CITY OF STANLEY

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1-3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	6
Statement of Revenues, Expenditures, and Changes In Fund Balances	7-8
Notes to Financial Statements	9-21
Required Supplementary Information:	
Budgetary Comparison Schedules:	
General Fund	22
Street Fund	23
Cemetery Fund	24
Parks and Recreation Fund	25
Community Building Fund	26
Snowmobile Groomer Fund	27
Schedule of Employer's Share of Net Pension Liability	28
Schedule of Employer Contributions	29
Notes to Required Supplementary Information	30
Other Supplementary Information:	
Schedule of Expenditures by Object and Function - General Fund	31
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	32-33

Rexroat, Harberd & Assoc., P.A.

Certified Public Accountants

P.O. Box 7 - 129 North Buchanan - Jerome, Idaho 83338
Telephone 208-324-2391 Fax 208-324-8266

September 15, 2025

Independent Auditor's Report

Mayor and Council
City of Stanley
Stanley, Idaho 83278

Report on the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the City as of September 30, 2024, and the respective changes in financial position 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information as 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.

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

Other Information

Management is responsible for the other information included in these financial statements. The other information comprises the Schedule of Expenditures by Object and Function - General Fund but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2025, on our consideration of the City'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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's internal control over financial reporting and compliance.

Rexroat, Harberd & Assoc., P.A.

CITY OF STANLEY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Total Governmental
ASSETS:	
Cash and cash equivalents	$ 381,132
Receivables	36,438
Prepaid expenses	2,201
Patronage equity	11,796
Restricted assets:	
Cash and cash equivalents	1,340,120
Capital assets	518,110
Total assets	2,289,797
DEFERRED OUTFLOWS OF RESOURCES:	
Changes in pension assumptions or other inputs	2,681
Differences between expected and actual experience	10,776
Change in proportionate share percentage from prior years, net of accumulated amortization	6,244
Employer contributions to pension plan made subsequent to the measurement date for the net pension liability	4,594
Total deferred outflows of resources	24,295
LIABILITIES:	
Accounts payable	19,488
Accrued wages payable	4,756
Long-term liabilities:	
Current portion	350
Noncurrent portion	3,528
Net pension liability	67,687
Total liabilities	95,809
DEFERRED INFLOWS OF RESOURCES:	
Change in proportionate share percentage from prior years, net of accumulated amortization	15,896
Differences between projected and actual earnings on pension plan investments	1,229
	17,125
NET POSITION:	
Net investment in capital assets, net of related debt	517,760
Restricted	1,340,120
Unrestricted	343,278
Total net position	$ 2,201,158

The accompanying notes are an integral part of the financial statements

CITY OF STANLEY
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
General government	$ 338,361	$ 16,758	$ 2,000	$ -	$ (319,603)
Street services	93,926	-	-	-	(93,926)
Cemetery services	366	-	-	-	(366)
Parks and Recreation services	51,332	21,200	20,550	-	(9,582)
Community Building services	44,543	10,350	-	-	(34,193)
Snowmobile Groomer services	21,555	14,865	4,076	-	(2,614)
Total governmental activities	$ 550,083	$ 63,173	$ 26,626	$ -	(460,284)
General Revenues:					
Property and other taxes					642,838
Unrestricted investment earnings					52,506
Other income					22,793
Total general revenues and special items					718,137
Change in net position					257,853
Net position-beginning of year					1,943,305
Net position-end of year					$ 2,201,158

The accompanying notes are an integral part of the financial statements

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

ASSETS:	General	Street	Cemetery	Parks and Recreation	Community Building	Snowmobile Groomer	Total Governmental
Pooled cash and cash equivalents	$ 334,545	$ -	$ 13,622	$ 16,388	$ -	$ 16,271	$ 380,826
Non-pooled cash and cash equivalents	306	-	-	-	-	-	306
Receivables:							
Delinquent property taxes	161	-	-	-	-	-	161
Other	36,277	-	-	-	-	-	36,277
Prepaid expenses	2,201	-	-	-	-	-	2,201
Patronage equity	-	848	-	4,252	5,292	1,404	11,796
Restricted assets:							
Pooled cash and cash equivalents	1,322,046	-	-	18,074	-	-	1,340,120
TOTAL ASSETS	$ 1,695,536	$ 848	$ 13,622	$ 38,714	$ 5,292	$ 17,675	$ 1,771,687
LIABILITIES:							
Accounts payable - trade	$ 17,723	$ -	$ -	$ 1,396	$ 319	$ 50	$ 19,488
Accrued wages payable	2,677	173	-	1,116	790	-	4,756
TOTAL LIABILITIES	20,400	173	-	2,512	1,109	50	24,244
DEFERRED INFLOWS OF RESOURCES:							
Unavailable revenue - property taxes	161	-	-	-	-	-	161
TOTAL DEFERRED INFLOWS OF RESOURCES	161	-	-	-	-	-	161
FUND BALANCES:							
Nonspendable	2,201	-	-	-	-	-	2,201
Restricted	1,322,046	-	-	-	-	-	1,322,046
Committed	-	675	13,622	36,202	4,183	17,625	72,307
Unassigned	350,728	-	-	-	-	-	350,728
TOTAL FUND BALANCES	1,674,975	675	13,622	36,202	4,183	17,625	1,747,282
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 1,695,536	$ 848	$ 13,622	$ 38,714	$ 5,292	$ 17,675	$ 1,771,687

Reconciliation to the Statement of Net Position:	
Total Fund Balances - Governmental Funds	$ 1,747,282
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	518,110
Property tax revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred inflows of resources in the funds	161
Pension related deferred outflows and inflows of resources not reported in the funds	7,170
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	(71,565)
Total Net Position - Governmental Activities	$ 2,201,158

The accompanying notes are an integral part of the financial statements

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

REVENUES:	General	Street	Cemetery	Parks and Recreation	Community Building	Snowmobile Groomer	Total Governmental
Property taxes	$ 93,012	$ -	$ -	$ -	$ -	$ -	$ 93,012
Licenses and permits	9,793	-	-	-	-	14,865	24,658
State shared	71,920	9,912	-	-	-	-	81,832
Grant income	-	-	-	20,550	-	-	20,550
Rent	-	-	-	21,200	10,350	-	31,550
Interest	52,506	-	-	-	-	-	52,506
Option tax	467,951	-	-	-	-	-	467,951
Contributions	2,000	-	-	-	-	4,076	6,076
Refunds and reimbursements	6,965	-	-	-	-	-	6,965
Miscellaneous	20,825	94	-	979	771	124	22,793
Total revenue	724,972	10,006	-	42,729	11,121	19,065	807,893
EXPENDITURES:							
Current:							
Salaries	92,925	8,349	255	24,263	12,741	8,657	147,190
Personnel benefits	33,881	1,939	41	5,184	3,128	788	44,961
Mayor's expense	359	-	-	-	-	-	359
Office supplies	1,487	-	-	-	-	-	1,487
Postage and box rent	474	-	-	-	-	-	474
City Attorney	3,806	-	-	-	-	-	3,806
Custer County contract	56,000	-	-	-	-	-	56,000
Audit and accounting	42,169	-	-	-	-	-	42,169
Publishing expense	2,249	-	-	-	-	-	2,249
Code books	500	-	-	-	-	-	500
Software support	34,314	-	-	-	-	-	34,314
Travel and meetings	657	-	-	-	-	-	657
Dues and subscriptions	1,686	-	-	-	-	-	1,686
Telephone	3,375	-	-	-	-	220	3,595
Utilities	-	1,439	-	4,420	7,543	637	14,039
Repairs and maintenance	865	70,714	-	12,566	7,562	5,220	96,927
Permits and fees	25	-	-	-	-	-	25
Copying and printing	1,089	-	-	-	-	-	1,089
Community relations	40,559	-	-	-	-	-	40,559
Equipment lease	1,494	-	-	-	-	-	1,494
Insurance	9,498	-	-	-	-	-	9,498
Supplies	-	1,531	70	990	-	448	3,039
Fuel	-	-	-	-	-	3,984	3,984
911 service	1,109	-	-	-	-	-	1,109
Miscellaneous	4,291	-	-	-	210	-	4,501
Capital outlay	-	-	-	-	-	-	-
Total expenditures	332,812	83,972	366	47,423	31,184	19,954	515,711
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	392,160	(73,966)	(366)	(4,694)	(20,063)	(889)	292,182
OTHER FINANCING SOURCES (USES):							
Capital contributions	-	-	-	-	-	-	-
Transfers in (out)	(54,560)	52,934	-	-	1,626	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(54,560)	52,934	-	-	1,626	-	-
NET CHANGE IN FUND BALANCES	337,600	(21,032)	(366)	(4,694)	(18,437)	(889)	292,182
FUND BALANCE OCTOBER 1, 2023	1,337,375	21,707	13,988	40,896	22,620	18,514	1,455,100
FUND BALANCE SEPTEMBER 30, 2024	$ 1,674,975	$ 675	$ 13,622	$ 36,202	$ 4,183	$ 17,625	$ 1,747,282

Continued on next page

The accompanying notes are an integral part of the financial statements

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

Continued from previous page

Reconciliation to the Statement of Activities:	
Total net changes in fund balances - governmental funds	$ 292,182
Governmental funds report the acquisition or construction of capital assets as expenditures, while governmental activities report depreciation and amortization expense to allocate the cost of these assets over their estimated useful lives. In the current period, these amounts are:	
Capital outlay	-
Depreciation and amortization expense	(30,228)
Govenmental activities report a liability for compensated absences while governmental funds expense compensated absences as paid. The liability for compensated absences on the Statement of Net Position decreased by	2,509
Repayment of note principal is reported as an expenditure in the governmental funds, but the payment reduces long-term liabilities in the Statement of Net Assets	1,343
Property taxes not collected for several months after the fiscal year ends are not considered "available" revenues in the governmental funds but are considered revenues in the Statement of Activities	43
Changes in pension related deferred outflows of resources, deferred inflows of resources, and net pension liability do not require the use of current financial resources and are not reported in the governmental funds	(7,996)
Change in net position of governmental activities	$ 257,853

The accompanying notes are an integral part of the financial statements

CITY OF STANLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

Note 1 - Summary of Significant Accounting Policies

A) Basis of Presentation

The financial statements of the City of Stanley (City) are presented in conformity with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources. GASB is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments through its pronouncements.

B) Financial Reporting Entity

The City of Stanley is located in Custer County in central Idaho. The City provides various services and facilities including police protection, street, cemetery, parks and recreation, community building and snowmobile groomer maintenance. Operations of the City are the responsibility of a mayor and four council members.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading or incomplete. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing board.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that there are no entities which would be component units of the City.

C) Government-Wide and Fund Financial Statements

The City's financial statements include the activities of the City. The City's *government-wide financial statements* provide both short-term and long-term information about the City's overall financial status. *Fund financial statements* focus on the individual activities of City government, reporting the City's operations in more detail than the government-wide financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two presented as net position (deficit). Net position is reported as one of three categories: invested in capital assets, net of related debt; restricted; or unrestricted. Restricted net position is further classified as either net position restricted by enabling legislation or net position that is otherwise restricted.

The *statement of activities* presents information showing how the net position changed during the most recent year. All changes in net position are reported as soon as the underlying event occurs that gives rise to the change, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Amounts reported as program revenues on the government-wide financial statements include (a) charges for services - amounts received from customers or applicants who purchase, use or directly benefit from the goods, services or privileges provided by the City, (b) program-specific operating grants and contributions, and (c) program-specific capital grants and contributions. General revenues consist of taxes and all other revenues that do not meet the definition of program revenues. Special items are significant transactions or events within the control of management that are either unusual in nature or infrequent in occurrence.

Fund financial statements. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City has only governmental funds and has no fiduciary funds or proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements use a current financial resources measurement focus and the modified accrual basis of accounting, focusing on the near-term inflows and outflows of spendable resources, and balances of spendable resources available at fiscal year end. The City has the following major governmental funds:

- *General*-the principal operating fund of the City used to account for and report all financial resources not accounted for and reported in another fund.
- *Street*-a special revenue fund used to account for and report the receipt of revenues committed to expenditure for street maintenance functions.
- *Cemetery*-a special revenue fund used to account for and report receipts of revenues committed to expenditure for cemetery maintenance.
- *Parks and Recreation*-a special revenue fund used to account for and report receipts of revenues committed to park maintenance.
- *Community Building*-a special revenue fund used to account for and report receipts of revenues committed to community building maintenance.
- *Snowmobile Groomer*-a special revenue fund used to account for and report receipts of revenues committed to snowmobile groomer purposes.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due.

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 decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

D) Assets, Liabilities, and Net Position/Equity

1. Inventories

The City does not capitalize, and reflect as inventory, expendable supplies on hand at fiscal year end. Materials and supplies are recorded as expenses of the period.

2. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

3. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported in the government-wide financial statements. Assets are capitalized when they have a useful life in excess of one year and have a cost of $5,000 or more. Purchased or constructed capital assets are valued at cost or estimated historical cost if actual historical cost is unavailable. Donated capital assets are recorded at their fair value at the time received.

Exhaustible capital assets are depreciated on the straight-line method over the asset's estimated useful life. Depreciation expense is recorded in the government-wide financial statements. There is no depreciation recorded for land, construction in process, or other capital assets defined as inexhaustible.

4. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in any of the funds. This is in conformance with Idaho State Statutes which require that appropriations lapse at the end of a fiscal year and are not available to be carried forward to be used in addition to the succeeding year's appropriation.

5. Long-term Debt Obligations

In the government-wide financial statements long-term debt is reported as a liability. Issuance costs are deferred and amortized using the effective interest rate method. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources and other financing uses, respectively.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, pension related items, as listed in Note 11, are the only items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position and the balance sheet may include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The balance sheet reports property tax revenues which are unavailable (will not be collected soon enough after year-end to pay for the current year's expenditures) as deferred inflows of resources.

7. 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. See Note 11 for a more detailed description of the City of Stanley's participation in the Public Employee Retirement System of Idaho.

8. Compensated Absences

The City accrues accumulated unpaid vacation and comp time as well as associated employer-related costs when earned by the employee. Upon termination, employees are paid full value for any accrued vacation and comp time earned. Vacation and comp time that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability. Vacation and comp time that is not expected to be liquidated with expendable available financial resources is maintained separately and represents a reconciling item between the fund and government-wide presentations.

9. Property Tax Revenues

Property taxes for each year are levied in September of that year with the first half of real property taxes, along with all personal property and mobile home taxes, due on December 20th. Such taxes not paid on or before December 20th are considered to be delinquent. The second half of the real property taxes are due June 20th of the following year and are considered to be delinquent on June 21st. An initial late penalty of 2% of tax plus 1% per month interest charge is assessed on all delinquent taxes. A tax lien is filed for properties whose taxes become three years delinquent. Taxes collected by the County are remitted to the City on a monthly basis.

Property taxes receivable for the current year, that are expected to be collected after the available period (usually 60 days), are recorded as unavailable revenue.

10. Interfund Activity

Interfund activity is reported as either loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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

F) Upcoming Accounting Pronouncements
GASB Statement No. 101, *Compensated Absences*, will be effective for reporting periods beginning after December 15, 2023. This Statement updates the recognition and measurement guidance for compensated absences. It requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability, as long as it is identified as a net change. The City is evaluating the impact that this GASB statement will have on its financial reporting.

Note 2 - Cash and Investments

Cash includes amounts in demand deposits and short term-investments. Idaho State statute authorizes the City to invest in a number of types of investments, including obligations of the U.S. Treasury, the State of Idaho or county, city or other taxing districts of the State of Idaho, commercial paper, corporate bonds, and repurchase agreements.

For deposits, custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. As of September 30, 2024, the carrying amount of the City's deposits with financial institutions (after considering outstanding and other reconciling items) was $623,331 and the bank balance was $585,047, of which $272,158 was uninsured and uncollateralized.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The elected State Treasurer, following Idaho Code Section 67-2328, is authorized to sponsor an investment pool in which the City voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight is with the State Treasurer and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name and the fair value of the City's position in the external investment pool is the same as the value of the pool shares. The City's investment in the State of Idaho Local Government Investment Pool as of September 30, 2024, was $1,097,615.

Total cash and investments:	
Deposits with financial institutions	$ 623,331
Petty cash	306
Local Government Investment Pool, at fair value	1,097,615
	$ 1,721,252
Reconciliation of cash and investments to balance sheet:	
Pooled cash in governmental funds	$ 380,826
Non-pooled cash	306
Pooled cash in restricted assets	1,340,120
	$ 1,721,252

Reconciliation of cash and investments to statement of net position:	
Cash and cash equivalents	$ 381,132
Restricted cash and cash equivalents	1,340,120
	$ 1,721,252

The City receives peak net cash inflows during the second quarter of the fiscal year. Cash and investments meeting the criteria as uninsured may, at times during the fiscal year, significantly exceed the uninsured balance at the September 30th fiscal year end.

Of the carrying amount of cash and investments, $1,322,046 in the General Fund was restricted to pay for future allowed Option Tax expenditures due to Option Tax revenue that was collected in excess of allowed expenditures during the current and prior fiscal years. In the Parks and Recreation Fund, $18,074 is restricted for the specific use of grant funds received.

The City does not have a custodial credit risk policy or a concentration of credit risk policy. Cash and investments are shown at fair value.

Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

Note 3 - Capital Assets

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

	Balance October 1, 2023	Increases	Decreases	Balance September 30, 2024
Capital Assets not being Depreciated:				
Land	$ 15,000	$ ...	$ ...	$ 15,000
Capital Assets being Depreciated and Amortized:				
Buildings	817,073	...	...	817,073
Machinery and equipment	78,736	...	...	78,736
Infrastructure	349,234	...	...	349,234
Right to use leased assets - Equipment	4,145	...	...	4,145
Total Capital Assets being Depreciated and Amortized	1,249,188	...	...	1,249,188
Less Accumulated Depreciation and Amortization:				
Buildings	561,523	15,432	...	576,955
Machinery and equipment	73,255	1,370	...	74,625
Infrastructure	78,521	12,150	...	90,671
Right to use leased assets - Equipment	2,551	1,276	...	3,827
Total Accumulated Depreciation and Amortization	715,850	30,228	...	746,078
Total Capital Assets being Depreciated and Amortized, net	533,338	(30,228)	...	503,110
Total Capital Assets	$ 548,338	$ (30,228)	$ ...	$ 518,110

Depreciation and amortization expense was charged as follows:

General fund	$ 1,405
Street fund	9,954
Parks and Recreation fund	3,909
Community Building fund	13,359
Snowmobile Groomer fund	1,601
	$ 30,228

Note 4 - Changes in Long-Term Liabilities (Governmental Activities)

Long-term liability activity for the year ended September 30, 2024, was as follows:

	Balance October 1, 2023	Additions	Reductions	Balance September 30, 2024	Amounts Due Within One Year
Future Compensated absences	$ 6,037	$ 3,528	$ 6,037	$ 3,528	$ ...
Lease payable	1,693	...	1,343	350	350
	$ 7,730	$ 3,528	$ 7,380	$ 3,878	$ 350

Future compensated absences - In accordance with GASB Statement Number 16, a liability will be accrued for employee rights to receive compensation for future absences. The liability for compensated absences at September 30, 2024, was $3,528.

Lease - A copier was leased for a term of five years at a fixed interest rate of 6.75% and requires monthly payments of $118 which began in January 2020. The lease is not renewable and the City will not acquire the copier at the end of the lease. The liability for the lease at September 30, 2024, was $350.

The long-term liabilities will be paid out of future City revenue. Maturity in future fiscal years is as follows:

Year Ended Sept. 30,	Principal	Interest	Total
2025	$ 350	$ 4	$ 354
	350	$ 4	$ 354
Accrued compensated absences	3,528		
	$ 3,878		

Note 5 - Individual Fund Deficits

The Street, Cemetery, Parks and Recreation, Community Building and Snowmobile Groomer funds all showed an excess of expenditures over revenues.

Note 6 - Risk

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to cover these risks.

Note 7 - Special Assessment Debt

The City is not obligated, in any manner, for special assessment debt.

Note 8 - Fund Balances

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, committed, assigned, and unassigned fund balance classifications.

- *Nonspendable* - amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- *Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- *Committed* - amounts that can be used only for specific purposes determined by a formal action of the City Council which is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council.
- *Assigned* - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, only the City Council may assign amounts for specific purposes.
- *Unassigned* - all other spendable amounts.

As of September 30, 2024, fund balances are composed of the following:

	General	Street	Cemetery	Parks and Recreation	Community Building	Snowmobile Groomer
Nonspendable:						
Prepaid expense	$ 2,201	$ ...	$ ...	$ ...	$ ...	$ ...
Restricted:						
Option Tax revenues unspent at year end	1,322,046	...	...	...	...	...
Committed:						
Street expenditures	...	675	...	...	...	...
Cemetery expenditures	...	...	13,622	...	...	...
Parks and Recreation expenditures	...	...	...	36,202	...	...
Community Building expenditures	...	...	...	...	4,183	...
Snowmobile Groomer expenditures	...	...	...	...	...	17,625
Unassigned	350,728	...	...	...	...	...
Total fund balances	$1,674,975	$ 675	$13,622	$36,202	$ 4,183	$17,625

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

Note 9 - Option Tax

The City collects a 2.5% Option Tax on all sales made within the City with some exceptions. The Option Tax collected is allowed to be spent for planning, improvements, operation and maintenance of the community building and recreation facilities, including Pioneer Park, Valley Creek Preserve and the Central Idaho Dark Sky Reserve; emergency services and law enforcement; capital improvements and maintenance of roads; direct costs to collect and enforce the Option Tax; promotion

for the City, including support for community based organizations, except those receiving money from taxing districts; special events, festivals, and other such activities that enhance business and provide tax revenues for the City; matching funds for grants used to further the goals of the Stanley Comprehensive Plan; costs for planning, design, construction and maintenance of water and sewer systems and other infrastructure to support workforce housing; costs for planning, design, construction, maintenance and supervision of workforce housing built on City-owned property that is owned and managed by the City; and support for a centralized recycling program.

The following schedule shows the amount of Option Tax collected and expenses paid from the Option Tax revenue during the year ended September 30, 2024:

	General Fund	Street Fund	Parks and Recreation Fund	Community Building Fund	Snowmobile Groomer Fund
Carryover from prior year	$1,022,087	$ ...	$ ...	$ ...	$ ...
Option tax collected (cash basis)	526,967	...	...	...	...
Transfers	(54,560)	52,934	...	1,626	...
Less allowed expenditures:					
Community relations	(33,378)	...	...	...	...
Law enforcement expenditures less 911 Service reimbursement and Motor Vehicle fines	(45,232)	...	...	...	...
Direct Option Tax expenditures	(93,838)	...	...	...	...
Street expenditures less other Street Fund revenue	...	(73,966)	...	...	...
Parks and Recreation expenditures less other revenue	...	...	(4,694)	...	...
Community Building expenditures less other revenue	...	...	...	(20,063)	...
Snowmobile Groomer expenditures less other revenue	...	...	...	...	(889)
Option Tax in excess of (less than) allowed expenditures	$1,322,046	$(21,032)	$ (4,694)	$(18,437)	$ (889)

Note 10 - Interfund Transactions

During the year ended September 30, 2024, the General Fund transferred $52,934 to the Street Fund and $1,626 to the Community Building Fund. These transfers were made to move Option Tax revenue collected in the General Fund to the other funds to cover costs allowed by the Option Tax ordinance.

Note 11 - Pension Plan

Plan Description

The City contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

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 for 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 5 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% 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) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees. As of June 30, 2024, it was 6.71% for employees. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% for general employees. The City’s contributions were $9,914 for the year ended June 30, 2024.

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At September 30, 20244 the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on its 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 .00180949%.

For the year ended September 30, 2024, the City recognized a pension expense of $19,467. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in pension assumptions or other inputs	$ 2,681	$ ...
Difference between projected and actual earnings on pension plan investments	...	1,229
Differences between expected and actual experience	10,776	...
Change in proportionate share percentage from prior years, net of accumulated amortization	6,244	15,896
Employer contributions subsequent to the measurement date	4,594	...
	$ 24,295	$ 17,125

The $4,594 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) is 4.4 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 (using future measurement dates for PERSI):

Year Ended June 30:	
2025	$ 3,341
2026	12,620
2027	(2,176)
2028	(1,556)

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

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

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

Contributing Members, Service Retirement Members, and Beneficiaries
General Employees and All Beneficiaries - Males Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries - 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%

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

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These

ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of the System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2024.

	2024	
Asset Class:	DB Plans	Sick Leave
Fixed Income	30.00%	50.00%
US/Global Equity	55.00%	39.30%
International Equity	15.00%	10.70%
Cash	0.00%	0.00%
Total	100.00%	100.00%

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$128,626	$ 67,687	$ 17,915

Pension plan fiduciary net position
Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payables to the pension plan
At September 30, 2024, the City reported no payables to the defined benefit pension plan for legally required employer contributions or for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

CITY OF STANLEY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		Over (Under)
REVENUE:				
Property taxes	$ 97,525	$ 97,525	$ 93,012	$ (4,513)
Licenses and permits	13,100	13,100	9,793	(3,307)
State shared	73,949	73,949	71,920	(2,029)
Grant income	500,000	500,000	-	(500,000)
Interest	22,600	22,600	52,506	29,906
Option tax	600,000	600,000	467,951	(132,049)
Contributions	1,000	1,000	2,000	1,000
Refunds and reimbursements	31,800	31,800	6,965	(24,835)
Fines	2,000	2,000	-	(2,000)
Miscellaneous	4,004,725	4,004,725	20,825	(3,983,900)
	5,346,699	5,346,699	724,972	(4,621,727)
EXPENDITURES:				
Legislative	11,800	11,800	3,586	(8,214)
Executive	21,500	21,500	6,331	(15,169)
Administration	666,590	666,590	225,227	(441,363)
Community Relations	3,877,940	3,877,940	40,559	(3,837,381)
Law enforcement	69,100	69,100	57,109	(11,991)
Total expenditures	4,646,930	4,646,930	332,812	(4,314,118)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	699,769	699,769	392,160	(307,609)
OTHER FINANCING SOURCES (USES):				
Capital contributions	-	-	-	-
Transfers in (out)	(348,000)	(348,000)	(54,560)	293,440
TOTAL OTHER FINANCING SOURCES (USES)	(348,000)	(348,000)	(54,560)	293,440
NET CHANGES IN FUND BALANCE	$ 351,769	$ 351,769	$ 337,600	$ (14,169)

CITY OF STANLEY
BUDGETARY COMPARISON SCHEDULE
STREET FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		Over (Under)
REVENUE:				
State shared	$ 9,000	$ 9,000	$ 9,912	$ 912
Interest	100	100	-	(100)
Grant income	40,000	40,000	-	(40,000)
Miscellaneous	100	100	94	(6)
	49,200	49,200	10,006	(39,194)
EXPENDITURES:				
Salaries	15,000	15,000	8,349	(6,651)
Personnel benefits	6,300	6,300	1,939	(4,361)
Utilities	1,500	1,500	1,439	(61)
Repairs and maintenance	78,000	78,000	70,714	(7,286)
Traffic control and signs	10,000	10,000	1,531	(8,469)
Professional fees	5,000	5,000	-	(5,000)
Grant expenditures	40,000	40,000	-	(40,000)
Capital outlay	50,000	50,000	-	(50,000)
Total expenditures	205,800	205,800	83,972	(121,828)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(156,600)	(156,600)	(73,966)	82,634
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	165,000	165,000	52,934	(112,066)
TOTAL OTHER FINANCING SOURCES (USES)	165,000	165,000	52,934	(112,066)
NET CHANGES IN FUND BALANCE	$ 8,400	$ 8,400	$ (21,032)	$ (29,432)

CITY OF STANLEY
BUDGETARY COMPARISON SCHEDULE
CEMETERY FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		Over (Under)
REVENUE:				
Sale of cemetery plots	$ 500	$ 500	$ -	$ (500)
Interest	50	50	-	(50)
	550	550	-	(550)
EXPENDITURES:				
Salaries	500	500	255	(245)
Personnel benefits	475	475	41	(434)
Refund cemetery plots	250	250	-	(250)
Supplies	200	200	70	(130)
Fence maintenance	200	200	-	(200)
Capital outlay	500	500	-	(500)
Total expenditures	2,125	2,125	366	(1,759)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(1,575)	(1,575)	(366)	1,209
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGES IN FUND BALANCE	$ (1,575)	$ (1,575)	$ (366)	$ 1,209

CITY OF STANLEY
BUDGETARY COMPARISON SCHEDULE
PARKS AND RECREATION FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
REVENUE:				
Rent and security deposits	$ 16,000	$ 16,000	$ 21,200	$ 5,200
Grant income and donations	152,500	152,500	20,550	(131,950)
Interest	80	80	-	(80)
Miscellaneous	200	200	979	779
	168,780	168,780	42,729	(126,051)
EXPENDITURES:				
Salaries	32,000	32,000	24,263	(7,737)
Personnel benefits	10,250	10,250	5,184	(5,066)
Supplies	2,000	2,000	990	(1,010)
Housing subsidy	-	-	-	-
Contract services	5,000	5,000	-	(5,000)
Utilities	5,000	5,000	4,420	(580)
Repairs and maintenance	16,500	16,500	11,929	(4,571)
Vehicle maintenance	3,500	3,500	637	(2,863)
Professional fees	30,000	30,000	-	(30,000)
Security deposits returned	1,000	1,000	-	(1,000)
Capital outlay	170,000	170,000	-	(170,000)
Total expenditures	275,250	275,250	47,423	(227,827)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(106,470)	(106,470)	(4,694)	101,776
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	108,000	108,000	-	(108,000)
TOTAL OTHER FINANCING SOURCES (USES)	108,000	108,000	-	(108,000)
NET CHANGES IN FUND BALANCE	$ 1,530	$ 1,530	$ (4,694)	$ (6,224)

CITY OF STANLEY
BUDGETARY COMPARISON SCHEDULE
COMMUNITY BUILDING FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		Over (Under)
REVENUE:				
Building rent and security deposits	$ 9,500	$ 9,500	$ 10,350	$ 850
Interest	40	40	-	(40)
Grant income	50,000	50,000	-	(50,000)
Miscellaneous	500	500	771	271
	60,040	60,040	11,121	(48,919)
EXPENDITURES:				
Salaries	20,000	20,000	12,741	(7,259)
Personnel benefits	6,000	6,000	3,128	(2,872)
Utilities	8,000	8,000	7,543	(457)
Repairs and maintenance	10,000	10,000	7,562	(2,438)
Water well testing	120	120	210	90
Permits	25	25	-	(25)
Miscellaneous	6,050	6,050	-	(6,050)
Capital outlay	70,000	70,000	-	(70,000)
Total expenditures	120,195	120,195	31,184	(89,011)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(60,155)	(60,155)	(20,063)	40,092
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	65,000	65,000	1,626	(63,374)
TOTAL OTHER FINANCING SOURCES (USES)	65,000	65,000	1,626	(63,374)
NET CHANGES IN FUND BALANCE	$ 4,845	$ 4,845	$ (18,437)	$ (23,282)

CITY OF STANLEY
BUDGETARY COMPARISON SCHEDULE
SNOWMOBILE GROOMER FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		Over (Under)
REVENUE:				
Licenses and permits	$ 20,000	$ 20,000	$ 14,865	$ (5,135)
Interest	50	50	-	(50)
Grant income	5,000	5,000	-	(5,000)
Contributions	4,500	4,500	4,076	(424)
Refunds and reimbursements	500	500	-	(500)
Miscellaneous	-	-	124	124
	30,050	30,050	19,065	(10,985)
EXPENDITURES:				
Salaries	15,000	15,000	8,657	(6,343)
Personnel benefits	2,000	2,000	788	(1,212)
Telephone	1,000	1,000	220	(780)
Utilities	1,500	1,500	637	(863)
Repairs and maintenance	1,500	1,500	5,220	3,720
Supplies	1,000	1,000	448	(552)
Fuel expense	12,000	12,000	3,984	(8,016)
Miscellaneous	500	500	-	(500)
Capital outlay	5,000	5,000	-	(5,000)
Total expenditures	39,500	39,500	19,954	(19,546)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(9,450)	(9,450)	(889)	8,561
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	10,000	10,000	-	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)	10,000	10,000	-	(10,000)
NET CHANGES IN FUND BALANCE	$ 550	$ 550	$ (889)	$ (1,439)

CITY OF STANLEY
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - BASE PLAN
SEPTEMBER 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017
Employer's portion of the net pension liability	0.00180949%	0.00262036%	0.00254796%	0.00152249%	0.00136890%	0.00140790%	0.00143970%	0.00135500%
Employer's proportionate share of the net pension liability (asset)	$ 67,687	$ 104,570	$ 100,358	$ (1,202)	$ 31,788	$ 16,071	$ 21,236	$ 21,298
Employer's covered-employee payroll	$ 88,676	$ 111,415	$ 100,477	$ 56,817	$ 48,744	$ 47,818	$ 46,325	$ 42,085
Employer's proportional share of the net pension liability as a percentage of its covered-employee payroll	76.33%	93.86%	99.88%	-2.12%	65.21%	33.61%	45.84%	50.61%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	90.68%	90.68%

* 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 City will present information for those years for which information is available.

Data reported is measured as of September 30, 2024

CITY OF STANLEY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - BASE PLAN
SEPTEMBER 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily required contribution	$ 9,914	$ 13,303	$ 11,997	$ 6,784	$ 5,820	$ 5,413	$ 5,244	$ 4,764
Contribution in relation to the statutorily required contribution	(9,914)	(13,303)	(11,997)	(6,784)	(5,820)	(5,413)	(5,244)	(4,764)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 88,676	$ 111,415	$ 100,477	$ 56,817	$ 48,744	$ 47,818	$ 46,325	$ 42,085
Contributions as a percentage of covered-employee payroll	11.18%	11.94%	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%

* 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 City will present information for those years for which information is available.

Data reported is measured as of September 30, 2024

CITY OF STANLEY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

NOTE 1 - BUDGETARY INFORMATION

A) Budgetary-GAAP Reporting Reconciliation

The accompanying Budgetary Comparison Schedules for the General, Street, Cemetery, Parks and Recreation, Community Building and Snowmobile Groomer Funds compare the legally adopted budget with actual data on a budgetary basis. Accounting principles applied for purposes of developing data on the budgetary basis do not differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP).

B) Budgetary Policies

The City prepares an annual budget of revenue and expenditures prior to the beginning of the fiscal year. The budget is prepared on the modified accrual basis of accounting for all funds. Budget figures are based on prior levels of revenue and expenditures taking into account specific items which may be planned in advance by the City such as capital outlay expenditures. Any excess of budgeted expenditures over budgeted revenue are temporary situations and are budgeted so as to utilize cash balances in the individual fund.

C) Excess of Expenditures Over Appropriations

For the year ended September 30, 2024, there were no funds with an excess of expenditures over appropriations.

NOTE 2 - PENSION INFORMATION

A) Changes of benefit terms

None to report.

B) Changes in Composition of the Population Covered by the Benefit Terms

None to report.

C) Changes of Assumptions

None to report.

CITY OF STANLEY
SCHEDULE OF EXPENDITURES BY OBJECT AND FUNTION
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	Legislative	Executive	Administrative	Community Relations	Law Enforcement	Total
Current:						
Salaries	$ 2,880	$ 4,800	$ 85,245	$ -	$ -	$ 92,925
Personnel benefits	706	1,172	32,003	-	-	33,881
Mayor's expense	-	359	-	-	-	359
Office supplies	-	-	1,487	-	-	1,487
Postage and box rent	-	-	474	-	-	474
City Attorney	-	-	3,806	-	-	3,806
Custer County contract	-	-	-	-	56,000	56,000
Audit expense	-	-	7,184	-	-	7,184
Accounting services	-	-	34,985	-	-	34,985
Publishing expense	-	-	2,249	-	-	2,249
Code books	-	-	500	-	-	500
Software support	-	-	34,314	-	-	34,314
Travel and meetings	-	-	657	-	-	657
Dues and memberships	-	-	1,686	-	-	1,686
Telephone	-	-	3,375	-	-	3,375
Repairs and maintenance	-	-	865	-	-	865
Permits and fees	-	-	25	-	-	25
Copying and printing	-	-	1,089	-	-	1,089
Equipment lease	-	-	1,494	-	-	1,494
Insurance	-	-	9,498	-	-	9,498
Public & community relations	-	-	-	3,729	-	3,729
Chamber of Commerce funding	-	-	-	26,188	-	26,188
Fireworks program funding	-	-	-	9,970	-	9,970
Workforce housing	-	-	-	172	-	172
CEDA support	-	-	-	-	-	-
Winter Event expenses	-	-	-	500	-	500
911 Service	-	-	-	-	1,109	1,109
Miscellaneous	-	-	4,291	-	-	4,291
Total current	3,586	6,331	225,227	40,559	57,109	332,812
Capital outlay	-	-	-	-	-	-
	$ 3,586	$ 6,331	$ 225,227	$ 40,559	$ 57,109	$ 332,812

Rexroat, Harberd & Assoc., P.A.

Certified Public Accountants

P.O. Box 7 - 129 North Buchanan - Jerome, Idaho 83338
Telephone 208-324-2391 Fax 208-324-8266

September 15, 2025

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Mayor and Council
City of Stanley
Stanley, Idaho 83278

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 and each major fund of the City of Stanley as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated September 15, 2025.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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 the City'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 City'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.

