,680
Fire control and prevention	76,800	76,800	57,328	19,472
Building and housing inspection	20,406	20,406	21,815	(1,409)
Animal control	22,730	22,730	18,056	4,674
Clean up	20,007	20,007	17,427	2,580
Weed control	22,595	22,595	7,949	14,646
Parks department	184,435	184,435	95,412	89,023
Debt service				
Principal retirement	104,050	104,050	91,156	12,894
Interest	667	667	13,523	(12,856)
Capital outlay	1,239,300	1,239,300	117,888	1,121,412
Total expenditures	3,049,953	3,049,953	1,644,148	1,405,805
Excess revenues (expenditures)	(634,878)	(634,878)	306,494	941,372
Other financing sources (uses)				
Transfers in	295,000	295,000	319,579	24,579
Transfers out	(609,116)	(609,116)	(274,440)	334,676
Total financing sources (uses)	(314,116)	(314,116)	45,139	359,255
Net change in fund balance			351,633	
Beginning fund balance			1,733,138	
Ending fund balance			$ 2,084,771	

CITY OF SODA SPRINGS, IDAHO
BUDGETARY COMPARISON SCHEDULE
STREET FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources				
Taxes	$ 104,000	$ 104,000	$ 100,689	$ (3,311)
Intergovernmental revenues	282,161	282,161	329,123	46,962
Grants and contributions	-	-	345,251	345,251
Miscellaneous revenue	2,001,500	200,150	113,703	(86,447)
	2,387,661	2,387,661	888,766	(1,498,895)
Expenditures				
Highway Street and road construction	16,662	16,662	13,093	3,569
Equipment repairs	32,033	32,033	15,227	16,806
Highway, street, & road maintenance	193,732	193,732	90,294	103,438
Snow and ice control	47,155	47,155	34,930	12,225
Debt service				
Principal retirement	31,000	31,000	45,809	(14,809)
Interest	6,000	6,000	13,951	(7,951)
Capital outlay	2,493,460	2,493,460	898,826	1,594,634
	$ 2,820,042	$ 2,820,042	$ 1,112,130	$ 1,707,912
Excess revenues (expenditures)	(432,381)	(432,381)	(223,364)	209,017
Other financing sources (uses)				
Proceeds from leases	-	-	240,999	240,999
Transfers in	315,236	315,236	-	315,236
Other financing sources (uses)	315,236	315,236	240,999	556,235
Net change in fund balance	(117,145)	(117,145)	17,635	765,252
Beginning fund balance			1,118,256	
Ending fund balance			$ 1,135,891	

CITY OF SODA SPRINGS
SEPTEMBER 30, 2024

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's portion of net the pension liability	0.0371740%	0.0396005%	0.0396787%	0.0403320%	0.0391588%	0.0392965%	0.0403579%	0.0442074%	0.0427001%	0.0455105%
Employer's proportionate share of the net pension liability (asset)	$ 1,390,549	$ 1,580,324	$ 1,562,848	$ (31,853)	$ 909,319	$ 448,559	$ 595,286	$ 671,172	$ 896,152	$ 599,299
Employer's covered-employee payroll	$ 1,727,428	$ 1,623,111	$ 1,552,342	$ 1,493,916	$ 1,395,747	$ 1,322,977	$ 1,287,093	$ 1,314,450	$ 1,291,173	$ 1,263,505
Employer's proportional share of the net pension liability as a percentage of its covered employee payroll	80.50%	97.36%	100.68%	-2.13%	65.15%	33.91%	46.25%	51.06%	69.41%	47.43%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	87.26%	90.68%	87.26%	91.38%

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

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

Schedule of Employer Contributions
PERSI – Base Plan
Last 10 – Fiscal Years *

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 202,668	$ 190,531	$ 186,695	$ 184,237	$ 167,952	$ 155,864	$ 146,046	$ 150,266	$ 153,403	$ 143,260
Contributions in relation to the statutorily required contribution	202,668	186,695	186,695	184,237	167,952	155,864	146,046	150,266	153,403	143,260
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 1,718,226	$ 1,614,117	$ 1,551,155	$ 1,531,309	$ 1,405,931	$ 1,347,223	$ 1,278,741	$ 1,315,952	$ 1,343,080	$ 1,254,475
Contributions as a percentage of covered-employee payroll	11.80%	11.57%	12.04%	12.03%	11.95%	11.57%	11.42%	11.42%	11.42%	11.42%

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

Data is reported is measured as of September 30, 2024.

Budgetary Reporting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for all governmental fund types.

NOTE 1 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Basis of budgetary Accounting

The City is required by State law to adopt annual budgets on all governmental funds that cover a period from October 1, through September 30. All adopted budgets are prepared in accordance with the modified accrual basis of accounting and are adopted on a basis consistent with generally accepted accounting principles.

CITY OF SODA SPRINGS

NON-MAJOR FUNDS
COMBINING BALANCE SHEET

AS OF SEPTEMBER 30, 2024

	Airport	Insurance	Recreation	Greater Soda Springs Development Fund	Total Non-major Funds
ASSETS					
Cash	$ 38,023	$ 5,715	$ 12,475	$ 10,165	$ 66,378
Investments	42,567	6,399	13,967	11,381	74,314
Taxes receivable	1,961	1,046	1,744	-	4,751
	$ 82,551	$ 13,160	$ 28,186	$ 21,546	$ 145,443
LIABILITIES					
Payroll liabilities	$ 143	$ -	$ 2,394	$ -	$ 2,537
	143	-	2,394	-	2,537
DEFERRED INFLOWS OF RESOURCES					
Unearned property taxes	1,800	960	1,601	-	4,361
FUND BALANCE					
Unassigned	80,608	-	-	-	80,608
Restricted for:					
Insurance	-	12,200	-	-	12,200
Culture and recreation	-	-	24,191	-	24,191
Economic development	-	-	-	21,546	21,546
	80,608	12,200	24,191	21,546	138,545
	$ 82,551	$ 13,160	$ 28,186	$ 21,546	$ 145,443

CITY OF SODA SPRINGS

NON-MAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Airport	Insurance	Recreation	Greater Soda Springs Development Fund	Total Non-major Funds
REVENUES					
Property taxes	$ 43,355	$ 23,574	$ 38,043	$ -	$ 104,972
Intergovernmental revenues	-	1,339	-	-	1,339
Grants and contributions	105,151	-	-	-	105,151
Charges for services and other	14,888	-	24,243	-	39,131
Rent and lease income	2,135	-	-	-	2,135
Investment income	1,467	-	3,225	1,353	6,045
	166,996	24,913	65,511	1,353	258,773
EXPENDITURES					
General government	-	17,177	-	-	17,177
Airport	26,056	-	-	-	26,056
Culture and recreation	-	-	101,383	-	101,383
Capital outlay	-	-	89,070	-	89,070
	26,056	17,177	190,453	-	233,686
EXCESS REVENUES (EXPENDITURES)	140,940	7,736	(124,942)	1,353	25,087
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	111,940	-	111,940
	-	-	111,940	-	111,940
NET CHANGE IN FUND BALANCES	140,940	7,736	(13,002)	1,353	137,027
BEGINNING FUND BALANCE	(60,332)	4,464	37,193	20,193	1,518
ENDING FUND BALANCE	$ 80,608	$ 12,200	$ 24,191	$ 21,546	$ 138,545

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Members of the American Institute of Certified Public Accountants

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 Soda Springs, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Soda Springs, Idaho, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise City of Soda Springs, Idaho's basic financial statements and have issued our report thereon dated November 17, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Soda Springs, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

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.

Pocatello, Idaho
November 17, 2025