Financial Statements
September 30, 2021

Gooding County

Gooding County
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Independent Auditor's Report

The Board of Commissioners
Gooding County
Gooding, Idaho

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gooding County, Idaho (the County) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Gooding County, Idaho, as of September 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules of employer's share of net pension liability (asset) and employer contributions on pages 33 through 40 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 or 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 the management's discussion and analysis that the accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by the missing information.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining nonmajor fund financial statements 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 combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2022, on our consideration of the County'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 County'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 the County's internal control over financial reporting and compliance.

Eide Bailly LLP

Twin Falls, Idaho
May 23, 2022

	Governmental Activities
Assets	
Cash and investments	$ 7,020,586
Receivables	
Property tax	5,329,700
Accounts receivable (net)	701,554
Special fees	24,094
Miscellaneous	69,111
Intergovernmental	471,150
Prepaid items	190,826
Restricted Assets	
Cash	14,043
Net pension asset-PERSI base plan	96,769
Capital Assets, (net of accumulated depreciation)	
Land	232,062
Buildings	2,366,605
Improvements	892,505
Equipment	714,232
Infrastructure	227,803
Total capital assets (net of accumulated depreciation)	4,433,207
Total assets	18,351,040
Deferred Outlfows of Resources	
Pension obligations	1,416,151
	$ 19,767,191

	Governmental Activities
Liabilities	
Accounts and salaries payable	$ 462,045
Advanced revenue	1,474,172
Deposits held	109,044
Compensated absences-current	273,631
Accrued interest	9,375
Note payable-current	27,109
Note payable-long-term	472,891
Total liabilities	2,828,267
Deferred Inflows of Resources	
Pension obligations	3,133,797
Property taxes	5,239,247
Total deferred inflows of resources	8,373,044
Net Position	
Net investment in capital assets	3,933,207
Restricted for	
Special revenue funds	3,736,339
Unrestricted	896,334
Total net position	8,565,880
	$ 19,767,191

	Expenses	Program Revenues Fees, Fines and Charges for Services	Program Revenues Operating Grants and Contributions	Program Revenues Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities					
General government	$ 3,959,089	$ 944,160	$ 398,332	$ -	$ (2,616,597)
Public safety	3,402,395	1,459,417	8,000	45,826	(1,889,152)
Agriculture	110,504	-	-	-	(110,504)
Health and welfare	1,594,801	867,807	158,384	-	(568,610)
Education	97,392	-	-	-	(97,392)
Culture and recreation	539,242	301,055	-	-	(238,187)
Interest on long-term debt	9,375	-	-	-	(9,375)
Total governmental activities	$ 9,712,798	$ 3,572,439	$ 564,716	$ 45,826	(5,529,817)
General Revenues and Transfers					
Property taxes					5,243,857
Intergovernmental					2,685,100
Earnings on investments					16,815
Miscellaneous					135,682
Total general revenues and transfers					8,081,454
Change in Net Position					2,551,637
Net Position - Beginning					6,014,243
Net Position - Ending					$ 8,565,880

Gooding County
Balance Sheet – Governmental Funds
September 30, 2021

	General Fund	Ambulance Fund	Indigent Fund	Regional Landfill Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	$ 3,977,351	$ 213,943	$ 440,359	$ 1,076,490	$ 1,312,443	$ 7,020,586
Receivables						
Taxes	3,566,934	459,439	524,062	-	779,265	5,329,700
Accounts receivable (net of allowance for doubtful accounts of $84,883)	-	701,554	-	-	-	701,554
Special fees	3,117	-	-	20,977	-	24,094
Miscellaneous	21,207	156	325	25,749	21,674	69,111
Intergovernmental	439,087	-	-	-	32,063	471,150
Prepaid items	46,024	-	-	107,642	37,160	190,826
Due from other funds	50,723	-	-	-	-	50,723
Restricted cash	14,043	-	-	-	-	14,043
	$ 8,118,486	$ 1,375,092	$ 964,746	$ 1,230,858	$ 2,182,605	$ 13,871,787
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts and salaries payable	$ 295,619	$ 40,210	$ 29,172	$ -	$ 97,044	$ 462,045
Advanced revenue	1,474,172	-	-	-	-	1,474,172
Due to other funds	-	-	-	-	50,723	50,723
Deposits held	109,044	-	-	-	-	109,044
Total liabilities	1,878,835	40,210	29,172	-	147,767	2,095,984
Deferred Inflows of Resources						
Unavailable revenue - property taxes, and service fees	3,559,080	1,040,696	522,009	18,096	777,657	5,917,538
Total deferred inflows of resources	3,559,080	1,040,696	522,009	18,096	777,657	5,917,538
Fund Balances						
Nonspendable						
Prepaid items	46,024	-	-	107,642	37,160	190,826
Restricted						
Public safety	14,043	294,186	-	-	31,320	339,549
Education	-	-	-	-	188,017	188,017
Road and bridges	-	-	-	-	334,476	334,476
Elections	-	-	-	-	177,442	177,442
Property valuation	-	-	-	-	37,507	37,507
County fair	-	-	-	-	107,597	107,597
District court	-	-	-	-	172,186	172,186
Veterans memorial	-	-	-	-	2,960	2,960
Weed eradication	-	-	-	-	129,915	129,915
Waterways	-	-	-	-	70,541	70,541
Health and welfare	-	-	413,565	1,105,120	27,488	1,546,173
Committed						
Prosecutor homicide	100,000	-	-	-	-	100,000
Unassigned	2,520,504	-	-	-	(59,428)	2,461,076
Total fund balances	2,680,571	294,186	413,565	1,212,762	1,257,181	5,858,265
	$ 8,118,486	$ 1,375,092	$ 964,746	$ 1,230,858	$ 2,182,605	$ 13,871,787

Total Governmental Fund Balance		$ 5,858,265
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 governmental funds. These assets consist of:		
Land	232,062	
Buildings	3,433,169	
Improvements	1,347,601	
Equipment	3,100,921	
Infrastructure	370,589	
Accumulated depreciation	(4,051,135)	
		4,433,207
The net pension asset is not a current financial resource in the current period and therefore is not reported in the funds, but is reported in the statement of net position. Deferred outflows and inflows of resources related to the net pension asset are also not reported in the funds, but reported in the statement of net position.		
Deferred outflows of resources	1,416,151	
Deferred inflows of resources	(3,133,797)	
Net pension asset	96,769	
		(1,620,877)
Other long-term assets including property taxes receivable and othe receivables are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.		678,291
Long-term liabilities, including accrued interest applicable to the County's governmental activities. Some liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Those liabilities consist of:		
Note payable- long-term	(472,891)	
Note payable - current	(27,109)	
Accured interest	(9,375)	
Compensated absences payable	(273,631)	
		(783,006)
Net Position of Governmental Activities		$ 8,565,880

Gooding County

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2021

	General Fund	Ambulance Fund	Indigent Fund	Regional Landfill Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 3,451,105	$ 441,956	$ 697,677	$ -	$ 657,925	$ 5,248,663
Licenses and permits	496,776	-	-	-	-	496,776
Intergovernmental	2,881,331	-	158,384	-	255,927	3,295,642
Charges for services	310,120	831,182	52,809	818,832	949,854	2,962,797
Earnings on investments	16,815	-	-	-	-	16,815
Miscellaneous	116,377	4,183	6,846	5,559	2,717	135,682
Total revenues	7,272,524	1,277,321	915,716	824,391	1,866,423	12,156,375
Expenditures						
General government	3,498,519	-	-	-	514,519	4,013,038
Public safety	2,147,589	1,112,251	-	-	482,363	3,742,203
Agriculture	110,504	-	-	-	-	110,504
Health and Welfare	-	-	791,478	650,156	100,290	1,541,924
Education	-	-	-	-	97,392	97,392
Culture and recreation	-	-	-	-	499,078	499,078
Capital outlay	1,233,302	4,498	-	-	8,900	1,246,700
Total expenditures	6,989,914	1,116,749	791,478	650,156	1,702,542	11,250,839
Excess Revenues Over (Under) Expenditures	282,610	160,572	124,238	174,235	163,881	905,536
Other Financing Sources (Uses)						
Loan proceeds	500,000	-	-	-	-	500,000
Total other financing sources (uses)	500,000	-	-	-	-	500,000
Net Change in Fund Balances	782,610	160,572	124,238	174,235	163,881	1,405,536
Fund Balances - Beginning	1,897,961	133,614	289,327	1,038,527	1,093,300	4,452,729
Fund Balances - Ending	$ 2,680,571	$ 294,186	$ 413,565	$ 1,212,762	$ 1,257,181	$ 5,858,265

Net Change in Fund Balances - Total Governmental Funds		$ 1,405,536
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues, including property taxes and ambulance fees, that will not be collected for several months after the County's fiscal year ends are not considered "available" revenues and are deferred in the governmental funds. Deferred inflows increased by this amount this year.		108,060
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. Governmental funds also report the full amount of the proceeds from a capital asset sale. However, in the statement of activities, the gain or loss on such disposals would be reported as general revenues. In the current period these amounts are:		
Capital outlay	1,246,700	
Depreciation expense	(252,486)	
Excess of capital outlay over depreciation expense		994,214
Notes payable issuance is an other financing source in the governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position.		(500,000)
In the governmental funds, pension contributions are recorded as expenditures, while on the statement of activities the contributions subsequent to the measurement date are considered a deferred outflow. Other factors include pension expense which is recorded in the statement of activities, but not in the governmental funds. Pension expense includes the County's proportionate share of the pension plan's expense which determined by an actuary and amortization of deferred outflow and inflows or resources. Pension contributions exceeded pension expense by this amount during the fiscal year.		499,253
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are normally paid with expendable financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of financial resource availability. Interest on long-term debt in the Statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the governmental funds when it is due, thus requiring the use of current financial resources. In the Statement of Activities however, interest expense is recognized as the interest accrues, regardless of when it is due.		
Increase in accrued interest		(9,375)
Decrease in compensated absences		53,949
Change in net position of governmental activities		$ 2,551,637

Assets		
Cash, investments, and cash equivalents	$	559,487
Receivables		
Property tax		236,708
Special fees		8,418
Miscellaneous		4,879
Intergovernmental		117,805
Total assets	$	927,297
Liabilities		
Due to other taxing districts	$	367,846
Due to other agencies		559,451
Total liabilities		927,297
Net Position		-
Total liabilities and net position	$	927,297

Additions	
Tax collections for other local special purpose taxing districts	$ 12,075,889
Fines, judgements, and fees collected for other governments	3,664,655
Licenses and registration fees collected for other governments	1,715,061
Indigent medical reimbursements from other governments	290,798
Total additions	17,746,403
Deductions	
Payments to local governments	12,075,889
Payments to state	5,151,617
Payments to other local public bodies and other entities	364,692
Payments of court ordered judgements	154,205
Total deductions	17,746,403
Change in Net Position	-
Net Position, Beginning of Year	-
Net Position, End of Year	$ -

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

Gooding County (the County) was formed on February 1, 1913, by an act of the Congress of the United States. The County provides the following services as provided by law: tax assessment and collection, public safety, licensing, agriculture support, cultural and educational support, planning and health and welfare. The accompanying financial statements present the activities of Gooding County. In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Generally Accepted Accounting Principles. The basic, but not the only, criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, Gooding County has one component unit included in this report. The Ambulance District (District) is responsible for providing emergent prehospital care and transport to persons whom are injured or severely sick in Gooding County. The County Commissioners serve as the District's Board. The District is presented in the financial statements as a blended component unit reported as a special revenue fund.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the governmental entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. All assets, deferred outflows of resources, all liabilities and deferred inflows of resources associated with the operation of the County are

included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Grants received in advance of meeting the eligibility requirements are recorded as advanced revenues and were $1,474,172 as of September 30, 2021.

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

Property taxes, franchise taxes, licenses, and interest revenue associated with the current fiscal period are recognized in the period which the taxes were levied, and available. Receivables are recognized based on the lien date. The County's property tax is levied each September on the value listed as of the prior January 1 for all real property located in the County. The lien date is effective January 1 of the year the property tax is levied. A revaluation of all property is required to be completed no less than every five years. Under Idaho Code Section 50-235, the County is permitted to levy taxes up to .26% of the total County adjusted market value for real property located within the County. Taxes are due in two equal installments on December 20 and June 20 following the levy date. Property taxes levied are recorded as receivables if uncollected and a deferred inflow amount is recorded, in the fund financial statements, to the extent of taxes not estimated to be collected within 60 days of the end of the accounting period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Sales taxes collected and held by the state at year end on behalf of the government also are recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government. Amounts reported as program revenues include 1) fees, fines, and charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The County reports the following major governmental funds:

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

- The Ambulance fund accounts for the County's ambulance service. The primary funding is received from charges to individuals for ambulance services.

- The Indigent fund accounts for the statutory indigent medical care and assistance responsibilities placed upon the County. Resources for the fund are provided primary by property tax with additional financial support from repayments and intergovernmental revenues.

- The Regional Landfill fund accounts for the County's share of Southern Idaho Regional Solid Waste District costs pursuant to their agreement with them entered into on November 1, 1993. The primary funding is received from fees charged to county residents and collected as part of their property tax payment.

For fiscal year 2021, the County implemented GASB Statement 84-*Fiduciary Activities* that was issued in January 2017. This Statement establishes criteria for identifying fiduciary activities and the associated accounting and reporting requirements.

Fiduciary funds account for assets held by the County in a custodial capacity on behalf of and distributed to others. Custodial funds are accounted for using the accrual basis of accounting. They are used to account for collections to be paid to local special purpose taxing districts, cities, the State of Idaho, private individuals and other government agencies from property taxes or other legal assessments.

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. The County's estimates include the useful lives of depreciable assets, the allowance for uncollectible ambulance receivables, and estimates related to the County's net pension liability and related deferred inflows and outflows of resources.

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position or Equity

Deposits and Investments

The County considers cash and cash equivalents to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date to acquisition. In addition, because the State Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent. The cash balances of substantially all funds (including funds held for other governments) are pooled and invested by the County Treasurer for the purpose of increasing earnings through investment activities.

State statute authorizes the government to invest in obligations of the U.S. Treasury; obligations of the State of Idaho or other taxing district located in the State of Idaho; time deposit accounts, savings accounts, or money market accounts located in State designated depositories; and the State Treasurer's Investment Pool. Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "interfund balances". Interfund balances offset each other and are not a part of the government-wide statements.

All other interfund transactions, including nonrecurring or operating transfers, are reported as "interfund transfers". These transfers offset each other and are not a part of the government-wide financial statements.

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

An allowance for uncollectible ambulance fees receivable has been accrued in the amount of $84,883, which approximates accounts receivable older than 120 days. This allowance estimate was based on the aging of the receivables and past collection history of the County.

No allowance for uncollectible property taxes has been accrued. The County feels property taxes are ultimately collectible through property liens and/or forced sales and any amounts not collected are immaterial to the financial statements taken as a whole.

Prepaid Items

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

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $2,000 and an estimated useful life in excess of three years. Such assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment, of the County, is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25 - 50
Building improvements	7 - 50
Infrastructure	25 - 50
Equipment and vehicles	3 - 25
Office equipment	3 - 10

Deferred Outflows of Resources

Deferred outflows of resources are a consumption of net position by the County that is applicable to future reporting periods. Similar to assets, they have a positive effect on net position. The government-wide statement of net position reports the future outflows related to pension obligations.

Deferred Inflows of Resources

Deferred inflows of resources are an acquisition of net position by the County that is applicable to future reporting periods. Similar to liabilities, they have a negative effect on net position. The government-wide statement of net position reports the property taxes levied for the following year as well as future inflows related to pension obligations, and grants for future periods as deferred inflow of resources. Other items reports as a deferred inflow arise under a modified accrual basis of accounting in the County's governmental funds. The unavailable revenue from property taxes will be recognized as an inflow of resources in the period the amounts become available.

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation, comp time, and emergency medical leave benefits. All comp, vacation and emergency medical leave benefits are accrued when incurred in the government-wide financial statements. A liability for comp, vacation and emergency medical leave benefits is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. In the fund financial statements, the face amount of debt issued is reported as other financing sources.

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.

Net Position and Fund Balance

Net position is comprised of the various net earnings (losses) from operating and non-operating revenues, expenses, operating transfers, and contributed capital. Net position is classified in the following three components: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets, consists of capital assets, net of accumulated depreciation and outstanding debt attributable to the acquisition,

construction or improvement of those assets. Debt related to unspent proceeds or other restricted cash and investments at year end is not included in the calculation of the net investment in capital assets. Restricted net position consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations, and enabling legislation, including self-imposed legal mandates. Restricted net position is based on the same criteria used to report restricted governmental fund balances. Unrestricted net position consists of all other net position not included in the above categories. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Generally, governmental fund balances represent the difference between the assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Classifications are hierarchical and are based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the County to classify and report amounts in the appropriate fund balance classifications. The County's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of nonspendable, restricted, committed, assigned, or unassigned. The County permits funds to be expended in the following order: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

The County reports the following classifications:

Nonspendable Fund Balance—Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form—such as inventory or prepaid insurance or (b) legally or contractually required to be maintained intact—such as a trust that must be retained in perpetuity.

Restricted Fund Balance—Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Restrictions are placed on fund balances when legally enforceable legislation establishes the County's right to assess, levy, or charge fees to be used for a specific purpose—such as the County's gas sales tax revenue, which must be used to repair and construct roads. Legal enforceability means that the County can be compelled by an external party to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed Fund Balance-Amounts that only be used for specific purposes because of a formal action (resolution or ordinance) by the County's highest level of decision-making authority, the Board of Commissioners.

Unassigned Fund Balance—Unassigned fund balance is the residual classification for the General Fund. This classification represents General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

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

Note 2 - Detailed Notes on all Funds

Deposits and Investments

Following is a summary of the County's cash and investment balances including custodial funds as of September 30, 2021:

Cash and cash equivalents	$ 1,911,413
Restricted cash	14,043
Investments	5,668,660
Total	$ 7,594,116
Investments	
Investments carried at fair value	
State of Idaho Local Government Investment Pool	$ 4,508,524
State of Idaho Diversified Bond fund	407,697
U.S Government Bonds	199,489
Certificates of Deposit-Traded	302,531
Total investments carried at fair value	5,418,241
Investments carried at amortized cost	
Time Certificates of Deposit	250,419
Total investments	$ 5,668,660

Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it.

The County's policy for custodial credit is as follows:

- The Gooding County Board of Commissioners do hereby approve deposits in qualified public depositories as defined by IC section 57-113, including but not limited to the following Idaho depositories: Columbia Bank, Washington Federal Bank, Farmers National Bank, US Bank, Zion's Bank, D.L. Evans Bank and Wells Fargo Bank.
- Where the money in the treasury may exceed the amount which the designated Depositories in Gooding County are able to insure, the excess of idle funds as defined by IC section 57-130, may be invested and deposited in financial institutions outside of Gooding County but within the State of Idaho including but not necessarily limited to the following Idaho depositories: Idaho State Treasurer's Investment Pool and Idaho State treasurer's Diversified Bond Fund and Idaho Central Credit Union.
- The Treasurer may also use Investment Brokers to purchase Government Agencies for investment purposes such as: Multi Bank Securities, Wells Fargo and Zions.
- The Chief Deputy treasurer shall have the authority to act in the absence of the treasurer.

At September 30, 2021, the amount of the County's bank deposits total $2,503,955. Of the bank balance, $1,052,133 was covered by depository insurance, and the remaining balance of $1,451,822 was in excess of depository insurance, however; these funds were collateralized by AAA securities held by the pledging financial institutions' trust department or agent but not in the County's name.

	Bank Balances
Insured	$ 1,052,133
Collateralized	1,451,822
Total	$ 2,503,955

Investments

Investment Type	Credit Rating	Less than 1 Year	1 to 5 Years	5 to 10 Years	Total
Local Government Investment Pool	N/A	$ 4,508,524	$ -	$ -	$ 4,508,524
Idaho State Treasurer's Bond Fund	N/A	-	407,697	-	407,697
Certificates of Deposit	N/A	-	552,950	-	552,950
U.S. Government Bonds	AA+	199,489	-	-	199,489
Total investments		$ 4,708,013	$ 960,647	$ -	$ 5,668,660

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. See the County investment policy for credit risk above.

Fair Value Measurements

Fair values of assets measured on a recurring basis are categorized in three different levels. Those levels are:

Level 1 - Quoted prices in active markets providing reliable evidence of fair value.
Level 2 - Other thank quoted prices included within Level 1 that are observable either directly or indirectly.
Level 3 - Unobservable inputs.

Fair values of assets measured on a recurring basis at September 30, 2021 are as follows:

	Fair Value	Level 1	Level 2	Level 3
Certificates of Deposit-traded	$ 302,531	$ -	$ 302,531	$ -
U.S. Government Bonds	199,489	-	199,489	-
Total	502,020	$ -	$ 502,020	$ -
Investments measured at net asset value (NAV)				
Local government investment pool	4,508,524			
State of Idaho diversified bond fund	407,697			
Investments carried at amortized cost				
Time Certificates of Deposit	250,419			
Total investments measured	$ 5,668,660			

The County uses the market approach to measure the fair value of investments. It relies on the statements from the institutions or advisors charged with investing or managing the funds. These institutions and advisors use market pricing to provide the fair values to the County.

Concentration of Credit Risk

When investments are concentrated in one issuer, this concentration represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principle that governments should provide note disclosure when five percent of the total entities investments are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The County's investment policy has no limitations on the amount that can be invested in any one issuer. At September 30, 2021, investments in any one issuer (other than State investment pools) that represents 5% or more of total County investments are as follows:

Issuer	Investment Type	Reported Amount	Percentage
Multi-Bank Securities	Certificates of Deposit and U.S Government Bonds	$ 502,020	8.86%

Investments valued using NAV per share do not have readily obtainable fair values and are instead valued based on the County's pro-rata share of the pool's net position. The County values these investments based on the information provided by the State of Idaho Treasurer's Office. The following table presents the unfunded commitments, redemption frequency and the redemption notice period for the County's investments measured at NAV:

	Investment Measured at NAV			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Local government investment pool	$ 4,508,524	None	Daily	3 days: over $10,000,000
State of Idaho diversified bond fund	$ 407,697	None	Monthly	5-25 days

Note 3 - Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Capital assets not being depreciated				
Land	$ 232,062	$ -	$ -	$ 232,062
Construction in progress	754,972	-	(754,972)	-
Total capital assets not being depreciated	987,034	-	(754,972)	232,062
Capital assets being depreciated				
Buildings	1,574,157	1,859,012	-	3,433,169
Improvements	1,347,601	-	-	1,347,601
Equipment and vehicles	2,958,261	142,660	-	3,100,921
Infrastructure	370,589	-	-	370,589
Total capital assets being depreciated	6,250,608	2,001,672	-	8,252,280
Less accumulated depreciation for				
Building	1,019,252	47,312	-	1,066,564
Improvements	405,794	49,302	-	455,096
Equipment and vehicles	2,238,574	148,115	-	2,386,689
Infrastructure	135,029	7,757	-	142,786
Total accumulated depreciation	3,798,649	252,486	-	4,051,135
Total capital assets being depreciated, net	2,451,959	1,749,186	-	4,201,145
Governmental activities capital assets, net	$ 3,438,993	$ 1,749,186	$ (754,972)	$ 4,433,207

Depreciation expense was charged to functions as follows:

General government	$	109,230
Public safety		105,133
Health and welfare		7,944
Culture and recreation		30,179
Total	$	252,486

Operating Leases

The County has entered into multiple operating leases as a lessee with Hinckley's Inc. to lease police vehicles and equipment. The County has the option to purchase any of the vehicles at any time for fair market value or terminate the lease at any time.

Annual operating lease payments are as follows:

Years Ending September 30		Amount
2022	$	64,844
2023		64,844
2024		46,565
2025		39,614
	$	215,867

Risk Management

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

On January 1, 2017, the County began partially self-insuring the cost of employee healthcare. Prior to this time, employee healthcare was insured through Blue Cross of Idaho. The County uses the Mayo Clinic as a third-party administrator of the plan. The County partially self-insures the cost of the employee healthcare benefits. The County self-insures the first $50,000 in claims per eligible participant. The County also purchases annual stop-loss insurance coverage for all claims in excess of $50,000 per participant and $1,000,000 in aggregate. During the last three years, no claim settlements and /or judgements have exceeded the County's limits of insurance.

Note 4 - Long-Term Debt

Long-term liability activity for the year ended September 30, 2021 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	$ 327,580	$ 341,803	$ 395,752	$ 273,631	$ 273,631
Note payable	-	500,000	-	500,000	27,109
Long-term liabilities	$ 327,580	$ 841,803	$ 395,752	$ 773,631	$ 300,740

Compensated absences are liquidated through the General Fund and Special Revenue Funds.

Note Payable

On February 16, 2021, the County purchased a building on 714 Main Street in Gooding, Idaho for approximately $620,000, which was partially financed with a promissory note from a local area bank. Financing was provided through long-term promissory note in the amount of $500,000. The note has a variable rate of interest with an initial rate of interest at 3.00%. The interest rate on the note is subject to change based on changes in the Farmers Bank Base Agriculture Rate. The note is payable annual installments over a ten-year period with a maturity date of February 20, 2031. The County has assigned a security interest in and lien on the building to the Bank. The County may terminate the agreement if funds are not appropriated for any fiscal period during the term of the agreement or if the County has exhausted all fund legally available for all payments due under this agreement.

Future debt service payments under the terms of the promissory note are as follows assuming an interest rate of 3%.

Year ending September 30	Principal	Interest	Total
2022	$ 27,109	$ 15,000	$ 42,109
2023	27,922	14,187	42,109
2024	28,760	13,349	42,109
2025	29,623	12,486	42,109
2026	30,511	11,598	42,109
2027-2031	356,075	43,696	399,771
	$ 500,000	$ 110,316	$ 610,316

Note 5 - Pension Plan

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020, it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% general employees and 12.28% for police and firefighters. The County's contributions were $542,411 for the year ended September 30, 2021.

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

At September 30, 2021, the County reported a liability for its proportionate share of the net pension liability. The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County'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, 2021, the County's proportion was (.1225258) percent compared to .1242493 percent at June 30, 2020.

For the year ended September 30, 2021, the County recognized pension expense of $35,078. At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 142,575	$ 56,248
Changes in assumptions of other inputs	1,110,776	-
Net difference between projected and actual earnings on pension plan investments	-	3,039,419
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	10,889	38,130
County contributions subsequent to the measurement date	151,911	-
Total	$ 1,416,151	$ 3,133,797

$151,911 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 (asset) 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, 2020 the beginning of the measurement period ended June 30, 2021 is 4.6 years. 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:

Years Ended June 30,	
2022	$ (444,872)
2023	(397,666)
2024	(345,642)
2025	(681,377)
	$ (1,869,557)

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 July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation*	3.05%
Investment rate of return, net of pension plan fees	6.35%
Cost-of-living adjustments	1.00%

*There is an additional component of assumed salary growth (on top of the 3.05%) that varies for each individual member based on years of service.

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

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries-Males	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries -Females	Pub-2010 General Tables, increased 21%
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%

For the base plan, Economic assumptions were studied in an experience study performed for the period 2015 through 2020. Demographic assumptions, including mortality were studied for the period 2011 through 2017. The Total Pension Liability as of June 30, 2021, is based on the results of an actuarial valuation date of June 30, 2021.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Capital Market Assumptions for Callen 2021			
Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	-0.20%
Broad US Equities	55.00%	8.00%	6.30%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation -Mean		2.00%	2.00%
Assumed Inflation -Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%
Investment Policy Assumptions from PERSI November 2019			
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Economic/Demographic Assumptions for Milliman 2021			
Valuation Assumptions Chosen by PERSI Board			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			2.30%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			**6.35%**

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 (asset) 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 (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease 5.35%	Current Discount Rate 6.35%	1% Increase 7.35%
Employer's proportionate share of the net pension liability (asset)	$ 3,363,873	$ (96,769)	$ (2,933,526)

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, 2021, there were 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.

Note 6 - Other Information

State of Idaho Deferred Compensation Plan

The County adopted the State of Idaho IRC 457(b) deferred compensation plan on November 4, 2013. The Plan Sponsor of the plan is the State of Idaho. All fulltime employees are eligible; however, employees who complete less than 35 hours a week on regular basis, work on an irregular or temporary basis or have not completed 60 days of continuous employment will not be eligible to participate.

Nationwide Retirement Solutions is the third-party administrator responsible for record-keeping and enrollment. The default investment option is the Nationwide Fixed Account. All contributions and any earnings are 100% vested (including the employer match). The County matches 50% of the employee contribution up to 1.50% of employee gross wages. The minimum contribution rate for employees is 1%. For the year ended September 30, 2021, the County's contributions required and paid was $16,587 for the year ending September 30, 2021.

Landfill Closure and Solid Waste Disposal

On November 1, 1993, Gooding County entered into a landfill closure and solid waste disposal agreement with the Southern Idaho Regional Solid Waste District.

Solid waste disposal charges are based on a formula using three factors: volume of waste, reserve for equipment and landfill closure costs. Gooding County's share of Southern Idaho Regional Solid Waste District costs was $650,156 for the year. The agreement states that the annual solid waste disposal charges shall be sufficient, together with other revenues received by the Southern Idaho Regional Solid Waste District, to cover the District's costs and expenses for each fiscal year, including, but not limited to, reasonable operating reserve and other reserves considered appropriate by the District in its discretion, and to provide a reasonable operating margin that the District in its discretion determines is required for it to operate on a fiscally sound basis. The County shall pay one-half of the projected solid waste disposal charges for such disposal period semiannually on the fourth Monday in January during such disposal period and the remaining one-half of said projected county solid waste disposal charges on the fourth Monday in July immediately following such disposal period. The agreement is in effect through September 30, 2032.

Lease Agreement

Gooding County entered into a fifty-year lease agreement on December 9, 1993, for real property with the City of Wendell. Rent for the premises will be one dollar per year payable on or before the 10th day of January each year. The property is the site for the garbage transfer station for the regional landfill.

Contingent Liabilities

The County is a defendant in various lawsuits. Although the outcome of the lawsuits is not presently determinable, it is the opinion of the County's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

Undivided Interest in Joint Operations – County Agent

Pursuant to an interlocal agreement authorized by state statute, the County joined the University of Idaho (a state land grant college) to establish and operate a county agricultural extension agency. The County agrees to furnish office space, office maintenance, support staff, equipment and maintenance, supplies, travel and other operating expenses necessary for Cooperative Extension System personnel to conduct educational programs. The County agent is hired by the University of Idaho. The County contributed $110,504 during 2021 to be used for salaries, travel, supplies and capital outlay. The agency provides consulting, research and youth services to the County. The agreement is renewed annually.

Internal balances and Transfers

Cash deficits in the County's Wendell Police Department Fund totaled $50,723 as of September 30, 2021 which was absorbed by and owed to the General fund. The internal balances are expected to be liquidated within one year.

Fund Deficit

As of September 30, 2021, the County's Wendell Police Department Fund reported a deficit fund balance of $(22,268). The deficit is expected to be recovered through additional revenues received in fiscal year 2022.

Accounts Payable and Salaries Payable

Accounts payable and salaries payable at September 30, 2021 were as follows:

	General Fund	Ambulance Fund	Indigent Fund	Other Governmental Funds	Total
Accounts payable	$ 183,031	$ 15,743	$ 13,837	$ 72,300	$ 284,911
Salaries payable	112,588	24,467	15,335	24,744	177,134
	$ 295,619	$ 40,210	$ 29,172	$ 97,044	$ 462,045

Required Supplementary Information
September 30, 2021

Gooding County

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

	2016	2017	2018	2019	2020	2021
Employer's portion of the net pension liability (asset)	0.0938994%	0.1258870%	0.1245817%	0.1229818%	0.1242493%	-0.1225258%
Employer's proportionate share of the net pension liability (asset)	$ 1,903,485	$ 1,978,727	$ 1,837,601	$ 1,403,802	$ 2,885,232	$ (96,769)
Employer's covered payroll	$ 3,716,962	$ 3,882,526	$ 4,107,386	$ 4,286,734	$ 4,491,121	$ 4,554,650
Employer's proportional share of the net pension liability (asset) as a percentage of its covered payroll	51.21%	50.96%	44.74%	32.75%	64.24%	(2.12)%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	90.68%	91.69%	93.79%	88.22%	100.36%

*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 County will present information for those years for which information is available.
Data reported is measured as of June 30, 2021.

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

	2016	2017	2018	2019	2020	2021
Statutorily required contribution	$ 423,362	$ 442,608	$ 459,300	$ 486,309	$ 545,035	$ 542,411
Contributions in relation to the statutorily required contribution	$ (423,362)	$ (442,608)	$ (459,300)	$ (486,309)	$ (545,035)	$ (542,411)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 3,716,962	$ 3,882,526	$ 4,107,386	$ 4,286,734	$ 4,491,121	$ 4,554,650
Contributions as a percentage of covered payroll	11.39%	11.40%	11.18%	11.34%	12.14%	11.91%

* 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 County will present information for those years for which information is available.
Data is reported and measured as of September 30, 2021.

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	$ 3,358,533	$ 3,358,533	$ 3,451,105	$ 92,572
Other revenues	2,926,144	2,926,144	3,821,419	895,275
Total revenues	6,284,677	6,284,677	7,272,524	987,847
Expenditures				
General government	4,759,054	4,693,554	3,498,519	1,195,035
Public safety	2,295,558	2,361,058	2,147,589	213,469
Agriculture	110,504	110,504	110,504	-
Capital outlay	957,000	957,000	1,233,302	(276,302)
Total expenditures	8,122,116	8,122,116	6,989,914	1,132,202
Excess Revenues Over (Under) Expenditures	(1,837,439)	(1,837,439)	282,610	2,120,049
Other Financing Sources (Uses)				
Loan proceeds	-	-	500,000	500,000
Total other financing sources (uses)	-	-	500,000	500,000
Net Change in Fund Balances	(1,837,439)	(1,837,439)	782,610	2,620,049
Fund Balance - Beginning	1,897,961	1,897,961	1,897,961	-
Fund Balance - Ending	$ 60,522	$ 60,522	$ 2,680,571	$ 2,620,049

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
General Government				
Clerk/Auditor/Recorder				
Salaries	$ 357,134	$ 357,134	$ 347,595	$ 9,539
Other expenditures	10,140	10,140	6,817	3,323
Total	367,274	367,274	354,412	12,862
Assessor				
Salaries	223,235	223,235	214,772	8,463
Other expenditures	9,750	9,750	7,020	2,730
Total	232,985	232,985	221,792	11,193
Treasurer				
Salaries	144,530	144,530	135,759	8,771
Other expenditures	20,150	20,150	9,258	10,892
Total	164,680	164,680	145,017	19,663
Elections				
Salaries	5,000	5,000	4,798	202
Other expenditures	44,900	44,900	16,941	27,959
Capital outlay	10,000	10,000	-	10,000
Total	59,900	59,900	21,739	38,161
Commissioners				
Salaries	108,193	108,193	108,194	(1)
Other expenditures	17,200	17,200	7,714	9,486
Total	125,393	125,393	115,908	9,485
Prosecuting Attorney				
Salaries	327,188	327,188	338,557	(11,369)
Other expenditures	88,119	88,119	51,346	36,773
Capital outlay	1,500	1,500	-	1,500
Total	416,807	416,807	389,903	26,904
Buildings and Grounds				
Salaries	86,580	86,580	59,729	26,851
Other expenditures	311,000	311,000	58,345	252,655
Capital outlay	770,000	770,000	1,119,039	(349,039)
Total	1,167,580	1,167,580	1,237,113	(69,533)
Planning and Zoning				
Salaries	138,739	138,739	136,007	2,732
Other expenditures	30,550	30,550	17,864	12,686
Total	169,289	169,289	153,871	15,418
Vehicle mainteance				
Salaries	30,940	30,940	29,267	1,673
Other expenditures	70,000	70,000	4,584	65,416
Total	100,940	100,940	33,851	67,089
General Expenses				
Salaries	1,661,075	1,661,075	1,174,159	486,916
Other expenditures	1,074,631	1,074,631	769,793	304,838
Capital outlay	110,000	110,000	73,372	36,628
Total	2,845,706	2,845,706	2,017,324	828,382
Total general government	$ 5,650,554	$ 5,650,554	$ 4,690,930	$ 959,624

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Public Safety				
Sheriff Salaries	$ 823,843	$ 823,843	$ 787,370	$ 36,473
Other expenditures	128,260	128,260	138,192	(9,932)
Rent	-	-	18,142	(18,142)
Capital outlay	65,500	65,500	40,891	24,609
Total	1,017,603	1,017,603	984,595	33,008
Coroner				
Salaries	18,666	18,666	17,299	1,367
Other expenditures	20,600	20,600	6,333	14,267
Total	39,266	39,266	23,632	15,634
Emergency Management				
Salaries	19,713	19,713	19,807	(94)
Other expenditures	3,490	3,490	1,483	2,007
Total	23,203	23,203	21,290	1,913
Jail				
Salaries	752,185	752,185	701,687	50,498
Other expenditures	159,350	159,350	158,073	1,277
Total	911,535	911,535	859,760	51,775
Probation				
Salaries	83,452	83,452	78,729	4,723
Other expenditures	12,445	12,445	11,944	501
Total	95,897	95,897	90,673	5,224
Juvenile Justice				
Salaries	165,404	165,404	142,920	22,484
Other expenditures	108,150	108,150	65,610	42,540
Total	273,554	273,554	208,530	65,024
Total public safety	2,361,058	2,361,058	2,188,480	172,578
Agriculture				
County Agent				
Other expenditures	110,504	110,504	110,504	-
Total	110,504	110,504	110,504	-
Total agriculture	110,504	110,504	110,504	-
Total public safety and agriculture	$ 2,471,562	$ 2,471,562	$ 2,298,984	$ 172,578

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	$ 433,564	$ 433,564	$ 441,956	$ 8,392
Intergovernmental	-	-	-	-
Ambulance service	564,434	564,434	831,182	266,748
Miscellaneous	-	-	4,183	4,183
Total revenues	997,998	997,998	1,277,321	279,323
Expenditures				
Public Safety				
Salaries and benefits	930,949	930,949	874,782	56,167
Other expenditures	253,850	253,850	237,469	16,381
Capital outlay	78,000	78,000	4,498	73,502
Total expenditures	1,262,799	1,262,799	1,116,749	146,050
Net Change in Fund Balances	(264,801)	(264,801)	160,572	425,373
Fund Balance - Beginning	133,614	133,614	133,614	-
Fund Balance - Ending	$ (131,187)	$ (131,187)	$ 294,186	$ 425,373

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	$ 685,335	$ 685,335	$ 697,677	$ 12,342
Intergovernmental	158,773	158,773	158,384	(389)
Charges for services	48,500	48,500	52,809	4,309
Miscellaneous	-	-	6,846	6,846
Total revenues	892,608	892,608	915,716	23,108
Expenditures				
Health and welfare	1,069,906	1,069,906	791,478	278,428
Total expenditures	1,069,906	1,069,906	791,478	278,428
Net Change in Fund Balances	(177,298)	(177,298)	124,238	301,536
Fund Balance - Beginning	289,327	289,327	289,327	-
Fund Balance - Ending	$ 112,029	$ 112,029	$ 413,565	$ 301,536

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Landfill fees	$ 632,950	$ 632,950	$ 818,832	$ 185,882
Miscellaneous	8,100	8,100	5,559	(2,541)
Total revenues	641,050	641,050	824,391	183,341
Expenditures				
Health and welfare	655,857	655,857	650,156	5,701
Capital outlay	50,000	50,000	-	50,000
Total expenditures	705,857	705,857	650,156	55,701
Net Change in Fund Balances	(64,807)	(64,807)	174,235	239,042
Fund Balance - Beginning	1,038,527	1,038,527	1,038,527	-
Fund Balance - Ending	$ 973,720	$ 973,720	$ 1,212,762	$ 239,042

Note 1 - Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all capital projects funds. The legal level of budget authority is at the fund level.

The Board of County Commissioners follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the first Monday in August, the County Auditor submits to the County Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures only. It is published publicly on or before the third Monday in August.
2. Public hearings are conducted at the Courthouse to obtain taxpayer comments.
3. Prior to the first Tuesday after the first Monday of September, the budget is legally adopted by the Commission.

Encumbrance accounting methods were not used in the preparation of the County's financial statements. Uncommitted appropriations lapse at year-end and commitments are reappropriated in the next year's budget.

Excess of Expenditures Over Appropriations

None

Note 2 - Changes in Assumptions

An experience study was performed for the period 2015 through 2020 for the PERSI base plan. There were changes in assumptions for the discount rate and changes resulting from the experience study during the measurement period. The County's proportionate share of changes in assumptions as of the measurement date totaled $1,110,776.

Gooding County
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021

	Road and Bridge Fund	Elections Fund	Revaluation Fund	County Fair Fund	Junior College Fund	District Court Fund
Assets						
Cash and investments	$ 323,096	$ 178,546	$ 36,489	$ 106,432	$ 224,832	$ 194,452
Receivables						
Taxes	-	-	143,038	316,098	110,863	23,500
Miscellaneous	-	-	41	90	33	5
Intergovernmental	11,749	-	4,371	5,156	10,787	-
Prepaid items	-	-	-	-	-	-
	$ 334,845	$ 178,546	$ 183,939	$ 427,776	$ 346,515	$ 217,957
Liabilities, Deferred inflows of Resources, and Fund Balances						
Liabilities						
Accounts and salaries payable	$ 369	$ 1,104	$ 3,699	$ 4,745	$ 47,900	$ 22,325
Due to other funds	-	-	-	-	-	-
Total liabilities	369	1,104	3,699	4,745	47,900	22,325
Deferred Inflows of Resources						
Unavailable Revenue - Property Taxes and Special Fees	-	-	142,733	315,434	110,598	23,446
Total deferred inflows of resources	-	-	142,733	315,434	110,598	23,446
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	334,476	177,442	37,507	107,597	188,017	172,186
Unassigned	-	-	-	-	-	-
Total fund balances	334,476	177,442	37,507	107,597	188,017	172,186
	$ 334,845	$ 178,546	$ 183,939	$ 427,776	$ 346,515	$ 217,957

Gooding County
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021

	Wendell Police Department Fund	Public Health Fund	Hagerman Police Department Fund	Veterans Memorial Fund	Weeds Fund	Waterways Fund	Total Nonmajor Governmental Funds
Assets							
Cash and investments	$ -	$ 27,227	$ 33,024	$ 2,924	$ 114,880	$ 70,541	$ 1,312,443
Receivables							
Taxes	-	137,343	-	13,751	34,672	-	779,265
Miscellaneous	-	30	-	2	21,473	-	21,674
Intergovernmental	-	-	-	-	-	-	32,063
Prepaid items	37,160	-	-	-	-	-	37,160
	$ 37,160	$ 164,600	$ 33,024	$ 16,677	$ 171,025	$ 70,541	$ 2,182,605
Liabilities, Deferred inflows of Resources, and Fund Balances							
Liabilities							
Accounts and salaries payable	$ 8,705	$ -	$ 1,704	$ -	$ 6,493	$ -	$ 97,044
Due to other funds	50,723	-	-	-	-	-	50,723
Total liabilities	59,428	-	1,704	-	6,493	-	147,767
Deferred Inflows of Resources							
Unavailable Revenue - Property Taxes and Special Fees	-	137,112	-	13,717	34,617	-	777,657
Total deferred inflows of resources	-	137,112	-	13,717	34,617	-	777,657
Fund Balances							
Nonspendable	37,160	-	-	-	-	-	37,160
Restricted	-	27,488	31,320	2,960	129,915	70,541	1,279,449
Unassigned	(59,428)	-	-	-	-	-	(59,428)
Total fund balances	(22,268)	27,488	31,320	2,960	129,915	70,541	1,257,181
	$ 37,160	$ 164,600	$ 33,024	$ 16,677	$ 171,025	$ 70,541	$ 2,182,605

Gooding County

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

Year Ended September 30, 2021

	Road and Bridge Fund	Elections Fund	Revaluation Fund	County Fair Fund	Junior College Fund	District Court Fund
Revenues						
Taxes	$ -	$ -	$ 103,038	$ 282,264	$ 124,558	$ 24,855
Intergovernmental	54,636	72,739	13,697	17,708	54,633	38,694
Charges for services	-	-	-	301,055	-	96,583
Miscellaneous	-	-	672	1,054	368	72
Total revenues	54,636	72,739	117,407	602,081	179,559	160,204
Expenditures						
General government	25,748	67,805	165,319	-	-	108,563
Health and welfare	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Education	-	-	-	-	97,392	-
Culture and recreation	-	-	-	499,078	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	25,748	67,805	165,319	499,078	97,392	108,563
Net Changes in Fund Balances	28,888	4,934	(47,912)	103,003	82,167	51,641
Fund Balances - Beginning	305,588	172,508	85,419	4,594	105,850	120,545
Fund Balances - Ending	$ 334,476	$ 177,442	$ 37,507	$ 107,597	$ 188,017	$ 172,186

Gooding County

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

Year Ended September 30, 2021

	Wendell Police Department Fund	Public Health Fund	Hagerman Police Department Fund	Veterans Memorial Fund	Weeds Fund	Waterways Fund	Total Nonmajor Governmental Funds
Revenues							
Taxes	$ -	$ 89,293	$ -	$ 13,699	$ 20,218	$ -	$ 657,925
Intergovernmental	-	-	-	-	-	3,820	255,927
Charges for services	320,192	-	94,760	-	117,639	19,625	949,854
Miscellaneous	-	413	-	47	91	-	2,717
Total revenues	320,192	89,706	94,760	13,746	137,948	23,445	1,866,423
Expenditures							
General government	-	-	-	-	129,855	17,229	514,519
Health and welfare	-	86,793	-	13,497	-	-	100,290
Public safety	388,355	-	94,008	-	-	-	482,363
Education	-	-	-	-	-	-	97,392
Culture and recreation	-	-	-	-	-	-	499,078
Capital outlay	-	-	8,900	-	-	-	8,900
Total expenditures	388,355	86,793	102,908	13,497	129,855	17,229	1,702,542
Net Changes in Fund Balances	(68,163)	2,913	(8,148)	249	8,093	6,216	163,881
Fund Balances - Beginning	45,895	24,575	39,468	2,711	121,822	64,325	1,093,300
Fund Balances - Ending	$ (22,268)	$ 27,488	$ 31,320	$ 2,960	$ 129,915	$ 70,541	$ 1,257,181

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

The Board of Commissioners
Gooding County
Gooding, Idaho

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gooding County (the County), for the year then ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated May 23, 2022.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County '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 financial statements. 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*.

County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Twin Falls, Idaho
May 23, 2022

2021-001 Preparation of Financial Statements (Material Weakness)

Criteria: A good system of internal accounting control contemplates an adequate system for recording and processing entries material to the financial statements, and the ability to internally prepare their financial statements.

Condition: The County does not have an internal control system designed to provide for the preparation of the financial statements. The auditors were requested to, and did, draft the County's financial statements, and accompanying notes to the financial statements.

Cause: The County does not have an internal control system designed to provide for the preparation of the financial statements.

Effect: The financial disclosures in the financial statements could be incomplete.

Recommendation: This circumstance is not unusual in a county of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Views of Responsible Officials: The County agrees that having an internal control system over financial reporting is an important part of the County's overall internal control process. The County has performed a cost/benefit analysis of implementing these controls and concluded the resources were not in place to effectively implement the necessary changes for the year ended September 30, 2021.