

CITY OF WILDER, IDAHO

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2022

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ZWYGART JOHN

CERTIFIED PUBLIC ACCOUNTANTS

Zwygart John & Associates CPAs, PLLC

16130 North Merchant Way, Suite 120 ♦ Nampa, Idaho 83687

Phone: 208-459-4649 ♦ FAX: 208-229-0404

Independent Auditor's Report

Honorable Mayor
and City Council
Wilder, Idaho

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the City of Wilder, Idaho (the City) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County'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, the discretely presented component unit, and the remaining fund information of the City of Wilder, Idaho, as of September 30, 2022, 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 (GAAS) 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 Idaho County, Idaho, 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; this includes 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 of Wilder, Idaho's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 of Wilder, Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Wilder, Idaho'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, schedule of the City's proportionate share of the net pension liability, and the schedule of City contributions on pages 34 through 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wilder, Idaho's basic financial statements. The schedules of revenue by source and expenditures by object are presented for purposes of additional analysis and are not a required part of the basic financial statements

The schedules of revenue by source and expenditure by object are 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. Such 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 schedules of revenue by source and expenditures by object 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 August 15, 2023, on our consideration of the City of Wilder, 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 the City of Wilder, Idaho's internal control over financial reporting and compliance.

Zwyzart John & Associates, CPAs, PLLC

Nampa, Idaho
August 15, 2023

City of Wilder, Idaho
Statement of Net Position
September 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wilder Housing Authority
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 712,497	\$ 2,275,795	\$ 2,988,292	\$ 403,441
Investments	49,023	46,763	95,786	-
Property Taxes Receivable, Net	21,720	-	21,720	-
Accounts Receivable, Net	-	79,851	79,851	2,339
Security Deposit Accounts	-	-	-	78,661
Prepaid Items	45,605	25,632	71,237	-
Due from Other Governments	138,012	-	138,012	-
Noncurrent Assets:				
Restricted Cash	-	120,822	120,822	147,508
Capital Assets:				
Land	61,007	81,566	142,573	108,486
Buildings and Improvements, Net	335,900	1,605,973	1,941,873	614,753
Equipment, Net	50,426	362,764	413,190	37,565
Total Capital Assets	447,333	2,050,303	2,497,636	760,804
Total Assets	1,414,190	4,599,166	6,013,356	1,392,753
Deferred Outflows				
Pension Related Items	248,067	116,739	364,806	-
Total Deferred Outflows	248,067	116,739	364,806	-
Liabilities				
Current Liabilities:				
Accounts Payable	43,057	67,367	110,424	60,640
Salaries and Benefits Payable	18,262	6,595	24,857	-
Due to Other Governments	634	-	634	-
Customer Deposits	-	43,705	43,705	70,570
Prepaid Rent	-	-	-	22,422
Accrued Interest Payable	-	30,644	30,644	3,313
Noncurrent Liabilities:				
Portion Due or Payable Within One Year:				
Bond Payable	-	54,840	54,840	19,294
Compensated Absences	7,458	9,256	16,714	-
Portion Due or Payable After One Year:				
Bond Payable	-	1,350,335	1,350,335	708,286
Compensated Absences	3,729	4,628	8,357	-
Net Pension Liability	462,833	217,806	680,639	-
Total Liabilities	535,973	1,785,176	2,321,149	884,525
Deferred Inflows				
Pension Related Items	2,067	972	3,039	-
Total Deferred Inflows	2,067	972	3,039	-
Net Position				
Invested in Capital Assets, Net of Related Debt	447,333	645,128	1,092,461	33,224
Restricted for:				
Debt Reserve	-	120,822	120,822	147,508
Roads and Streets	277,649	-	277,649	-
Parks	41,623	-	41,623	-
Unrestricted (Deficit) Surplus	357,612	2,163,807	2,521,419	327,496
Total Net Position	\$ 1,124,217	\$ 2,929,757	\$ 4,053,974	\$ 508,228

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

City of Wilder, Idaho
Statement of Activities
For the Year Ended September 30, 2022

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities		Total
Primary Government:								
Governmental Activities:								
Administrative	\$ 168,535	\$ -	\$ -	\$ -	\$ (168,535)	\$ -	\$ (168,535)	
General	98,413	131,815	-	96,064	129,466	-	129,466	
Planning and Zoning	74,979	-	-	-	(74,979)	-	(74,979)	
Police	525,884	69,243	-	-	(456,641)	-	(456,641)	
Parks	22,859	-	-	172	(22,687)	-	(22,687)	
Streets	127,968	-	-	50,000	(77,968)	-	(77,968)	
Wilder Housing	865,774	843,165	-	-	(22,609)	-	(22,609)	
Total Governmental Activities	<u>1,884,412</u>	<u>1,044,223</u>	<u>-</u>	<u>146,236</u>	<u>(693,953)</u>	<u>-</u>	<u>(693,953)</u>	
Business-type Activities:								
Water	459,518	404,821	-	100,000	-	45,303	45,303	
Sewer	523,255	534,047	-	-	-	10,792	10,792	
Sanitation	160,606	168,150	-	-	-	7,544	7,544	
Irrigation	63,490	54,606	-	-	-	(8,884)	(8,884)	
Total Business-type Activities	<u>1,206,869</u>	<u>1,161,624</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>54,755</u>	<u>54,755</u>	
Total Primary Government	<u>\$ 3,091,281</u>	<u>\$ 2,205,847</u>	<u>\$ -</u>	<u>\$ 246,236</u>	<u>(693,953)</u>	<u>54,755</u>	<u>(639,198)</u>	
Component Unit								
Wilder Housing Authority	<u>\$ 893,517</u>	<u>\$ 1,014,853</u>	<u>\$ -</u>	<u>\$ -</u>			<u>\$ 121,336</u>	
General Revenues:								
Property Taxes					385,680	-	385,680	-
State Sources					422,651	-	422,651	-
Other					35,757	186	35,943	-
Sale of Capital Assets					(6,146)	(232)	(6,378)	-
Unrestricted Investment Earnings					(6,069)	9,289	3,220	117
Total General Revenues and Special Items					<u>831,873</u>	<u>9,243</u>	<u>841,116</u>	<u>117</u>
Change in Net Position					<u>137,920</u>	<u>63,998</u>	<u>201,918</u>	<u>121,453</u>
Net Position, Beginning of Year - Previously					<u>986,297</u>	<u>2,861,759</u>	<u>3,848,056</u>	<u>264,471</u>
Prior Period Adjustment					<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>122,304</u>
Net Position, Beginning of Year					<u>986,297</u>	<u>2,865,759</u>	<u>3,852,056</u>	<u>386,775</u>
Net Position, End of Year					<u>\$ 1,124,217</u>	<u>\$ 2,929,757</u>	<u>\$ 4,053,974</u>	<u>\$ 508,228</u>

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

City of Wilder, Idaho
Balance Sheet -
Governmental Funds
September 30, 2022

	General	Roads and Streets	Parks	Total Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 402,732	\$ 267,447	\$ 42,318	\$ 712,497
Investments	33,625	15,398	-	49,023
Receivables, Net:				
Property Tax	20,344	-	1,376	21,720
Prepaid Items	38,454	6,451	700	45,605
Due from Other Governments	138,012	-	-	138,012
Total Assets	<u>\$ 633,167</u>	<u>\$ 289,296</u>	<u>\$ 44,394</u>	<u>\$ 966,857</u>
Liabilities				
Accounts Payable	\$ 38,319	\$ 4,308	\$ 430	\$ 43,057
Due to Other Governments	634	-	-	634
Salaries and Benefits Payable	17,098	888	276	18,262
Total Liabilities	<u>56,051</u>	<u>5,196</u>	<u>706</u>	<u>61,953</u>
Deferred Inflows				
Unavailable Revenue - Property Taxes	<u>20,193</u>	<u>-</u>	<u>1,365</u>	<u>21,558</u>
Fund Balances				
Nonspendable:				
Prepays	38,454	6,451	700	45,605
Restricted	-	277,649	41,623	319,272
Unassigned	518,469	-	-	518,469
Total Fund Balances	<u>556,923</u>	<u>284,100</u>	<u>42,323</u>	<u>883,346</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 633,167</u>	<u>\$ 289,296</u>	<u>\$ 44,394</u>	<u>\$ 966,857</u>

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

City of Wilder, Idaho
 Reconciliation of the Balance Sheet of the
 Governmental Funds to the Statement of Net Position
 September 30, 2022

Total Fund Balances - Governmental Funds \$ 883,346

Amounts reported for governmental activities in the Statement of Net Position are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. Those assets consist of:

Land	\$ 61,007	
Buildings and Improvements, Net of \$167,121 accumulated depreciation	335,900	
Equipment, Net of \$181,457 accumulated depreciation	<u>50,426</u>	
		447,333

Property taxes receivable will be collected this year, but are not available soon enough to pay for current period expenditures and, therefore, are deferred in the funds. 21,558

Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Compensated Absences	<u>\$ (11,187)</u>	
		(11,187)

The City participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.

Net Pension Liability	\$ (462,833)	
Pension Related Deferred Inflows	(2,067)	
Pension Related Deferred Outflows	<u>248,067</u>	
		<u>(216,833)</u>

Net Position of Governmental Activities \$ 1,124,217

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

City of Wilder, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds
For the Year Ended September 30, 2022

	General	Roads and Streets	Parks	Total Governmental Funds
Revenues				
Property Taxes	\$ 356,161	\$ 877	\$ 21,461	\$ 378,499
Intergovernmental	255,530	167,121	-	422,651
Grants and Contributions	96,064	50,000	172	146,236
Licenses and Permits	200,824	-	-	200,824
Charges for Services	13,886	-	-	13,886
Interest Earned	(7,759)	1,532	158	(6,069)
Reimbursement Revenue	829,513	-	-	829,513
Other	6,330	28,882	545	35,757
Total Revenues	<u>1,750,549</u>	<u>248,412</u>	<u>22,336</u>	<u>2,021,297</u>
Expenditures				
Current:				
Administrative	101,789	-	-	101,789
General	900,895	125,222	21,260	1,047,377
Planning and Zoning	74,979	-	-	74,979
Police	503,451	-	-	503,451
Capital Outlay	52,609	385	-	52,994
Total Expenditures	<u>1,633,723</u>	<u>125,607</u>	<u>21,260</u>	<u>1,780,590</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>116,826</u>	<u>122,805</u>	<u>1,076</u>	<u>240,707</u>
Other Financing Sources (Uses)				
Sale of Assets	3,500	-	-	3,500
Total Other Financing Sources (Uses)	<u>3,500</u>	<u>-</u>	<u>-</u>	<u>3,500</u>
Net Change in Fund Balances	120,326	122,805	1,076	244,207
Fund Balances - Beginning	436,597	161,295	41,247	639,139
Fund Balances - Ending	<u>\$ 556,923</u>	<u>\$ 284,100</u>	<u>\$ 42,323</u>	<u>\$ 1,135,433</u>

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

City of Wilder, Idaho
 Reconciliation of the Statement of Revenues,
 Expenditures, and Changes in Fund Balances of the
 Governmental Funds to the Statement of Activities
 For the Year Ended September 30, 2022

Total Net Change in Fund Balance - Governmental Funds \$ 244,207

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. In the current period these amounts are:

Capital Outlay	\$ 38,935	
Depreciation	(42,986)	
Disposed Capital Assets	<u>(9,646)</u>	
		(13,697)

Because some property taxes will not be collected for several months after the City's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities. 7,181

Compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in compensated absences. 3,382

The City participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities. (103,153)

Change in Net Position of Governmental Activities \$ 137,920

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

City of Wilder, Idaho
Statement of Net Position -
Proprietary Funds
September 30, 2022

	Water	Sewer	Sanitation	Non Major Irrigation	Total
Assets					
Current Assets:					
Cash and Cash Equivalents	\$ 900,477	\$ 1,261,302	\$ 58,365	\$ 55,651	\$ 2,275,795
Investments	-	46,763	-	-	46,763
Accounts Receivable, Net	25,479	34,128	12,535	7,709	79,851
Prepaid Items	11,916	12,056	631	1,029	25,632
Total Current Assets	937,872	1,354,249	71,531	64,389	2,428,041
Noncurrent Assets:					
Restricted Cash	-	120,822	-	-	120,822
Capital Assets:					
Land	59,170	22,396	-	-	81,566
Buildings and Improvements, Net	374,927	1,231,046	-	-	1,605,973
Equipment, Net	189,753	166,084	-	6,927	362,764
Total Noncurrent Assets	623,850	1,540,348	-	6,927	2,171,125
Total Assets	1,561,722	2,894,597	71,531	71,316	4,599,166
Deferred Outflows					
Pension Related Items	54,721	47,425	3,648	10,945	116,739
Total Deferred Outflows	54,721	47,425	3,648	10,945	116,739
Liabilities					
Current Liabilities:					
Accounts Payable	31,556	21,831	13,031	949	67,367
Customer Deposits	43,705	-	-	-	43,705
Salaries and Benefits Payable	2,852	2,879	153	711	6,595
Compensated Absences	3,157	3,157	1,455	1,487	9,256
Accrued Interest Payable	-	30,644	-	-	30,644
Bonds, Notes, and Loans Payable	-	54,840	-	-	54,840
Total Current Liabilities	81,270	113,351	14,639	3,147	212,407
Noncurrent Liabilities:					
Compensated Absences	1,578	1,578	728	744	4,628
Bonds, Notes, and Loans Payable	-	1,350,335	-	-	1,350,335
Net Pension Liability	102,096	88,483	6,807	20,420	217,806
Total Noncurrent Liabilities	103,674	1,440,396	7,535	21,164	1,572,769
Total Liabilities	184,944	1,553,747	22,174	24,311	1,785,176
Deferred Inflows					
Pension Related Items	456	395	30	91	972
Total Deferred Inflows	456	395	30	91	972
Net Position					
Invested in Capital Assets, Net of Related Debt	623,850	14,351	-	6,927	645,128
Restricted - Debt Reserve	-	120,822	-	-	120,822
Unrestricted	807,193	1,252,707	52,975	50,932	2,163,807
Total Net Position	\$ 1,431,043	\$ 1,387,880	\$ 52,975	\$ 57,859	\$ 2,929,757

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

City of Wilder, Idaho
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Proprietary Funds
For the Year Ended September 30, 2022

	Water	Sewer	Sanitation	Non Major Irrigation	Total
Operating Revenues					
Charges for Services	\$ 404,821	\$ 534,047	\$ 168,150	\$ 54,606	\$ 1,161,624
Total Operating Revenues	<u>404,821</u>	<u>534,047</u>	<u>168,150</u>	<u>54,606</u>	<u>1,161,624</u>
Operating Expenses					
Salaries	97,153	96,877	5,545	24,907	224,482
Benefits	76,495	69,762	5,612	17,090	168,959
Insurance	(4,896)	(4,896)	(100)	100	(9,792)
Supplies	21,816	26,243	-	1,301	49,360
Professional Services	70,118	19,395	2,573	942	93,028
Utilities	18,830	30,491	280	6,495	56,096
Miscellaneous	13,759	10,203	860	2,561	27,383
Repairs and Maintenance	26,332	44,880	145,836	8,850	225,898
Depreciation	123,078	184,571	-	1,244	308,893
Total Operating Expenses	<u>442,685</u>	<u>477,526</u>	<u>160,606</u>	<u>63,490</u>	<u>1,144,307</u>
Income (Loss) From Operations	<u>(37,864)</u>	<u>56,521</u>	<u>7,544</u>	<u>(8,884)</u>	<u>17,317</u>
Nonoperating Revenues (Expenses)					
Interest Earned	3,335	5,954	-	-	9,289
Interest Expense	(16,833)	(45,729)	-	-	(62,562)
Gain (Loss) on Sale of Assets	(116)	(116)	-	-	(232)
Grants and Contributions	100,000	-	-	-	100,000
Other	186	-	-	-	186
Total Nonoperating Revenues (Expenses)	<u>86,572</u>	<u>(39,891)</u>	<u>-</u>	<u>-</u>	<u>46,681</u>
Change in Net Position	<u>48,708</u>	<u>16,630</u>	<u>7,544</u>	<u>(8,884)</u>	<u>63,998</u>
Total Net Position - Beginning - Previous	1,381,001	1,369,917	45,431	65,410	2,861,759
Prior Period Adjustment	1,334	1,333	-	1,333	4,000
Total Net Position - Beginning	<u>1,382,335</u>	<u>1,371,250</u>	<u>45,431</u>	<u>66,743</u>	<u>2,865,759</u>
Total Net Position - Ending	<u>\$ 1,431,043</u>	<u>\$ 1,387,880</u>	<u>\$ 52,975</u>	<u>\$ 57,859</u>	<u>\$ 2,929,757</u>

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

City of Wilder, Idaho
Statement of Cash Flows -
Proprietary Funds
For the Year Ended September 30, 2022

	Water	Sewer	Sanitation	Non Major Irrigation	Total
Cash Flows From Operating Activities					
Receipts from Customers	\$ 413,906	\$ 535,180	\$ 168,560	\$ 65,778	\$ 1,183,424
Payments to Suppliers	(199,836)	(183,042)	(142,462)	(36,699)	(562,039)
Payments to Employees	(73,024)	(75,728)	(3,576)	(19,821)	(172,149)
Net Cash Provided (Used) by Operating Activities	<u>141,046</u>	<u>276,410</u>	<u>22,522</u>	<u>9,258</u>	<u>449,236</u>
Cash Flows From Noncapital Financing Activities					
Other	100,186	-	-	-	100,186
Net Cash Provided (Used) by Noncapital Financing Activities	<u>100,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,186</u>
Cash Flows From Capital and Related Financing Activities					
Purchases and Construction of Capital Assets	-	(14,900)	-	-	(14,900)
Principal Paid on Capital Debt	(251,528)	(52,736)	-	-	(304,264)
Interest Paid on Capital Debt	(28,289)	(46,879)	-	-	(75,168)
Net Cash Used by Capital and Related Financing Activities	<u>(279,817)</u>	<u>(114,515)</u>	<u>-</u>	<u>-</u>	<u>(394,332)</u>
Cash Flows From Investing Activities					
Purchases of Investments	(6,071)	6,071	-	-	-
Interest and Dividends	3,335	5,954	-	-	9,289
Net Cash Provided (Used) by Investing Activities	<u>(2,736)</u>	<u>12,025</u>	<u>-</u>	<u>-</u>	<u>9,289</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(41,321)	173,920	22,522	9,258	164,379
Cash and Cash Equivalents - Beginning	941,798	1,208,204	35,843	46,393	2,232,238
Cash and Cash Equivalents - Ending	<u>\$ 900,477</u>	<u>\$ 1,382,124</u>	<u>\$ 58,365</u>	<u>\$ 55,651</u>	<u>\$ 2,396,617</u>
Displayed As:					
Cash	\$ 900,477	\$ 1,261,302	\$ 58,365	\$ 55,651	\$ 2,275,795
Restricted Cash	-	120,822	-	-	120,822
	<u>\$ 900,477</u>	<u>\$ 1,382,124</u>	<u>\$ 58,365</u>	<u>\$ 55,651</u>	<u>\$ 2,396,617</u>
Non Cash Transactions					
Transfer of Fixed Assets from General Fund to Proprietary Funds, Net Accumulated Depreciation	<u>\$ 1,334</u>	<u>\$ 1,333</u>	<u>\$ -</u>	<u>\$ 1,333</u>	<u>\$ 4,000</u>

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

City of Wilder, Idaho
Statement of Cash Flows -
Proprietary Funds (continued)
For the Year Ended September 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Non Major Irrigation</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (37,864)	\$ 56,521	\$ 7,544	\$ (8,884)	\$ 17,317
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation	123,078	184,571	-	1,244	308,893
(Increase) Decrease in Accounts Receivable	6,431	1,133	410	11,172	19,146
(Increase) Decrease in Prepaid Expense	(7,252)	(7,282)	(268)	(309)	(15,111)
(Increase) Decrease in Deferred Outflows	(32,473)	(28,143)	(2,165)	(6,495)	(69,276)
Increase (Decrease) in Accounts Payable	29,870	20,318	12,867	949	64,004
Increase (Decrease) in Customer Deposits	2,654	-	-	-	2,654
Increase (Decrease) in Salaries and Benefits Payable	295	349	4	337	985
Increase (Decrease) in Compensated Absences	1,080	1,080	448	198	2,806
Increase (Decrease) in Net Pension Liability	103,618	89,802	6,908	20,724	221,052
Increase (Decrease) in Deferred Inflows	(48,391)	(41,939)	(3,226)	(9,678)	(103,234)
Net Cash Provided (Used) by Operating Activities	<u>\$ 141,046</u>	<u>\$ 276,410</u>	<u>\$ 22,522</u>	<u>\$ 9,258</u>	<u>\$ 449,236</u>

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

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying financial statements present the City of Wilder, Idaho (the primary government) and its component unit, The Housing Authority of the City of Wilder, Idaho (Wilder Housing Authority). The component unit is blended and reported as if it is part of the City.

The City of Wilder, Idaho (the City), which has responsibility and control over all activities related to public safety, planning and zoning, parks, roads and streets, water, and sewer services within the City. The City receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the City is not included in any other governmental reporting entity as defined by generally accepted accounting principles. Council members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters.

Discretely Presented Component Unit – The Housing Authority of the City of Wilder, Idaho is a legally separate public body established to provide housing for farm laborers and other individuals with low and moderate incomes. The Housing Authority was initially funded with low interest loans from Rural Economic and Community Development. The Housing Authority also receives rental assistance for qualifying tenants through Rural Economic and Community Development. The Housing Authority is governed by a board of five commissioners that are appointed by the City. The City has financial oversight of the Housing Authority. The Housing Authority has a fiscal year ending December 31, 2021.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the City. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses—expenses of the general government related to the administration and support of the City’s programs, such as personnel and accounting (but not interest on long-term debt)—are allocated to programs based on their percentage of total primary government expenses. Interest expenses are allocated to the programs that manage the capital assets financed with long-term debt.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City’s funds. Separate statements for each fund category—*governmental and proprietary*--are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Any remaining governmental and enterprise funds would be aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- *General fund.* This is the City’s primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.
- *Roads and Streets fund.* This fund accounts for the activities related to the City’s roads and streets.
- *Parks fund.* This fund accounts for the activities related to the City’s parks.

Proprietary fund operating revenues and expenses are related to providing sanitation, irrigation, water, and sewer services to the residents and businesses of the City of Wilder, Idaho and providing services to other parts of the City government. Revenues and expenses that arise from capital and non-capital financing activities and from investing activities are presented as non-operating revenues or expenses.

The City reports the following major enterprise funds:

- *Water fund.* This fund accounts for the activities of the City’s water supply system, pumping stations, and collection systems.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *Sewer fund.* This fund accounts for the operations and collections of the City's sewer system.
- *Sanitation fund.* This fund accounts for the operations and collections of the City's sanitation services.

Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The City charges the Housing Authority a management fee that is reported as revenue in the general fund as an expense in the Wilder Housing Authority Fund. Due to the different fiscal year end these amounts do not fully offset.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City uses the following fund balance categories in the governmental fund Balance Sheet:

- *Nonspendable*. Prepaid items that are permanently precluded from conversion to cash.
- *Restricted*. Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Unassigned*. Balances available for any purpose.

The remaining fund balance classifications (committed and assigned) are either not applicable or no formal policy has yet been established to be able to utilize such classifications of fund balance. However, if there had been committed funds, these amounts would have been decided by the City Council, the City's highest level of decision-making authority, through a formal action. The City Council would also have the authority to assign funds or authorize another official to do so.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position/fund balance available to finance the program. When both restricted and unrestricted resources are available for use, it is the government's intent to use restricted resources first, then unrestricted resources as they are needed.

There is also no formal policy regarding the use of committed, assigned, or unassigned fund balances. However, it is the City's intent that when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

In the Roads and Streets fund, external parties require that property taxes, grants, and intergovernmental revenues are to be used to maintain, build, or improve the City's roads and streets.

C. Assets and Liabilities

Cash Equivalents

The City requires all cash belonging to the City to be placed in custody of the Clerk. A "Pooled Cash" concept is therefore used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in the pooled cash and investment with an original maturity of three months

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

or less are considered to be cash and cash equivalents. All other investments are reported separately on the financial statements and are not included in the statement of cash flows. All investments are reported at fair value on the financial statements. See Note 2.

Receivables

All trade receivables are shown net of an allowance for doubtful accounts. As of September 30, 2022, the client feels that there is no allowance for doubtful accounts.

Property Tax Calendar

The City levies its real property taxes through the county in September of each year based upon the assessed valuation as of the previous July. Property taxes are due in two installments on December 20 and June 20 and are considered delinquent on January 1 and July 1, at which time the property is subject to lien.

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are shown below:

	<u>Capitalization Policy</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings and Improvements	\$5,000	Straight-Line	20 – 45 Years
Equipment and Vehicles	\$5,000	Straight-Line	5 – 15 Years

General infrastructure assets acquired prior to October 2003, are not reported in the basic financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to October 1, 2003.

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

Compensated Absences

The City uses the vesting method to compute compensated absences awarded to employees.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

New Accounting Principles

The City adopted GASB 87, Leases, during the year. The city has determined there is no impact on their financial statements as a result of this change.

2. CASH AND INVESTMENTS

Deposits

As of September 30, 2022, the carrying amount of the City's deposits was \$332,016 and the respective bank balances totaled \$373,946 . All of the bank balance was insured through the Federal Depository Insurance Corporation (FDIC).

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of September 30, 2022, all of the City's deposits were covered by the federal depository insurance or by collateral held by the City's agent or pledging financial institution's trust department or agent in the name of the City, thus they were exposed to no custodial credit risk. The City also has \$500 in petty cash. The City does not have a formal policy limiting its exposure to custodial credit risk.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The City does not have a formal policy limiting its custodial credit risk for investments.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

2. CASH AND INVESTMENTS (continued)

Interest Rate Risk

The City does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Investments

The City voluntarily participates in the State of Idaho Investment Pool which does not have a credit rating. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the pool is with the State Treasurer, and Idaho Code defines allowable investments. The fair value of the City's investment in the pool is the same as the value of the pool shares.

It is the City's policy to limit investments to the safest types of securities and to diversify the City's investment portfolio so that potential losses on securities will be minimized. The City follows Idaho Statute that outlines qualifying investment options as follows:

Idaho Code authorizes the City to invest any available funds in obligations issued or guaranteed by the United States Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements.

The City's investments at September 30, 2022, are summarized below:

Investment Type	Credit Rating	Fair Value	Maturity (In Years)	
			Less Than 1	More than 1
Local Government Investment Pool	Not Rated	\$ 2,776,598	\$ 2,776,598	\$ -
Money Market and Mutual Funds	AAA	8,016	8,016	-
Municipal Bonds	AA- to AAA	87,770	87,770	-
		<u>\$ 2,872,384</u>	<u>\$ 2,872,384</u>	<u>\$ -</u>

At year-end, cash and investments were reported in the basic financial statements in the following categories:

	Governmental	Business-type	Total
	Activities	Activities	
Cash	\$ (89,059)	\$ 421,575	\$ 332,516
Restricted Cash	-	120,822	120,822
Investments categorized as deposits	801,556	1,854,220	2,655,776
Investments	49,023	46,763	95,786
	<u>\$ 761,520</u>	<u>\$ 2,443,380</u>	<u>\$ 3,204,900</u>

The City has set aside \$120,822 in accordance with debt reserve requirements.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

3. DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consist state revenue sharing of \$49,845, due from the State of Idaho and \$88,167 due from Wilder Housing Authority, for a total of \$138,012.

4. PROPERTY TAXES

The City receives tax revenue from Canyon County. The County is responsible for property valuation and collection of tax levies. The taxes that have not been remitted to the City by the County as of September 30, 2022, are considered by the City as a receivable. Taxes not collected within 60 days after September 30, 2022, are not considered available for use by the City and are recorded as deferred revenue in the fund financial statements.

5. PENSION PLAN

Plan Description

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

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

Pension Benefits

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

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1%

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

5. PENSION PLAN (continued)

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

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2022, it was 7.16% (for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The City of Wilder, Idaho's contributions were \$86,873 the year ended September 30, 2022.

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

At September 30, 2022, the City of Wilder, Idaho reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, 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 Wilder, Idaho's proportion of the net pension liability was based on the City of Wilder, Idaho'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, 2022, the City of Wilder, Idaho's proportion was 0.017280550 percent.

For the year ended September 30, 2022, the City of Wilder, Idaho recognized pension expense/ (revenue) of \$238,569 . At September 30, 2022, the City of Wilder, Idaho reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

5. PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 74,845	\$ 3,039
Changes in assumptions or other inputs	110,965	-
Net difference between projected and actual earnings on pension plan investments	156,608	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	-
City of Wilder, Idaho's contributions subsequent to the measurement date	22,388	-
Total	\$ 364,806	\$ 3,039

\$22,388 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, 2022.

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, 2021, the beginning of the measurement period ended June 30, 2021, is 4.6 years and 4.6 years for the measurement period of June 30, 2022.

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:

For the Year Ended September 30:	PERSI
2023	\$ 103,546
2024	88,105
2025	40,748
2026	129,368

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

5. PENSION PLAN (continued)

Actuarial Assumptions

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

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

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return	6.35%, net of investment expense
Cost-of-living adjustment	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 other than mortality. The Total Pension Liability as of June 30, 2022, is based on the results of an actuarial valuation date of July 1, 2022.

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.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

5. PENSION PLAN (continued)

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions.

Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2022.

Fixed Income	30.00%
US/Global Equities	55.00%
International Equity	15.00%
Cash	0.00%
Total	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 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

5. PENSION PLAN (continued)

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	\$ 1,201,261	\$ 680,639	\$ 254,523

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.

6. COMPENSATED ABSENCES

Vacation leave is granted to all regular City employees. In the event of termination, an employee is reimbursed for accumulated vacation leave. Changes in accumulated vacation are as follows:

	<u>9/30/2021</u>	<u>Earned</u>	<u>Used</u>	<u>9/30/2022</u>	<u>Current</u>
Governmental Activities	\$ 14,569	\$ 21,729	\$(25,111)	\$ 11,187	\$ 7,458
Business-type Activities	11,078	19,066	(16,260)	13,884	9,256
	<u>\$ 25,647</u>	<u>\$ 40,795</u>	<u>\$(41,371)</u>	<u>\$ 25,071</u>	<u>\$ 16,714</u>

7. RISK MANAGEMENT

The City is exposed to a considerable number of risks of loss including, but not limited to, a) damage to and loss of property and contents, b) employee torts, c) professional liabilities, i.e. errors and omissions, d) environmental damage, e) worker's compensation, i.e. employee injuries, and f) medical insurance costs of its employees. Commercial insurance policies are purchased to transfer the risk of loss for property and content damage, employee torts, and professional liabilities.

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

8. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022, was as follows:

	<u>9/30/2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>9/30/2022</u>
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 61,007	\$ -	\$ -	\$ 61,007
Capital Assets Being Depreciated:				
Buildings and Improvements	503,021	-	-	503,021
Equipment	241,511	38,935	(48,563)	231,883
Total Historical Cost	<u>744,532</u>	<u>38,935</u>	<u>(48,563)</u>	<u>734,904</u>
Less: Accumulated Depreciation				
Buildings	154,295	12,826	-	167,121
Equipment	186,214	30,160	(34,917)	181,457
Total Accumulated Depreciation	<u>340,509</u>	<u>42,986</u>	<u>(34,917)</u>	<u>348,578</u>
Net Depreciable Assets	<u>404,023</u>	<u>(4,051)</u>	<u>(13,646)</u>	<u>386,326</u>
Governmental Activities - Net	<u>\$ 465,030</u>	<u>\$ (4,051)</u>	<u>\$ (13,646)</u>	<u>\$ 447,333</u>
	<u>9/30/2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>9/30/2022</u>
<u>Business-type Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 81,566	\$ -	\$ -	\$ 81,566
	<u>81,566</u>	<u>-</u>	<u>-</u>	<u>81,566</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	6,314,745	-	-	6,314,745
Equipment	976,318	24,900	(9,825)	991,393
Total Historical Cost	<u>7,291,063</u>	<u>24,900</u>	<u>(9,825)</u>	<u>7,306,138</u>
Less: Accumulated Depreciation				
Buildings and Improvements	4,450,191	258,581	-	4,708,772
Equipment	581,911	50,312	(3,594)	628,629
Total Accumulated Depreciation	<u>5,032,102</u>	<u>308,893</u>	<u>(3,594)</u>	<u>5,337,401</u>
Net Depreciable Assets	<u>2,258,961</u>	<u>(283,993)</u>	<u>(6,231)</u>	<u>1,968,737</u>
Business-type Activities - Net	<u>\$ 2,340,527</u>	<u>\$ (283,993)</u>	<u>\$ (6,231)</u>	<u>\$ 2,050,303</u>

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

8. CAPITAL ASSETS (continued)

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

<u>Governmental Activities:</u>			<u>Business-type Activities:</u>		
General	\$	13,459	Water	\$	123,078
Parks		362	Sewer		184,571
Police		21,592	Irrigation		1,244
Street		7,573			\$ 308,893
		\$ 42,986			

All assets that were constructed using the bond funds were completed in prior years, so no interest has been capitalized in the enterprise funds.

9. OTHER COMMITMENTS

The City has credit cards available for use. As of September 30, 2022, there was a total available credit of \$21,000 , of which \$3,609 was in use.

10. LONG-TERM OBLIGATIONS

Business-type Activities - Water Fund Bond Payable

The City issued \$675,000 of Series 1997 Revenue Bonds dated October 24, 1997, with a maturity date of October 24, 2027, and bearing interest at 4.875% per annum. Payments are due in October of each year. The Bonds were issued to pay for water system upgrades. This bond was paid off in full in 2022.

Business-type Activities – Sewer Fund Bond Payable

The City issued \$1,920,000 of Series 2010 Revenue Bonds dated March 15, 2010, with a maturity date of March 15, 2040, and bearing interest at 4% per annum. Payments are due in March of each year. The Bonds were issued to pay for sewer system upgrades.

<u>Description</u>	<u>Rate</u>	<u>Required Reserve</u>	<u>9/30/2021</u>	<u>Increase</u>	<u>Decrease</u>	<u>9/30/2022</u>	<u>Current Portion</u>
Water Bond	4.875%	\$ -	\$ 251,528	\$ -	\$(251,528)	\$ -	\$ -
Sewer Bond	4.000%	\$ 120,199	1,457,912	-	(52,737)	1,405,175	54,840
			\$1,709,440	\$ -	\$(304,265)	\$1,405,175	\$ 54,840

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

10. LONG-TERM OBLIGATIONS

Debt service requirements on long-term debt at September 30, 2022, are as follows:

Year Ending <u>September 30,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 54,840	\$ 56,213
2024	57,034	54,019
2025	59,315	51,738
2026	61,688	49,365
2027	64,155	46,898
2028-2032	361,385	193,880
2033-2037	439,680	115,585
2037-2042	307,078	24,857
	<u>\$ 1,405,175</u>	<u>\$ 592,556</u>

Interest expense for the year was \$64,216 for business activities. No interest was capitalized.

11. REINSTATEMENT

In the prior year, the fixed assets and the adjustments for PERSI were understated for the proprietary funds. This caused the business Net Position Fund Balances to be understated. Fund Balances and Net Position were restated as follows:

	<u>Business Type Activites</u>
Net Position, As Previously Reported	\$ 2,861,759
Decrease in net Position due to Fixed Asset Adjustments	4,000
Net Position, Restated	<u>\$ 2,865,759</u>

City of Wilder, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

12. COMPONENT UNIT

The Wilder Housing Authority is a separate and distinct legal entity of the City of Wilder. The Directors for the Housing Authority are appointed by the Mayor and approved by the City Council.

In addition to the government-wide financial statements and the preceding notes to financial statement, the following summarize disclosures are considered necessary for a fair presentation of the Wilder Housing Authority.

A. CASH

The Housing Authority cash and investments as of the year ending December 31, 2021 comprise of the following:

Cash & Cash Equivalent	\$ 403,440
Security Deposit Accounts	78,662
Restricted Cash	147,508
	\$ 629,610

B. LONG TERM OBLIGATIONS

The Housing Authority's long-term obligations as of the year ending December 31, 2021 comprise of the following:

<u>Description</u>	<u>Rate</u>	<u>Maturity</u>	<u>12/31/2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/2021</u>	<u>Current Portion</u>	
Rural Development Bond	8.50%	2028	\$ 100,522	\$ -	\$ (9,039)	\$ 91,483	\$ 9,838	
Rural Development Bond	6.25%	2048	644,981	-	(8,884)	636,097	9,456	
			\$4,076	\$ 745,503	\$ -	\$ (17,923)	\$ 727,580	\$ 19,294

C. CAPITAL ASSETS

The Housing Authority capital assets as of the year ending December 31, 2021 comprise of the following:

	<u>Balance</u>		<u>Balance</u>
	<u>12/31/2020</u>	<u>Additions</u>	<u>12/31/2021</u>
Non Depreciable Assets	\$ 108,486	\$ -	\$ 108,486
Depreciable Assets	4,369,915	48,025	4,408,440
Less Accumulated Depre	3,707,710	57,912	3,756,122
	\$ 770,691	\$ (9,887)	\$ 760,804

For further information the full audit report for the Wilder Housing Authority it can be obtained at the City Hall in Wilder, Idaho.

REQUIRED SUPPLEMENTARY INFORMATION

City of Wilder, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 General Fund
 For the Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 349,150	\$ 349,150	\$ 356,161	\$ 7,011
Intergovernmental	222,000	222,000	255,530	33,530
Grants and Contributions	84,373	84,373	96,064	11,691
Licenses and Permits	256,540	256,540	200,824	(55,716)
Interest Earned	3,000	3,000	(7,759)	(10,759)
Other	11,237	11,237	6,564	(4,673)
Total Revenues	<u>926,300</u>	<u>926,300</u>	<u>907,384</u>	<u>(18,916)</u>
Expenditures				
Current:				
Administrative	138,229	138,229	101,789	36,440
General	178,460	178,460	81,715	96,745
Planning and Zoning	89,130	89,130	74,979	14,151
Police	498,881	498,881	503,451	(4,570)
Capital Outlay	45,300	45,300	28,624	16,676
Total Expenditures	<u>950,000</u>	<u>950,000</u>	<u>790,558</u>	<u>159,442</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(23,700)</u>	<u>(23,700)</u>	<u>116,826</u>	<u>140,526</u>
Other Financing Sources (Uses)				
Sale of Assets	10,000	10,000	3,500	(6,500)
Transfers In	13,700	13,700	-	(13,700)
Total Other Financing Sources (Uses)	<u>23,700</u>	<u>23,700</u>	<u>3,500</u>	<u>(20,200)</u>
Net Change in Fund Balances	-	-	120,326	120,326
Fund Balances - Beginning	-	-	436,597	436,597
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 556,923</u>	<u>\$ 556,923</u>

City of Wilder, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 Roads and Streets
 For the Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 4,000	\$ 4,000	\$ 877	\$ (3,123)
Intergovernmental	118,800	118,800	167,121	48,321
Grants and Contributions	25,000	25,000	50,000	25,000
Interest Earned	2,200	2,200	1,532	(668)
Other	2,000	2,000	28,882	26,882
Total Revenues	<u>152,000</u>	<u>152,000</u>	<u>248,412</u>	<u>96,412</u>
Expenditures				
Current:				
General	143,000	143,000	125,222	17,778
Capital Outlay	49,000	49,000	385	48,615
Total Expenditures	<u>192,000</u>	<u>192,000</u>	<u>125,607</u>	<u>66,393</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(40,000)</u>	<u>(40,000)</u>	<u>122,805</u>	<u>162,805</u>
Other Financing Sources (Uses)				
Sale of Assets	5,000	5,000	-	(5,000)
Transfers In	35,000	35,000	-	(35,000)
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>
Net Change in Fund Balances	-	-	122,805	122,805
Fund Balances - Beginning	-	-	161,295	161,295
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 284,100</u>	<u>\$ 284,100</u>

City of Wilder, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 Parks
 For the Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 23,000	\$ 23,000	\$ 21,461	\$ (1,539)
Charges for Services	5,000	5,000	-	(5,000)
Grants and Contributions	2,500	2,500	172	(2,328)
Interest Earned	300	300	158	(142)
Other	1,200	1,200	545	(655)
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>22,336</u>	<u>(9,664)</u>
Expenditures				
Current:				
General	22,358	22,358	21,260	1,098
Capital Outlay	10,642	10,642	-	10,642
Total Expenditures	<u>33,000</u>	<u>33,000</u>	<u>21,260</u>	<u>11,740</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(1,000)</u>	<u>(1,000)</u>	<u>1,076</u>	<u>2,076</u>
Other Financing Sources (Uses)				
Sale of Assets	1,000	1,000	-	(1,000)
Total Other Financing Sources (Uses)	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Net Change in Fund Balances	-	-	1,076	1,076
Fund Balances - Beginning	-	-	41,247	41,247
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,323</u>	<u>\$ 42,323</u>

City of Wilder, Idaho
Notes to Required Supplementary Information
For the Year Ended September 30, 2022

1. BUDGETS AND BUDGETARY ACCOUNTING

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

- A. Prior to September 1, the City Clerk, Mayor, and City Council prepare a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted at the City Hall to obtain taxpayer comments.
- C. Prior to October 1, the budget is legally enacted through passage of an ordinance.
- D. The City is authorized to transfer budgeted amounts between departments within any fund; however, no revision can be made to increase the overall tax supported funds except when federal or state grants are approved. The City, however, must follow the same budgetary procedures as they followed when the original budget was approved. The budget for enterprise funds may also be revised in the same manner as those situations involving federal and state grants.
- E. Formal budgetary integration is employed as a management control device during the year for the General fund and Special Revenue funds.

Idaho County, Idaho
Schedules of Required Supplemental Information
Public Employees Retirement System of Idaho
Last 10 - Fiscal Years*
Public Employees Retirement System of Idaho

Schedule of the City's proportionate Share of Net Pension Liability

Year	City's proportion of the net pension liability	City's proportionate share of the net pension liability	City's covered-employee payroll	City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.0172806%	\$ 680,639	\$ 719,801	94.56%	83.09%
2021	0.0128449%	\$ (10,147)	\$ 521,249	-1.95%	100.36%
2020	0.0109721%	\$ 254,787	\$ 391,640	65.06%	88.22%
2019	0.0111645%	\$ 127,440	\$ 377,627	33.75%	93.79%
2018	0.0107480%	\$ 165,248	\$ 360,202	45.88%	91.69%
2017	0.0102463%	\$ 168,940	\$ 334,089	50.57%	90.68%
2016	0.0339421%	\$ 207,708	\$ 287,461	72.26%	87.26%
2015	0.0109190%	\$ 143,785	\$ 307,074	46.82%	91.38%

Data reported is measured as of June 30, 2022

Schedule of City's Contributions

Year	Contractually required contributions	Contributions in relation to the contractually required contributions	Contributions deficiency (excess)	City's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2022	\$ 86,873	\$ 86,873	-	\$ 719,801	12.07%
2021	\$ 62,940	\$ 62,940	-	\$ 521,249	12.07%
2020	\$ 47,407	\$ 47,407	-	\$ 391,640	12.10%
2019	\$ 43,687	\$ 43,687	-	\$ 377,627	11.57%
2018	\$ 41,418	\$ 41,418	-	\$ 360,202	11.50%
2017	\$ 38,354	\$ 38,354	-	\$ 334,089	11.48%
2016	\$ 33,021	\$ 33,021	-	\$ 287,461	11.49%
2015	\$ 35,229	\$ 35,229	-	\$ 307,074	11.47%

Data reported is measured as of September 30, 2022

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

SUPPLEMENTAL INFORMATION

City of Wilder, Idaho
Supplemental Schedule of Revenues by Source -
Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Taxes:			
Property Taxes	\$ 345,150	\$ 353,105	\$ 7,955
Penalties and Interest	4,000	3,056	(944)
Total Taxes	<u>349,150</u>	<u>356,161</u>	<u>7,011</u>
Intergovernmental:			
State Liquor Apportionment	63,000	82,879	19,879
State Revenue Sharing	159,000	172,651	13,651
Total Intergovernmental	<u>222,000</u>	<u>255,530</u>	<u>33,530</u>
Licenses and Permits:			
Beer, Wine, and Liquor Licenses	2,060	1,520	(540)
Dog Licenses and Fees	5,600	5,045	(555)
Building Permits	106,200	96,546	(9,654)
Business Permits	1,200	3,040	1,840
Cable TV Franchise	1,800	552	(1,248)
Rent	12,000	12,000	-
Yard Sale Permits	400	120	(280)
Intermountain Gas Franchise	4,000	3,923	(77)
Idaho Power Franchise	12,000	7,755	(4,245)
Speedy Quick Agreement	1,080	1,080	-
Police Services	110,200	69,243	(40,957)
Total Licenses and Permits	<u>256,540</u>	<u>200,824</u>	<u>(55,716)</u>
Other:			
Other	53,737	20,216	(33,521)
Grants	83,373	96,060	12,687
Interest Earned	3,000	(7,759)	(10,759)
Donations	1,000	4	(996)
Reimbursement Revenue	850,000	829,513	(20,487)
Total Other	<u>991,110</u>	<u>938,034</u>	<u>(53,076)</u>
Other Financing Sources:			
Sale of Assets	10,000	3,500	(6,500)
Transfer In	13,700	-	(13,700)
	<u>23,700</u>	<u>3,500</u>	<u>(20,200)</u>
Total Revenue	<u>\$ 1,842,500</u>	<u>\$ 1,754,049</u>	<u>\$ (88,451)</u>

City of Wilder, Idaho
Supplemental Schedule of Expenditures by Object of Expenditure -
Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Administrative:			
Salaries	\$ 78,265	\$ 47,594	\$ 30,671
Benefits	38,964	43,629	(4,665)
Miscellaneous	1,700	72	1,628
Supplies	16,000	10,425	5,575
Travel and Meetings	3,300	69	3,231
Total Administrative	<u>138,229</u>	<u>101,789</u>	<u>36,440</u>
General:			
Salaries	8,200	25,421	(17,221)
Benefits	248,488	126,797	121,691
Supplies	385,217	363,224	21,993
Insurance	17,600	15,139	2,461
Professional Services	47,500	58,643	(11,143)
Events	13,600	13,623	(23)
Miscellaneous	13,055	8,117	4,938
Repairs and Maintenance	40,600	57,533	(16,933)
Utilities	227,300	228,402	(1,102)
Capital Outlay	81,500	27,224	54,276
Dues	4,200	3,996	204
Total General	<u>1,087,260</u>	<u>928,119</u>	<u>159,141</u>
Planning and Zoning:			
Salaries	1,830	2,650	(820)
Insurance	500	-	500
Supplies	100	-	100
Professional Services	86,050	72,133	13,917
Travel and Meetings	350	-	350
Miscellaneous	300	196	104
Total Planning and Zoning	<u>89,130</u>	<u>74,979</u>	<u>14,151</u>

City of Wilder, Idaho
 Supplemental Schedule of Expenditures by Object of Expenditure -
 Budget (GAAP Basis) and Actual - General Fund (continued)
 For the Year Ended September 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Police:			
Salaries	\$ 254,600	\$ 271,716	\$ (17,116)
Benefits	166,731	154,717	12,014
Insurance	5,000	2,500	2,500
Supplies	28,100	32,417	(4,317)
Professional Services	9,600	9,542	58
Travel and Meetings	1,500	589	911
Training	2,500	1,621	879
Repairs and Maintenance	16,500	16,258	242
Utilities	11,800	9,965	1,835
Miscellaneous	2,050	3,897	(1,847)
Dues	500	229	271
Capital Outlay	29,000	25,385	3,615
Total Police	<u>527,881</u>	<u>528,836</u>	<u>(955)</u>
Total Expenditures	<u><u>\$ 1,842,500</u></u>	<u><u>\$ 1,633,723</u></u>	<u><u>\$ 208,777</u></u>

FEDERAL REPORTS



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
Wilder, 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 remaining fund information of the City of Wilder, Idaho, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Wilder, Idaho's basic financial statements and have issued our report thereon dated August 15, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Wilder, 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 the City of Wilder, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Wilder, 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. and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and as item 2022-001 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wilder, 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*.

City of Wilder's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Wilder's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The City of Wilder's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Zwyzart John & Associates, CPAs, PLLC

Nampa, Idaho
August 15, 2023

City of Wilder, Idaho
Schedule of Findings
For the Year Ended September 30, 2022

2022-001: Timely Reconciliation of Bank Statements and Review of Bank Reconciliations

Conditions: While performing the audit it was noted that the bank statements were consistently not being reconciled in a timely manner, nor was there any indication that the bank statements and reconciliations were being reviewed.

Criteria: The City should have controls in place requiring the bank statements to be reconciled timely and reviewed in a timely manner.

Effect: This increased the risk of a misstatement to go unnoticed or fail to be corrected in a timely manner, whether due to error or fraud.

Recommendations: The City should put procedures in place to make sure that the bank statements are being reconciled and reviewed and signed by a 2nd individual who does not input or reconcile the transactions within 30 days of the end of the month.

City of Wilder, Idaho
Management's Response
For the Year Ended September 30, 2022

2022-001: Timely Reconciliation of Bank Statements and Review of Bank Reconciliations

Management will work to put procedures in place to make sure that accounts are reconciled on a timely basis.

If there are any questions on management's Response to findings please contact the City Treasurer at 208-482-6204.