VALLEY COUNTY, IDAHO

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2021

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Independent Auditor's Report

Board of Commissioners
Valley County, Idaho
Cascade, Idaho

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Valley County (the 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 as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Valley County, Idaho, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Valley County, Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Valley County, Idaho's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that schedule of funding progress, the budgetary comparison information, schedule of County's proportionate share of the net pension liability, and schedule of County contributions on pages 38 through 44 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.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Valley County, Idaho's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as described in the table of contents, is 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 March 28, 2022 on our consideration of Valley 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 Valley County, Idaho's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
March 28, 2022

Valley County, Idaho
Statement of Net Position
September 30, 2021

	Governmental Activities	Component Unit
Assets		
Cash and Cash Equivalents	$ 25,684,652	$ 46,685
Receivables, Net:		
Taxes and Special Fees	255,484	-
Interest	16,236	-
Prepaid Items	166,313	-
Due From Other Governments	255,504	-
Net Pension Asset	139,533	-
Capital Assets:		
Land and Nondepreciable Infrastructure	8,620,331	-
Buildings, Net of Accumulated Depreciation	5,199,019	-
Equipment, Net of Accumulated Depreciation	2,309,099	-
Vehicles, Net of Accumulated Depreciation	469,704	-
Total Capital Assets	16,598,153	-
Total Assets	43,115,875	46,685
Deferred Outflows		
Pension Related Items	2,045,359	-
Total Deferred Outflows	2,045,359	-
Liabilities		
Accounts Payable and Other Current Liabilities	1,610,433	-
Accrued Interest	11,102	-
Long-Term Liabilities:		
Due Within One Year:		
Compensated Absences	433,603	-
Bonds and Notes Payable	177,598	-
Due in More than One Year:		
Compensated Absences	108,401	-
Note Payable	138,411	-
Other Post-Employment Benefits	376,616	-
Total Liabilities	2,856,164	-
Deferred Inflows		
Pension Related Items	4,508,662	-
Total Deferred Inflows	4,508,662	-
Net Position		
Invested in Capital Assets, Net of Related Debt	16,282,144	-
Restricted for:		
Highways and Streets	7,981,120	-
Sanitation	5,950	-
Debt Service	2,434,104	-
Other Purposes	5,120,922	-
Unrestricted (Deficit) Surplus	5,972,168	46,685
Total Net Position	$ 37,796,408	$ 46,685

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

Valley County, Idaho
Statement of Activities
For the Year Ended September 30, 2021

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit
Primary Government:						
Governmental Activities:						
General Government	$ 8,260,813	$ 2,888,805	$ 1,516,762	$ -	$ (3,855,246)	$ -
Public Safety	5,120,727	833,079	149,537	-	(4,138,111)	
Highways and Streets	3,384,998	188,109	1,227,076	-	(1,969,813)	
Sanitation	2,116,975	-	-	-	(2,116,975)	
Health and Welfare	377,171	7,000	-	-	(370,171)	
Culture and Recreation	512,198	182,659	57,898	-	(271,641)	
Education	(886)	-	80,000	-	80,886	
Interest on Long-Term Debt	(4,879)	-	-	-	4,879	
Total Primary Government	$ 19,767,117	$ 4,099,652	$ 3,031,273	$ -	(12,636,192)	-
Total Primary Government	$ 54,445	$ 31,554	$ 2,950	$ -		(19,941)
General Revenues:						
Property Taxes					8,773,702	-
Special Fees					1,613,864	-
Intergovernmental					6,114,991	34,475
Other					173,363	0
Unrestricted Investment Earnings					739,851	-
Gain (Loss) on Sale of Assets					10,285	-
Unrealized Gain (Loss) on Investments					(335,485)	-
Total General Revenues and Special Items					17,090,571	34,475
Change in Net Position					4,454,379	14,534
Net Position, Beginning of Year - Previous					29,684,252	-
Prior Period Adjustment					3,657,777	32,151
Net Position, Beginning of Year - Restated					33,342,029	32,151
Net Position, End of Year					$ 37,796,408	$ 46,685

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

Valley County, Idaho
Balance Sheet -
Governmental Funds
September 30, 2021

	General	Road and Bridge	Solid Waste
Assets			
Cash and Cash Equivalents	$ 6,159,920	$ 8,694,972	$ 2,614,632
Receivables, Net:			
Property Taxes and Special Fees	135,316	-	53,665
Interest	10,963	5,273	-
Prepaid Items	113,573	27,683	2,487
Due From Other Governments	255,504	-	-
Total Assets	$ 6,675,276	$ 8,727,928	$ 2,670,784
Liabilities			
Warrants and Accounts Payable	$ 401,935	$ 746,808	$ 190,434
Total Liabilities	401,935	746,808	190,434
Deferred Inflows			
Unearned Revenue - Property Taxes and Special Fees	113,329	-	46,246
Total Deferred Inflows	113,329	-	46,246
Fund Balances			
Nonspendable	113,573	27,683	2,487
Restricted	-	7,953,437	2,431,617
Unassigned	6,046,439	-	-
Total Fund Balances	6,160,012	7,981,120	2,434,104
Total Liabilities, Deferred Inflows, and Fund Balances	$ 6,675,276	$ 8,727,928	$ 2,670,784

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

Valley County, Idaho
Balance Sheet -
Governmental Funds
September 30, 2021
(continued)

	PILT	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and Cash Equivalents	$ 2,932,510	$ 5,280,069	$ 25,682,103
Receivables, Net:			
Property Taxes and Special Fees	-	66,503	255,484
Interest	-	-	16,236
Prepaid Items	-	22,570	166,313
Due From Other Governments	-	-	255,504
Total Assets	$ 2,932,510	$ 5,369,142	$ 26,375,640
Liabilities			
Warrants and Accounts Payable	$ 78,177	$ 190,530	$ 1,607,884
Total Liabilities	78,177	190,530	1,607,884
Deferred Inflows			
Unearned Revenue - Property Taxes and Special Fees	-	57,690	217,265
Total Deferred Inflows	-	57,690	217,265
Fund Balances			
Nonspendable	-	22,570	166,313
Restricted	2,854,333	5,098,352	18,337,739
Unassigned	-	-	6,046,439
Total Fund Balances	2,854,333	5,120,922	24,550,491
Total Liabilities, Deferred Inflows, and Fund Balances	$ 2,932,510	$ 5,369,142	$ 26,375,640

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

Valley County, Idaho
Reconciliation of the Balance Sheet of the
Governmental Funds to the Statement of Net Position
September 30, 2021

Total Fund Balances - Governmental Funds		$ 24,550,491
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. Those assets consist of:		
Land and Nondepreciable Infrastructure	$ 8,620,331	
Buildings, Net of $12,371,303 Accum. Depreciation	5,199,019	
Equipment, Net of $4,764,580 Accum. Depreciation	2,309,099	
Vehicles, Net of $2,022,313 Accum. Depreciation	469,704	
		16,598,153
Property taxes and special fees receivable will be collected this year, but are not available soon enough to pay for current period expenditures and, therefore, are deferred in the funds.		217,265
Long-term liabilities, applicable to the County's governmental activities, are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Position.		
Compensated Absences	$ (542,004)	
Other Post-Employment Benefits	(376,616)	
OPEB Related Deferred Outflows	-	
Accrued Interest	(11,102)	
Municipal Lease	(316,009)	
		(1,245,731)
The County participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.		
Net Pension Liability	$ 139,533	
Pension Related Deferred Inflows	(4,508,662)	
Pension Related Deferred Outflows	2,045,359	
		(2,323,770)
Net Position of Governmental Activities		$ 37,796,408

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

Valley County, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2021

	General	Road and Bridge	Solid Waste
Revenues			
Property Taxes	$ 5,934,704	$ -	$ -
Special Fees	-	-	1,620,709
Intergovernmental	1,480,211	3,287,006	-
Charges for Services	2,314,208	188,109	1,264,644
Grants and Contributions	231,821	1,227,076	-
Earnings on Investments	103,730	69,194	-
Other Revenues	244,612	50	-
Total Revenues	10,309,286	4,771,435	2,885,353
Expenditures			
Current:			
General Government	5,500,141	-	-
Public Safety	4,052,978	-	-
Highways and Streets	-	3,178,560	-
Sanitation	-	-	2,024,807
Health and Welfare	20,611	-	-
Culture and Recreation	96,119	-	-
Education	-	-	-
Capital Outlay	251,549	630,944	79,411
Total Expenditures	9,921,398	3,809,504	2,104,218
Excess (Deficiency) of Revenues Over Expenditures	387,888	961,931	781,135
Other Financing Sources (Uses)			
Unrealized Gain (Loss) on Investments	(335,485)	-	-
Gain/(Loss) on Sale of Assets	-	10,285	-
Transfers In	-	-	28,504
Transfers (Out)	(73,997)	-	-
Total Other Financing Sources (Uses)	(409,482)	10,285	28,504
Net Change in Fund Balances	(21,594)	972,216	809,639
Fund Balances - Beginning, Previously	6,181,606	7,008,904	1,624,465
Prior Period Adjustment	-	-	-
Fund Balances - Beginning	6,181,606	7,008,904	1,624,465
Fund Balances - Ending	$ 6,160,012	$ 7,981,120	$ 2,434,104

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

Valley County, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2021
(continued)

	PILT	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	$ -	$ 2,881,868	$ 8,816,572
Special Fees	-	-	1,620,709
Intergovernmental	639,413	708,361	6,114,991
Charges for Services	-	332,691	4,099,652
Grants and Contributions	-	1,572,376	3,031,273
Earnings on Investments	-	439	173,363
Other Revenues	8,179	487,010	739,851
Total Revenues	647,592	5,982,745	24,596,411
Expenditures			
Current:			
General Government	-	2,484,712	7,984,853
Public Safety	-	1,112,277	5,165,255
Highways and Streets	-	-	3,178,560
Sanitation	-	-	2,024,807
Health and Welfare	-	355,664	376,275
Culture and Recreation	-	348,709	444,828
Education	-	6,700	6,700
Capital Outlay	409,977	45,964	1,417,845
Total Expenditures	409,977	4,354,026	20,599,123
Excess (Deficiency) of Revenues Over Expenditures	237,615	1,628,719	3,997,288
Other Financing Sources (Uses)			
Unrealized Gain (Loss) on Investments	-	-	(335,485)
Gain/(Loss) on Sale of Assets	-	-	10,285
Transfers In	-	45,493	73,997
Transfers (Out)	-	-	(73,997)
Total Other Financing Sources (Uses)	-	45,493	(325,200)
Net Change in Fund Balances	237,615	1,674,212	3,672,088
Fund Balances - Beginning, Previously	-	2,405,651	17,220,626
Prior Period Adjustment	2,616,718	1,041,059	3,657,777
Fund Balances - Beginning	2,616,718	3,446,710	20,878,403
Fund Balances - Ending	$ 2,854,333	$ 5,120,922	$ 24,550,491

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

Valley County, Idaho
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of the Governmental
Funds to the Statement of Activities
For the Year Ended September 30, 2021

Total Net Change in Fund Balance - Governmental Funds		$ 3,672,088
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. The cost and related accumulated depreciation, when capital assets are disposed are also not reported in the governmental funds. In the current period these amounts are:		
Capital Outlay	$ 965,504	
Depreciation Expense	(659,251)	
Net		306,253
Because some property taxes and special fees will not be collected for several months after the County's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities.		(49,715)
Accrued interest on long-term debt reported in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in accrued interest.		4,879
Long-term compensated absences and other post-employment benefits reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in long-term compensated absences and other post-employment benefits.		(237,637)
The County participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities.		758,511
Change in Net Assets of Governmental Activities		$ 4,454,379

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

Valley County, Idaho
Balance Sheet - Component Unit
September 30, 2021

	Fair Board
Assets	
Cash and Investments	$ 46,685
Total Assets	46,685
Liabilities	
Warrants and Accounts Payable	-
Total Liabilities	-
Net Position	
Restricted for:	
Individuals, Organizations, or Other Governments	46,685
Total Net Position	$ 46,685

The accompanying notes are an integral part of the financial statements

Valley County, Idaho
Statement of Revenues Expenditures, and
Changes in Fund Balance - Component Unit
For the Year Ended September 30, 2021

	Fair Board
Additions:	
Charges for Services	$ 31,554
Contributions	2,950
Intergovernmental	34,475
Total Additions	68,979
Deductions:	
Operating Expenditures	54,445
Total Deductions	54,445
Change in Net Position	14,534
Net Position, Beginning of Year - Previous	-
Prior Period Adjustment	32,151
Net Position, Beginning of Year - Restated	32,151
Net Position - Ending	$ 46,685

The accompanying notes are an integral
part of the financial statements

Valley County, Idaho
Statement of Fiduciary Net Position
September 30, 2021

	Custodial Funds
Assets	
Cash and Investments	$ 719,362
Property Taxes Receivable	865,628
Total Assets	1,584,990
Liabilities	
Warrants and Accounts Payable	558,182
Total Liabilities	558,182
Net Position	
Restricted for:	
Individuals, Organizations, or Other Governments	1,026,808
Total Net Position	$ 1,026,808

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

Valley County, Idaho
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2021

	Custodial Funds
Additions:	
Fees collected for other governments	$ 6,146,665
Property taxes collected for other governments	41,080,668
Total Additions	47,227,333
Deductions:	
Fees distributed to other governments	6,104,072
Taxes distributed to other governments	41,179,151
Total Deductions	47,283,223
Change in Net Position	(55,890)
Net Position - Beginning	1,082,698
Net Position - Ending	$ 1,026,808

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Valley County, Idaho (the County) operates under the direction of a Board of Commissioners who are responsible for the various operations of the County. The accompanying basic financial statements present the County (the primary government) and its component unit, a legally separate entity for which the County is considered to be financially accountable.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governmental units.

Component Units

Component units are legally separate organizations for which the County is financially accountable. Financial accountability exists if the County appoints a voting majority of the organization's governing board and either 1) is able to impose its will on the organization or 2) a potential exists for the organization to provide financial benefits to, or impose financial burdens on, the County. Based on the foregoing criteria, the following entities are considered component units of the County:

- *Valley County EMS* was created for the purpose of providing emergency medical services within the County. The EMS is governed by the County Commissioners, even though it is a legally separate entity. The EMS is presented as a blended component unit.
- *Valley County Fair Board* was created for the purpose of conducting fair activities within the County. The Fair Board is governed by a board appointed by the County Commissioners and the County is able to impose its will on the organization. The Fair Board was audited along with the County and its financial statements are presented as a discretely presented component unit.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the County, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses - expenses of the County related to the administration and support of the County's programs, such as personnel and accounting - are not allocated to programs.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category—governmental 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:

- *General fund*. This is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.
- *Road and Bridge fund*. This fund accounts for repairs and maintenance of roads and bridges and construction of new roads and bridges. Revenues derive mainly from federal and state grants and revenue sharing.
- *Solid Waste fund*. This fund accounts for accumulation of resources for, and the payment of, solid waste payments to a third party. Revenues derive from special fees charged to users.
- *PILT fund.* This fund accounts for PILT funds received from the Federal government.

The County reports the following fiduciary fund types:

- *Custodial funds.* These funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

The government-wide 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.

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

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

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet. The County uses the following fund balance categories in the governmental fund Balance Sheet:

- *Nonspendable.* Balances, for example, in permanent funds, prepaid expenditures, and inventories that are permanently precluded from conversion to cash.
- *Restricted.* Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Unassigned.* Balances available for any purpose.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Commissioners would also have the authority to assign funds or authorize another official to do so.

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

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

The purpose of the special revenue and debt service funds that are restricted are as follows:

Fund	Purpose
Road and Bridge	Revenues in this fund come from federal forest funds, other intergovernmental revenue and grants that are to be used for maintaining and improving roads and bridges within the County.
Solid Waste	Revenues in this fund come from special fees that are to be used to pay for the hauling of solid waste products..
Nonmajor Special Revenue Funds	Revenues in these funds come from levied property taxes, intergovernmental revenue, grants, charges for services, and other revenues that are to be used for items ranging from public assistance and safety, health and welfare, sanitation, maintenance and improvement of public ways and facilities, culture and recreation, education, and other governmental type activities.

Assets and Liabilities

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash Equivalents

The County requires all cash belonging to the County to be placed in custody of the Treasurer. A “Pooled Cash” concept is therefore used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in the pooled cash and investment accounts are considered to be cash and cash equivalents. See Note 2.

Property Taxes

In accordance with Idaho law, ad valorem property taxes are levied in September for each calendar year. Taxes are recorded by the County using the modified accrual basis of accounting. Levies are made on or before the 2nd Monday of September. All of the personal property taxes and one-half of the real property taxes are due on or before the 20th of December. The remaining one-half of the real property tax is due on or before June 20th of the following year. A lien is filed on property three years from the date of delinquency.

The property tax calendar is as follows:

Date property is valued	Second Monday of July
Date tax is levied	Second Monday of September
Date taxes are billed	November 20
Date taxes are collected	One half on December 20 and half on the following June 20
Date taxes become delinquent	First day of January of the succeeding year

Capital Assets

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

	Capitalization Policy	Depreciation Method	Estimated Useful Life
Buildings and Improvements	$5,000	Straight-Line	8 – 70 Years
Equipment and Vehicles	$5,000	Straight-Line	5 – 20 Years

The County (a phase three government) has elected not to report major general infrastructure assets retroactively. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to October 1, 2003.

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

Compensated Absences

The total portion of the unpaid personal leave is budgeted in the next year's budget. Personal leave compensation is calculated on an individual basis according to an employee's total years worked and total hours worked per week.

Warrants and Accounts Payable

Warrants and accounts payable represent debt obligations that will be paid within the next billing cycle. Amounts shown are not over 60 days past due.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan’s fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County’s Other Post-Employment Benefit Plan (the County’s OPEB Plan) and additions to/deductions from the County’s OPEB Plan fiduciary net position have been determined on the same basis as they are reported by the County’s OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Principals

The County adopted GASB 84, Fiduciary Activities, during the year. This has caused certain funds that were reported as fiduciary funds in prior years to be reported as governmental funds. See Footnote 17 for details on how this has changed opening fund balances and net position.

Use of Estimates

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

2. CASH AND INVESTMENTS

Deposits

As of September 30, 2021, the carrying amount of the County's deposits was $4,120,502 and the respective bank balances totaled $3,520,534. All of the bank balance was insured or collateralized with pooled securities held by the pledging institutions in the name of the County.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of September 30, 2021, all of the County's deposits were covered by the federal depository insurance or by collateral held by the County's agent or pledging financial institution's trust department or agent in the name of the County, and thus were not exposed to custodial credit risk. The County's formal policy is to obtain appropriate collateral for amounts in excess of insurance limits or move excess funds to an insured account or to the State of Idaho Investment Pool. The County also keeps $1,700 petty cash on hand.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other party to an investment will not fulfill its obligations. None of the County's investments have been insured or collateralized and are held by the counterparties in the County's name. The counterparties included MBS Securities. The County's formal policy to limit custodial credit risk is to use the "prudent person" rule as it relates to safety, liquidity, and yield. All financial instruments purchased must be acceptable under Idaho Code and considered to be of excellent credit quality.

2. CASH AND INVESTMENTS (continued)

Interest Rate Risk/Concentration of Credit Risk

The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates or a formal policy limiting the amount the County may invest in any one issuer.

Investments

The County voluntarily participates in the State of Idaho Investment Pool which has not been rated. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the pool is with the State Treasurer, and Idaho Code defines allowable investments. The fair value of the County's investment in the pool is the same as the value of the pool shares. The County follows Idaho Statute that outlines qualifying investment options as follows:

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

The County's investments at September 30, 2021, are summarized below:

			Investment Maturities (in
Investment Type	Rating	Fair Value	Less Than 1	1-5
External Investment Pool	None	$ 11,807,165	$ 11,807,165	$ -
Certificates of Deposit	None	1,230,625	319,669	910,956
U.S. Government Bonds	AAA	3,989,431	-	1,960,351
Asset Backed Securities	None	5,628,623	202,032	2,228,260
		$ 22,655,844	$ 12,328,866	$ 5,099,567

The following accounts are not recorded on the County's books but have been included in the above disclosures regarding deposit and bank balances:

	Total Off-books
Tax Anticipation	$ 252,693
Tax Collector	102,711
Public Administrator	8,779
Sheriff's Commissary	9,850
	$ 374,033

2. CASH AND INVESTMENTS (continued)

Summary

At year-end, the cash and cash equivalents reported in the basic financial statements are made up of the following categories:

	Governmental Activities	Fiduciary Funds
Cash Held at Banks	$ 3,027,108	$ 719,362
Petty Cash	1,700	-
Investments	22,655,844	-
	$ 25,684,652	$ 719,362

3. CONTINGENCIES

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at September 30, 2021, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

4. RECEIVABLES

Receivables of the governmental activities consists of property taxes, specially assessed fees, and interest. There was no allowance for doubtful accounts for the governmental activities as of September 30, 2021. The County has determined that all of their receivables are collectable.

5. DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units (State of Idaho) state revenue sharing and sales tax of $255,504.

6. TRANSFERS

Transfers between funds were as follows:

$ 73,997	From General fund to nonmajor funds for operating expenses.

7. CAPITAL ASSETS

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

	Balance 9/30/2020	Additions	Disposals	Balance 9/30/2021
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land and Infrastructure	$ 8,535,538	$ 84,793	$ -	$ 8,620,331
Capital Assets Being Depreciated:				
Buildings	17,374,519	195,803	-	17,570,322
Equipment	6,584,355	489,324	-	7,073,679
Vehicles	2,506,181	45,923	(60,087)	2,492,017
Total Historical Cost	26,465,055	731,050	(60,087)	27,136,018
Less: Accumulated Depreciation				
Buildings	12,081,563	289,740	-	12,371,303
Equipment	4,527,921	236,659	-	4,764,580
Vehicles	1,949,548	132,852	(60,087)	2,022,313
Total Acc. Depr.	18,559,032	659,251	(60,087)	19,158,196
Net Depreciable Assets	7,906,023	71,799	-	7,977,822
Governmental Activities Capital Assets - Net	$ 16,441,561	$ 156,592	$ -	$ 16,598,153

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

Governmental Activities:	
General Government	$ 126,945
Public Safety	195,599
Highways and Streets	277,321
Sanitation	16,331
Culture and Recreation	43,055
	$ 659,251

8. RISK MANAGEMENT

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

9. PENSION PLAN

Plan Description

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

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

Pension Benefits

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

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

9. PENSION PLAN (continued)

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2021 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. Valley County, Idaho's contributions were $799,408 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, Valley County, Idaho reported a liability (asset) for its proportionate share of the net pension liability (asset.) The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. Valley County, Idaho's proportion of the net pension liability (asset) was based on Valley County, Idaho's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021 Valley County, Idaho's proportion was 0.1766731 percent.

For the year ended September 30, 2021, Valley County, Idaho recognized pension expense/(revenue) of ($38,844). At September 30, 2021, Valley County, Idaho reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

9. PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 205,582	$ 81,106
Changes in assumptions or other inputs	1,601,656	-
Net difference between projected and actual earnings on pension plan investments	-	4,382,616
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions.	35,854	44,940
Valley County, Idaho's contributions subsequent to the measurement date	202,267	-
Total	$2,045,359	$4,508,662

$202,267 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2021.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2021, the beginning of the measurement period ended June 30, 2020, is 4.7 years and 4.6 for measurement period June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

For the Year Ended September 30:	PERSI
2022	$ (448,696)
2023	(546,173)
2024	(492,135)
2025	(976,298)

Actuarial Assumptions

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

9. PENSION PLAN (continued)

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Contributing Members, Service Retirement Members, and Beneficiaries
General Employees and All Beneficiaries – Males Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries – Females Pub-20210 Genera Tables, increased 21%
Teachers – Males Pub-2010 Teacher Tables, increased 12%
Teachers – Females Pub-2010 Teacher Tables, increased 21%
Fire & Police – Males Pub-2010 Safety Tables, increased 21%
Fire & Police – Females Pub-2010 Safety Tables, increased 26%
Disabled Members – Males Pub-2010 Disabled Tables, increased 38%
Disabled Members – Females Pub-2010 Disabled Tables, increased 36%

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2021, is based on the results of an actuarial valuation date of July 1, 2021.

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2021.

9. PENSION PLAN (continued)

Capital Market Assumptions from Callan 2021

Asset Class		Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	Barclays Aggregate	30.00%	1.80%	-0.20%
Broad US Equities	Wilshire 5000/Russell 3000	55.00%	8.00%	6.00%
Developed Foreign Equities	MSCI EAFE/World ex US	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%

Discount Rate

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

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

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

9. PENSION PLAN (continued)

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$ 4,850,455	$ (139,533)	$ (4,229,926)

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.

10. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The County's Other Post-Employment Benefit Plan (the County's OPEB Plan) is a single-employer defined benefit healthcare plan administered by GemPlan. The County's OPEB plan does not include the PERSI pension benefits otherwise discussed in these financial statements and does not issue a publicly available financial report.

Benefits Provided

GemPlan, as administrator of the County's OPEB Plan, contracts with Blue Cross/Blue Shield of Idaho to provide health insurance benefits to eligible retirees and their eligible dependents. A retiree who retires while participating in the Public Employee Retirement System of Idaho (PERSI) is eligible to keep the County's health insurance until age 65 or until the retiree is eligible for coverage under Medicare. Eligibility for the County's OPEB Plan is further determined by employees having obtained a minimum age of 55 with at least 20 years of service with the County for general employees and obtaining a minimum 5 years of service with the County for elected officials. Retirees are on the same medical plan as the County's active employees.

10. OTHER POST-EMPLOYMENT BENEFITS (continued)

Contributions and Implicit Rate Subsidy

OPEB benefits have historically been funded on a pay-as-you-go basis. Under government accounting standards, plan sponsors may set up a trust and pre-fund the benefits. There is no requirement to pre-fund benefits under government accounting standards. However, if benefits are not pre-funded, OPEB liabilities are created and will grow over time. The County has not pre-funded these benefits.

Government accounting standards require employers recognize the implicit rate subsidy that exists in most post-employment benefit plans. The implicit rate subsidy refers to the concept that retirees under the age of 65 (those not Medicare eligible) generate higher claims on average than active participants.

When a medical plan is self-insured through a third-party administrator or fully insured, a premium is usually determined by analyzing the claims of the entire population in that plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower. Therefore, the retirees' premiums are being subsidized by the active group. The difference between the expected claims for the retiree group and the blended premium is called the implicit rate subsidy. Accordingly, the County's implicit subsidy contributions were $0 for the year ended September 30, 2021.

Net OPEB Liability of the County

The components of the net OPEB liability of the County at year-end were as follows:

Total OPEB Liability	$ 376,616
OPEB Plan Fiduciary Net Position	-
Net OPEB obligation - end of year	$ 376,616
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0%

10. OTHER POST-EMPLOYMENT BENEFITS (continued)

OPEB Revenue (Expense) and Deferred Outflows of Resources to OPEB

For the year ended September 30, 2021, the County recognized OPEB revenue (expense) of $43,496 . At September 30, 2021, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
County Implicit subsidy contributions subsequent to the measurement date	$ -

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of October 1, 2019 which was also the measurement date. The following actuarial assumptions applied to all periods included in the measurement:

Actuarial cost method	Entry age, level percentage of pay
Inflation	2.50%
Salary increases	3.00%
Medical trend rate	6.25% as of October 1, 2019 grading to 5.00% over 6 years
Mortality	RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel)

Discount Rate

The discount rate used to measure the total OPEB liability was 3.00%. Since the County's OPEB plan is not pre-funded, the discount rate is equal to the 20-Year Municipal Bond Yield of 3.00%.

10. OTHER POST-EMPLOYMENT BENEFITS (continued)

Changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Beginning of Year	$ 366,640	$ -	$ 366,640
Changes for the Year			
Service Cost	25,525	-	25,525
Interest Cost	11,364	-	11,364
Assumption Changes	-		-
Differences between Expected and Actual Experience	-		-
Benefit Payments	(26,913)	-	(26,913)
Net Change in Total OPEB liability	9,976	-	9,976
End of Year	$ 376,616	$ -	$ 376,616

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB 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 discount rate:

	1 % Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
Net OPEB Liability	$ 405,571	$ 376,616	$ 349,416

10. OTHER POST-EMPLOYMENT BENEFITS (continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease (5.25% Decreasing to 4%)	Current Healthcare Cost Trend Rate (6.25% Decreasing to 5%)	1% Decrease (7.25% Decreasing to 6%)
Net OPEB Liability	$ 333,767	$ 376,616	$ 427,638

11. COMPENSATED ABSENCES

All full-time employees of the County accrue vacation days at various rates, which are determined by length of service. During the first ten years of employment, an employee accrues ten days of vacation leave per year. During years eleven through fifteen of working employment, an employee accrues fifteen days per year and over fifteen years of working employment an employee accrues twenty days per year. The County has established the policy that unused vacation, eligible for carryover to the next fiscal year, shall not exceed seven working days and all other unused vacation shall be forfeited. Upon termination of employment (voluntary or involuntary), the employee shall be paid for all unused vacation time.

Changes in compensated absences throughout the year are as follows:

	9/30/2020	Increase	Decrease	9/30/2021	Current
Governmental Activities	$314,343	$687,555	$ (459,894)	$542,004	$433,603

County employees earn one sick day for each month worked up to a maximum of ninety days. Sick leave benefits do not vest, i.e., they are not paid out upon termination or retirement, so no accrual has been made.

12. DEFERRED COMPENSATION PLAN

Qualified employees of the County may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until withdrawal at a later date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The County has no liability for losses under the plan but it does have the obligation of due care in selecting the third-party administrator. For the year ended September 30, 2021, the County made no employer contributions to the plan.

13. LEASE COMMITMENTS

The County leases several copy machines and two postage meters. The lease periods are for five years and it is anticipated that the equipment will be returned at the end of the lease periods, which vary from 2017 to 2023. Future minimum lease payments are as follows:

Year Ended September 30,	Amount
2022	$ 39,725
2023	29,664
2024	6,120
	$ 75,509

Other rental agreements that do not have lease periods that extend beyond a year include:

- The County and US West Vector have entered into a sublease agreement; whereby, the County is able to utilize a communications facility for a 911 police repeater system.
- A grader shed is leased annually.
- Land for parking snowmobiles is leased annually.
- Wellington Snow-Park is leased annually for use of land and lumber.

Operating lease expenditures for the year ended September 30, 2021, were $72,467.

14. OTHER COMMITMENTS

The County and the Boise, Salmon-Challis, and Payette National Forests have entered into a Law Enforcement Protection Agreement; whereby, the County is to provide law enforcement services in Forest Service campgrounds and for forest visitors. This agreement is renewed annually.

15. LONG-TERM OBLIGATIONS

The County leases certain equipment and vehicles under long-term lease agreements. Certain leases have been recorded as municipal leases and others as operating leases. The municipal leases consist of:

Governmental Activities:	
Equipment	$ 1,167,790
Less: accumulated amortization (included as depreciation on the accompanying financial statements) by function:	(184,551)
Highways and Streets	$ 983,239

Changes in long-term obligations for the year ended September 30, 2021, are as follows:

Description	Maturity	Rate	9/30/2020	Increase	Decrease	9/30/2021	Current
Cat Financial	2022	3.95%	$ 71,619	$ -	$ (71,619)	$ -	$ -
Paccar Financial	2023	5.63%	193,737	-	(61,075)	132,662	64,515
Cat Financial 2017	2022	5.35%	200,313	-	(63,338)	136,975	66,711
Summit Nat'l Bank	2022	3.91%	-	196,772	(150,400)	46,372	46,372
			$ 465,669	$ 196,772	$ (346,432)	$ 316,009	$ 177,598

Debt service requirements as of September 30, 2021, are as follows:

Year Ending	Municipal Leases	
September 30,	Principal	Interest
2022	177,599	16,995
2023	138,412	7,579
	$ 316,011	$ 24,574

16. TAX ABATEMENTS

The County entered into a property tax abatement agreement with a local business under Idaho Code 63-602NN. For the fiscal year ended September 30, 2021, the County abated property taxes totaling $2,740 for the County and $21,905 for other taxing districts for a total of $24,645 .

17. RESTATEMENT

During the year ended September 30, 2021, the County adopted GASB 84, which caused certain funds to no longer be reported as fiduciary funds and to start being reported as governmental funds. This caused fund balance and net position to both be restated by $3,657,777 as reflected below:

	Governmental Funds
Fund Balance, Beginning - As Previously Stated	$ 17,220,626
Increase due to implementation of GASB 84	3,657,777
Fund Balance, Beginning - Restated	$ 20,878,403

	Governmental Activities
Net Position, Beginning - As Previously Stated	$ 29,684,252
Increase due to implementation of GASB 84	3,657,777
Net Position, Beginning - Restated	$ 33,342,029

18. DEFICIT FUND BALANCE

The following fund had a deficit fund balance as of September 30, 2021.

Fund	Deficit Fund Balance
Title III	$ 404

REQUIRED SUPPLEMENTARY INFORMATION

Valley County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ 5,832,522	$ 5,832,522	$ 5,934,704	$ 102,182
Intergovernmental	901,977	901,977	1,480,211	578,234
Charges for Services	1,424,140	1,424,140	2,314,208	890,068
Grants and Contributions	1,745,748	1,745,748	231,821	(1,513,927)
Earnings on Investments	90,000	90,000	103,730	13,730
Other Revenues	154,409	154,409	244,612	90,203
Total Revenues	10,148,796	10,148,796	10,309,286	160,490
Expenditures				
Current:				
Salaries	5,085,879	5,085,879	4,859,201	226,678
Benefits	2,285,130	2,285,130	2,184,868	100,262
Operating Expenses	4,377,887	4,377,887	2,625,780	1,752,107
Capital Outlay	624,900	624,900	251,549	373,351
Total Expenditures	12,373,796	12,373,796	9,921,398	2,452,398
Excess (Deficiency) of Revenues Over Expenditures	(2,225,000)	(2,225,000)	387,888	2,612,888
Other Financing Sources (Uses)				
Unrealized Gain (Loss) on Investments	-	-	(335,485)	(335,485)
Transfers In	-	-	(73,997)	(73,997)
Total Other Financing Sources (Uses)	-	-	(409,482)	(409,482)
Net Change in Fund Balances	(2,225,000)	(2,225,000)	(21,594)	2,203,406
Fund Balances - Beginning	2,225,000	2,225,000	6,181,606	3,956,606
Fund Balances - Ending	$ -	$ -	$ 6,160,012	$ 6,160,012

Valley County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
Road and Bridge
For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Intergovernmental	$ 2,200,000	$ 2,200,000	$ 3,287,006	$ 1,087,006
Charges for Services	102,500	102,500	188,109	85,609
Grants and Contributions	1,330,000	1,330,000	1,227,076	(102,924)
Earnings on Investments	55,000	55,000	69,194	14,194
Other Revenues	10,000	10,000	50	(9,950)
Total Revenues	3,697,500	3,697,500	4,771,435	1,073,935
Expenditures				
Current:				
Salaries	1,169,537	1,169,537	1,041,831	127,706
Benefits	525,526	525,526	509,306	16,220
Operating Expenses	3,046,325	3,046,325	1,627,423	1,418,902
Capital Outlay	964,500	964,500	630,944	333,556
Total Expenditures	5,705,888	5,705,888	3,809,504	1,896,384
Excess (Deficiency) of Revenues Over Expenditures	(2,008,388)	(2,008,388)	961,931	2,970,319
Other Financing Sources (Uses)				
Gain/(Loss) on Sale of Assets	7,000	7,000	10,285	3,285
Total Other Financing Sources (Uses)	7,000	7,000	10,285	3,285
Net Change in Fund Balances	(2,001,388)	(2,001,388)	972,216	2,973,604
Fund Balances - Beginning	2,001,388	2,001,388	7,008,904	5,007,516
Fund Balances - Ending	$ -	$ -	$ 7,981,120	$ 7,981,120

Valley County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
Solid Waste
For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Special Fees	$ 1,562,890	$ 1,562,890	$ 1,620,709	$ 57,819
Charges for Services	700,000	700,000	1,264,644	564,644
Total Revenues	2,262,890	2,262,890	2,885,353	622,463
Expenditures				
Current:				
Salaries	68,473	68,473	96,195	(27,722)
Benefits	42,320	42,320	40,073	2,247
Operating Expenses	2,212,454	2,212,454	1,888,539	323,915
Capital Outlay	205,000	205,000	79,411	125,589
Total Expenditures	2,528,247	2,528,247	2,104,218	424,029
Excess (Deficiency) of Revenues Over Expenditures	(265,357)	(265,357)	781,135	1,046,492
Other Financing Sources (Uses)				
Transfers In	-	-	28,504	28,504
Total Other Financing Sources (Uses)	-	-	28,504	28,504
Net Change in Fund Balances	(265,357)	(265,357)	809,639	1,074,996
Fund Balances - Beginning	265,357	265,357	1,624,465	1,359,108
Fund Balances - Ending	$ -	$ -	$ 2,434,104	$ 2,434,104

Valley County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
PILT
For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Intergovernmental	$ -	$ -	$ 639,413	$ 639,413
Other Revenues	-	-	8,179	8,179
Total Revenues	-	-	647,592	647,592
Expenditures				
Capital Outlay	-	-	409,977	(409,977)
Total Expenditures	-	-	409,977	(409,977)
Net Change in Fund Balances	-	-	237,615	237,615
Net Position - Beginning, Previously Stated	-	-	-	-
Prior Period Adjustment			2,616,718	2,616,718
Fund Balances - Beginning, Restated	-	-	2,616,718	2,616,718
Fund Balances - Ending	$ -	$ -	$ 2,854,333	$ 2,854,333

Valley County, Idaho
Notes to Required Supplementary Information
For the Year Ended September 30, 2021

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1. BUDGETS AND BUDGETARY ACCOUNTING

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

A. Prior to September 1, the County Clerk and the County Commissioners prepare a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

B. Public hearings are conducted at the County courthouse to obtain taxpayer comments.

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

D. The County is authorized to transfer budgeted amounts between departments within any fund; however, no revision can be made to increase the overall tax supported funds except when federal or state grants are approved. The County, however, must follow the same budgetary procedures as they followed when the original budget was approved.

E. Formal budgetary integration is employed as a management control device during the year for the General fund and Special Revenue funds.

F. The budgets for the General fund and Special Revenue funds are adopted on a basis consistent with generally accepted accounting principles.

G. Expenditures may not legally exceed budgeted appropriations at the fund level. The County does not use the encumbrance method of accounting.

2. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The PILT fund has expenditures in excess of appropriations in the amount of $409,977.

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

Schedule of the County's Proportionate Share of Net Pension Liability

Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Employee Payroll	County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	0.1766731%	$ (139,533)	$ 6,636,732	-2.10%	100.36%
2020	0.1688624%	3,921,208	$ 6,206,127	63.18%	88.22%
2019	0.1614358%	1,842,745	5,488,745	33.57%	93.79%
2018	0.1556929%	2,296,497	5,068,583	45.31%	87.26%
2017	0.1497685%	2,354,104	4,647,558	50.65%	87.26%
2016	0.1618451%	3,280,849	4,715,287	69.58%	82.26%
2015	0.1673344%	2,203,522	5,422,154	40.64%	91.38%

Data reported is measured as of June 30, 2021

Schedule of County Contributions

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	County's Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2021	$ 799,408	$ 799,408	-	$ 6,636,732	12.05%
2020	747,417	747,417	-	6,206,127	12.04%
2019	635,130	635,130	-	5,488,745	11.57%
2018	578,623	578,623	-	5,068,623	11.42%
2017	530,431	530,431	-	4,647,558	11.41%
2016	537,814	537,814	-	4,715,287	11.41%
2015	529,423	529,423	-	4,641,922	11.41%

Data reported is measured as of September 30, 2021

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

Valley County, Idaho
Schedule of Changes in Net OPEB Liability and Related Ratios

Other Post-Employment Benefit Plan

Last 10 - Fiscal Years*

Fiscal Year	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	$ 25,525	$ 24,722	$ 25,114	$ 24,383
Interest Cost	11,364	11,471	10,566	9,695
Assumption Changes	-	3,435	-	-
Differences between Expected and Actual Experience	-	29,600	-	-
Benefit Payments	(26,913)	(11,138)	(7,712)	(12,114)
Net Change in Total OPEB Liability	9,976	58,090	27,968	21,964
Total OPEB Liability - Beginning	366,640	308,550	280,582	258,618
Total OPEB Liability - Ending (a)	376,616	366,640	308,550	280,582
Plan Fiduciary Net Position - Beginning	$ -	$ -	$ -	$ -
Plan Fiduciary Net Position - Ending (b)	-	-	-	-
County's Net OPEB Liability - Ending (a) - (b)	$ 349,416	$ 366,640	$ 308,550	$ 280,582
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	0.0%
Covered Employee Payroll	$ 5,528,889	$ 5,354,856	$ 5,308,985	$ 5,154,354
Net OPEB Liability as a Percentage of Covered Employee Payroll	6%	7%	6%	5%

*GASB 75 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

NOTES:

A. The net OPEB liability amount presented for each fiscal year was determined as of the fiscal year end.

B. The County has not presented a schedule of employer contributions or schedule of investment returns since the County does not prefund the County's OPEB Plan with contributions, and accordingly, actuarially determined contributions have not been calculated and there are no contractually or statutorily determined contributions applicable to the employer.

SUPPLEMENTAL INFORMATION

Valley County, Idaho
Supplemental Schedule of Revenues by Source
- Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2021

	Budget	Actual	Variance
Operating Revenue			
Property Taxes	$ 5,832,522	$ 5,934,704	$ 102,182
Intergovernmental	901,977	1,480,211	578,234
Charges for Services	1,424,140	2,314,208	890,068
Grants and Contributions	1,745,748	231,821	(1,513,927)
Earnings on Investments	90,000	103,730	13,730
Other Revenues	154,409	244,612	90,203
Total Revenue	$ 10,148,796	$ 10,309,286	$ 160,490

Valley County, Idaho
Supplemental Schedule of Expenditures by Object of Expenditure
- Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2021

	Budget	Actual	Variance
Clerk-Auditor-Recorder			
Salaries	$ 278,105	$ 276,896	$ 1,209
Operating Expenditures	29,650	29,649	1
	307,755	306,545	1,210
Assessor			
Salaries	252,973	236,676	16,297
Operating Expenditures	10,850	6,438	4,412
	263,823	243,114	20,709
Treasurer			
Salaries	205,126	186,445	18,681
Operating Expenditures	34,800	16,945	17,855
	239,926	203,390	36,536
Sheriff			
Salaries	1,573,559	1,570,482	3,077
Operating Expenditures	208,602	179,451	29,151
Capital Outlay	5,400	1,698	3,702
	1,787,561	1,751,631	35,930
Commissioners			
Salaries	156,148	156,148	-
Operating Expenditures	23,100	11,641	11,459
	179,248	167,789	11,459
Coroner			
Salaries	51,042	45,361	5,681
Operating Expenditures	32,650	32,650	-
	83,692	78,011	5,681
Prosecuting Attorney			
Salaries	330,972	330,972	-
Operating Expenditures	59,525	28,322	31,203
	390,497	359,294	31,203
Juvenile Detention Center			
Operating Expenditures	36,500	17,712	18,788
	36,500	17,712	18,788
Public Defender			
Operating Expenditures	363,730	361,810	1,920
	363,730	361,810	1,920

Valley County, Idaho
Supplemental Schedule of Expenditures by Object of Expenditure
- Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2021
(continued)

	Budget	Actual	Variance
Buildings and Grounds			
Salaries	$ 144,415	$ 143,291	$ 1,124
Operating Expenditures	255,875	235,813	20,062
	400,290	379,104	21,186
Civil Defense			
Operating Expenditures	40,524	30,524	10,000
	40,524	30,524	10,000
Economic Development			
Operating Expenditures	670,000	120,000	550,000
	670,000	120,000	550,000
County Agent			
Salaries	84,366	82,605	1,761
Operating Expenditures	30,795	25,602	5,193
	115,161	108,207	6,954
Data Processing			
Salaries	301,235	253,760	47,475
Operating Expenditures	430,925	255,674	175,251
Capital Outlay	164,000	131,250	32,750
	896,160	640,684	255,476
Elections			
Salaries	5,000	3,851	1,149
Operating Expenditures	37,000	25,194	11,806
	42,000	29,045	12,955
Human Resources			
Salaries	81,860	81,860	-
Operating Expenditures	19,950	15,879	4,071
	101,810	97,739	4,071
General			
Salaries	45,000	35,817	9,183
Benefits	2,285,130	2,184,868	100,262
Operating Expenditures	928,775	644,086	284,689
	3,258,905	2,864,771	394,134
Jail			
Salaries	763,149	727,701	35,448
Operating Expenditures	305,144	260,018	45,126
Capital Outlay	20,500	18,599	1,901
	1,088,793	1,006,318	82,475

Valley County, Idaho
Supplemental Schedule of Expenditures by Object of Expenditure
- Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2021
(continued)

	Budget	Actual	Variance
Planning and Zoning			
Salaries	$ 111,403	$ 111,402	$ 1
Operating Expenditures	26,710	25,437	1,273
	138,113	136,839	1,274
Building Department			
Salaries	128,563	128,362	201
Operating Expenditures	10,575	10,776	(201)
	139,138	139,138	-
Welfare Director			
Operating Expenditures	23,700	20,611	3,089
	23,700	20,611	3,089
Motor Vehicle			
Salaries	135,032	135,033	(1)
Operating Expenditures	11,100	10,588	512
	146,132	145,621	511
911 Communication			
Salaries	358,127	274,552	83,575
Operating Expenditures	194,282	195,912	(1,630)
Capital Outlay	5,000	-	5,000
	557,409	470,464	86,945
Reserve			
Capital Outlay	350,000	31,536	318,464
	350,000	31,536	318,464
Motor Pool			
Operating Expenditures	69,600	46,916	22,684
Capital Outlay	80,000	68,466	11,534
	149,600	115,382	34,218
Parks and Recreation			
Salaries	79,804	77,987	1,817
Operating Expenditures	523,525	18,132	505,393
	603,329	96,119	507,210
Total General Government	$ 12,373,796	$ 9,921,398	$ 2,452,398

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

	Airport	Ambulance	District Court	County Fair	Health District
Assets					
Cash and Cash Equivalents	$ 8,334	$ 7,073	$ 431,783	$ 15,961	$ 11,740
Receivables, Net:					
Property Taxes	638	-	11,988	791	2,103
Prepaid Items	-	-	11,960	-	-
Due From Other Governments	-	-	-	-	-
Total Assets	$ 8,972	$ 7,073	$ 455,731	$ 16,752	$ 13,843
Liabilities					
Warrants and Accounts Payable	$ -	$ -	$ 19,841	$ -	$ -
Total Liabilities	-	-	19,841	-	-
Deferred Inflows					
Unearned Revenue - Property Taxes and Special Fees	565	-	10,611	701	1,866
Total Deferred Inflows	565	-	10,611	701	1,866
Fund Balances					
Nonspendable	-	-	11,960	-	-
Restricted	8,407	7,073	413,319	16,051	11,977
Unassigned	-	-	-	-	-
Total Fund Balances	8,407	7,073	425,279	16,051	11,977
Total Liabilities, Deferred Inflows, and Fund Balances	$ 8,972	$ 7,073	$ 455,731	$ 16,752	$ 13,843

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	Election Consolidation	Indigent	Junior College	Revaluation	Bond Redemption
Assets					
Cash and Cash Equivalents	$ 529,587	$ 251,707	$ 259,592	$ 199,227	$ 5,950
Receivables, Net:					
Property Taxes	-	3,729	-	9,923	-
Prepaid Items	-	-	-	6,042	-
Total Assets	$ 529,587	$ 255,436	$ 259,592	$ 215,192	$ 5,950
Liabilities					
Warrants and Accounts Payable	$ 1,408	$ 10,140	$ -	$ 9,158	$ -
Total Liabilities	1,408	10,140	-	9,158	-
Deferred Inflows					
Unearned Revenue - Property Taxes and Special Fees	-	3,348	-	8,806	-
Total Deferred Inflows	-	3,348	-	8,806	-
Fund Balances					
Nonspendable	-	-	-	6,042	-
Restricted	528,179	241,948	259,592	191,186	5,950
Unrestricted	-	-	-	-	-
Total Fund Balances	528,179	241,948	259,592	197,228	5,950
Total Liabilities, Deferred Inflows, and Fund Balances	$ 529,587	$ 255,436	$ 259,592	$ 215,192	$ 5,950

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	County Tort	Veterans Memorial	Weeds	Pest Control
Assets				
Cash and Cash Equivalents	$ 112,459	$ 2,267	$ 90,196	$ 63,635
Receivables, Net:				
Property Taxes	4,295	190	4,157	53
Prepaid Items	-	-	4,568	-
Total Assets	$ 116,754	$ 2,457	$ 98,921	$ 63,688
Liabilities				
Warrants and Accounts Payable	$ -	$ -	$ 27,959	$ 484
Total Liabilities	-	-	27,959	484
Deferred Inflows				
Unearned Revenue - Property Taxes and Special Fees	3,813	169	3,676	52
Total Deferred Inflows	3,813	169	3,676	52
Fund Balances				
Nonspendable	-	-	4,568	-
Restricted	112,941	2,288	62,718	63,152
Unassigned	-	-	-	-
Total Fund Balances	112,941	2,288	67,286	63,152
Total Liabilities, Deferred Inflows, and Fund Balances	$ 116,754	$ 2,457	$ 98,921	$ 63,688

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	Waterways	Valley County Snowmobile	Circuit Breaker	Uncollected Cost
Assets				
Cash and Cash Equivalents	$ 608,517	$ 225,928	$ 24	$ 76
Receivables, Net:				
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	$ 608,517	$ 225,928	$ 24	$ 76
Liabilities				
Warrants and Accounts Payable	$ 7,407	$ 478	$ -	$ -
Total Liabilities	7,407	478	-	-
Deferred Inflows				
Unearned Revenue - Property Taxes and Special Fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	601,110	225,450	24	76
Unassigned	-	-	-	-
Total Fund Balances	601,110	225,450	24	76
Total Liabilities, Deferred Inflows, and Fund Balances	$ 608,517	$ 225,928	$ 24	$ 76

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	Auditor's Trust	Title III Trust	Sheriff Capital Equipment	911 Communications
Assets				
Cash and Cash Equivalents	$ 1,111,644	$ 404,538	$ 181,658	$ 374,581
Receivables, Net:				
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	$ 1,111,644	$ 404,538	$ 181,658	$ 374,581
Liabilities				
Warrants and Accounts Payable	$ 174	$ 8,394	$ -	$ 100,000
Total Liabilities	174	8,394	-	100,000
Deferred Inflows				
Unearned Revenue - Property Taxes and Special Fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	1,111,470	396,144	181,658	274,581
Unassigned	-	-	-	-
Total Fund Balances	1,111,470	396,144	181,658	274,581
Total Liabilities, Deferred Inflows, and Fund Balances	$ 1,111,644	$ 404,538	$ 181,658	$ 374,581

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	Extension Agent	Fire Mitigation	Interlock Device	Tax Collection Trust Deed
Assets				
Cash and Cash Equivalents	$ 7,446	$ -	$ 30,592	$ 601
Receivables, Net:				
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	$ 7,446	$ -	$ 30,592	$ 601
Liabilities				
Warrants and Accounts Payable	$ 4,687	$ -	$ -	$ -
Total Liabilities	4,687	-	-	-
Deferred Inflows				
Unearned Revenue - Property Taxes and Special Fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	2,759	-	30,592	601
Unassigned	-	-	-	-
Total Fund Balances	2,759	-	30,592	601
Total Liabilities, Deferred Inflows, and Fund Balances	$ 7,446	$ -	$ 30,592	$ 601

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	OHV Sheriff Fund	VCS Office Sheriff	NASI Estate	Court Facilities
Assets				
Cash and Cash Equivalents	$ 29,687	$ 3,231	$ 46,375	$ 78,451
Receivables, Net:				
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	$ 29,687	$ 3,231	$ 46,375	$ 78,451
Liabilities				
Warrants and Accounts Payable	$ -	$ -	$ -	$ -
Total Liabilities	-	-	-	-
Deferred Inflows				
Unearned Revenue - Property Taxes and Special Fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	29,687	3,231	46,375	78,451
Unassigned	-	-	-	-
Total Fund Balances	29,687	3,231	46,375	78,451
Total Liabilities, Deferred Inflows, and Fund Balances	$ 29,687	$ 3,231	$ 46,375	$ 78,451

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	911 Mountain Top	Jury Fund Donations	Homeowners Exempt Due	Yield Forest Tax
Assets				
Cash and Cash Equivalents	$ 26,000	$ 1,267	$ 989	$ 25,556
Receivables, Net:				
Property Taxes	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	$ 26,000	$ 1,267	$ 989	$ 25,556
Liabilities				
Warrants and Accounts Payable	$ -	$ -	$ -	$ -
Total Liabilities	-	-	-	-
Deferred Inflows				
Unearned Revenue - Property Taxes and Special Fees	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	26,000	1,267	989	25,556
Unassigned	-	-	-	-
Total Fund Balances	26,000	1,267	989	25,556
Total Liabilities, Deferred Inflows, and Fund Balances	$ 26,000	$ 1,267	$ 989	$ 25,556

Valley County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2021
(continued)

	Title III	Valley County EMS Dist.	Total
Assets			
Cash and Cash Equivalents	$ -	$ 133,397	$ 5,280,069
Receivables, Net:			
Property Taxes	-	28,636	66,503
Prepaid Items	-	-	22,570
Total Assets	$ -	$ 162,033	$ 5,369,142
Liabilities			
Warrants and Accounts Payable	$ 400	$ -	$ 190,530
Total Liabilities	400	-	190,530
Deferred Inflows			
Unearned Revenue - Property Taxes and Special Fees	-	24,083	57,690
Total Deferred Inflows	-	24,083	57,690
Fund Balances			
Nonspendable	-	-	22,570
Restricted		137,950	5,098,752
Unassigned	(400)	-	(400)
Total Fund Balances	(400)	137,950	5,120,922
Total Liabilities, Deferred Inflows, and Fund Balances	$ -	$ 162,033	$ 5,369,142

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021

	Airport	Ambulance	District Court	County Fair	Health District
Revenues					
Property Taxes	$ 28,941	$ -	$ 550,804	$ 36,069	$ 95,624
Intergovernmental	-	-	35,845	-	-
Charges for Services	-	-	155,349	-	-
Grants and Contributions	-	-	25,787	-	-
Earnings on Investments	-	-	-	-	-
Other Revenues	-	4,456	19,978	-	-
Total Revenues	28,941	4,456	787,763	36,069	95,624
Expenditures					
Current:					
Salaries	-	-	407,141	-	-
Benefits	-	-	203,233	-	-
Operating Expenditures	28,250	-	43,260	33,766	93,348
Capital Outlay					
Capital Outlay	-	-	-	-	-
Total Expenditures	28,250	-	653,634	33,766	93,348
Excess (Deficiency) of Revenues Over Expenditures	691	4,456	134,129	2,303	2,276
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	691	4,456	134,129	2,303	2,276
Fund Balances - Beginning, Previously Stated	7,716	2,617	291,150	13,748	9,701
Prior Period Adjustment	-	-	-	-	-
Fund Balances - Beginning	7,716	2,617	291,150	13,748	9,701
Fund Balances - Ending	$ 8,407	$ 7,073	$ 425,279	$ 16,051	$ 11,977

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended Sep 30, 2021
(continued)

	Election Consolidation	Indigent	Junior College	Revaluation	Bond Redemption
Revenues					
Property Taxes	$ -	$ 155,640	$ -	$ 447,956	$ -
Intergovernmental	67,091	-	24,000	-	-
Charges for Services	-	-	-	-	-
Grants and Contributions	-	-	-	-	-
Earning on Investments	-	-	-	-	-
Other Revenues	-	44,083	-	-	-
Total Revenues	67,091	199,723	24,000	447,956	-
Expenditures					
Current:					
Salaries	288	-	-	309,211	-
Benefits	-	-	-	133,676	-
Operating Expenditures	17,399	92,525	6,700	10,247	-
Capital Outlay	5,000	-	-	-	-
Total Expenditures	22,687	92,525	6,700	453,134	-
Excess (Deficiency) of Revenues Over Expenditures	44,404	107,198	17,300	(5,178)	-
Other Financing Sources (Uses)					
Transfers In	288	-	-	-	-
Total Other Financing Sources (Uses)	288	-	-	-	-
Net Change in Fund Balances	44,692	107,198	17,300	(5,178)	-
Fund Balances - Beginning, Previously St	483,487	134,750	242,292	202,406	5,950
Prior Period Adjustment	-	-	-	-	-
Fund Balances - Beginning	483,487	134,750	242,292	202,406	5,950
Fund Balances - Ending	$ 528,179	$ 241,948	$ 259,592	$ 197,228	$ 5,950

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021
(continued)

	County Tort	Veterans Memorial	Weeds	Pest Control
Revenues				
Property Taxes	$ 193,400	$ 8,707	$ 192,715	$ 102
Intergovernmental	-	-	-	-
Charges for Services	-	-	7,000	-
Grants and Contributions	-	-	-	-
Earning on Investments	-	-	-	-
Other Revenues	-	-	12,000	-
Total Revenues	193,400	8,707	211,715	102
Expenditures				
Current:				
Salaries	10,000	-	87,181	-
Benefits	-	-	32,881	-
Operating Expenditures	200,250	8,500	49,729	5,722
Capital Outlay	-	-	3,799	-
Total Expenditures	210,250	8,500	173,590	5,722
Excess (Deficiency) of Revenues Over Expenditures	(16,850)	207	38,125	(5,620)
Other Financing Sources (Uses)				
Transfers In	10,000	-	-	-
Total Other Financing Sources (Uses)	10,000	-	-	-
Net Change in Fund Balances	(6,850)	207	38,125	(5,620)
Fund Balances - Beginning, Previously Stated	119,791	2,081	29,161	68,772
Prior Period Adjustment	-	-	-	-
Fund Balances - Beginning	119,791	2,081	29,161	68,772
Fund Balances - Ending	$ 112,941	$ 2,288	$ 67,286	$ 63,152

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021
(continued)

	Waterways	Valley County Snowmobile	Circuit Breaker	Uncollected Cost
Revenues				
Property Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	198,115	-	-
Charges for Services	170,342	-	-	-
Grants and Contributions	56,898	-	-	-
Earning on Investments	-	-	-	-
Other Revenues	-	21,901	-	-
Total Revenues	227,240	220,016	-	-
Expenditures				
Current:				
Salaries	75,573	75,136	-	-
Benefits	4,294	14,417	-	-
Operating Expenditures	33,948	111,575	-	-
Capital Outlay	28,464	-	-	-
Total Expenditures	142,279	201,128	-	-
Excess (Deficiency) of Revenues Over Expenditures	84,961	18,888	-	-
Other Financing Sources (Uses)				
Transfers In	35,205	-	-	-
Total Other Financing Sources (Uses)	35,205	-	-	-
Net Change in Fund Balances	120,166	18,888	-	-
Fund Balances - Beginning, Previously Stated	480,944	206,562	24	76
Prior Period Adjustment	-	-	-	-
Fund Balances - Beginning	480,944	206,562	24	76
Fund Balances - Ending	$ 601,110	$ 225,450	$ 24	$ 76

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021
(continued)

	Auditor's Trust	Title III Trust	Sheriff Capital Equipment	911 Communications
Revenues				
Property Taxes	$ -	$ -	$ -	$ -
Intergovernmental	383,310	-	-	-
Charges for Services	-	-	-	-
Grants and Contributions	1,106,381	383,310	-	-
Earning on Investments	-	-	-	-
Other Revenues	33,829	3,755	102,221	204,181
Total Revenues	1,523,520	387,065	102,221	204,181
Expenditures				
Current:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Operating Expenditures	414,986	394,323	7,584	255,678
Capital Outlay	-	-	-	-
Total Expenditures	414,986	394,323	7,584	255,678
Excess (Deficiency) of Revenues Over Expenditures	1,108,534	(7,258)	94,637	(51,497)
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,108,534	(7,258)	94,637	(51,497)
Fund Balances - Beginning, Previously Stated	-	-	-	-
Prior Period Adjustment	2,936	403,402	87,021	326,078
Fund Balances - Beginning	2,936	403,402	87,021	326,078
Fund Balances - Ending	$ 1,111,470	$ 396,144	$ 181,658	$ 274,581

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021
(continued)

	Extension Agent	Fire Mitigation	Interlock Device	Tax Collection Trust Deed
Revenues				
Property Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Grants and Contributions	-	-	-	-
Earning on Investments	-	-	-	-
Other Revenues	16,794	-	1,656	124
Total Revenues	16,794	-	1,656	124
Expenditures				
Current:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Operating Expenditures	17,954	11,371	1,552	-
Capital Outlay	-	-	-	-
Total Expenditures	17,954	11,371	1,552	-
Excess (Deficiency) of Revenues Over Expenditures	(1,160)	(11,371)	104	124
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(1,160)	(11,371)	104	124
Fund Balances - Beginning, Previously Stated	-	-	-	-
Prior Period Adjustment	3,919	11,371	30,488	477
Fund Balances - Beginning	3,919	11,371	30,488	477
Fund Balances - Ending	$ 2,759	$ -	$ 30,592	$ 601

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021
(continued)

	OHV Sheriff Fund	VCS Office Sheriff	NASI Estate	Court Facilities
Revenues				
Property Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Grants and Contributions	-	-	-	-
Earning on Investments	-	-	-	-
Other Revenues	13,147	-	-	3,485
Total Revenues	13,147	-	-	3,485
Expenditures				
Current:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Operating Expenditures	3,687	-	-	-
Capital Outlay	-	-	-	8,701
Total Expenditures	3,687	-	-	8,701
Excess (Deficiency) of Revenues Over Expenditures	9,460	-	-	(5,216)
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	9,460	-	-	(5,216)
Fund Balances - Beginning, Previously Stated	-	-	-	-
Prior Period Adjustment	20,227	3,231	46,375	83,667
Fund Balances - Beginning	20,227	3,231	46,375	83,667
Fund Balances - Ending	$ 29,687	$ 3,231	$ 46,375	$ 78,451

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021
(continued)

	911 Mountain Top	Jury Fund Donations	Homeowners Exempt Due	Yield Forest Tax
Revenues				
Property Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Grants and Contributions	-	-	-	-
Earning on Investments	-	-	-	-
Other Revenues	4,250	1,150	-	-
Total Revenues	4,250	1,150	-	-
Expenditures				
Current:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Operating Expenditures	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	4,250	1,150	-	-
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	4,250	1,150	-	-
Fund Balances - Beginning, Previously Stated	-	-	989	25,556
Prior Period Adjustment	21,750	117	-	-
Fund Balances - Beginning	21,750	117	989	25,556
Fund Balances - Ending	$ 26,000	$ 1,267	$ 989	$ 25,556

Valley County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2021
(continued)

	Title III	Valley County EMS Dist.	Total
Revenues			
Property Taxes	$ -	$ 1,171,910	$ 2,881,868
Intergovernmental	-	-	708,361
Charges for Services	-	-	332,691
Grants and Contributions	-	-	1,572,376
Earning on Investments	-	439	439
Other Revenues	-	-	487,010
Total Revenues	-	1,172,349	5,982,745
Expenditures			
Current:			
Salaries	-	-	964,530
Benefits	-	1,103,568	1,492,069
Operating Expenditures	400	8,709	1,851,463
Capital Outlay	-	-	45,964
Total Expenditures	400	1,112,277	4,354,026
Excess (Deficiency) of Revenues Over Expenditures	(400)	60,072	1,628,719
Other Financing Sources (Uses)			
Transfers In	-	-	45,493
Total Other Financing Sources (Uses)	-	-	45,493
Net Change in Fund Balances	(400)	60,072	1,674,212
Fund Balances - Beginning, Previously Stated	-	77,878	2,405,651
Prior Period Adjustment	-	-	1,041,059
Fund Balances - Beginning	-	77,878	3,446,710
Fund Balances - Ending	$ (400)	$ 137,950	$ 5,120,922

Valley County, Idaho
Combining Statement of Fiduciary Net Position - Custodial Funds
September 30, 2021

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Assets			
Cash and Investments	$ 460,891	$ 258,471	$ 719,362
Property Taxes Receivable	-	865,628	865,628
Total Assets	460,891	1,124,099	1,584,990
Liabilities			
Warrants and Accounts Payable	298,196	259,986	558,182
Total Liabilities	298,196	259,986	558,182
Net Position			
Restricted for:			
Individuals, Organizations, or Other Governments	162,695	864,113	1,026,808
Total Net Position	$ 162,695	$ 864,113	$ 1,026,808

Valley County, Idaho
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended September 30, 2021

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Additions:			
Fees collected for other governments	$ 6,146,665	$ -	$ 6,146,665
Property taxes collected for other governments	-	41,080,668	41,080,668
Contributions	-		
Total Additions	6,146,665	41,080,668	47,227,333
Deductions:			
Fees distributed to other governments	6,104,072	-	6,104,072
Taxes distributed to other governments	-	41,179,151	41,179,151
Total Deductions	6,104,072	41,179,151	47,283,223
Change in Net Position	42,593	(98,483)	(55,890)
Net Position - Beginning	120,102	962,596	1,082,698
Net Position - Ending	$ 162,695	$ 864,113	$ 1,026,808

FEDERAL REPORTS

Valley County, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Program Title	Assistance Listing Number	Flowthrough Number	Program Expenditures
U.S. Department of Agriculture			
Direct Federal Forest Funds			
Forest Service Schools and Roads Cluster			
Schools and Roads - Grants to Counties	10.666		$ 1,382,922
Total Forest Service Schools and Roads Cluster			1,382,922
Passed through State Department of Lands			
Cooperative Forestry Assistance	10.664	17-DG-110460000-013	167,109
Total U.S. Department of Agriculture			1,550,031
U.S. Department of Interior			
Direct			
Payment in Lieu of Taxes	15.226		839,413
Total U.S. Department of Interior			839,413
U.S. Department of Treasury (TREAS)			
Passed through Office of the Governor			
Coronavirus Relief Fund	21.019	20-1892-0-1-806	45,241
Total U.S. Department of Treasury			45,241
U.S. Department of Transportation			
Passed through State Department of Transportation			
Highway Planning and Construction Cluster			
ARRA - Highway Planning and Construction	20.205	0260	4,500
Total Highway Planning and Construction Cluster			4,500
Highway Safety Cluster			
State and Community Highway Safety	20.600	0260	26,831
Total Highway Safety Cluster			26,831
Total State Department of Transportation			31,331
U.S. Department of Homeland Security			
Passed through State Department of Military Division			
Emergency Management Performance	97.042	EMS2019EP000002	13,535
Passed through Department of Park and Recreation			
Boating Safety	97.012	14.01.16	55,898
Total U.S. Department of Homeland Security			69,433
Total Federal Financial Assistance			$ 2,535,449

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Valley County, Idaho under programs of the Federal Government for the year ended September 30, 2021. The information in the 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 Valley County, Idaho, it is not intended to and does not present the financial position or changes in Net Position of Valley County, Idaho.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported using the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. INDIRECT COST RATE

Valley County, Idaho has not elected to use the 10-perecent de minims indirect cost rate.

ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS
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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Commissioners
Valley County
Cascade, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Valley County, Idaho, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Valley County, Idaho's basic financial statements, and have issued our report thereon dated March 28, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Valley County, Idaho's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Valley County, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of Valley 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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item [2021-002] that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Valley 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying Schedule of Findings and Questioned Costs as item [2021-001].

Valley County's Response to Findings

Valley County, Idaho's response to the findings identified in our audit is described in the accompanying management's response to findings. Valley County, Idaho's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express not opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Zwygart John & Associates, CPAs PLLC

Nampa, ID
March 28, 2022

ZWYGART JOHN
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Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance

Board of Commissioners
Valley County
Cascade, Idaho

Report on Compliance for Each Major Federal Program

Qualified Opinion on Each Major Federal Program

We have audited Valley 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 Valley County, Idaho's major federal programs for the year ended September 30, 2021. Valley 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.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, Valley County, Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major programs for the year ended September 30, 2021.

Basis for Qualified Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Valley County, Idaho and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Valley County, Idaho's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion

As described in the accompanying schedule of findings and questions costs, Valley County, Idaho did not comply with requirements regarding the Forest Services Schools and Roads Cluster as described in findings number 2021-001.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Valley County, Idaho's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Valley County, Idaho's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government .

Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Valley County, Idaho's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Valley County, Idaho's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Valley County, Idaho's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Valley County, Idaho's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which requires to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned cost as items 2021-001.

Government Auditing Standards requires the auditor to perform limited procedures on Valley County, Idaho's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Valley County, Idaho's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly we express no opinion on the response.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over

compliance. Given these limitations, during our audit we did identify deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item [2021-001], that we consider to be material weaknesses.

Government Auditing Standards requires the auditor to perform limited procedures on Valley County, Idaho's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Valley County, Idaho's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly we express no opinion on the response.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Zwygart John & Associates, CPAs PLLC

Nampa, ID
March 28, 2022

Valley County, Idaho
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 on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Significant deficiency(ies) disclosed?	☐ yes	☑ none reported
Material weakness(es) disclosed?	☐ yes	☑ none reported
Noncompliance material to financial statements noted?	☐ yes	☑ no

Federal Awards

Internal control over major programs:

Significant deficiency(ies) disclosed?	☐ yes	☑ none reported
Material weakness(es) disclosed?	☐ yes	☑ none reported

Type of auditor's report issued on compliance for major programs: Modified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	☐ yes	☑ no

Identification of major programs:

CFDA Numbers	Name of Federal Program
10.666	Schools and Roads - Grants to Counties

Dollar threshold used to distinguish between
Type A and Type B programs: $750,000

Auditee qualified as low risk auditee? ☑ yes ☐ no

Section II - Financial Statement Findings

None.

Section III - Findings and Questioned Costs for Federal Awards

2021-001 - Non-Reporting of Title III Proposed Expenditures Timely

Conditions:
No later than February 1 of the year after the year in which any Federal Forest Title III county funds were expended by a participating county, the participating county must submit a certification that the county funds expended in the applicable year have been used for the uses authorized under this title. Also, a participating county can use Federal Forest Title II county funds only after a 45-day public comment period.

Criteria:
The County did not have an active full time Manager to oversee the compliance requirements of the Federal Forest Funds.

Effect or Potential Effect:
Not having a full time Manager to oversee the Federal Forest Funds caused reporting requirements to be missed.

It also increases the chances of funds being spent incorrectly.

Recommendation:
The County should hire a Manager to oversee the Federal Forest Funds and make sure that all compliance requirements are being meet.

Management Response / Corrective Action:
The County will make sure that all reports are done on time going forward.

Section III - Findings and Questioned Costs for Federal Awards (continued)

2021-002 - Controls over Fair Board

Conditions:
The Fair Board lacked oversight for how funds were being spent and tracked through

Criteria:
The Fair Board should have controls in place to make sure that funds are spent correctly and being tracked.

Effect or Potential Effect:
The lack of oversight increases the risk of the finanical statements having a material misstatement, wether due to error or fraud.

Recommendation:
The Fair Board should make sure that receipts are prepared and kept for all transactions. The receipts should be reviewed and approved by the Board before payments are made, as evidenced by a signiture. The bank statements for the Fair Board should also be reconciled on a monthly basis. The bank statements and reconcilations should be reveiwed and approved by someone that didn't do the reconcilation. The reviewer should sign to show evidence of approval.

Management Response / Corrective Action:
The Fair Board will review procedures and put new procedures in place to make sure that controls are established.

Valley County, Idaho respectfully submits the following response to the finding for the year ended September 30, 2021.

2021-001 – Non-Reporting of Title III Expenditures Timely

Action to be Taken: The County will look into putting controls in place to make sure that all reports are prepared and done on time.

2021-002 – Controls over Fair Board

Action to be Taken: The County Commissioners will review procedures with the Fair Board to make sure that they have someone reconcile the bank statements monthly and they keep copies of invoices for all expenses.

If any further information is need contact the Clerk at Valley County, Idaho, 208-382-7107.