LATAH COUNTY, IDAHO

Moscow, Idaho

Audited Financial Statements
For the Year Ended
September 30, 2021

LATAH COUNTY, IDAHO
Moscow, Idaho

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FINANCIAL SECTION

HAYDEN ROSS

INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Latah County, Idaho
Moscow, Idaho 83843

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Latah County, Idaho 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 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, the business-type activities, each major fund, and the aggregate remaining fund information of Latah County, Idaho, as of September 30, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-10, the budgetary comparisons on pages 40-42, and the net pension (asset) liability related schedules on page 43 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.

Other Information

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

The combining and nonmajor fund financial statements and the schedule of expenditures of federal awards 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 and nonmajor fund financial statements and the schedule of expenditures of federal awards 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 2, 2022 on our consideration of the Latah County, 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 Latah County, Idaho's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
May 2, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021

As management of Latah County, our discussion and analysis of Latah County's financial performance provides an overview and analysis of the financial activities for the fiscal year ending September 30, 2021. We encourage readers to consider the information presented in conjunction with additional information accompanied in the Notes to Financial Statements, which is included in this audit report. Comparative analysis will be done on key elements of the County's governmental and enterprise funds.

Overview of Financial Statements

Management's discussion and analysis is intended to serve as an introduction to Latah County's financial statements. Our basic financial statements are comprised of three components: 1) governmental-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government–Wide Financial Statements: These statements give readers a broad overview of Latah County's finances.

The *Statement of Net Position* presents information on all County governmental and business-type assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the County is improving or deteriorating.

The *Statement of Activities* presents information on all County governmental and business-type revenue and expenses, with the difference reported as change in net position during the most recent fiscal year.

These statements include all assets and liabilities using the accrual basis of accounting, where all current year's revenues and expenses are included regardless of when cash is received or paid. Some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave.)

Both of the above government-wide financial statements distinguish functions of Latah County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Latah County include general government, public safety, culture and recreation, health and welfare, agriculture, education, and planning and building.

Fund Financial Statements: A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Latah County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund statements generally report operations in more detail than the government-wide statements. Latah County's funds are divided into three categories: governmental funds, proprietary funds (enterprise) and fiduciary (custodial) funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities. Governmental fund financial statements focus on how money flows into and out of those funds and the balances that are non-spendable, restricted, committed, assigned or unassigned at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Latah County maintains four major and numerous non-major governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the Current Expense Fund, Justice Fund, Social Services Fund, and ARPA Fund.

Proprietary Funds - Latah County maintains only one proprietary fund – Solid Waste. Proprietary Funds are used to report activities where user fees and charges are intended to cover the cost of providing a service. Proprietary net position and activities are reported on the government-wide statements in a separate column.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Latah County's own programs. Latah County Fiduciary funds are dollars that are held for other agencies, taxing districts and other restricted monies.

Notes to the financial statements - The notes to financial statements provide an overview of Latah County and its operations and provide additional information that is essential for a full understanding of the data provided in the government-wide and the fund financial statements.

Required Supplementary Information - The budgetary comparison schedules and the net pension (asset) liability schedules provide additional information required by GASB.

Other information: The supplementary information includes budgetary and financial information for the combining statements for nonmajor funds (which are shown in the fund financial

statements in a single column). This information is provided to address certain specific needs of various uses of the report.

Government-wide Financial Analysis

Latah County is able to provide comparative analysis of the government-wide data presented in compliance with the requirements of the Governmental Accounting Standards Board (GASB).

Table 1. Latah County's Statement of Net Position for 2021 compared to 2020: For the fiscal year ending September 30, 2021, the net position of the County as a whole increased by $3,010,851.

	2021	2020	Change	Change %
Assets				
Current and other assets	27,424,068	21,249,677	6,174,391	29%
Capital assets, net	4,778,580	4,537,660	240,920	5%
Noncurrent assets	197,133	-	197,133	100%
Total assets	32,399,781	25,787,337	6,612,444	26%
Deferred outflows of resources	2,858,577	1,550,085	1,308,492	84%
Liabilities				
Current liabilities	888,828	936,554	(47,726)	-5%
Non-current liabilities	627,052	6,384,363	(5,757,311)	-90%
Total liabilities	1,515,880	7,320,917	(5,805,037)	-79%
Deferred inflows of resources	21,614,651	10,899,529	10,715,122	98%
Net Position				
Net investment in capital assets	4,778,580	4,479,588	298,992	7%
Restricted	6,237,880	6,060,434	177,446	3%
Unrestricted	1,111,367	(1,423,046)	2,534,413	178%
Total Net Position	12,127,827	9,116,976	3,010,851	33%

Latah County's assets and deferred outflows of resources exceed its liabilities and deferred inflows of resources at the close of FY21 by $12,127,827 (net position). As mentioned earlier, Net Position over time may serve as a useful indicator of Latah County's financial position. The amount of net position shown as Net Investment in Capital Assets (39% of net position) are capital assets used to maintain and improve the County's operations. These assets are not available for future spending but with a positive change in net investments the County is experiencing positive growth. Additionally, the County's net position represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets is $1,111,367 and may be used to meet the County's obligations to citizens.

At the end of the current fiscal year, the County can report positive balances in all categories of net position for the government as a whole.

Table 2. Latah County's Statement of Activities for 2021 compared to 2020: Revenues for the County's activities increased by $1,338,113 and expenses decreased by $1,656,147.

Revenues	2021	2020	Change	% Change
Program Revenues:				
Charges for Services	3,070,604	3,023,532	47,072	2%
Operating Grants & Contributions	948,598	884,664	63,934	7%
Capital Grants & Contributions	-	48,838	(48,838)	-100%
Taxes	10,987,135	10,814,322	172,813	2%
Intergovernmental	4,363,180	3,507,483	855,697	24%
Licenses & Permits	584,133	482,396	101,737	21%
Interest & Investment Earnings	35,511	100,313	(64,802)	-65%
Miscellaneous	519,871	309,371	210,500	68%
Total Revenues	20,509,032	19,170,919	1,338,113	7%
Expenses				
Program Expenses:				
Governmental Activities:				
General Government	4,807,517	5,267,243	(459,726)	-9%
Public Safety	8,476,440	9,565,482	(1,089,042)	-11%
Culture & Education	334,857	397,556	(62,699)	-16%
Health & Welfare	966,065	1,022,352	(56,287)	-6%
Agriculture	648,719	632,123	16,596	3%
Education	16,450	9,850	6,600	67%
Planning & Building	492,713	572,185	(79,472)	-14%
Capital Outlay	68,734	51,235	17,499	34%
Business-type Activities:				
Solid Waste Collections	1,686,686	1,636,302	50,384	3%
Total Expenses	17,498,181	19,154,328	(1,656,147)	-9%
Change in net position	3,010,851	16,591	2,994,260	18047%
Net position - beginning	9,116,976	9,100,385	16,591	0%
Net position - ending	12,127,827	9,116,976	3,010,851	33%

Governmental Activities: Property taxes and Intergovernmental revenues were the largest sources of general revenue, making up 59% and 23% of total governmental revenues, respectively. Charges for services was the next significant revenue at 8% of all County revenues.

The largest program expense is public safety which accounted for $8,476,440 of the $15,811,495 or 54% of total expenses for governmental activities. The main component of the expenses under this function are related to salaries, benefits, and operations. The next largest function of expenses was general government, accounting for $4,807,517 and representing 30% of total governmental expenses.

Business-Type Activities: The largest revenue source for business-type activities was Charges for Services which accounted for $1,806,495 of the total revenue, which was an increase of $113,350 or 7% from last year.

Solid Waste expense of $1,686,686 includes salaries, benefits, office expenses and solid waste collection contracts.

Capital Assets: Latah County's net capital assets for its governmental activities as of September 30, 2021, amounts to $4,778,580 (net of depreciation) increased by $240,820 or 5%. This investment in capital assets includes buildings and grounds, improvements, machinery and equipment, and vehicles (see Table below).

Capital Assets	2021	2020	Change	% Change
Land	890,577	890,577	-	0%
Construction in Progress	-	9,556	(9,556)	-100%
Building & Grounds	2,521,593	2,400,520	121,073	5%
Equipment	1,031,105	917,156	113,949	12%
Vehicles	335,305	319,851	15,454	5%
Total Net Capital Assets	4,778,580	4,537,660	240,920	5%

Major capital asset events during the current fiscal year included the following:

- E-pollbook elections equipment was purchased through a grant from the State of Idaho.
- Three new sheriff patrol vehicles and one pickup.
- Fingerprint scanner, palm scanner and dispatch radio equipment.
- ITS completed a camera refresh project for security cameras at the courthouse.
- Building improvements included completing a window and brick seal upgrade project to the courthouse windows, flooring for the main floor hallway and replacing the Sheriff's Office ceiling & HVAC.

Long Term Debt: The County has no outstanding bonds. All lease agreements have a clause that if there are no available funds in the budget, lease will be terminated. The County's courthouse security camera refresh project was financed in FY2019 and was paid in full during FY2021.

When an employee leaves employment, any accrued vacation hours are paid, any accrued comp time hours are paid, and any unused sick time is forfeited. In addition, if an employee is in retirement status, 50% of vacation and 20% of sick leave is paid to an HRA/VEBA. The estimated amount of payments for accrued vacation and comp time are recorded as accrued compensated absences in the statement of net position.

Budget Variations: Developing a budget is a best estimate at the time of projection of revenues that you anticipate receiving and the expenses that you estimate will be needed during the next fiscal year. There were no funds that which expenditures exceeded appropriations.

Fund Budgetary Highlights: Below is a description of significant budget to actual differences for the year:

Current Expense Fund – Budget to actual differences within expenditures was significantly lower, as 93% of our expected expenditures were used as anticipated. The revenues on the other hand where slightly higher than predicted due to an increase in Intergovernmental, Licenses and Permits and Charges for services. Latah County received money through the State of Idaho from CARES fund for reimbursement of COVID related expenses.

Justice Fund –Budget to actual amounts in the Justice Fund, were slightly lower this year with 93% of expenditures used as directed. Revenues exceeded budgeted amounts due to an increase in Intergovernmental revenue which includes reimbursement of COVID related expenses and public safety salaries from the State of Idaho CARES funds.

Social Service Fund – Only 78% of the budget was used due to the difficulty of knowing how many indigent cases the County will experience in a given year. The County is seeing a downturn in indigent expenditures due to the approval of Medicaid Expansion in Idaho. Revenue received was higher than budgeted due to receiving more indigent reimbursements.

Various funds in the budget are used to build towards a specific and anticipated need, such as the Fair Building Fund, or are restricted in usage like the Sheriff's Program Funds and Youth Services Program Funds, and therefore can show a significant budget to actual difference.

Local Economy: Latah County's largest industries that provide quality jobs include Government, Accommodation and Food Services, Educational Services, Health Care & Social Assistance and Retail. Highest paying industries jobs include Utilities, Public Administration, Agriculture, Forestry, Fishing, Hunting and Mining. The largest employers include the University of Idaho, who employs 2,252 full time and part-time faculty and staff. Gritman Medical Center is a private, nonprofit Critical Access Hospital and has over 600 employees. The City of Moscow supports local farmers, artisans and musicians with the Moscow Farmers Market that generates more than $4 million in revenue. (Information collected from the Partnership for Economic Prosperity 2020 Latah County Economic Vitality Report).

Population: The population in Latah County for 2020 was 40,424 and slightly increased in 2021 to 40,666. Population is expected to increase by 2% between 2021 and 2024. Growth is primarily occurring in Moscow but areas like Deary, Troy, Potlatch and Genesee have had significant increases. The population ebbs and flows during the year due to the student population at the University of Idaho.

County Operations: Latah County complies with Idaho County Budget Law (Title 31, Chapter 16) and Government Accounting Standards Board (GASB) standards as required by Idaho Code.

Human Resources: Latah County's medical premiums increased by 4.7% over FY2020 and the County increased wages across the board by 2%. The County has continued its efforts to promote wellness and healthy lifestyles with the County's Wellness Program and incentives.

Risk Management & Liability Insurance: Latah County pays premiums to the Idaho Counties Risk Management Program to help the County with risk management loss control activities. These funds paid to ICRMP are collected from the Tort property tax levy which is allowed by Idaho Code. Workers Compensation Insurance losses where significantly lower this year compared to previous years. Latah County Risk Management is focusing efforts to reduce the risk and losses in this area for the future.

Planning: In 2021, Latah County approved 378 building permits within the County. This is compared to 346 in 2020. New addresses came in at 95 and zoning permits have increased to 183 in 2021. Most of the growth in Latah County has been due to residential construction.

Requests for Information: This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances. Any questions or request for additional information should be directed to the County Clerk, at the Latah County Courthouse Auditor's Office, 522 South Adams, Moscow, Idaho, 83843.

FINANCIAL STATEMENTS

LATAH COUNTY, IDAHO
Moscow, Idaho

STATEMENT OF NET POSITION
September 30, 2021

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	13,465,474	918,570	14,384,044
Receivables:			
Taxes	196,089	-	196,089
Unbilled taxes	11,288,704	-	11,288,704
Accounts	63,933	122,913	186,846
Prepaid expenses	251,743	1,676	253,419
Due from other governments	1,061,865	53,101	1,114,966
Total current assets	26,327,808	1,096,260	27,424,068
Noncurrent assets:			
Non-depreciable assets	890,577	-	890,577
Depreciable assets	10,526,501	-	10,526,501
Less: accumulated depreciation	(6,638,498)	-	(6,638,498)
Net pension asset	194,965	2,168	197,133
Total noncurrent assets	4,973,545	2,168	4,975,713
Total assets	31,301,353	1,098,428	32,399,781
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	2,827,133	31,444	2,858,577
LIABILITIES			
Current liabilities:			
Warrants payable	654,330	127,303	781,633
Non-warrants payable	26,352	-	26,352
Unearned revenue	-	80,843	80,843
Total current liabilities	680,682	208,146	888,828
Noncurrent liabilities:			
Accrued compensated absences	616,908	10,144	627,052
Total liabilities	1,297,590	218,290	1,515,880
DEFERRED INFLOWS OF RESOURCES			
Unavailable tax revenue	11,288,704	-	11,288,704
Deferred grant revenue	4,014,308	-	4,014,308
Pension related items	6,242,211	69,428	6,311,639
Total deferred inflows of resources	21,545,223	69,428	21,614,651
NET POSITION			
Net investment in capital assets	4,778,580	-	4,778,580
Restricted for:			
General government	404,259	-	404,259
Public safety	4,602,076	-	4,602,076
Culture and recreation	259,146	-	259,146
Health and welfare	419,948	-	419,948
Agriculture	228,766	-	228,766
Education	323,685	-	323,685
Unrestricted	269,213	842,154	1,111,367
Total net position	$ 11,285,673	$ 842,154	$ 12,127,827

LATAH COUNTY, IDAHO
Moscow, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS							
Governmental activities:							
General government	4,807,517	517,821	280,793	-	(4,008,903)	-	(4,008,903)
Public safety	8,476,440	684,030	667,805	-	(7,124,605)	-	(7,124,605)
Culture and recreation	334,857	59,141	-	-	(275,716)	-	(275,716)
Health and welfare	966,065	199	-	-	(965,866)	-	(965,866)
Agriculture	648,719	2,918	-	-	(645,801)	-	(645,801)
Education	16,450	-	-	-	(16,450)	-	(16,450)
Planning and building	492,713	-	-	-	(492,713)	-	(492,713)
Capital outlay	68,734	-	-	-	(68,734)	-	(68,734)
Total governmental activities	15,811,495	1,264,109	948,598	-	(13,598,788)	-	(13,598,788)
Business-type activities:							
Solid waste	1,686,686	1,806,495	-	-	-	119,809	119,809
Total business-type activities	1,686,686	1,806,495	-	-	-	119,809	119,809
Total primary government	$ 17,498,181	$ 3,070,604	$ 948,598	$ -	(13,598,788)	119,809	(13,478,979)
		General revenues					
		Taxes			10,987,135	-	10,987,135
		Intergovernmental			4,362,228	952	4,363,180
		Licenses and permits			584,133	-	584,133
		Interest and investment earnings			32,126	3,385	35,511
		Miscellaneous			518,667	1,204	519,871
		Transfers in (out)			16,020	(16,020)	-
		Total general revenue			16,500,309	(10,479)	16,489,830
		Change in net position			2,901,521	109,330	3,010,851
		Total net position - beginning of year			8,384,152	732,824	9,116,976
		Total net position - end of year			$ 11,285,673	$ 842,154	$ 12,127,827

GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2021

	Current Expense	Justice	Social Services	ARPA	Nonmajor Governmental	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Cash and investments	2,918,368	3,821,090	497,852	3,813,015	2,415,149	13,465,474
Receivables:						
Taxes	63,975	91,104	10,860	-	30,150	196,089
Unbilled taxes	3,750,109	5,085,432	582,004	-	1,871,159	11,288,704
Accounts	486	482	13	-	62,952	63,933
Prepaid expenses	147,921	86,768	1,552	-	15,502	251,743
Due from other governments	183,145	759,172	-	-	119,548	1,061,865
Due from other funds	5,945	-	-	-	-	5,945
Total assets	7,069,949	9,844,048	1,092,281	3,813,015	4,514,460	26,333,753
Deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 7,069,949	$ 9,844,048	$ 1,092,281	$ 3,813,015	$ 4,514,460	$ 26,333,753
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE						
Liabilities:						
Warrants payable	308,042	170,056	48,648	-	127,584	654,330
Accounts payable	11,977	11,339	-	-	3,036	26,352
Due to other funds	-	-	-	-	5,945	5,945
Total liabilities	320,019	181,395	48,648	-	136,565	686,627
Deferred inflows of resources:						
Deferred revenue	46,389	66,242	7,942	-	21,980	142,553
Deferred grant revenue	-	-	-	3,813,015	201,293	4,014,308
Unavailable tax revenue	3,750,109	5,085,432	582,004	-	1,871,159	11,288,704
Total deferred inflows of resources	3,796,498	5,151,674	589,946	3,813,015	2,094,432	15,445,565
Fund balances:						
Nonspendable	147,921	86,768	1,552	-	15,502	251,743
Assigned	500,000	948,569	50,000	-	107,844	1,606,413
Restricted for:						
General government	-	-	-	-	387,661	387,661
Public safety	-	3,475,642	-	-	971,505	4,447,147
Culture and recreation	-	-	-	-	253,419	253,419
Health and welfare	-	-	402,135	-	4,542	406,677
Agriculture	-	-	-	-	220,236	220,236
Education	-	-	-	-	322,754	322,754
Unassigned	2,305,511	-	-	-	-	2,305,511
Total fund balance	2,953,432	4,510,979	453,687	-	2,283,463	10,201,561
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 7,069,949	$ 9,844,048	$ 1,092,281	$ 3,813,015	$ 4,514,460	$ 26,333,753

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021

Total fund balances - governmental funds		10,201,561
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 as assets in governmental funds:		
Cost of capital assets	11,417,078	
Accumulated depreciation	(6,638,498)	
		4,778,580
Assets that are not available to pay for current period expenditures are not considered available in the governmental funds:		
Property taxes		142,553
Certain pension related items are recorded as deferred outflow or inflow of resources and recognized in future periods for governmental activities:		
Deferred outflow of resources		2,827,133
Deferred inflow of resources		(6,242,211)
Net pension asset is a long-term asset and is not available to pay current year expenditures, therefore is not reported as an asset in the governmental funds.		194,965
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Compensated absences		(616,908)
Total net position - governmental activities		$ 11,285,673

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended September 30, 2021

	Current Expense	Justice	Social Services	ARPA	Nonmajor Governmental	Total Governmental Funds
REVENUES						
Taxes	3,599,301	5,238,200	573,078	-	1,626,006	11,036,585
Intergovernmental	878,909	3,668,123	53,300	82,240	628,254	5,310,826
Licenses and permits	584,133	-	-	-	-	584,133
Charges for services	508,201	226,293	199	-	529,416	1,264,109
Interest income	16,939	14,639	-	-	941	32,519
Miscellaneous	57,800	101,940	77,726	-	290,250	527,716
Total revenues	5,645,283	9,249,195	704,303	82,240	3,074,867	18,755,888
EXPENDITURES						
General government	4,070,958	-	-	26,600	794,771	4,892,329
Public safety	149,218	8,117,409	-	-	620,304	8,886,931
Culture and recreation	-	-	-	-	317,053	317,053
Health and welfare	-	-	687,258	-	288,771	976,029
Agriculture	111,193	-	-	-	537,764	648,957
Education	-	-	-	-	16,450	16,450
Planning and building	558,718	-	-	-	-	558,718
Capital outlay	539,193	198,745	-	-	144,846	882,784
Debt service:						
Principal	58,072	-	-	-	-	58,072
Total expenditures	5,487,352	8,316,154	687,258	26,600	2,719,959	17,237,323
Excess (deficiency) of revenues over (under) expenditures	157,931	933,041	17,045	55,640	354,908	1,518,565
Other financing sources (uses)						
Operating transfers in (out)	57,673	13,987	-	(55,640)	-	16,020
Net increase (decrease) in the fair value of investments	(39)	(354)	-	-	-	(393)
Total other financing sources (uses)	57,634	13,633	-	(55,640)	-	15,627
Net change in fund balance	215,565	946,674	17,045	-	354,908	1,534,192
Fund balances - beginning of year	2,737,867	3,564,305	436,642	-	1,928,555	8,667,369
Fund balances - end of year	$ 2,953,432	$ 4,510,979	$ 453,687	$ -	$ 2,283,463	$ 10,201,561

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Net change in fund balances - governmental funds		1,534,192
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense.		
Capital additions	814,050	
Depreciation expense	(564,081)	
		249,969
Some property taxes will not be collected for several months after the County's fiscal year end, and are not considered as "available" revenues in the governmental funds. Instead, they are recorded as deferred revenues. They are however, recorded as revenues in the Statement of Activities.		(49,450)
Proceeds from the sale of capital assets are recorded as a gain for governmental funds, however, in the Statement of Activities, the gain is reduced by the remaining net depreciable basis associated with the disposed assets.		(9,049)
Repayment of the principal of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term debt in the Statement of Net Position.:		
Principal payments		58,072
Net pension liability adjustments:		
Fiscal year 2020 employer PERSI contributions recognized as pension expense in the current year.	(267,403)	
Fiscal year 2021 employer PERSI contributions deferred to subsequent year.	268,994	
Pension related amortization expense.	1,174,722	
		1,176,313
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This is the amount by which compensated absences incurred exceeded the amount paid during the year.		(58,526)
Total change in net position - governmental activities		$ 2,901,521

SOLID WASTE FUND
STATEMENT OF NET POSITION
September 30, 2021

ASSETS		
Current assets:		
Cash and cash equivalents	918,570	
Accounts receivable	122,913	
Prepaid expenses	1,676	
Due from other governments	53,101	
Total current assets		1,096,260
Noncurrent assets:		
Net pension asset		2,168
Total assets		1,098,428
DEFERRED OUTFLOWS OF RESOURCES		
Pension related items		31,444
LIABILITIES		
Current liabilities:		
Warrants payable	127,303	
Unearned revenue	80,843	
Total current liabilities		208,146
Noncurrent liabilities:		
Accrued compensated absences		10,144
Total liabilities		218,290
DEFERRED INFLOWS OF RESOURCES		
Pension related items		69,428
NET POSITION		
Unrestricted	842,154	
Total net position		$ 842,154

LATAH COUNTY, IDAHO
Moscow, Idaho

SOLID WASTE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2021

OPERATING REVENUES		
Charges for services	1,806,495	
Intergovernmental	952	
Miscellaneous income	1,204	
Total operating revenues		1,808,651
OPERATING EXPENSES		
Salaries	102,240	
Payroll and benefits	31,683	
Collection expense	1,552,763	
Total operating expenses		1,686,686
Operating income		121,965
NON-OPERATING REVENUES		
Interest income		3,385
Excess (deficiency) of revenues over (under) expenditures		125,350
Other financing sources (uses)		
Transfer in (out)		(16,020)
Change in net position		109,330
Net position - beginning of year		732,824
Net position - end of year		$ 842,154

SOLID WASTE FUND
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	1,814,480	
Cash paid to suppliers	(1,581,474)	
Cash paid for salaries and benefits	(142,731)	
Net cash provided by (used in) operating activities		90,275
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income		3,385
CASH FLOWS FROM CAPITAL FINANCING AND RELATED FINANCING ACTIVITIES		-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash paid to other funds		(16,020)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		77,640
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		840,930
CASH AND CASH EQUIVALENTS - END OF YEAR		$ 918,570
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Operating income (loss)		121,965
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Change in pension related items:		
Deferred outflow of resources	(15,942)	
Deferred inflow of resources	67,454	
Decrease (increase) in assets:		
Receivables	(2,695)	
Prepaid expenses	(57)	
Net pension asset	(2,168)	
Increase (decrease) in liabilities:		
Warrants payable	1,655	
Non-warrants payable	(30,309)	
Accrued compensated absences	(216)	
Net pension liability	(57,936)	
Unearned revenue	8,524	
Total adjustments		(31,690)
Net cash provided by (used in) operating activities		$ 90,275

LATAH COUNTY, IDAHO
Moscow, Idaho

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2021

		Total Custodial Funds
ASSETS		
Current assets:		
Cash and cash equivalents	765,399	
Taxes receivable	610,518	
Total assets		1,375,917
DEFERRED OUTFLOW OF RESOURCES		-
LIABILITIES		
Current liabilities:		
Warrants payable	459,910	
Due to other governments	283,108	
Total liabilities		743,018
DEFERRED INFLOW OF RESOURCES		-
NET POSITION		
Restricted		$ 632,899

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2021

		Total Custodial Funds
ADDITIONS		
Property tax	33,727,961	
Non-property taxes collected for other governments	3,628,618	
Fees collected for other governments	5,772,242	
Court fees	894,402	
Miscellaneous	92,532	
Catastrophic collections	71,757	
Total additions		44,187,512
DEDUCTIONS		
Payments to other governments	43,198,867	
Payments for catastrophic health	71,757	
Payments to vendors	988,263	
Total deductions		44,258,887
Net change in fund balance		(71,375)
Beginning net position, as restated (Note 17)		704,274
Ending net position		$ 632,899

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

NOTE 1 Summary of Significant Accounting Policies

Latah County was formed May 14, 1888 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, sanitation, licensing, agriculture support, cultural and educational support, planning and health and welfare.

The financial statements of Latah County, Idaho have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

Reporting Entity:

Latah County, Idaho is the basic level of government, which has financial accountability, and control over all activities related to county government in Latah County. The County receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the County is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and have primary financial accountability for fiscal matters.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basis—but not the only criterion—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 operation, 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 benefits the government and/or its citizens, or 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 relationship, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Latah County Historical Society – The facilities used as a museum by the Latah County Historical Society are owned by the County. One County Commissioner is on the Historical Society Board and approximately 30% of the revenue comes from County sources. The Commissioners have determined that the financial information of the Historical Society is not material to the County, so no activity is reported for this entity.

Basis of Presentation:

Government-wide statements – The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall County government, except for fiduciary activities. Both governmental activities, which are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues, and business-type activities, which are financed in whole or in part by fees charged to external parties for goods or services, are included.

The Statement of Net Position presents the County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets or the related debt obligations.

Restricted net position consists of net position that has constraints in place on its use externally by grant provisions or law. Assigned net position is further classified as either net position restricted by enabling legislation or net position that is otherwise restricted.

Unrestricted net position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources that are imposed by management, but can be removed or modified.

The statement of activities demonstrates the degree to which the direct expenses of a given function (governmental activities) or identifiable activity (business-type activities) is offset by program revenues.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable with a particular function.

- Program revenues include (1) charges paid by the recipients of goods or services offered by the programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported, instead, as general revenues.

- Indirect expenses have been allocated to the programs which best represent the nature of the expenditures as determined by management.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Fund Financial Statements – The fund financial statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category (governmental, proprietary and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- Current Expense Fund: This 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.
- Justice Fund: This fund accounts for services and equipment used to provide public safety to the County.
- Social Services Fund: This fund accounts for the provision of Social Services assistance to county residents.
- ARPA Fund: This fund accounts for the federal allocations received under the American Rescue Plan Act (ARPA).

The County reports the following proprietary fund:

- Solid Waste Fund: This fund accounts for revenues and expenses that are related to providing solid waste disposal services to County residents. Operating revenues are comprised of all activities other than investing and capital related revenues.

Additionally, the County reports the following fiduciary fund types:

- Custodial Funds. These funds report resources held for other governmental agencies, taxing districts and special purpose trusts on a short-term basis in a purely custodial capacity.

Basis of Accounting

The government-wide, proprietary and fiduciary 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. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in return, include property taxes, grants, entitlements, 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, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. State support and grant revenues are susceptible to accrual.

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

NOTE 1 Summary of Significant Accounting Policies (Continued)

measurable and available. The County considers all revenue available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the County's policy to first apply restricted resources to such programs, followed by unrestricted resources.

Budgets – Budgets are adopted on a basis consistent with governmental accounting principles. Annual appropriated budgets are adopted for the current expense, special revenue and proprietary funds. The budget may be amended after a public hearing is held.

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

1. Prior to the first Monday in August, the County Clerk 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 week 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.

Cash and Cash Equivalents – Cash includes amounts in demand deposits and short-term investments that do not meet the definition of an investment per GASB 72. State statute and commission investment policy authorizes the County to invest in obligations of the U.S. Treasury, the State of Idaho or county, city or other taxing districts of the State of Idaho. Commercial paper, corporate bonds, repurchase agreements, and investments are stated at cost. Interest income is defined as non-operating revenue.

Statement of Cash Flows – For the purposes of the statement of cash flows, all proprietary funds are considered highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Allowance for Uncollectible Amounts – No allowance for uncollectible amounts has been deemed necessary as of September 30, 2021.

Encumbrances – The County does not follow the practice of encumbering funds at year-end.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Inventory – Inventory is valued at zero. All costs of expendable supplies are expensed when the supplies are purchased.

Short-Term Interfund Receivables/Payables – During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These short-term receivables and payables are classified as "due from other funds" or "due to other funds" on the governmental funds Balance Sheet. To the extent possible, these balances have been eliminated on the Statement of Net Position.

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

The Board of Commissioners has set a capitalization threshold of $5,000. All purchases and improvement to facilities that are not considered repairs are capitalized and depreciated using the straight-line method in the governmental and proprietary funds. Useful lives are as follows:

Buildings and improvements	15 – 40 years
Equipment	8 – 15 years
Vehicles and motor-driven equipment	3 – 15 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized.

Compensated Absences – County employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days up to a maximum of 240 hours for employees. Employees are not reimbursed for sick leave not used. If an employee is in “retirement status” and separates from the County, 50% of vacation balance (120 hours maximum) and 10% of sick leave is paid to an HRA/VEBA account in the separating employee’s name. The balance of accumulated vacation payable is reported on the statement of net position as accrued compensated absences.

Deferred Compensation – The Sick Leave Bank represents a type of long-term payroll protection insurance for absences beyond the employee’s accumulated sick leave. Participation is optional for all employees at the County, with all new participants contributing one sick leave day at the time of enrollment and an additional 4 hours annually.

The Bank is administered by the payroll clerk along with two randomly selected sick bank members. At September 30, 2021 there were 15,254 hours of sick leave in the bank for County employees.

Long Term Obligations – Long-term debt includes lease obligations, where, by intent, the County intends to take possession of the leased property at the end of the lease term (capital), usually by payment of a nominal sum. The amount of the lease obligation due within one year is shown as a current liability.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Deferred Revenue – Deferred revenue in the governmental funds represents property taxes receivable recorded but not collected within 60 days of the end of the accounting period.

Deferred Grant Revenue – Deferred grant revenue in the funds represents grant money that has been received but not yet earned.

Unavailable Tax Revenue – Unavailable tax revenue represents the property taxes levied for calendar year 2021 that are measurable but unavailable to the County, therefore recorded as a deferred inflow of resources in both governmental fund and government-wide financial statements.

Pensions – For purposes of measuring the net pension (asset) liability, deferred outflows of resources and deferred inflows of resources related to pensions, 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.

Restricted Resources – The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance – In the fund statements, *non-spendable* fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants or lenders) or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the current expense fund, *assigned* fund balances represent the remaining amount that is not restricted or committed. The Board of Commissioners are the body authorized to assign amounts to a specific purpose, and typically do so when a specific revenue source is received and a special revenue fund is thereby established. *Unassigned* fund balance is the residual classification for the government's current expense fund and includes all spendable amounts not contained in the other classifications.

Restricted balances are as follows:

- The County levies for, and received, restricted funds for various governmental services. These services have been segregated into the following functions/programs: general government, public safety, culture and recreation, health and welfare, agriculture and education.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Assigned balances are as follows:

- The County has assigned funds consisting of the use of fund balance to balance the 2021-22 budget of $1,606,413.

Nonspendable balances are as follows:

- Prepaid items – Liability insurance, software licenses, etc.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events – Management has evaluated subsequent events through the date of the audit report. This is the date the financial statements were available to be issued. Management has concluded that no material subsequent events have occurred.

NOTE 2 Cash and Investments

Deposits

Cash On Hand

Cash on hand totaled $3,510 at September 30, 2021.

	Carrying Amount	Bank Balance
Checking and Savings Accounts	$9,241,247	$9,456,289

Checking and savings accounts were held at various banking institutions. At each bank, FDIC insures up to $250,000 for the combined amount of all time and savings accounts, plus an additional $250,000 for the combined amount of all interest-bearing and noninterest-bearing demand deposit accounts. The balances of $8,351,187 at Wells Fargo Bank and $238,728 at Potlatch #1 Federal Credit Union are in excess of the FDIC insured limit.

Investments

Amounts reported as investments consist of the following:

	Recorded Cost	Market Value	Interest Rate	Maturity Date
LGIP	5,626,116	5,626,116	Various	Various
Lewis Clark Credit Union CD	250,000	250,000	3.042%	10/18/2024
Retirement Solutions – Custodial	28,570	28,570	n/a	n/a
Total	$5,904,686	$5,904,686		

Except for specific investments held in proprietary accounts, the County reports amounts held as investments at 10% in the Current Expense fund and 90% in the Justice fund, with interest earning credited to those funds in that proportion. All amounts held as investments are uninsured and uncollateralized.

NOTE 2 Cash and Investments (Continued)

The State Treasurer's Local Government Investment Pool is managed by the State of Idaho Treasurer's office. All funds are invested in accordance with Section 67-1210 and 67-1210A of Idaho Code. Authorized investments include bonds, treasury bills, interest-bearing notes, and other obligations of the U.S. Government, general obligation or revenue bonds of the State of Idaho or other local governments within the State of Idaho, bonds debentures, or other similar obligations issued by the farm credit system or by public corporations of the State of Idaho, repurchase agreements covered by any legal investment for the State of Idaho, tax anticipation bonds or notes and income and revenue anticipation bonds or notes of taxing districts of the State of Idaho, revenue bonds of institutions of higher education of the State of Idaho, and time deposits and savings accounts in amounts not to exceed applicable insurance limits. The primary objectives of the investment pool, in order of priority are safety, liquidity, and yield.

Participants have overnight availability to their funds, up to $10 million. Withdrawals of $10 million or more require three business days' notification.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. Custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g. broker-dealer) to a transaction, the County will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The County's policy is that deposit accounts will be covered by FDIC or NCUA insurance, except for highly-liquid accounts.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization such as Moody's or Standard & Poor's.

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Investments that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rate. The County's policy is to hold investments covered by the FDIC or to invest in US Government-backed securities. In addition, it is the intent of management to hold the securities to maturity thereby reducing the interest rate risk.

Concentration of credit risk is the risk that concentration of investments with one issuer represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principal that governments should provide note disclosure when five percent of the total investments of the entity 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 has no policy limiting the amount it may invest in any one issuer.

NOTE 2 Cash and Investments (Continued)

The County's investments have been classified into the following three categories of credit risk:

1) Insured or registered, or securities held by the County or its agent in the County's name.

2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name.

3) Uninsured and unregistered, with securities held by the counterparty or by the counterparty's trust department or agent, but not in the County's name.

The County sponsors a deferred compensation plan with $28,570 held in a custodial account for the benefit of participating employees.

NOTE 3 Property Tax

The County's property tax is levied each October on the value listed as of the prior September 1 for all real and personal property located in the County. A revaluation of all property is required to be completed no less than every five years. The market value as of September 2020, upon which the 2020 levy was based, was $2,810,331,317.

Various sections of the Idaho Code limit the amount that may be levied for current expense and other fund purposes. The 2020 levy was 0.3808157% of market value for the County.

Taxes are due in two equal installments on December 20th and June 20th of the next year following the levy date. Interest and penalty charges begin to accrue following the installment due date. The total 2020 tax levy was $10,946,267, of which 98.84% was collected and $127,468 remains unpaid as of September 30, 2021.

Property taxes levied for 2020 and prior years and uncollected as of September 30, 2021 are shown as taxes receivable. To the extent that they are not collected by the County by November 30, 2021, a deferred revenue account in that amount is established in the governmental funds.

Total taxes receivable as of September 30, 2021	196,089
Less: Taxes collected by November 30, 2021	(53,536)
Total deferred tax revenue	$ 142,553

In accordance with GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the County has recognized the 2021 property tax levy as a receivable. This levy is an enforceable legal claim created during the fiscal year. The total property tax levy for 2021 of $11,288,704 is considered unavailable at September 30, 2021 and is recorded as a deferred inflow of resources.

NOTE 4 Capital Assets

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets, depreciated					
Buildings and grounds	4,878,028	169,200	-	138,500	5,185,728
Equipment	2,761,542	262,362	(44,156)	29,628	3,009,376
Vehicles	2,137,467	223,916	(29,986)	-	2,331,397
Total capital assets, depreciated	9,777,037	655,478	(74,142)	168,128	10,526,501
Less: accumulated depreciation					
Buildings and grounds	(2,477,508)	(186,627)	-	-	(2,664,135)
Equipment	(1,844,386)	(168,992)	35,107	-	(1,978,271)
Vehicles	(1,817,616)	(208,462)	29,986	-	(1,996,092)
Total accumulated depreciation	(6,139,510)	(564,081)	65,093	-	(6,638,498)
Net capital assets, depreciated	3,637,527	91,397	(9,049)	168,128	3,888,003
Capital assets, not depreciated					
Land	890,577	-	-	-	890,577
Construction in progress	9,556	158,572	-	(168,128)	-
Net capital assets, not depreciated	900,133	158,572	-	(168,128)	890,577
Total capital assets, net	$4,537,660	$ 249,969	$ (9,049)	$ -	$4,778,580

During 2021, depreciation expense was charged to functions as follows:

General government	193,548
Public safety	289,844
Culture and recreation	39,951
Health and welfare	1,746
Agriculture	38,992
Total governmental activities depreciation expense	$564,081

NOTE 5 Defined Benefit Pension Plan

In accordance with GASB 68, *Accounting and Financial Reporting for Pensions*, which became effective for the year ended September 30, 2015, the financial reporting and note disclosures are based off the most recent audited financial statements of PERSI, which was completed for the period ended June 30, 2021. All amounts are as of June 30, 2021 unless otherwise noted.

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.

NOTE 5 Defined Benefit Pension Plan (Continued)

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. Amounts in parenthesis represent police/firefighters. 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 and earnings from investments. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% (72%) of the employer rate. As of September 30, 2021 it was 7.16% (9.13%). The employer contribution rate is set by the Retirement Board and was 11.94% (12.28%) of covered compensation. Latah County's employer contributions required and paid were $1,114,500, 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 (asset) liability as of June 30, 2021. The net pension (asset) liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date. The County's proportion of the net

NOTE 5 Defined Benefit Pension Plan (Continued)

pension (asset) 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 0.24960533 percent.

The County's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. The pension expense (revenue) for the year ending June 30, 2021 was calculated at $(101,888).

At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	290,448	114,587
Changes in assumptions or other inputs	2,262,834	-
Net difference between projected and actual earning on pension plan investments	-	6,191,800
Change in proportionate share	33,309	5,252
Employer contributions subsequent to the measurement date	271,986	-
Total	$2,858,577	$6,311,639

$271,986 reported as deferred outflow of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction (addition) of the net pension (asset) liability in the year ended September 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 Ending June 30:	Amount to be Recognized
2022	(882,856)
2023	(795,634)
2024	(695,293)
2025	(1,379,322)

NOTE 5 Defined Benefit Pension Plan (Continued)

Actuarial Assumptions

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return-net of investment fees	6.35%
Cost of living (COLA) adjustments	1.00%

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

Contributing Members, Service Retirement Members, and Beneficiaries

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

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

NOTE 5 Defined Benefit Pension Plan (Continued)

Capital Market Assumptions from Callan 2021			
Asset Class	Target Allocation	Long-Term Expected Nominal Rate of (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%	6.00%
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 from 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 (asset) 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 (asset) liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for administrative expense.

NOTE 5 Defined Benefit Pension Plan (Continued)

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension (asset) liability	$6,852,768	$(197,133)	$(5,976,078)

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 June 30, 2021, the County reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 6 Leases

The County has entered into several operating leases, consisting of the lease of several parcels of land upon which several radio transmitter-receiver stations are located and office equipment.

Annual required payments are as follows:

For the Year Ended September 30,	
2022	39,348
2023	17,072
2024	17,072
2025	13,572
2026	3,202
Thereafter	2,040
Total	$92,306

NOTE 6 Leases (Continued)

The County entered into a capital lease agreement for a camera project and is recorded in the capital assets of the County.

The original cost of the leased asset is $144,641. The lease was paid off as of September 30, 2021.

NOTE 7 Long-Term Liabilities

A summary of changes in long-term debt of the County for the year ended September 30, 2021:

Governmental activities – compensated absences	
Beginning balance	558,382
Additions(reductions)	58,526
Ending balance	$616,908
Business-type activities – compensated absences	
Beginning balance	10,360
Additions(reductions)	(216)
Ending balance	$10,144

NOTE 8 Interfund Receivables, Payable, and Transfers

The composition of interfund receivables and payables as of September 30, 2021 was as follows:

Fund	Interfund Receivable	Interfund Payable
Current Expense Fund	5,945	-
Historic Preservation Grant Fund	-	4,015
2019 Homeland Security Grant Fund	-	1,930
Total	$5,945	$5,945

The primary purpose of interfund transfers is to redistribute money as deemed appropriate by management. Operating transfers between funds occurred as follows:

Fund	Out	In
Current Expense Fund	-	57,673
Justice Fund		13,987
Solid Waste Fund	16,020	-
ARPA Fund	55,640	-
Total	$71,660	$71,660

NOTE 9 Excess of Actual Expenditures over Budget in Individual Funds

The following fund had an excess of actual expenditures over budget for the year ended September 30, 2021:

Fund	Excess
Historic Preservation Grant	$1,000

NOTE 10 Contingent Liabilities

The County participates in several federal financial assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. There is then the possibility of potential County liability as determined by a sponsoring organization audit, if such an audit would occur.

NOTE 11 Litigation

There are several lawsuits in which the County is involved. The County Attorney estimates that the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial statements of the County.

NOTE 12 Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under this plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County (without being restricted to the provisions of benefits under the plan), subject only to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant.

NOTE 13 Risk Management

The County purchases commercial insurance to cover the risk of property loss and legal liability. Management feels the level of coverage is adequate to cover any risk of loss.

NOTE 14 Landfill Closure and Post-Closure Care

The County operated a Municipal Solid Waste (MSW) landfill for a number of years and met existing federal regulations upon closure. The county now contracts for non-MSW and MSW disposal.

NOTE 15 Deficit Fund Balance

The following fund had a deficit balance at September 30, 2021:

Fund	Balance
Veterans' Memorial	($65)
IECC E911 Program	($2,745)

NOTE 16 COVID-19

In March 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. There have been mandates from governing authorities requiring forced closures of schools, businesses, and other facilities and organizations. While the disruption is expected to be temporary, the current circumstances are evolving and dynamic. The full extent and duration of the impact of COVID-19 on the County's operations and financial performance is currently unknown and depends on future developments that are uncertain and unpredictable. Because of this, it may have a materially adverse impact on the County's business, results of operations, financial position, and cash flows.

NOTE 17 Change in Accounting Principles

During the year ended September 30, 2021, the County adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, Fiduciary Activities, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in a change in the presentation of the financial statements for the following activities:

	Net Position September 30, 2020 as previously reported	Change in Accounting Principles	Net Position September 30, 2020 as restated
Custodial Funds	-	704,274	704,274

REQUIRED SUPPLEMENTARY INFORMATION

CURRENT EXPENSE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable) Original to Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues					
Taxes	3,557,493	3,557,493	3,599,301	41,808	41,808
Intergovernmental	696,138	696,138	878,909	182,771	182,771
Licenses and permits	400,000	400,000	584,133	184,133	184,133
Charges for services	484,484	484,484	508,201	23,717	23,717
Interest income	13,000	13,000	16,939	3,939	3,939
Miscellaneous	22,200	22,200	57,800	35,600	35,600
Total revenues	5,173,315	5,173,315	5,645,283	471,968	471,968
Expenditures					
General government	4,247,756	4,398,339	4,070,958	176,798	327,381
Public safety	156,240	156,240	149,218	7,022	7,022
Agriculture	117,733	117,733	111,193	6,540	6,540
Planning and building	557,586	564,860	558,718	(1,132)	6,142
Capital outlay	487,000	642,553	539,193	(52,193)	103,360
Debt service:					
Principal	-	-	58,072	(58,072)	(58,072)
Total expenditures	5,566,315	5,879,725	5,487,352	78,963	392,373
Excess (deficiency) of revenues over (under) expenditures	(393,000)	(706,410)	157,931	550,931	864,341
Other financing sources (uses)					
Operating transfers in (out)	16,000	16,000	57,673	41,673	41,673
Net increase (decrease) in the fair value of investments	-	-	(39)	(39)	(39)
Total other financing sources (uses)	16,000	16,000	57,634	41,634	41,634
Net change in fund balance	$ (377,000)	$ (690,410)	215,565	$ 592,565	$ 905,975
Fund balance - beginning of year			2,737,867		
Fund balance - end of year			$ 2,953,432		

JUSTICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable) Original to Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues					
Taxes	5,174,828	5,174,828	5,238,200	63,372	63,372
Intergovernmental	2,814,311	2,814,311	3,668,123	853,812	853,812
Charges for services	379,200	379,200	226,293	(152,907)	(152,907)
Interest income	70,000	70,000	14,639	(55,361)	(55,361)
Miscellaneous	24,500	24,500	101,940	77,440	77,440
Total revenues	8,462,839	8,462,839	9,249,195	786,356	786,356
Expenditures					
Public safety	8,631,169	8,779,574	8,117,409	513,760	662,165
Capital outlay	200,000	200,000	198,745	1,255	1,255
Total expenditures	8,831,169	8,979,574	8,316,154	515,015	663,420
Excess (deficiency) of revenues over (under) expenditures	(368,330)	(516,735)	933,041	1,301,371	1,449,776
Other financing sources (uses)					
Transfer in (out)	-	-	13,987	13,987	13,987
Net increase (decrease) in the fair value of investments	-	-	(354)	(354)	(354)
Total other financing sources (uses)	-	-	13,633	13,633	13,633
Net change in fund balance	$ (368,330)	$ (516,735)	946,674	$ 1,315,004	$ 1,463,409
Fund balance - beginning of year			3,564,305		
Fund balance - end of year			$ 4,510,979		

SOCIAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable) Original to Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues					
Taxes	563,633	563,633	573,078	9,445	9,445
Intergovernmental	30,000	30,000	53,300	23,300	23,300
Charges for services	1,300	1,300	199	(1,101)	(1,101)
Miscellaneous	26,000	26,000	77,726	51,726	51,726
Total revenues	620,933	620,933	704,303	83,370	83,370
Expenditures					
Health and welfare	873,769	877,200	687,258	186,511	189,942
Net change in fund balance	$ (252,836)	$ (256,267)	17,045	$ 269,881	$ 273,312
Fund balance - beginning of year			436,642		
Fund balance - end of year			$ 453,687		

NET PENSION (ASSET) LIABILITY RELATED SCHEDULES

Schedule of the County's Share of Net Pension (Asset) Liability*
PERSI - Base Plan
As of June 30,

	2021	2020	2019	2018	2017	2016	2015	2014
Employer's portion of the net pension (asset) liability	0.2496053%	0.2494938%	0.2487034%	0.2496418%	0.2405602%	0.2383473%	0.2389675%	0.2389561%
Employer's proportionate share of the net pension (asset) liability	(197,133)	5,793,576	2,838,880	3,682,260	3,781,193	4,831,666	3,146,813	1,759,091
Employer's covered employee payroll	9,237,468	8,810,297	8,372,988	7,961,535	7,407,001	7,098,328	6,634,248	6,416,401
Employer's proportional share of the net pension (asset) liability as a percentage of its covered employee payroll	-2.13%	65.76%	33.91%	46.25%	51.05%	68.07%	47.43%	27.42%
Plan fiduciary net position as a percentage of the total	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

Schedule of the County's Contributions*
PERSI - Base Plan
As of June 30,

	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution - Class 1 Employees	778,140	742,156	668,992	636,117	591,810	552,836	528,015	510,645
Statutorily required contribution - Class 2 Employees	334,063	318,615	287,205	273,092	254,071	258,285	229,681	222,170
Total statutorily required contributions - All Employees	1,112,203	1,060,771	956,197	909,209	845,881	811,121	757,696	732,815
Contributions in relation to the statutorily required contribution	(1,112,203)	(1,060,771)	(956,197)	(909,209)	(845,881)	(811,121)	(757,696)	(732,815)
Contribution (deficiency) excess	-	-	-	-	-	-	-	-
Employer's covered employee payroll - Class 1 Employees	6,517,085	6,215,712	5,909,823	5,619,408	5,228,004	4,883,709	4,664,439	4,510,998
Employer's covered employee payroll - Class 2 Employees	2,720,383	2,594,585	2,463,165	2,342,127	2,178,997	2,214,619	1,969,809	1,905,403
Contributions as a percentage of covered employee payroll - Class 1	11.94%	11.94%	11.32%	11.32%	11.32%	11.32%	11.32%	11.32%
Contributions as a percentage of covered employee payroll - Class 2	12.28%	12.28%	11.66%	11.66%	11.66%	11.66%	11.66%	11.66%

*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 is measured as of June 30, 2021.

NOTES TO THE NET PENSION (ASSET) LIABILITY SCHEDULES
As of June 30, 2021

Change of Assumptions. Actuarial assumptions were adjsuted for the year ended June 30, 2021, as follows:
*The discount rate changed from 7.05% to 6.35%

SUPPLEMENTARY INFORMATION

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2021

	District Court	Fair Operations	Sheriff Programs	Health District	Historical Museum	Youth Services Program	Extension Programs
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and investments	376,554	209,996	89,070	8,121	26,842	280,473	38,065
Receivables:							
Taxes	114	4,933	-	5,198	1,605	-	-
Unbilled taxes	-	300,421	-	395,769	94,858	-	-
Accounts	-	16,021	-	-	-	-	-
Prepaid expenses	-	2,994	1,023	-	1,236	931	-
Due from other governments	24,444	-	34,876	-	-	23,766	-
Total assets	401,112	534,365	124,969	409,088	124,541	305,170	38,065
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 401,112	$ 534,365	$ 124,969	$ 409,088	$ 124,541	$ 305,170	$ 38,065
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	5,375	35,498	1,896	-	1,827	9,828	8,041
Non-warrants payable	-	-	187	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	5,375	35,498	2,083	-	1,827	9,828	8,041
Deferred inflows of resources:							
Deferred revenue	52	3,581	-	3,777	1,160	-	-
Deferred grant revenue	-	-	-	-	-	-	-
Unavailable tax revenue	-	300,421	-	395,769	94,858	-	-
Total deferred inflows of resources	52	304,002	-	399,546	96,018	-	-
Fund balance (deficit):							
Nonspendable	-	2,994	1,023	-	1,236	931	-
Assigned	-	15,000	-	5,000	10,000	-	-
Restricted for:							
General government	-	-	-	-	-	-	-
Public safety	395,685	-	121,863	-	-	-	-
Culture and recreation	-	-	-	-	15,460	-	30,024
Health and welfare	-	-	-	4,542	-	-	-
Agriculture	-	176,871	-	-	-	-	-
Education	-	-	-	-	-	294,411	-
Total fund balance (deficit)	395,685	194,865	122,886	9,542	26,696	295,342	30,024
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 401,112	$ 534,365	$ 124,969	$ 409,088	$ 124,541	$ 305,170	$ 38,065

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2021

	Junior College Tuition	Parks and Recreation	Revaluation	Tort	Noxious Weeds	Election Consolidation	Emergency 911
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and investments	28,343	70,612	147,293	22,666	33,435	75,575	292,907
Receivables:							
Taxes	-	2,962	10,569	3,021	1,578	-	-
Unbilled taxes	-	164,258	641,358	171,662	92,633	-	-
Accounts	-	-	-	-	102	-	46,829
Prepaid expenses	-	1,041	6,602	-	813	18	75
Due from other governments	-	-	-	-	-	28,319	-
Total assets	28,343	238,873	805,822	197,349	128,561	103,912	339,811
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 28,343	$ 238,873	$ 805,822	$ 197,349	$ 128,561	$ 103,912	$ 339,811
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	-	11,714	9,090	2,856	1,307	349	6,794
Non-warrants payable	-	-	-	-	-	-	104
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	11,714	9,090	2,856	1,307	349	6,898
Deferred inflows of resources:							
Deferred revenue	-	2,167	7,786	2,192	1,142	-	-
Deferred grant revenue	-	-	-	-	-	-	-
Unavailable tax revenue	-	164,258	641,358	171,662	92,633	-	-
Total deferred inflows of resources	-	166,425	649,144	173,854	93,775	-	-
Fund balance (deficit):							
Nonspendable	-	1,041	6,602	-	813	18	75
Assigned	-	20,000	34,844	8,000	15,000	-	-
Restricted for:							
General government	-	-	106,142	12,639	-	103,545	-
Public safety	-	-	-	-	-	-	332,838
Culture and recreation	-	39,693	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Agriculture	-	-	-	-	17,666	-	-
Education	28,343	-	-	-	-	-	-
Total fund balance (deficit)	28,343	60,734	147,588	20,639	33,479	103,563	332,913
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 28,343	$ 238,873	$ 805,822	$ 197,349	$ 128,561	$ 103,912	$ 339,811

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2021

	Snowmobile	Waterways	Emergency Medical Services	Veterans' Memorial	Phillips Farm	Latah Trail Project	Historic Preservation Grant
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and investments	59,137	23,635	15,980	4,988	8,740	74,597	-
Receivables:							
Taxes	-	-	-	170	-	-	-
Unbilled taxes	-	-	-	10,200	-	-	-
Accounts	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Due from other governments	-	713	-	-	-	-	5,500
Total assets	59,137	24,348	15,980	15,358	8,740	74,597	5,500
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 59,137	$ 24,348	$ 15,980	$ 15,358	$ 8,740	$ 74,597	$ 5,500
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	-	-	-	5,100	-	-	-
Non-warrants payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	4,015
Total liabilities	-	-	-	5,100	-	-	4,015
Deferred inflows of resources:							
Deferred revenue	-	-	-	123	-	-	-
Deferred grant revenue	-	-	-	-	-	-	-
Unavailable tax revenue	-	-	-	10,200	-	-	-
Total deferred inflows of resources	-	-	-	10,323	-	-	-
Fund balance (deficit):							
Nonspendable	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Restricted for:							
General government	-	-	-	-	-	-	-
Public safety	-	-	15,980	-	-	-	-
Culture and recreation	59,137	24,348	-	(65)	8,740	74,597	1,485
Health and welfare	-	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Total fund balance (deficit)	59,137	24,348	15,980	(65)	8,740	74,597	1,485
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 59,137	$ 24,348	$ 15,980	$ 15,358	$ 8,740	$ 74,597	$ 5,500

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2021

	Palouse & Clearwater CWMA	Interlock Electronic Monitor	Court Facilities	Drug Court	Misdemeanor Probation Revolving	Recording - Archival Records
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Cash and investments	80,786	10,928	25,644	60,505	12,476	160,242
Receivables:						
Taxes	-	-	-	-	-	-
Unbilled taxes	-	-	-	-	-	-
Accounts	-	-	-	-	-	-
Prepaid expenses	-	-	-	769	-	-
Due from other governments	-	-	-	-	-	-
Total assets	80,786	10,928	25,644	61,274	12,476	160,242
Deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 80,786	$ 10,928	$ 25,644	$ 61,274	$ 12,476	$ 160,242
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Warrants payable	21,417	482	-	4,042	-	-
Non-warrants payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	21,417	482	-	4,042	-	-
Deferred inflows of resources:						
Deferred revenue	-	-	-	-	-	-
Deferred grant revenue	33,670	-	-	-	-	-
Unavailable tax revenue	-	-	-	-	-	-
Total deferred inflows of resources	33,670	-	-	-	-	-
Fund balance (deficit):						
Nonspendable	-	-	-	769	-	-
Assigned	-	-	-	-	-	-
Restricted for:						
General government	-	-	-	-	-	160,242
Public safety	-	10,446	25,644	56,463	12,476	-
Culture and recreation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Agriculture	25,699	-	-	-	-	-
Education	-	-	-	-	-	-
Total fund balance (deficit)	25,699	10,446	25,644	57,232	12,476	160,242
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 80,786	$ 10,928	$ 25,644	$ 61,274	$ 12,476	$ 160,242

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2021

	IECC E911 Program	CAO Expansion District II	2019 Homeland Security Grant	2020 Homeland Security Grant	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Cash and investments	167,623	7,838	-	2,078	2,415,149
Receivables:					
Taxes	-	-	-	-	30,150
Unbilled taxes	-	-	-	-	1,871,159
Accounts	-	-	-	-	62,952
Prepaid expenses	-	-	-	-	15,502
Due from other governments	-	-	1,930	-	119,548
Total assets	167,623	7,838	1,930	2,078	4,514,460
Deferred outflows of resources	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 167,623	$ 7,838	$ 1,930	$ 2,078	$ 4,514,460
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Warrants payable	-	-	-	1,968	127,584
Non-warrants payable	2,745	-	-	-	3,036
Due to other funds	-	-	1,930	-	5,945
Total liabilities	2,745	-	1,930	1,968	136,565
Deferred inflows of resources:					
Deferred revenue	-	-	-	-	21,980
Deferred grant revenue	167,623	-	-	-	201,293
Unavailable tax revenue	-	-	-	-	1,871,159
Total deferred inflows of resources	167,623	-	-	-	2,094,432
Fund balance (deficit):					
Nonspendable	-	-	-	-	15,502
Assigned	-	-	-	-	107,844
Restricted for:					
General government	(2,745)	7,838	-	-	387,661
Public safety	-	-	-	110	971,505
Culture and recreation	-	-	-	-	253,419
Health and welfare	-	-	-	-	4,542
Agriculture	-	-	-	-	220,236
Education	-	-	-	-	322,754
Total fund balance (deficit)	(2,745)	7,838	-	110	2,283,463
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 167,623	$ 7,838	$ 1,930	$ 2,078	$ 4,514,460

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended September 30, 2021

	District Court	Fair Operations	Sheriff Programs	Health District	Historical Museum	Youth Services Programs	Extension Programs
Revenues							
Taxes	745	280,156	-	290,297	91,160	-	-
Intergovernmental	103,926	299	44,470	-	-	164,125	-
Charges for services	103,786	-	89,880	-	-	-	-
Interest income	-	-	-	-	-	-	-
Miscellaneous	65	142,404	556	-	463	6,148	34,161
Total revenues	208,522	422,859	134,906	290,297	91,623	170,273	34,161
Expenditures							
General government	-	-	-	-	-	-	-
Public safety	55,830	-	129,094	-	-	136,759	-
Culture and recreation	-	-	-	-	76,601	-	-
Health and welfare	-	-	-	288,771	-	-	-
Agriculture	-	384,994	-	-	-	-	19,109
Education	-	-	-	-	-	-	-
Capital outlay	-	9,269	-	-	-	-	-
Total expenditures	55,830	394,263	129,094	288,771	76,601	136,759	19,109
Excess (deficiency) of revenues over (under) expenditures	152,692	28,596	5,812	1,526	15,022	33,514	15,052
Other financing sources (uses)							
Proceeds from sale of capital assets	-	-	-	-	-	-	-
Net change in fund balance	152,692	28,596	5,812	1,526	15,022	33,514	15,052
Fund balances (deficits) - beginning of year	242,993	166,269	117,074	8,016	11,674	261,828	14,972
Fund balances (deficits) - end of year	$ 395,685	$ 194,865	$ 122,886	$ 9,542	$ 26,696	$ 295,342	$ 30,024

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2021

	Junior College Tuition	Parks and Recreation	Revaluation	Tort	Noxious Weeds	Election Consolidation	Emergency 911
Revenues							
Taxes	-	163,570	531,116	170,761	87,851	-	-
Intergovernmental	20,000	-	1,402	-	-	110,746	-
Charges for services	-	33,196	25	-	2,918	-	245,402
Interest income	-	-	-	-	-	-	941
Miscellaneous	-	925	4,631	397	564	-	-
Total revenues	20,000	197,691	537,174	171,158	91,333	110,746	246,343
Expenditures							
General government	-	-	556,773	167,749	-	70,249	-
Public safety	-	-	-	-	-	-	138,592
Culture and recreation	-	195,193	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Agriculture	-	-	-	-	96,009	-	-
Education	16,450	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	132,832
Total expenditures	16,450	195,193	556,773	167,749	96,009	70,249	271,424
Excess (deficiency) of revenues over (under) expenditures	3,550	2,498	(19,599)	3,409	(4,676)	40,497	(25,081)
Other financing sources (uses)							
Proceeds from sale of capital asset	-	-	-	-	-	-	-
Net change in fund balance	3,550	2,498	(19,599)	3,409	(4,676)	40,497	(25,081)
Fund balances (deficits) - beginning of year	24,793	58,236	167,187	17,230	38,155	63,066	357,994
Fund balances (deficits) - end of year	$ 28,343	$ 60,734	$ 147,588	$ 20,639	$ 33,479	$ 103,563	$ 332,913

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2021

	Snowmobile	Waterways	Emergency Medical Services	Veterans' Memorial	Phillips Farm	Latah Trail Project	Historic Preservation Grant
Revenues							
Taxes	-	-	-	10,350	-	-	-
Intergovernmental	-	-	-	-	-	-	5,500
Charges for services	7,657	18,288	8,820	-	-	-	-
Interest income	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	5,000	10,000	-
Total revenues	7,657	18,288	8,820	10,350	5,000	10,000	5,500
Expenditures							
General government	-	-	-	-	-	-	-
Public safety	-	-	8,992	-	-	-	-
Culture and recreation	9,189	13,840	-	10,200	5,324	1,206	5,500
Health and welfare	-	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	9,189	13,840	8,992	10,200	5,324	1,206	5,500
Excess (deficiency) of revenues over (under) expenditures	(1,532)	4,448	(172)	150	(324)	8,794	-
Other financing sources (uses)							
Proceeds from sale of capital asset	-	-	-	-	-	-	-
Net change in fund balance	(1,532)	4,448	(172)	150	(324)	8,794	-
Fund balances (deficits) - beginning of year	60,669	19,900	16,152	(215)	9,064	65,803	1,485
Fund balances (deficits) - end of year	$ 59,137	$ 24,348	$ 15,980	$ (65)	$ 8,740	$ 74,597	$ 1,485

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2021

	Palouse & Clearwater CWMA	Interlock Electronic Monitor	Court Facilities	Drug Court	Misdemeanor Probation Revolving	Recording - Archival Records
Revenues						
Taxes	-	-	-	-	-	-
Intergovernmental	37,651	-	-	92,026	-	-
Charges for services	-	1,378	7,691	9,595	780	-
Interest income	-	-	-	-	-	-
Miscellaneous	25,700	-	-	556	1,380	56,000
Total revenues	63,351	1,378	7,691	102,177	2,160	56,000
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	2,366	-	98,978	394	-
Culture and recreation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Agriculture	37,652	-	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	37,652	2,366	-	98,978	394	-
Excess (deficiency) of revenues over (under) expenditures	25,699	(988)	7,691	3,199	1,766	56,000
Other financing sources (uses)						
Proceeds from sale of capital asset	-	-	-	-	-	-
Net change in fund balance	25,699	(988)	7,691	3,199	1,766	56,000
Fund balances (deficits) - beginning of year	-	11,434	17,953	54,033	10,710	104,242
Fund balances (deficits) - end of year	$ 25,699	$ 10,446	$ 25,644	$ 57,232	$ 12,476	$ 160,242

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2021

	IECC E911 Program	CAO Expansion District II	2019 Homeland Security Grant	2020 Homeland Security Grant	Total
Revenues					
Taxes	-	-	-	-	1,626,006
Intergovernmental	-	-	11,833	36,276	628,254
Charges for services	-	-	-	-	529,416
Interest income	-	-	-	-	941
Miscellaneous	-	-	-	1,300	290,250
Total revenues	-	-	11,833	37,576	3,074,867
Expenditures					
General government	-	-	-	-	794,771
Public safety	-	-	11,833	37,466	620,304
Culture and recreation	-	-	-	-	317,053
Health and welfare	-	-	-	-	288,771
Agriculture	-	-	-	-	537,764
Education	-	-	-	-	16,450
Capital outlay	2,745	-	-	-	144,846
Total expenditures	2,745	-	11,833	37,466	2,719,959
Excess (deficiency) of revenues over (under) expenditures	(2,745)	-	-	110	354,908
Other financing sources (uses)					
Proceeds from sale of capital asset	-	-	-	-	-
Net change in fund balance	(2,745)	-	-	110	354,908
Fund balances (deficits) - beginning of year	-	7,838	-	-	1,928,555
Fund balances (deficits) - end of year	$ (2,745)	$ 7,838	$ -	$ 110	$ 2,283,463

NONMAJOR SPECIAL REVENUE FUNDS
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended September 30, 2021

	Budgeted Revenue	Actual Revenue	Budgeted Expenditures	Actual Expenditures	Operating Transfers	Beginning Fund Balance (Deficit)	Ending Fund Balance (Deficit)
District Court	156,338	208,522	156,338	55,830	-	242,993	395,685
Fair Operations	433,960	422,859	480,038	394,263	-	166,269	194,865
Sheriff Program	155,104	134,906	176,847	129,094	-	117,074	122,886
Health District	285,771	290,297	288,771	288,771	-	8,016	9,542
Historical Museum	89,883	91,623	94,008	76,601	-	11,674	26,696
Youth Services Programs	145,620	170,273	271,730	136,759	-	261,828	295,342
Extension Programs	42,500	34,161	42,500	19,109	-	14,972	30,024
Junior College Tuition	-	20,000	20,000	16,450	-	24,793	28,343
Parks and Recreation	189,300	197,691	205,800	195,193	-	58,236	60,734
Revaluation	522,212	537,174	603,412	556,773	-	167,187	147,588
Tort	168,379	171,158	178,379	167,749	-	17,230	20,639
Noxious Weed	87,284	91,333	106,784	96,009	-	38,155	33,479
Election Consolidation	102,150	110,746	102,150	70,249	-	63,066	103,563
Emergency 911	186,000	246,343	445,890	271,424	-	357,994	332,913
Snowmobile	9,000	7,657	51,000	9,189	-	60,669	59,137
Waterways	20,000	18,288	30,000	13,840	-	19,900	24,348
Emergency Medical Services	8,000	8,820	11,000	8,992	-	16,152	15,980
Veterans' Memorial	10,200	10,350	10,200	10,200	-	(215)	(65)
Phillips Farm	5,000	5,000	9,000	5,324	-	9,064	8,740
Latah Trail Project	10,000	10,000	60,000	1,206	-	65,803	74,597
Historic Preservation Grant	-	5,500	4,500	5,500	-	1,485	1,485
Palouse & Clearwater CWMA	211,000	63,351	211,000	37,652	-	-	25,699
Interlock Electronic Monitor	1,000	1,378	11,000	2,366	-	11,434	10,446
Court Facilities	9,000	7,691	16,000	-	-	17,953	25,644
Drug Court	101,344	102,177	103,804	98,978	-	54,033	57,232
Misdemeanor Probation Revolving	800	2,160	10,000	394	-	10,710	12,476
Recording - Archival Records	-	56,000	90,000	-	-	104,242	160,242
IECC E911 Program	172,528	-	172,528	2,745	-	-	(2,745)
CAO Expansion District II	-	-	-	-	-	7,838	7,838
2019 Homeland Security Grant	13,000	11,833	13,000	11,833	-	-	-
2020 Homeland Security Grant	62,000	37,576	62,000	37,466	-	-	110
Total	$ 3,197,373	$ 3,074,867	$ 4,037,679	$ 2,719,959	$ -	$ 1,928,555	$ 2,283,463

SINGLE AUDIT SECTION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2021

	Federal CFDA Number	Pass-Through Grantor Number/Grant ID Number	Passed-Through to Subrecipients	Expenditures
U.S. Department of Agriculture				
Passed through Idaho Department of Agriculture:				
Forest Health Protection	10.680	20-DG-11046000-609	-	2,835
Total U.S. Department of Agriculture			$ -	$ 2,835
U.S. Department of the Interior				
Direct through U.S. Department of Interior:				
Payment in Lieu of Taxes	15.226	Not Applicable	-	291,671
Total U.S. Department of Interior			$ -	$ 291,671
Department of Transportation				
Passed through Idaho Transportation Department:				
Highway planning and construction	20.205	Not Available	-	4,009
Highway Safety Cluster				
State and Community Highway Safety	20.600	Not Available	-	17,872
National Priority Safety Programs	20.616	Not Available	-	10,987
Total Highway Safety Cluster			-	28,859
Total Department of Transportation			$ -	$ 32,868
U.S. Department of the Treasury				
Passed through the Office of the Governor:				
COVID-19 - Coronavirus Relief Fund	21.019	20-1892-0-1-806	-	577,328
Direct through U.S. Department of Treasury:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Available	26,600	82,240
Total U.S. Department of the Treasury			$ 26,600	$ 659,568
Various Agencies - 2				
Passed through Idaho Secretary of State:				
HAVA Election Security Grants				
COVID-19 - HAVA Election Security Grants	90.404	ID20101CARES-01	-	45,933
HAVA Election Security Grants	90.404	ID20101001-01	-	29,460
Total HAVA Election Security Grants			$ -	$ 75,393
Total Various Agencies - 2			$ -	$ 75,393
Department of Homeland Security				
Passed through State Military Division:				
Emergency Management Performance Grants	97.042	EMS2020EP00003	-	37,108
Homeland Security Grant Program:				
2019 Homeland Security Grant	97.067	EMW2019SS00047	-	11,833
2020 Homeland Security Grant	97.067	EMW2020SS00070	-	37,467
Total Homeland Security Grant Program			-	49,300
Total Department of Homeland Security			$ -	$ 86,408
Total Expenditures of Federal Awards			$ 26,600	$ 1,148,743

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
September 30, 2021

NOTE 1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Latah County, Idaho, under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Latah County, Idaho, it is not intended to and does not present the financial position, changes in net position, or cash flows of Latah County, Idaho.

NOTE 2 Summary of Significant Accounting Policies

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

2. Pass-through entity identifying numbers are presented were available.

3. Latah County, Idaho has elected not to use the 10 percent de minimis indirect costs rate as allowed under Uniform Guidance.

HAYDEN ROSS

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*

To the Board of County Commissioners
Latah County, Idaho
Moscow, Idaho 83843

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Latah County, Idaho as of and for the year ended September 30, 2021 and the related notes to the financial statements, which collectively comprise Latah County, Idaho's basic financial statements, and have issued our report thereon dated May 2, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Latah County, Idaho'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Latah County, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the Latah County, 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 have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Latah County, 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 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*.

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.

Hayden Ross, PLLC

Moscow, Idaho
May 2, 2022

HAYDEN ROSS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of County Commissioners
Latah County, Idaho
Moscow, Idaho 83843

Report on Compliance for Each Major Federal Program

We have audited Latah County, Idaho's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Latah County, Idaho's, major federal programs for the year ended September 30, 2021. Latah County, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Latah County, Idaho's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles*, and *Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Latah County, Idaho, compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Latah County, Idaho's compliance.

Opinion on Each Major Federal Program

In our opinion, Latah County, Idaho, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control over Compliance

Management of Latah County, Idaho is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Latah County, Idaho's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Latah County, Idaho's internal control over compliance.

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

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

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

Hayden Ross, PLLC

Moscow, Idaho
May 2, 2022

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
- material weakness(es) identified?	____ yes	__x__ no
- significant deficiency(ies) identified?	____ yes	__x__ none reported
Noncompliance material to financial statements noted?	____ yes	__x__ no

Federal Awards

Internal control over major programs:		
- material weakness(es) identified?	____ yes	__x__ no
- significant deficiency(ies) identified?	____ yes	__x__ none reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR section 200.516(a)	____ yes	__x__ no

Identification of major programs:
Reporting Requirements and Communication Considerations

CFDA Number(s)	Name of Federal Program or Cluster
21.019	COVID-19 - Coronavirus Relief Fund

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Year Ended September 30, 2021

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2021

Finding 2020-001 Bank Reconciliation

Condition Throughout our testing, we noted some, but not all, bank accounts were reconciled and reviewed.

Status This finding has been resolved.