Washington County, Idaho

Year Ended September 30, 2021

Audited Financial Statements



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Quest CPAs PLLC

WASHINGTON COUNTY, IDAHO
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Independent Auditor's Report

Board of County Commissioners
Washington County, Idaho

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of employer's share of net pension asset and liability, schedule of employer contributions, and schedule of changes in the net OPEB liability and related ratios listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such information, although not required to be 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, and 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 not included the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not 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, and historical context. Our opinion on the basic financial statements is not affected by not including this information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated January 20, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Quest CPAs PLLC

Payette, Idaho
January 20, 2022

WASHINGTON COUNTY, IDAHO
Statement of Net Position
September 30, 2021

	Governmental Activities	
	Primary Government	Component Unit
Assets		
Current Assets		
Cash & Investments	$7,969,969	$313,280
Receivables:		
Taxes	145,755	7,854
Intergovernmental		10,099
Accounts	33,579	207,674
Inventory	55,304	
Total Current Assets	8,204,607	538,907
Noncurrent Assets		
Cash & Investments	5,437,052	
Nondepreciable Capital Assets	377,227	324,787
Depreciable Net Capital Assets	3,397,684	
Net Pension Asset	89,675	8,800
Total Noncurrent Assets	9,301,638	333,587
Total Assets	17,506,245	872,494
Deferred Outflows of Resources		
OPEB Deferred Outflows	34,803	
Pension Deferred Outflows	1,289,066	127,402
Total Deferred Outflows of Resources	1,323,869	127,402
Total Assets and Deferred Outflows of Resources	$18,830,114	$999,896
Liabilities		
Current Liabilities		
Accounts Payable & Accrued Expenses	$783,403	$32,364
Unearned Grant Revenue	990,033	
Long-Term Obligations, Current	132,900	28,985
Total Current Liabilities	1,906,336	61,349
Noncurrent Liabilities		
Long-Term Obligations, Noncurrent		64,865
Net OPEB Liability	304,737	
Total Noncurrent Liabilities	304,737	64,865
Total Liabilities	2,211,073	126,214
Deferred Inflows of Resources		
Pension Deferred Inflows	2,868,746	281,546
Total Deferred Inflows of Resources	2,868,746	281,546
Total Liabilities and Deferred Inflows of Resources	5,079,819	407,760
Net Position		
Net Investment in Capital Assets	3,774,911	230,937
Restricted - Special Programs	9,701,685	
Unrestricted	273,699	361,199
Total Net Position	13,750,295	592,136
Total Liabilities and Deferred Inflows of Resources and Net Position	$18,830,114	$999,896

WASHINGTON COUNTY, IDAHO

Statement of Activities

Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants And Contributions	Program Revenues: Capital Grants And Contributions	Net (Expense) Revenue
Governmental Activities - Primary Government					
Current Expenditures					
Assessor	$231,072	$25,245			($205,827)
Buildings & Grounds	289,049	40,676			(248,373)
Clerk / Auditor	292,950	32,005			(260,945)
Commissioners	171,257	18,710			(152,547)
County Agent	84,394	9,220			(75,174)
Planning & Zoning	177,981	19,444			(158,537)
Prosecuting Attorney	245,418	26,812			(218,606)
Road & Bridge	1,849,598	233,010		$94,576	(1,522,012)
Sheriff & Jail	2,196,533	239,971			(1,956,562)
Treasurer / Tax Collector	145,874	15,937			(129,937)
Other ARPA Fund Functions	0	0			0
Other General Fund Functions	861,560	94,125			(767,435)
Other Justice Fund Functions	717,333	78,368			(638,965)
Other Nonmajor Fund Functions	2,448,878	283,886	$252,383		(1,912,609)
Other PILT Fund Functions	0				0
Capital Assets	616,591				(616,591)
Total Primary Government	$10,328,488	$1,117,409	$252,383	$94,576	($8,864,120)
Component Unit					
Weiser Ambulance District	$927,655	$693,584			($234,071)
Total Component Unit	$927,655	$693,584	$0	$0	($234,071)

Changes in Net Position	Primary Government	Component Unit
Net (Expense) Revenue	(8,864,120)	(234,071)
General Revenues		
Property Taxes	6,145,080	
Intergovernmental Revenue	2,974,646	
Investment Return	72,554	1,448
Change in FMV of Investments	(69,941)	
Other Revenue (Expense)	1,746,273	
Pension Revenue (Expense)	65,180	(4,899)
OPEB Revenue (Expense)	(34,067)	
Total	10,899,725	(3,451)
Change in Net Position	2,035,605	(237,522)
Net Position - Beginning - As Prev. Stated	9,791,370	829,658
Restatement - See Note I	1,923,320	
Net Position - Beginning - As Restated	11,714,690	829,658
Net Position - Ending	$13,750,295	$592,136

WASHINGTON COUNTY, IDAHO

Balance Sheet - Governmental Funds

September 30, 2021

	General (Current Expense) Fund	Road & Bridge Fund	Justice Fund	Special Bridge Fund
Assets				
Cash & Investments	$2,046,632	$2,056,137	$2,240,473	$1,094,600
Receivables:				
Taxes	47,893	12,617	38,949	3,508
Accounts				
Inventory				
Due From Other Funds				
Total Assets	$2,094,525	$2,068,754	$2,279,422	$1,098,108
Liabilities				
Accounts Payable & Accrued Expenses	$60,430	$294,391	$167,843	$33,211
Unearned Grant Revenue				
Due To Other Funds				
Total Liabilities	60,430	294,391	167,843	33,211
Deferred Inflows of Resources				
Unavailable Tax Revenues	43,104	11,355	35,054	3,157
Total Deferred Inflows of Resources	43,104	11,355	35,054	3,157
Fund Balances				
Restricted - Special Programs		1,763,008	2,076,525	1,061,740
Nonspendable				
Unassigned	1,990,991			
Total Fund Balances	1,990,991	1,763,008	2,076,525	1,061,740
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$2,094,525	$2,068,754	$2,279,422	$1,098,108

WASHINGTON COUNTY, IDAHO

Balance Sheet - Governmental Funds

September 30, 2021

	ARPA Fund	PILT Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash & Investments	$990,033	$1,527,984	$3,451,162	$13,407,021
Receivables:				
Taxes			42,788	145,755
Accounts			33,579	33,579
Inventory			55,304	55,304
Due From Other Funds			0	0
Total Assets	$990,033	$1,527,984	$3,582,833	$13,641,659
Liabilities				
Accounts Payable & Accrued Expenses			$227,528	$783,403
Unearned Grant Revenue	$990,033		0	990,033
Due To Other Funds			0	0
Total Liabilities	990,033	0	227,528	1,773,436
Deferred Inflows of Resources				
Unavailable Tax Revenues			27,573	120,243
Total Deferred Inflows of Resources	0	0	27,573	120,243
Fund Balances				
Restricted - Special Programs		1,527,984	3,272,428	9,701,685
Nonspendable			55,304	55,304
Unassigned			0	1,990,991
Total Fund Balances	0	1,527,984	3,327,732	11,747,980
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$990,033	$1,527,984	$3,582,833	$13,641,659

WASHINGTON COUNTY, IDAHO
Balance Sheet - Governmental Funds
September 30, 2021

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

Total Governmental Fund Balances	$11,747,980
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,774,911
Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	120,243
Certain liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(132,900)
Net OPEB liability and related OPEB source deferred outflow of resources, are not due and payable in the current period and therefore are not reported in the funds.	(269,934)
Net pension liability and related pension source deferred outflow and deferred inflow of resources, are not due and payable in the current period and therefore are not reported in the funds.	(1,490,005)
Net Position of Governmental Activities	$13,750,295

WASHINGTON COUNTY, IDAHO

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2021

	General (Current Expense) Fund	Road & Bridge Fund	Justice Fund	Special Bridge Fund
Revenues				
Property Taxes	$1,734,120	$592,712	$1,957,326	$122,201
Intergovernmental Revenue	197,272	1,782,299	456,300	17,579
Investment Return	43,606			
Change in FMV of Investments	(69,941)			
Charges for Services	373,788		436,595	
Grants & Other	298,565	420,601	758,377	23,515
Total Revenues	2,577,410	2,795,612	3,608,598	163,295
Expenditures				
Current Expenditures				
Assessor	243,206			
Buildings & Grounds	269,402		122,473	
Clerk / Auditor	308,334			
Commissioners	180,251			
County Agent	88,826			
Planning & Zoning	187,327			
Prosecuting Attorney			258,306	
Road & Bridge		2,129,537		115,288
Sheriff & Jail			2,311,879	
Treasurer / Tax Collector	153,534			
Other ARPA Fund Functions				
Other General Fund Functions	906,803			
Other Justice Fund Functions			755,002	
Other Nonmajor Fund Functions				
Other PILT Fund Functions				
Total Expenditures	2,337,683	2,129,537	3,447,660	115,288
Excess (Deficiency) of Revenues Over Expenditures	239,727	666,075	160,938	48,007
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	239,727	666,075	160,938	48,007
Fund Balances - Beginning - As Prev. Stated	1,751,264	1,096,933	1,915,587	1,013,733
Restatement - See Note I	0	0	0	0
Fund Balances - Beginning - As Restated	1,751,264	1,096,933	1,915,587	1,013,733
Fund Balances - Ending	$1,990,991	$1,763,008	$2,076,525	$1,061,740

WASHINGTON COUNTY, IDAHO

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2021

	ARPA Fund	PILT Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes			$1,805,654	$6,212,013
Intergovernmental Revenue			521,196	2,974,646
Investment Return			28,948	72,554
Change in FMV of Investments			0	(69,941)
Charges for Services			307,026	1,117,409
Grants & Other		$6,180	585,994	2,093,232
Total Revenues	$0	6,180	3,248,818	12,399,913
Expenditures				
Current Expenditures				
Assessor			0	243,206
Buildings & Grounds			0	391,875
Clerk / Auditor			0	308,334
Commissioners			0	180,251
County Agent			0	88,826
Planning & Zoning			0	187,327
Prosecuting Attorney			0	258,306
Road & Bridge			0	2,244,825
Sheriff & Jail			0	2,311,879
Treasurer / Tax Collector			0	153,534
Other ARPA Fund Functions			0	0
Other General Fund Functions			0	906,803
Other Justice Fund Functions			0	755,002
Other Nonmajor Fund Functions			2,734,964	2,734,964
Other PILT Fund Functions			0	0
Total Expenditures	0	0	2,734,964	10,765,132
Excess (Deficiency) of Revenues Over Expenditures	0	6,180	513,854	1,634,781
Other Financing Sources (Uses)				
Transfers In			0	0
Transfers Out			0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	0	6,180	513,854	1,634,781
Fund Balances - Beginning - As Prev. Stated	0	0	2,412,362	8,189,879
Restatement - See Note I	0	1,521,804	401,516	1,923,320
Fund Balances - Beginning - As Restated	0	1,521,804	2,813,878	10,113,199
Fund Balances - Ending	$0	$1,527,984	$3,327,732	$11,747,980

WASHINGTON COUNTY, IDAHO
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2021

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities

Net Change in Fund Balances - Total Governmental Funds	$1,634,781
Amounts reported for governmental activities in the statement of activities are different because:	
Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the excess of capital outlays over (under) depreciation expense in the current period as well as any gains and losses on dispositions of assets.	(100,459)
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds.	(66,933)
In the statement of activities, compensated absences are accrued when earned, but the expenditure is reported when due in the governmental funds.	7,499
Changes in net OPEB liability and related OPEB source deferred outflow of resources do not provide or require current financial resources and therefore are not reflected in the funds.	(11,504)
Changes in net pension liability and related pension source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds.	572,221
Change in Net Position of Governmental Activities	$2,035,605

WASHINGTON COUNTY, IDAHO
Statement of Fiduciary Net Position
September 30, 2021

	Private Purpose Trust Funds	Custodial Funds	Total
Assets			
Cash & Investments	$493,192	$25,062	$518,254
Taxes Receivable		162,097	162,097
Total Assets	$493,192	$187,159	$680,351
Liabilities			
Accounts Payable & Accrued Expenses	$274,702	$2,834	$277,536
Total Liabilities	274,702	2,834	277,536
Net Position			
Restricted - Held in Trust	218,490		218,490
Restricted - Other Governments		184,325	184,325
Total Net Position	218,490	184,325	402,815
Total Liabilities and Net Position	$493,192	$187,159	$680,351

WASHINGTON COUNTY, IDAHO
Statement of Changes in Fiduciary Net Position
Year Ended September 30, 2021

	Private Purpose Trust Funds	Custodial Funds	Total
Additions			
Collections	$4,382,323	$6,870,496	$11,252,819
Total Additions	4,382,323	6,870,496	11,252,819
Deductions			
Distributions	4,341,728	6,868,612	11,210,340
Total Deductions	4,341,728	6,868,612	11,210,340
Change in Net Position	40,595	1,884	42,479
Net Position - Beginning - As Prev. Stated	0	0	0
Restatement - See Note I	177,895	182,441	360,336
Net Position - Beginning - As Restated	177,895	182,441	360,336
Net Position - Ending	$218,490	$184,325	$402,815

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Washington County, Idaho (the County) provides basic county services and operates under a board of county commissioners form of government. These financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to counties. The governmental accounting standards board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

As required by GAAP, these financial statements present the County and its component unit, an entity for which the County is considered to be financial accountable. A component unit is included in the County's reporting entity if it is both fiscally dependent on the County (the primary government) and there is the potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on the primary government. Aggregate discretely presented component units include the Weiser Ambulance District (WAD). WAD was established under state law which designates the County commissioners as the governing authority. Separate financial statements and note disclosures for WAD are issued and available from the County.

Basic Financial Statements - Government-Wide Statements – The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business-type. Currently, all the County's activities are categorized as governmental activities.

In the government-wide statement of net position, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the County's functions. The functions are also supported by general government revenues as reported in the statement of activities. The statement of activities reduces gross expenses (including depreciation when recorded) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function. Internal activity between funds (when two or more funds are involved) is eliminated in the government-wide statement of activities. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function) are normally covered by general revenues.

The County's sole activity is providing basic county services, and substantially all expenses are directly related to this activity. Accordingly, there is no allocation of indirect costs.

The government-wide focus is more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

Basic Financial Statements - Fund Financial Statements – The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the funds) for the determination of major funds.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Major governmental funds of the County include:

General Fund – The general (current expense) fund is the County's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Major special revenue funds include the road & bridge fund, which accounts for maintenance and construction of roads and bridges, the justice fund, which accounts for basic public safety and related functions, the special bridge fund, which accounts for the funding and construction of bridge projects, the ARPA fund, which accounts for ARPA funding and related expenditures, and the PILT fund, which accounts for PILT funding and related expenditures.

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support County programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds. Fiduciary funds of the County include:

Private Purpose Trust Funds – Private purpose trust funds are used to account for the assets, and related income producing and disbursement activities, for which the County acts as a trustee.

Custodial Funds – Custodial funds are used to account for assets held by the County on behalf of other governments.

Basis of Accounting – Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Activities in the government-wide and fiduciary fund financial statements are presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within thirty days after year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which, if any, are recognized when due and payable.

Cash and Investments – Nearly all the cash and investment balances of the County's funds are pooled for investment purposes. The individual funds' portions of the pooled cash and investments are reported in each fund as cash and investments. Interest earned on pooled cash and investments is paid to the general fund unless Idaho Code specifies otherwise. Investments are measured using the market approach and

include the local government investment pool, reported and measured at amortized cost following the provisions of GASB 79 which provide for consistent measurement of investment value amongst pool participants. Investments also include the fixed income securities and are stated at fair value using Level 2 inputs (inputs other than quoted prices included in Level 1 that are observable for an asset, liability, either directly or indirectly).

Receivables – Receivables are reported net of any estimated uncollectible amounts.

Inventories – Material supplies on hand at year end are stated at the lower of cost or net realizable value using the first-in, first-out method.

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight-line method.

Compensated Absences – The County provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is recorded as a liability in the accompanying financial statements.

Pensions – For purposes of measuring the net pension asset/liability and pension revenue/expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from the 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 (OPEB) – For purposes of measuring the net OPEB liability, deferred outflows 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.

Deferred Outflows/Inflows of Resources – The County's financial statements may report deferred outflows/inflows of resources. Deferred outflows of resources represent a consumption of net assets that apply to a future period. Deferred inflows of resources represent an acquisition of net assets that apply to a future period. Deferred outflows/inflows of resources generally represent amounts that are not available in the current period.

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

Fund Balance Classifications – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity's governing body. Assigned portions represent amounts that are constrained by the government's intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the County first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the County first utilizes committed resources then assigned resources before using unassigned resources.

Property Taxes – The County is responsible for levying property taxes. Taxes are levied by the second Monday in September for each calendar year. Taxes are due in two installments – December 20th and June 20th. A lien is filed on real property three years from the date of delinquency.

Contingent Liabilities – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Interfund Activity – Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

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

Custodial Credit Risk – The County maintains its cash at insured financial institutions. Periodically, balances may exceed federally insured limits. The County does not have a formal policy concerning custodial credit risk.

Risk Management – The County is exposed to various risks related to its operations. Insurance is utilized to the extent practical to minimize these risks.

Subsequent Events – Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

	Governmental Funds	Fiduciary Funds	Total
Cash - Deposits	$4,865,058	$518,254	$5,383,312
Investments - Local Gov't Invest Pool	3,104,911		3,104,911
Investments - Fixed Income Securities	5,437,052		5,437,052
Total	$13,407,021	$518,254	$13,925,275

Deposits – At year end, the carrying amounts of the County's deposits were $5,383,312 and the bank balances were $5,282,982. Of the bank balances, $792,316 was insured, $3,675,605 was collateralized, and the balance was uninsured and uncollateralized.

Considerations for interest rate risk and credit rate risk relating to investments are shown below.

Interest rate risk:

	Investment Maturity Schedule (In Years)			
Investment Type	Less Than 1	1 - 5	6 - 10	Total
Local Gov't Invest Pool	$3,104,911			$3,104,911
US Gov't Agency Oblig		$1,963,880	$3,473,172	5,437,052
Total	$3,104,911	$1,963,880	$3,473,172	$8,541,963

Credit rate risk (S&P's rating scale)**:**

	Investment Rating Schedule			
Investment Type	AAA	AA	Not Rated	Total
Local Gov't Invest Pool			$3,104,911	$3,104,911
US Gov't Agency Oblig	$4,650,455	$786,597		5,437,052
Total	$4,650,455	$786,597	$3,104,911	$8,541,963

Investments – State statutes authorize government entities to invest in certain bonds, notes, accounts, investment pools, and other obligations of the state, U.S. Treasury, and U.S. corporations pursuant to Idaho Code 67-1210 and 67-1210A. These statutes are designed to help minimize the custodial risk that deposits may not be returned in the event of the failure of the issuer or other counterparty, interest rate risk resulting from fair value losses arising from rising interest rates, or credit risks that an issuer or other counterparty will not fulfill its obligations. The County's investment policy complies with state statutes.

The local government investment pool is managed by the state treasurer's office and is invested in accordance with state statutes and regulations. The local government investment pool is not registered with the SEC and is a short-term investment pool. The state treasurer's office investment policy for the local government investment pool includes the following three primary objectives in order of priority: safety, liquidity, and yield. Participants have overnight availability to their funds, up to $10 million. Withdrawals of $10 million or more require three business days' notification. More information on the local governmental investment pool including regulatory information, ratings, and risk information can be found at www.sto.idaho.gov.

C. CAPITAL ASSETS

A summary of capital assets for the year is as follows:

Primary Government	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	$377,227			$377,227
Total	377,227	$0	$0	377,227
Depreciable Capital Assets				
Buildings	5,496,583	83,274		5,579,857
Equipment	8,212,532	432,858	643,116	8,002,274
Subtotal	13,709,115	516,132	643,116	13,582,131
Accumulated Depreciation				
Buildings	4,182,950	133,342		4,316,292
Equipment	6,028,022	483,249	643,116	5,868,155
Subtotal	10,210,972	616,591	643,116	10,184,447
Total	3,498,143	(100,459)	0	3,397,684
Net Capital Assets	$3,875,370	($100,459)	$0	$3,774,911

Depreciation expense of $616,591 was charged to the capital assets program.

D. LONG-TERM OBLIGATIONS

Changes in long-term obligations are as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Comp. Absences	$140,399	$284,607	$292,106	$132,900	$132,900
Total	$140,399	$284,607	$292,106	$132,900	$132,900

Compensated absences are normally paid through the general, justice, road & bridge, and other governmental funds.

E. OPERATING LEASES

The County has several operating leases for equipment. The leases have five to eight-year terms, call for annual payments, and it is anticipated that the County will return the equipment at the end of the lease terms. Total lease payments for the year amounted to $126,197 and were paid through the road & bridge fund.

Future minimum lease payments are estimated as follows:

Year Ended	Governmental Activities
9/30/22	$126,197
9/30/23	269,206
9/30/24	497,276
Total	$892,679

F. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is funded with employee contributions only.

G. PENSION PLAN

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 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. The County's contributions were $510,357 for the year ended September 30, 2021.

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

At September 30, 2021, the County reported an asset for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The County's proportion of the net pension asset was based on the County's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021, the County's proportion was 0.1135443 percent.

For the year ended September 30, 2021, the County recognized pension revenue (expense) of $65,180. At September 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$132,124	$52,125
Changes in assumptions or other inputs	1,029,353	
Net difference between projected and actual earnings on pension plan investments		2,816,621
Employer contributions subsequent to the measurement date	127,589	
Total	$1,289,066	$2,868,746

$127,589 reported as deferred outflows of resources related to pensions resulting from County contributions made subsequent to the measurement date will be recognized as an adjustment to the pension expense in the year ending September 30, 2022.

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

Year Ended	
9/30/22	($401,607)
9/30/23	(361,930)
9/30/24	(316,286)
9/30/25	(627,447)
Total	($1,707,270)

Actuarial Assumptions

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

The total pension asset 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 expenses
Cost-of-living adjustments	1%

Contributing Members, Service Retirement Members, and Beneficiaries

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

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions other than mortality. The total pension asset 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.

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	30.00%	1.80%	-0.20%
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return*		5.15%	3.06%

Investment Policy Assumptions from PERSI November 2019

Portfolio Long-Term Expected Real Rate of Return*	4.14%
Portfolio Standard Deviation	14.16%

Economic/Demographic Assumptions from Milliman 2021

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return*	4.05%
Assumed Inflation	2.30%
Long-Term Expected Geometric Rate of Return*	**6.35%**

*Net of Investment Expenses

Discount Rate

The discount rate used to measure the total pension asset was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset. 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 County's proportionate share of the net pension asset to changes in the discount rate.

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
County's proportionate share of the net pension liability (asset)	$3,117,292	($89,675)	($2,718,490)

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.

H. 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.

Contributions & 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 $22,563 for the year ended September 30, 2021.

Net OPEB Liability of the County

The components of the net OPEB liability of the County at yearend were as follows:

Total OPEB Liability	$304,737
OPEB Plan Fiduciary Net Position	0
Net OPEB Liability	$304,737
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%

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

For the year ended September 30, 2021, the County recognized OPEB revenue (expense) of ($34,067). At September 30, 2021, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Liability losses	$11,176
Assumption changes	1,064
Estimated employer contributions subsequent to the measurement date	22,563
Total	$34,803

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of October 1, 2019 with a measurement date of October 1, 2020. 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	6.50% as of October 1, 2019 grading to 5.00% over 6 years
Mortality	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale

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%.

Changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	**Plan Fiduciary Net Position**	**Net OPEB Liability**
Beginning of Year	$291,879	$0	$291,879
Changes for Year			
Service Cost	21,864		21,864
Interest Cost	9,142		9,142
Benefit Payments	(18,148)		(18,148)
Net Change in Total OPEB Liability	12,858	0	12,858
End of Year	$304,737	$0	$304,737

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	$331,244	$304,737	$280,098

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 4.00%)	Current Healthcare Cost Trend Rate (6.25% Decreasing to 5.00%)	1% Increase (7.25% Decreasing to 6.00%)
Net OPEB Liability	$265,566	$304,737	$352,162

I. PRIOR PERIOD ADJUSTMENT

During the year, the County implemented GASB No. 84 *Fiduciary Activities*. As required by GASB 84, the County's net position and fund balances were restated by $1,923,320 to reflect the implementation of this new standard which requires that certain previously reported fiduciary funds now be classified as governmental funds. In addition, the County's private purpose trust fund and custodial fund net position was restated by $360,336 to reflect the implementation of GASB No. 84.

J. LANDFILL CLOSURE

The U.S. Environmental Protection Agency (EPA), on October 9, 1991, issued "Solid Waste Disposal Facility Criteria" (40 Code of Federal Regulations (CFR) parts 257 and 258, which establish closure requirements for municipal solid waste landfills accepting waste after October 9, 1991. (Municipal refers to the type of solid waste received, not the ownership of the landfill.)

Certain restrictions and requirements relating to the maintenance and monitoring of the landfill apply to municipal solid waste landfills that receive waste after April 9, 1994 (extended from the original date of October 3, 1993). These criteria are set forth in the rules issued by the EPA referred to above.

The County closed its solid waste landfill prior to April 9, 1994. Within the following 180 days, the required dirt cover was constructed on the landfill. The County has received an extension of time in order to do additional landscaping and seeding over the landfill.

As of yearend, there is no indication of any action being taken by a federal or state agency against the County as a result of the closure of the landfill. The County will continue to follow its approved closure plan with respect to any future activity necessary to maintain the closed landfill site. However, as of yearend, there was no known liability for post-closure care.

K. TAX ABATEMENTS

Idaho counties are authorized by state statute to transact certain property tax activity with property owners in their respective taxing districts. The counties collect the property taxes, then allocate and remit those collections among the taxing districts within the counties. The counties are authorized to cancel or reduce property taxes due to various reasons, including the circuit breaker program, agricultural and other exemptions, and section 63-602NN exemptions under Idaho code for real property improvements.

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2021

General (Current Expense) Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$1,694,415	$1,694,415	$1,734,120	$39,705	
Intergovernmental Revenue	128,500	128,500	197,272	68,772	
Investment Return	50,000	50,000	43,606	(6,394)	
Change in FMV of Investments	0	0	(69,941)	(69,941)	
Charges for Services	197,700	197,700	373,788	176,088	
Grants & Other	48,933	48,933	298,565	249,632	
Total Revenues	2,119,548	2,119,548	2,577,410	457,862	
Expenditures					
Current Expenditures					
Assessor	276,600	276,600	243,206	33,394	
Buildings & Grounds	475,050	475,050	269,402	205,648	
Clerk / Auditor	339,900	339,900	308,334	31,566	
Commissioners	190,041	190,041	180,251	9,790	
County Agent	139,832	139,832	88,826	51,006	
Planning & Zoning	180,950	224,927	187,327	37,600	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	0	0	0	0	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	168,595	168,595	153,534	15,061	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	1,367,480	1,367,480	906,803	460,677	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	3,138,448	3,182,425	2,337,683	844,742	*
Excess (Deficiency) of Revenues Over Expenditures	(1,018,900)	(1,062,877)	239,727	1,302,604	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(1,018,900)	(1,062,877)	239,727	1,302,604	
Fund Balances - Beginning	1,018,900	1,062,877	1,751,264	688,387	
Fund Balances - Ending	$0	$0	$1,990,991	$1,990,991	
	**Total expenditures (over) under appropriations are:*			$844,742	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2021

Road & Bridge Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$579,115	$579,115	$592,712	$13,597	
Intergovernmental Revenue	1,295,000	1,295,000	1,782,299	487,299	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	14,923	14,923	420,601	405,678	
Total Revenues	1,889,038	1,889,038	2,795,612	906,574	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	2,902,160	2,902,160	2,129,537	772,623	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	2,902,160	2,902,160	2,129,537	772,623	*
Excess (Deficiency) of Revenues Over Expenditures	(1,013,122)	(1,013,122)	666,075	1,679,197	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(1,013,122)	(1,013,122)	666,075	1,679,197	
Fund Balances - Beginning	1,013,122	1,013,122	1,096,933	83,811	
Fund Balances - Ending	$0	$0	$1,763,008	$1,763,008	
	**Total expenditures (over) under appropriations are:*			$772,623	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2021

Justice Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$1,918,487	$1,918,487	$1,957,326	$38,839	
Intergovernmental Revenue	340,000	340,000	456,300	116,300	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	510,000	510,000	436,595	(73,405)	
Grants & Other	299,086	299,086	758,377	459,291	
Total Revenues	3,067,573	3,067,573	3,608,598	541,025	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	285,500	285,500	122,473	163,027	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	291,347	291,347	258,306	33,041	
Road & Bridge	0	0	0	0	
Sheriff & Jail	2,568,576	2,568,576	2,311,879	256,697	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	1,059,850	1,059,850	755,002	304,848	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	4,205,273	4,205,273	3,447,660	757,613	*
Excess (Deficiency) of Revenues Over Expenditures	(1,137,700)	(1,137,700)	160,938	1,298,638	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(1,137,700)	(1,137,700)	160,938	1,298,638	
Fund Balances - Beginning	1,137,700	1,137,700	1,915,587	777,887	
Fund Balances - Ending	$0	$0	$2,076,525	$2,076,525	
	**Total expenditures (over) under appropriations are:*			$757,613	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2021

Special Bridge Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$111,326	$111,326	$122,201	$10,875	
Intergovernmental Revenue	18,801	18,801	17,579	(1,222)	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	0	0	23,515	23,515	
Total Revenues	130,127	130,127	163,295	33,168	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	1,035,000	1,035,000	115,288	919,712	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	1,035,000	1,035,000	115,288	919,712	*
Excess (Deficiency) of Revenues Over Expenditures	(904,873)	(904,873)	48,007	952,880	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(904,873)	(904,873)	48,007	952,880	
Fund Balances - Beginning	904,873	904,873	1,013,733	108,860	
Fund Balances - Ending	$0	$0	$1,061,740	$1,061,740	
	**Total expenditures (over) under appropriations are:*			$919,712	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2021

ARPA Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$0	$0	$0	$0	
Intergovernmental Revenue	0	0	0	0	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	0	0	0	0	
Total Revenues	0	0	0	0	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	0	0	0	0	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	0	0	0	0	*
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	0	0	0	0	
Fund Balances - Beginning	0	0	0	0	
Fund Balances - Ending	$0	$0	$0	$0	
	**Total expenditures (over) under appropriations are:*			$0	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2021

PILT Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$0	$0	$0	$0	
Intergovernmental Revenue	0	0	0	0	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	0	0	6,180	6,180	
Total Revenues	0	0	6,180	6,180	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	0	0	0	0	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	0	0	0	0	*
Excess (Deficiency) of Revenues Over Expenditures	0	0	6,180	6,180	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	0	0	6,180	6,180	
Fund Balances - Beginning - As Prev. Stated	0	0	0	0	
Restatement - See Note I	0	0	1,521,804	1,521,804	
Fund Balances - Beginning - As Restated	0	0	1,521,804	1,521,804	
Fund Balances - Ending	$0	$0	$1,527,984	$1,527,984	
	**Total expenditures (over) under appropriations are:*			$0	

WASHINGTON COUNTY, IDAHO

Schedule of Employer's Share of Net Pension Asset and Liability

PERSI - Base Plan

Last 10 - Fiscal Years*

	2021	2020	2019
County's portion of the net pension asset/liability	0.1135443%	0.1143347%	0.1163968%
County's proportionate share of the net pension (asset) liability	($89,675)	$2,655,003	$1,328,637
County's covered payroll	$4,237,320	$4,071,323	$3,953,304
County's proportional share of the net pension asset/liability as a percentage of its covered payroll	-2.12%	65.21%	33.61%
Plan fiduciary net position as a percentage of the total pension asset/liability	100.36%	88.22%	93.79%

	2018	2017	2016	2015
County's portion of the net pension asset/liability	0.1177425%	0.1157045%	0.1210596%	0.1183779%
County's proportionate share of the net pension (asset) liability	$1,736,722	$1,818,676	$2,454,064	$1,558,844
County's covered payroll	$3,788,198	$3,593,701	$3,581,343	$3,359,903
County's proportional share of the net pension asset/liability as a percentage of its covered payroll	45.85%	50.61%	68.52%	46.40%
Plan fiduciary net position as a percentage of the total pension asset/liability	91.69%	90.68%	87.26%	91.38%

*GASB 68 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.

Data reported is measured as of June 30.

WASHINGTON COUNTY, IDAHO

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years*

	2021	2020	2019
Statutorily required contribution	$510,357	$491,266	$456,953
Contributions in relation to the statutorily required contribution	$510,357	$491,266	$456,953
Contribution deficiency (excess)	$0	$0	$0
County's covered payroll	$4,274,347	$4,114,456	$3,984,285
Contributions as a percentage of covered payroll	11.94%	11.94%	11.47%

	2018	2017	2016	2015
Statutorily required contribution	$436,611	$406,383	$405,408	$380,341
Contributions in relation to the statutorily required contribution	$436,611	$406,383	$405,408	$380,341
Contribution deficiency (excess)	$0	$0	$0	$0
County's covered payroll	$3,856,988	$3,589,956	$3,581,343	$3,359,903
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.32%

*GASB 68 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.

Data reported is measured as of each year's fiscal year end.

WASHINGTON 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	$21,864	$21,176	$17,541	$17,030
Interest Cost	9,142	9,515	8,942	8,422
Assumption Changes	0	1,596	0	0
Differences Between Expected/Actual Experience	0	16,766	0	0
Benefit Payments	(18,148)	(15,568)	(11,972)	(10,240)
Net Change in Total OPEB Liability	12,858	33,485	14,511	15,212
Total OPEB Liability - Beginning	291,879	258,394	243,883	228,671
Total OPEB Liability - Ending (a)	$304,737	$291,879	$258,394	$243,883
Plan Fiduciary Net Position - Beginning	0	0	0	0
Plan Fiduciary Net Position - Ending (b)	$0	$0	$0	$0
County's Net OPEB Liability - Ending (a) - (b)	$304,737	$291,879	$258,394	$243,883
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	$4,206,204	$4,073,805	$4,056,988	$3,938,823
Net OPEB Liability as a Percentage of Covered Employee Payroll	7.24%	7.16%	6.37%	6.19%

*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.

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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 County Commissioners
Washington County, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Washington County, Idaho (the County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 20, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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

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provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

Quest CPAs PLLC

Payette, Idaho
January 20, 2022