BENEWAH COUNTY, IDAHO

St. Maries, Idaho

Audited Financial Statements
For the Year Ended
September 30, 2022

BENEWAH COUNTY, IDAHO

St. Maries, Idaho

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FINANCIAL SECTION

HAYDEN ROSS

INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
Benewah County, Idaho
St. Maries, Idaho 83861

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Benewah County, Idaho, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Unit – Benewah County Fair Association	Qualified
Aggregate Discretely Presented Component Unit – Benewah Community Hospital	Unmodified
General Fund	Unmodified
Justice Fund	Unmodified
Road Fund	Unmodified
General Obligation Bond Redemption Fund	Unmodified
Solid Waste Fund	Unmodified
ARPA Fund	Unmodified
Federal Building Fund	Unmodified
County Ambulance District	Unmodified
Aggregate Remaining Fund Information	Unmodified

Qualified Opinion on the Discretely Presented Component Unit - Benewah County Fair Association

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component unit of Benewah County, Idaho as of September 30, 2022, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities, Aggregate Discretely Presented Component Unit – Benewah Community Hospital, General Fund, Justice Fund, Road Fund, General Obligation Bond Redemption Fund, Solid Waste Fund, ARPA Fund, Federal Building Fund, and County Ambulance District, and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, aggregate discretely presented component unit – Benewah Community Hospital, each major fund, and the aggregate remaining fund information of Benewah County, Idaho, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Benewah Community Hospital (a discretely presented component unit as of and for the year ended December 31, 2021). These statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it related to the amounts included for that component unit is based solely on the reports of the other auditors.

Basis for Qualified and Unmodified Opinions

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. 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 Benewah 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 qualified and unmodified audit opinions.

Matter Giving Rise to the Qualified Opinion on the Aggregate Discretely Presented Component Unit – Benewah County Fair Association

The financial statements of Benewah County Fair Association have not been audited, and we were not engaged to audit the Benewah County Fair Association financial statements as part of our audit of the Benewah County, Idaho's basic financial statements. Benewah County Fair Association's financial activities are included in the County's basic financial statements as a

discretely presented component unit and represent all of the assets, net position and revenues, and expenses, respectively, of the County's aggregate discretely presented component unit – Benewah County Fair Association.

Emphasis of Matter - Change in Accounting Principle

As described in Note 6 and Note 7 to the financial statements, in fiscal year 2022, the County adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Benewah 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Benewah 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 Benewah 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 the management's discussion and analysis on pages 6 through 12, the budgetary comparison schedules on pages 50 through 53, and the net pension (asset) liability related schedules on page 54, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 inquires, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Benewah County, Idaho's basic financial statements. The accompanying supplementary information 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 supplementary information and the schedule of expenditures of

federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated May 30, 2023 on our consideration of Benewah 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 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 Standard* in considering Benewah County, Idaho's internal control over financial reporting and compliance.

Hayden Ross, PLLC

Moscow, Idaho
May 30, 2023

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022

As management of Benewah County, Idaho (County), we offer readers of the County's financial statements this narrative discussion, overview, and analysis of the financial activities of the County for the fiscal year ending September 30, 2022.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Benewah County, Idaho's basic financial statements. The County's basic financial statements has three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

This report also contains supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The statements present an aggregate view of the County's finances. They contain useful long-term information for the just completed fiscal year.

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

The Statement of Activities presents information showing how the net position of the County changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. In the statements, the County's activities are all classified as government activities or business-type activities.

Fund Financial Statements: A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund statements generally report operations in more detail than the government-wide statements.

Some funds are required by state law and bond covenants. The County establishes other funds to control and manage money for particular purposes (i.e. repaying long-term debt.) The County has three types of funds: Governmental, Proprietary, and Fiduciary.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds: Proprietary funds are used to report activities where user fees and charges are intended to cover the cost of providing a service. Proprietary net position and activities are reported on the government-wide statements in a separate column.

Component Units: The County report also includes the financial activity of the Benewah Community Hospital and the Benewah County Fair Association, separate legal entities. Although legally separate, the County is financially accountable for the component units.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

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

Supplementary Information: The supplementary information includes budgetary and financial information for the combining statements for nonmajor funds (which are shown in the fund financial statements in a single column). This information is provided to address certain specific needs of various uses of the report.

Basis of Accounting

The County's government-wide financial statements are presented on the accrual basis of accounting. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing revenues, expenses, and related assets and liabilities. Under the accrual basis of accounting, receipts and disbursements and related assets and liabilities are recorded when revenues are earned and obligations incurred. Also, infrastructure asset amounts (roads and bridges) and the related depreciation are recorded.

Financial Analysis of the County as Whole

Statement of Net Position

For the fiscal year ended September 30, 2022, net position of the County decreased by $86,659:

	2022	2021	Change
Assets			
Current assets	15,078,406	12,868,095	2,210,311
Capital assets	11,176,106	9,950,145	1,225,961
Non current assets	-	58,956	(58,956)
Total Assets	**26,254,512**	**22,877,196**	**3,377,316**
Deferred Outflows of Resources	**1,691,282**	**864,208**	**827,074**
Liabilities			
Current liabilities	1,189,945	877,997	311,948
Long-term liabilities	4,132,364	722,024	3,410,340
Total Liabilities	**5,322,309**	**1,600,021**	**3,722,288**
Deferred Inflows of Resources	**8,203,114**	**7,634,353**	**568,761**
Net Position			
Net investment in capital assets	9,939,817	9,097,874	841,943
Restricted	3,661,590	4,247,836	(586,246)
Unrestricted	818,964	1,161,320	(342,356)
Total Net Position	**$14,420,371**	**$14,507,030**	**$ (86,659)**

Significant projects for Fiscal Year 2022 include:

1. Airport Pavement Maintenance, Segmented Circle and Wind Cone Projects
2. Slaughter House Bridge Reconstruction Project

Statement of Activities

Revenues for the County's activities increased by $1,748,040 and expenses increased by $3,070,466.

	2021 - 2022	2020 - 2021	Change
Revenues			
Program Revenues:			
Charges for services	1,377,061	1,033,921	343,140
Operating grants and contributions	628,907	205,180	423,727
Capital grants and contributions	237,419	297,846	(60,427)
Taxes	5,055,995	4,993,661	62,334
Intergovernmental revenues	3,485,114	2,979,074	506,040
Licenses and permits	265,002	240,422	24,580
Fines	24,265	30,416	(6,151)
Interest and investment earnings	40,362	32,204	8,158
Other	1,151,221	704,582	446,639
Total Revenues	12,265,346	10,517,306	1,748,040
Expenses			
Program Expenses:			
Governmental activities			
General government	3,376,038	2,819,342	556,696
Public safety	2,689,602	2,335,672	353,930
Highway and transportation	3,603,496	2,086,958	1,516,538
Sanitation	1,295,913	1,074,274	221,639
Culture and recreation	82,497	55,525	26,972
Hospital operations	100,800	118,003	(17,203)
Weed abatement	18,939	17,710	1,229
Capital Outlay	60,498	3,033	57,465
Amortization expense	3,383	-	3,383
Interest on long-term debt	44,320	21,822	22,498
Business-type activities			
Emergency services	328,337	172,836	155,501
Building operations	243,116	251,135	(8,019)
Recreational activities	153,141	154,739	(1,598)
Building inspection	131,362	65,612	65,750
Assessor services	2,725	2,969	(244)
Sewer services	115,929	-	115,929
Total Expenses	12,250,096	9,179,630	3,070,466
Change in Net Position	15,250	1,337,676	(1,322,426)
Net Position – Beginning	14,507,030	13,121,140	1,385,890
Prior Period Adjustment	(101,909)	48,214	(53,695)
Net Position – Ending	$ 14,420,371	$ 14,507,030	$ 9,769

Governmental Activities

Property taxes and Intergovernmental revenues were the largest sources of revenue, making up 47.93% and 33.07% of total governmental revenues, respectively.

The County's grant revenues from federal, state, and local sources made up $832,723 or 7.93% of total governmental revenues.

The general government function accounted for $3,376,038 of the $11,275,486, or 29.94% of total expenses for governmental activities. The main components of the expenses under this function are related to salaries and benefits. The largest function of expenses was highway and transportation, accounting for $3,603,496 and representing 31.96% of total governmental expenses.

Overall, the net position for governmental activities decreased by $775,833.

Business-Type Activities

The net position for business-type activities increased by $791,083 during the year, with the major revenue source being charges for services at $975,050.

The major category of expenses are related to building operations of $243,116, or 25.75% of total expenses, and emergency services of $328,337 or 33.69% of total expenses. The majority of these expense categories are made up of salaries, benefits and repairs and maintenance.

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Certain funds experienced changes from the prior year and are highlighted as follows:

1. General Fund: Payroll & benefit budget increase due to 4% COLA, employee premium payment from ARPA Funds and an increase for insurance premiums.
2. Airport Fund: Increased expenditures due to work on capital projects this fiscal year.
3. Federal Building: Increased expenditures due to a roofing project.
4. Indigent Fund: Decreased expenditures due to the State Health & Welfare department assuming the assistance for uninsured individuals.
5. Revaluation Fund: Increased expenditures because an additional full-time appraiser was added to this department.
6. Solid Waste Fund: Increased expenditures due to rising cost of garbage disposal.
7. Building Inspector: Budget and expenses increased to reflect new construction.
8. Sewer Fund: Created a new fund because the City of St. Maries turned over wastewater maintenance and operation to the County.
9. Justice Fund: Payroll & benefit decrease due to staffing shortages.
10. Road Fund: Payroll & benefit increase due to wage increases and additional staffing and multiple road rehabilitation projects.

11. County Ambulance District: Created a new fund upon the merger of the county and city ambulance departments.

Fund Budgetary Highlights

1. Probation Department: Actual expenditures were more than budgeted because of staffing and office changes.
2. County Ambulance: Actual expenditures were less than budgeted because of the merging of the county and city EMS departments and the creation of a new fund.
3. Health District: Actual expenditures were more than budgeted because of the new formula for state/county appropriations.
4. Federal Building: Actual expenditures were much higher than anticipated because of a roof rehabilitation project.
5. Indigent Fund: Actual expenditures were less than budgeted due to the state assuming the assistance for uninsured individuals.
6. Junior College: Actual expenditures were less than budgeted due to lower attendance.
7. Parks & Recreation: Actual expenditures were more than budgeted due to equipment repairs.
8. Solid Waste: Actual expenditures were more than originally budgeted due to the rising cost of garbage disposal.
9. Road Fund: Actual expenditures were more than budgeted due to multiple road rehabilitation projects.

Economic Conditions and Outlook

Benewah County is primarily supported by the timber industry and is located in the Panhandle of Idaho approximately 55 miles south of Coeur d'Alene nestled between the Washington and Montana borders. St. Maries is the county seat which is built on the confluence of the St. Joe River and the St. Maries River. The main industrial base is Potlatch Plywood Mill, Stimson Lumber Mill and a locally owned trucking business with agriculture, retail and service industries as important secondary sources of employment and tax revenue.

Benewah County continues to offer a benefits package for employees. The county is a member of PERSI, Public Employee Retirement System of Idaho. PERSI has an Employee Elective 401(k) plan, the County pays a major medical, dental and vision benefit for each full time regular employee; the County funds 10 paid holidays; offers a sick bank benefit; a term life insurance policy on each full time regular employee and covers workers compensation through the State Insurance Fund. When an employee leaves employment, any accrued vacation hours are paid, any accrued comp time hours are paid and any unused sick time is forfeited.

Capital Assets and Debt Administration

Capital Assets

Significant acquisitions made during the year consisted of the following purchases: a storage shed, three trailers, eight trucks, two pieces of CAT equipment, a dust abatement applicator, three vehicles, the Waddell bridge, and a new roof.

	2021 - 2022	2020 - 2021	Change
Sites	49,183	49,183	-
Construction in progress	828,065	586,228	241,837
Buildings	2,186,406	1,847,279	339,127
Equipment and vehicles	2,368,454	1,481,380	887,074
Bridges	3,543,721	3,578,343	(34,622)
Other infrastructure	169,530	180,832	(11,302)
Road infrastructure	1,240,629	1,309,917	(69,288)
Airport infrastructure	771,314	916,983	(145,669)
Total Net Assets	$11,157,302	$ 9,950,145	$ 1,207,157

Long-Term Debt

The Debt Service fund has a total fund balance of $143,270, all of which is reserved for the payment of debt service on bonds related to the Transfer Station. The fund balance increase by $15,068 during the current year.

At year end the County had $285,000 in bonds outstanding. The County retired $135,000 of outstanding bonds during the fiscal year.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances. Any questions or request for additional information should be directed to the County Clerk, Deanna Bramblett, at the Benewah County Courthouse, Auditor's Office, 701 W. College Ave. Suite 101, St. Maries, Idaho 83861, by phone at (208) 245-3212 or by email at dbramblett@benewahcounty.org. Any questions or requests for information regarding Benewah Community Hospital should be directed to the Chief Financial Officer, Lori Stoltz, at Benewah Community Hospital, 229 S. 7th Street, St. Maries Idaho 83861, by phone at (208) 245-7609 or by email at lstoltz@bchmed.org.

FINANCIAL STATEMENTS

BENEWAH COUNTY, IDAHO
St. Maries, Idaho

STATEMENT OF NET POSITION
September 30, 2022

	PRIMARY GOVERNMENT			COMPONENT UNITS	
	Governmental Activities	Business-Type Activities	Total	Benewah County Fair Association	Benewah Community Hospital
ASSETS					
Current assets:					
Cash and cash equivalents	5,595,201	1,095,267	6,690,468	18,065	4,568,274
Investments	249,000	-	249,000	-	-
Receivables:					
Taxes	214,651	1,301	215,952	-	-
Special assessment	28,530	-	28,530	-	-
Unbilled taxes	4,647,101	20,630	4,667,731	-	-
Unbilled special assessment	383,435	-	383,435	-	-
Accounts, net of allowance	9,336	141,757	151,093	(255)	2,129,933
Lease	3,995	1,684,140	1,688,135	-	-
Prepaid expenses	32,490	-	32,490	-	325,806
Inventories	-	-	-	-	408,695
Due from other governments	907,083	8,603	915,686	-	-
Total current assets	12,126,708	2,951,698	15,078,406	17,810	7,432,708
Noncurrent assets:					
Non-depreciable assets	727,065	150,183	877,248	-	260,435
Depreciable assets	67,173,755	2,557,717	69,731,472	-	43,161,823
Less: accumulated depreciation	(58,051,830)	(1,399,588)	(59,451,418)	-	(25,977,762)
Right-of-use asset	22,187	-	22,187	-	-
Less: accumulated amortization	(3,383)	-	(3,383)	-	-
Restricted cash	-	-	-	-	1,668,013
Total noncurrent assets	9,867,794	1,308,312	11,176,106	-	19,112,509
Total assets	21,994,502	4,260,010	26,254,512	17,810	26,545,217
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	1,573,738	117,544	1,691,282	-	-
LIABILITIES					
Current liabilities:					
Warrants payable	764,770	53,682	818,452	-	-
Accounts payable	13,013	32,135	45,148	-	2,006,758
Accrued vacation	-	-	-	-	764,129
Accrued interest payable	15,939	-	15,939	-	233,707
Right-of-use liability, due within one year	4,261	-	4,261	-	-
Bond payable, due within one year	140,000	-	140,000	-	701,151
Long-term financing, due within one year	110,259	-	110,259	-	459,717
Paycheck Protection Program loan, due within one year	-	-	-	-	270,097
Unearned CARES Act Provider Relief Fund	-	-	-	-	533,847
Total current liabilities	1,048,242	141,703	1,189,945	-	4,969,406
Noncurrent liabilities:					
Accrued compensated absences	61,622	3,113	64,735	-	-
Right-of-use liability, due after one year	14,489	-	14,489	-	-
Bond payable, due after one year	145,000	-	145,000	-	22,180,582
Long-term financing, due after one year	822,280	-	822,280	-	948,396
Paycheck Protection Program loan, due after one year	-	-	-	-	1,586,103
Net pension liability	2,871,393	214,467	3,085,860	-	-
Total noncurrent liabilities	3,914,784	217,580	4,132,364	-	24,715,081
Total liabilities	4,963,026	359,283	5,322,309	-	29,684,487
DEFERRED INFLOWS OF RESOURCES					
Unavailable tax revenue	5,030,536	20,630	5,051,166	-	-
Deferred grant revenue	1,469,367	-	1,469,367	-	-
Deferred lease revenue	3,990	1,664,818	1,668,808	-	-
Pension related items	12,816	957	13,773	-	-
Total deferred inflows of resources	6,516,709	1,686,405	8,203,114	-	-
NET POSITION					
Net investment in capital assets	8,631,505	1,308,312	9,939,817	-	(6,770,794)
Restricted for:					
General government	1,762,430	-	1,762,430	-	-
Public safety	547,392	-	547,392	-	-
Highway and transportation	1,090,424	-	1,090,424	-	-
Sanitation	(41,653)	-	(41,653)	-	-
Culture and recreation	97,148	-	97,148	-	-
Hospital operations	21,782	-	21,782	-	-
Weed abatement	4,530	-	4,530	-	-
Grant programs	26,083	-	26,083	-	34,461
Debt service	152,965	-	152,965	-	1,633,552
Capital fees	-	489	489	-	-
Unrestricted	(204,101)	1,023,065	818,964	17,810	1,963,511
Total net position	$ 12,088,505	$ 2,331,866	$ 14,420,371	$ 17,810	$ (3,139,270)

BENEWAH COUNTY, IDAHO
St. Maries, Idaho

STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
								Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Benewah County Fair Association	Benewah Community Hospital
FUNCTIONS/PROGRAMS									
Governmental activities:									
General government	3,376,038	81,038	516,719	-	(2,778,281)	-	(2,778,281)	-	-
Public safety	2,689,602	72,956	78,585	41,291	(2,496,770)	-	(2,496,770)	-	-
Highway and transportation	3,603,496	9,480	-	196,128	(3,397,888)	-	(3,397,888)	-	-
Sanitation	1,295,913	238,537	-	-	(1,057,376)	-	(1,057,376)	-	-
Culture and recreation	82,497	-	-	-	(82,497)	-	(82,497)	-	-
Hospital operations	100,800	-	-	-	(100,800)	-	(100,800)	-	-
Weed abatement	18,939	-	-	-	(18,939)	-	(18,939)	-	-
Capital outlay	60,498	-	-	-	(60,498)	-	(60,498)	-	-
Amortization expense	3,383	-	-	-	(3,383)	-	(3,383)	-	-
Interest on long-term debt	44,320	-	-	-	(44,320)	-	(44,320)	-	-
					-				
Total governmental activities	11,275,486	402,011	595,304	237,419	(10,040,752)	-	(10,040,752)	-	-
Business-type activities:									
Emergency services	328,337	318,786	33,603	-	-	24,052	24,052	-	-
Building operations	243,116	250,207	-	-	-	7,091	7,091	-	-
Recreational activities	153,141	96,653	-	-	-	(56,488)	(56,488)	-	-
Building inspection	131,362	198,079	-	-	-	66,717	66,717	-	-
Assessor services	2,725	5,584	-	-	-	2,859	2,859	-	-
Sewer services	115,929	105,741	-	-	-	(10,188)	(10,188)	-	-
Total business-type activities	974,610	975,050	33,603	-	-	34,043	34,043	-	-
Total primary government	$ 12,250,096	$ 1,377,061	$ 628,907	$ 237,419	(10,040,752)	34,043	(10,006,709)	-	-
Component Units:									
Benewah County Fair Association	52,845	67,310	-	-				14,465	-
Benewah Community Hospital	19,646,551	17,451,433	723,961	-				-	(1,471,157)
Total component units	$ 19,699,396	$ 17,518,743	$ 723,961	$ -				14,465	(1,471,157)
	General revenues								
	Taxes								
	Property taxes, levied for general purposes				4,677,187	23,648	4,700,835	-	117,000
	Special assessments				355,160	-	355,160	-	-
	Intergovernmental revenues				3,472,457	12,657	3,485,114	-	3,434,975
	Licenses and permits				264,417	585	265,002	-	-
	Fines				24,265	-	24,265	-	-
	Miscellaneous				450,433	427	450,860		304,047
	Interest and investment earnings				20,900	19,462	40,362	1	277
	Proceeds from sale of capital asset				100	-	100	-	-
	Contributions				-	700,261	700,261	-	-
	Total general revenue and transfers				9,264,919	757,040	10,021,959	1	3,856,299
	Change in net position				(775,833)	791,083	15,250	14,466	2,385,142
	Total net position - beginning of year				12,985,971	1,521,059	14,507,030	3,344	(5,524,412)
	Prior period adjustment (Note 14)				(121,633)	19,724	(101,909)	-	-
	Total net position - end of year				$ 12,088,505	$ 2,331,866	$ 14,420,371	$ 17,810	$ (3,139,270)

BENEWAH COUNTY, IDAHO
St. Maries, Idaho

GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2022

	General	Justice	Road	General Obligation Bond Redemption	Solid Waste	ARPA	Nonmajor Governmental	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
Assets:								
Cash and cash equivalents	584,243	255,258	749,318	141,558	-	1,335,030	2,493,383	5,558,790
Investments	249,000	-	-	-	-	-	-	249,000
Receivables:								
Taxes	45,059	74,418	35,661	11,407	15,966	-	32,140	214,651
Special assessment	-	-	-	-	28,530	-	-	28,530
Unbilled taxes	803,662	1,706,335	930,970	165,168	453,998	-	586,968	4,647,101
Unbilled special assessments	-	-	-	-	383,435	-	-	383,435
Accounts	120	-	-	-	-	-	9,216	9,336
Lease	-	-	-	-	-	-	3,995	3,995
Due from other governments	121,619	69,485	434,890	-	138,027	-	140,562	904,583
Due from other funds	227,833	-	-	-	-		-	227,833
Total assets	2,031,536	2,105,496	2,150,839	318,133	1,019,956	1,335,030	3,266,264	12,227,254
Deferred outflows of resources	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 2,031,536	$ 2,105,496	$ 2,150,839	$ 318,133	$ 1,019,956	$ 1,335,030	$ 3,266,264	$ 12,227,254
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE								
Liabilities:								
Due to other funds	-	-	-	-	162,829	-	9,118	171,947
Warrants payable	114,968	120,837	400,282	-	64,693	-	63,614	764,394
Retainage payable	-	-	-	-	-	-	-	-
Accounts payable	-	-	2,563	-	-	-	10,450	13,013
Total liabilities	114,968	120,837	402,845	-	227,522	-	83,182	949,354
Deferred inflows of resources:								
Deferred revenue	35,208	63,948	30,517	9,695	35,249	-	25,388	200,005
Deferred grant revenue	-	-	-	-	-	1,335,030	134,337	1,469,367
Deferred lease revenue	-	-	-	-	-	-	3,990	3,990
Unavailable tax revenue	803,662	1,706,335	930,970	165,168	837,433	-	586,968	5,030,536
Total deferred inflows of resources	838,870	1,770,283	961,487	174,863	872,682	1,335,030	750,683	6,703,898
Fund balances:								
Restricted for:								
General government	-	-	-	-	-	-	1,744,215	1,744,215
Public safety	-	214,376	-	-	-	-	268,102	482,478
Highway and transportation	-	-	786,507	-	-	-	272,689	1,059,196
Sanitation	-	-	-	-	(80,248)	-	3,346	(76,902)
Culture and recreation	-	-	-	-	-	-	95,955	95,955
Hospital operations	-	-	-	-	-	-	17,828	17,828
Weed abatement	-	-	-	-	-	-	4,181	4,181
Grant programs	-	-	-	-	-	-	26,083	26,083
Debt service	-	-	-	143,270	-	-	-	143,270
Unassigned	1,077,698	-	-	-	-	-	-	1,077,698
Total fund balance	1,077,698	214,376	786,507	143,270	(80,248)	-	2,432,399	4,574,002
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 2,031,536	$ 2,105,496	$ 2,150,839	$ 318,133	$ 1,019,956	$ 1,335,030	$ 3,266,264	$ 12,227,254

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2022

Total fund balances - governmental funds		4,574,002
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds:		
Cost of capital assets	67,900,820	
Accumulated depreciation	(58,051,830)	
		9,848,990
Right-of-use lease assets used in governmental activities are not financial resources and therefore are not reported as assets in government funds.		
Cost of right-of-use lease assets	22,187	
Accumulated amortization	(3,383)	
		18,804
Assets that are not available to pay for current period expenditures are not considered available in the governmental funds:		
Property taxes		200,005
Net position of internal service funds are included in government-wide Statement of Net Position.		71,025
Certain pension related items are recorded as deferred outflow or inflow of resources and recognized in future periods for governmental activities:		
Deferred outflow of resources		1,573,738
Deferred inflow of resources		(12,816)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, an interest expenditure is reported when paid.		(15,939)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued compensated absences	(61,622)	
Right-of-use lease liability	(18,750)	
Long-term financing, due within one year	(110,259)	
Bond payable, due within one year	(140,000)	
Long-term financing, due after one year	(822,280)	
Bond payable, due after one year	(145,000)	
Net pension liability	(2,871,393)	
		(4,169,304)
Total net position - governmental activities		$ 12,088,505

BENEWAH COUNTY, IDAHO
St. Maries, Idaho

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended September 30, 2022

	General	Justice	Road	General Obligation Bond Redemption	Solid Waste	ARPA	Nonmajor Governmental	Total Governmental Funds
REVENUES								
Taxes	953,646	1,742,799	827,554	166,887	361,216	-	657,276	4,709,378
Licenses and permits	164,439	47,274	825	-	-	-	51,879	264,417
Intergovernmental	429,926	325,994	2,221,426	-	205,280	470,997	643,057	4,296,680
Charges for services	62,412	68,048	-	-	238,537	-	33,014	402,011
Fines	-	-	-	-	-	-	24,265	24,265
Special assessments	-	-	-	-	355,160	-	-	355,160
Interest income	20,837	-	-	-	-	-	63	20,900
Miscellaneous	22,952	3,290	1,334	-	63,417	-	219,998	310,991
Total revenues	1,654,212	2,187,405	3,051,139	166,887	1,223,610	470,997	1,629,552	10,383,802
EXPENDITURES								
General government	2,044,442	-	-	-	-	-	924,646	2,969,088
Public safety	51,226	2,171,701	-	-	-	-	214,499	2,437,426
Highway and transportation	-	-	3,075,840	-	-	-	71,660	3,147,500
Sanitation	-	-	-	-	1,194,635	-	3,500	1,198,135
Culture and recreation	-	-	-	-	-	-	69,339	69,339
Hospital operations	-	-	-	-	-	-	100,800	100,800
Weed abatement	-	-	-	-	-	-	18,700	18,700
Capital outlay	155,248	92,614	955,828	-	194,023	-	138,982	1,536,695
Debt service:								
Principal	3,333	-	25,023	135,000	36,539	-	-	199,895
Interest	137	-	7,621	16,819	4,504	-	-	29,081
Total expenditures	2,254,386	2,264,315	4,064,312	151,819	1,429,701	-	1,542,126	11,706,659
Excess (deficiency) of revenues over (under) expenditures	(600,174)	(76,910)	(1,013,173)	15,068	(206,091)	470,997	87,426	(1,322,857)
Other financing sources (uses)								
Operating transfers in (out)	292,645	-	100,000	-	-	(470,997)	65,352	(13,000)
Proceeds from sale of capital asset	100	-	-	-	-	-	-	100
Proceeds from long-term financing	-	-	561,830	-	-	-	-	561,830
Proceeds from lease financing	16,608	-	-	-	-	-	-	16,608
Total other financing sources (uses)	309,353	-	661,830	-	-	(470,997)	65,352	565,538
Net change in fund balance	(290,821)	(76,910)	(351,343)	15,068	(206,091)	-	152,778	(757,319)
Fund balances - beginning of year	1,368,519	291,286	1,137,850	128,202	125,843	-	2,381,530	5,433,230
Prior period adjustment (Note 14)	-	-	-	-	-	-	(101,909)	(101,909)
Fund balances - end of year	$ 1,077,698	$ 214,376	$ 786,507	$ 143,270	$ (80,248)	$ -	$ 2,432,399	$ 4,574,002

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Net change in fund balances - governmental funds		(757,319)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense:		
Capital outlays	1,459,485	
Depreciation expense	(685,164)	
		774,321
Capital outlays used to lease right-of-use lease assets are related in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net position and allocated over their estimated useful lives as annual amortization expense.		
Right-of-use lease asset	16,712	
Amortization expense	(3,383)	
		13,329
Some property taxes will not be collected for several months after the County's fiscal year end, and are not considered as "available" revenues in the governmental funds. Instead, they are recorded as deferred revenues. They are however, recorded as revenues in the Statement of Activities.		(32,191)
Proceeds from the issuance of long-term debt are recorded as revenues for governmental funds but increases long-term debt in the Statement of Net Position. Repayment of the principal of long-term debt is an expenditure in the governmental funds but the repayment reduces long-term debt in the Statement of Net Position:		
Long-term financing received	(561,830)	
Bond payable principal payments	135,000	
Long-term financing principal payments	61,562	
Right-of-use principal payments	3,333	
		(361,935)
Proceeds from the issuance of right-of-use debt is revenue in the governmental funds, but the issuance increases long-term debt in the Statement of Net Position		(16,608)
Net pension (asset) liability adjustments:		
Fiscal year 2021 employer PERSI contributions recognized as pension expense in the current year.	(78,861)	
Fiscal year 2022 employer PERSI contributions deferred to subsequent year.	84,770	
Pension related amortization expense.	(397,420)	
		(391,511)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, an interest expenditure is reported when paid.		(15,239)
Net change of internal service funds not reflected in governmental funds are included in Statement of Activities.		11,878
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This is the amount by which compensated absences incurred was less than the amount paid during the year.		(558)
Net change in net position - governmental activities		$ (775,833)

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
September 30, 2022

	Federal Building	County Ambulance District	Nonmajor Proprietary	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	-	522,534	572,733	1,095,267
Receivables:				
Taxes	-		1,301	1,301
Unbilled taxes	-		20,630	20,630
Accounts, net of allowance	-	109,995	31,762	141,757
Lease	1,684,140	-	-	1,684,140
Due from other governments	-	2,746	5,857	8,603
Total current assets	1,684,140	635,275	632,283	2,951,698
Noncurrent assets:				
Non-depreciable assets	-	135,000	15,183	150,183
Depreciable assets	1,318,284	43,442	1,195,991	2,557,717
Less: accumulated depreciation	(396,884)	(6,299)	(996,405)	(1,399,588)
Total noncurrent assets	921,400	172,143	214,769	1,308,312
Total assets	2,605,540	807,418	847,052	4,260,010
DEFERRED OUTFLOW OF RESOURCES				
Pension related items	-	25,539	92,005	117,544
LIABILITIES				
Current liabilities:				
Warrants payable	992	12,641	40,049	53,682
Accounts payable	-	-	32,135	32,135
Due to other funds	40,557	-	15,329	55,886
Total current liabilities	41,549	12,641	87,513	141,703
Noncurrent liabilities:				
Accrued compensated absences	-	-	3,113	3,113
Net pension liability	-	46,596	167,871	214,467
Right-of-use liability, due after one year	-	-	-	-
Total noncurrent liabilities	-	46,596	170,984	217,580
Total liabilities	41,549	59,237	258,497	359,283
DEFERRED INFLOW OF RESOURCES				
Unavailable taxes revenue	-	-	20,630	20,630
Pension related items	-	208	749	957
Deferred lease revenue	1,664,818	-	-	1,664,818
Total deferred inflow of resources	1,664,818	208	21,379	1,686,405
NET POSITION				
Net investment in capital assets	921,400	172,143	214,769	1,308,312
Restricted:				
Capital fees	-	-	489	489
Unrestricted	(22,227)	601,369	443,923	1,023,065
Total net position	$ 899,173	$ 773,512	$ 659,181	$ 2,331,866

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2022

	Federal Building	County Ambulance District	Nonmajor Proprietary	Totals
Operating revenues				
Taxes	-	-	23,648	23,648
Intergovernmental	-	-	46,260	46,260
Licenses, permits, and other	-	-	585	585
Charges for services	250,207	212,202	512,641	975,050
Interest income	19,322	140	-	19,462
Miscellaneous	427	-	-	427
Total operating revenues	269,956	212,342	583,134	1,065,432
Operating expenses				
Salaries	-	69,167	173,378	242,545
Payroll and benefits	-	5,025	109,866	114,891
Maintenance, repair and supplies	204,324	58,600	256,817	519,741
Capital outlay	-	-	36,206	36,206
Depreciation	27,093	6,299	27,835	61,227
Total operating expenses	231,417	139,091	604,102	974,610
Excess (deficiency) of revenues over (under) expenditures	38,539	73,251	(20,968)	90,822
Other financing sources (uses)				
Contributions	-	700,261	-	700,261
Change in net position	38,539	773,512	(20,968)	791,083
Net position - beginning of year	860,634	-	660,425	1,521,059
Prior period adjustment (Note 14)	-	-	19,724	19,724
Net position - end of year	$ 899,173	$ 773,512	$ 659,181	$ 2,331,866

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2022

	Federal Building	County Ambulance District	Nonmajor Proprietary	Totals
Cash flows from operating activities				
Charges for services	230,885	156,908	521,511	909,304
Other cash receipts	26,017	140	68,862	95,019
Cash paid for maintenance and supplies	(215,040)	(48,789)	(246,275)	(510,104)
Cash paid for salaries and benefits	-	(93,487)	(251,874)	(345,361)
Net cash provided by (used in) operating activities	41,862	14,772	92,224	148,858
Cash flows from investing activities	-	-	-	-
Cash flows from capital financing and related financing activities				
Acquisition of capital assets	(315,621)	-	-	(315,621)
Net cash provided by (used in) capital financing activities	(315,621)	-	-	(315,621)
Cash flows from noncapital financing activities				
Cash received from other funds	40,557	-	15,329	55,886
Cash received from contributions	-	507,762	-	507,762
Net cash provided by (used in) noncapital financing activities	40,557	507,762	15,329	563,648
Net increase (decrease) in cash and cash equivalents	(233,202)	522,534	107,553	396,885
Cash and cash equivalents - beginning of year	233,202	-	465,180	698,382
Cash and cash equivalents - end of year	$ -	$ 522,534	$ 572,733	$ 1,095,267
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	38,539	73,251	(20,968)	90,822
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	27,093	6,299	27,835	61,227
Change in pension related items:				
Deferred outflow of resources	-	9,919	(52,597)	(42,678)
Deferred inflow of resources	-	(73,454)	(85,254)	(158,708)
Decrease (increase) in assets:				
Taxes receivable	-	-	835	835
Receivables	-	(52,548)	8,870	(43,678)
Lease receivable	(1,684,140)	-	-	(1,684,140)
Due from other governments	6,268	(2,746)	(2,466)	1,056
Prepaid expenses	-	-	2,926	2,926
Net pension asset	-	2,243	2,688	4,931
Increase (decrease) in liabilities:				
Accounts and warrants payable	(10,716)	9,811	43,822	42,917
Accrued compensated absences	-	(4,599)	(1,338)	(5,937)
Deferred lease revenue	1,664,818	-	-	1,664,818
Net pension liability	-	46,596	167,871	214,467
Total adjustments	(23,770)	(64,778)	85,357	(3,191)
Net cash provided by (used in) operating activities	$ 41,862	$ 14,772	$ 92,224	$ 148,858

INTERNAL SERVICE FUNDS
STATEMENT OF NET POSITION
September 30, 2022

	Life Insurance Trust	Unemployment Insurance Trust	Workman's Compensation Trust	Total
ASSETS				
Current assets:				
Cash and cash equivalents	2,990	29,098	4,323	36,411
Due from other governments	-	-	2,500	2,500
Prepaid expenses	-	-	32,490	32,490
Total assets	2,990	29,098	39,313	71,401
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-
LIABILITIES				
Current liabilities:				
Warrants payable	376	-	-	376
Total liabilities	376	-	-	376
DEFERRED INFLOWS OF RESOURCES	-	-	-	-
NET POSITION				
Unrestricted	2,614	29,098	39,313	71,025
Total net position	$ 2,614	$ 29,098	$ 39,313	$ 71,025

INTERNAL SERVICE FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2022

	Life Insurance Trust	Unemployment Insurance Trust	Workman's Compensation Trust	Total
REVENUE				
Intergovernmental	-	-	8,500	8,500
Miscellaneous	4,432	33,536	101,474	139,442
Total revenue	4,432	33,536	109,974	147,942
EXPENDITURES				
General government	4,618	17,969	126,477	149,064
Excess (deficiency) of revenues over (under) expenditures	(186)	15,567	(16,503)	(1,122)
Other financing sources (uses)				
Transfers in (out)	-	(10,000)	23,000	13,000
Net change in net position	(186)	5,567	6,497	11,878
Net position - beginning of year	2,800	23,531	32,816	59,147
Net position - end of year	$ 2,614	$ 29,098	$ 39,313	$ 71,025

INTERNAL SERVICE FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2022

	Life Insurance Trust	Unemployment Insurance Trust	Workman's Compensation Trust	Total
Cash flows from operating activities				
Other cash receipts	4,801	35,933	119,355	160,089
Cash paid for benefits	(4,242)	(23,081)	(130,318)	(157,641)
Net cash provided by (used in) operating activities	559	12,852	(10,963)	2,448
Cash flows from investing activities	-	-	-	-
Cash flows from capital financing and related financing activities	-	-	-	-
Cash flows from noncapital financing activities				
Cash received from (paid to) other funds	-	(10,000)	23,000	13,000
Net increase (decrease) in cash and cash equivalents	559	2,852	12,037	15,448
Cash and cash equivalents- beginning of year	2,431	26,246	(7,714)	20,963
Cash and cash equivalents- end of year	$ 2,990	$ 29,098	$ 4,323	$ 36,411
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	(186)	15,567	(16,503)	(1,122)
(Increase) decrease in assets:				
Due from other governments	369	2,397	9,381	12,147
Prepaid expenses	-	-	(3,841)	(3,841)
Increase (decrease) in liabilities:				
Warrants payable	376	-	-	376
Accounts payable	-	(5,112)	-	(5,112)
Total adjustments	745	(2,715)	5,540	3,570
Net cash provided by (used in) operating activities	$ 559	$ 12,852	$ (10,963)	$ 2,448

BENEWAH COUNTY, IDAHO
St. Maries, Idaho

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2022

		Total Custodial Funds
ASSETS		
Current assets:		
Cash and cash equivalents	3,774,659	
Taxes receivable	65,301	
Total assets		3,839,960
DEFERRED OUTFLOW OF RESOURCES		-
LIABILITIES		
Current liabilities:		
Warrants payable	20,882	
Due to other governments	3,608,818	
Total liabilities		3,629,700
DEFERRED INFLOW OF RESOURCES		-
NET POSITION		
Restricted		$ 210,260

BENEWAH COUNTY, IDAHO
St. Maries, Idaho

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2022

		Total Custodial Funds
ADDITIONS		
Property tax	4,714,466	
Non-property taxes collected for other governments	278,936	
Fees collected for other governments	4,083,685	
Tax parcel sale proceeds	1,142,558	
Miscellaneous	20,736	
Catastrophic collections	199,582	
Hospital revenue - debt service	2,350,298	
Total additions		12,790,261
DEDUCTIONS		
Payments to other governments	6,887,679	
Payments of excess parcel sales	1,028,020	
Payments to miscellaneous	625	
Payments for catastrophic health	199,582	
Payments for DMV fees	2,520,528	
Payments to vendors	2,350,298	
Total deductions		12,986,732
Net change in net position		(196,471)
Beginning net position		406,731
Ending net position		$ 210,260

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 Summary of Significant Accounting Policies

Benewah County was formed January 23, 1915, by an act of the Legislature of the State of Idaho. The County provides the following services as provided by law: tax assessment and collection, county hospital support, highways and transportation, public safety, sanitation, licensing, cultural and recreational activity, emergency services, and planning and building inspection.

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

Reporting Entity

Benewah County, Idaho is governed by a three-member Board of County Commissioners (BOCC) elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County.

The elected officials and their departments comprise the primary government unit for the County. As required by GAAP, the financial statements of the reporting entity includes those of Benewah County, Idaho (the primary government) and two discretely presented component units, Benewah Community Hospital and Benewah County Fair Association, and one blended component unit, County Ambulance District.

Component Units

In conformity with GAAP, the basic financial statements of Benewah Community Hospital and Benewah County Fair Association have been included in the financial reporting entity as discretely presented component units, emphasizing their nature as legally separate entities from the County. These component units are presented as separate columns within the “basic” financial statements on the government-wide financial statements.

Benewah County Fair Association – The Association is included as a component unit because Benewah County maintains financial accountability. The BOCC has the authority to modify or approve the annual budget and has assumed secondary responsibility for the debt of Benewah County Fair Association.

Benewah County Fair Association fiscal year runs from October 1 through September 30 and reported an increase in net position of $14,466 for their fiscal year ending September 30, 2022.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Benewah Community Hospital (BCH) – The Hospital operates a licensed 19-bed critical access hospital clinic, and a physicians' clinic in St. Maries, Idaho. The Board of County Commissioners of Benewah County, Idaho appoints the Hospital Board members, and the Hospital may not issue debt without the County's approval. For this reason, the Hospital is considered a component unit of the County. Separate financial statements for Benewah County Hospital may be obtained at that entity's office, 229 S. Seventh Street, St. Maries, Idaho.

Benewah Community Hospital fiscal year runs from January 1 through December 31 and reported an increase in net position of $2,385,142 for their fiscal year ending December 31, 2021.

County Ambulance District – The District is a blended component unit and is responsible for providing emergency medical services and medical transportation to the residents of the County. The Ambulance District's governing body is the same as that of Benewah County's governing body, the Board of County Commissioners. The County has the ability to significantly impose its will over the Ambulance District. Management of the Ambulance District consists of those individuals responsible for the day-to-day operations of the County; and the Ambulance District provides services wholly within the boundaries of the County with the intention of providing medical services to the residents of the County. Therefore, the Ambulance District is presented as a blended component unit and is presented as a proprietary fund.

Basis of Presentation

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

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

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

Restricted net position results when constraints placed on net position use are either externally imposed or imposed through enabling legislation.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

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

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

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

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

Fund Financial Statements – The fund financial statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category (governmental, business-type 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 general government, except those required to be accounted for in another fund.

- Justice Fund: This fund accounts for the services and equipment used to provide public safety to the County.

- Road Fund: This fund accounts for the maintenance of County roads.

- General Obligation Bond Redemption Fund: This fund accounts for the collection of funding sources and the payment of general obligation bonds.

- Solid Waste Fund: This fund accounts for the services and equipment used to provide solid waste management to the County.

NOTE 1 Summary of Significant Accounting Policies (Continued)

- ARPA Fund: This fund accounts for the federal allocations received under the American Rescue Plan Act (ARPA).

The County reports the following major proprietary funds:

- Federal Building Fund: This fund accounts for the maintenance and operation of the building the county leases to the Post Office and US Forest Service.

- County Ambulance District: This fund accounts for the revenues earned and services provided for medical care.

Additionally, the County reports the following fiduciary funds:

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

Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. State support and grant revenues are susceptible to accrual.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenue available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Claims, judgments, and compensated absences are recognized as expenditures only to the extent they are normally expected to be paid from existing fund balance. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under lease financing are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program.

NOTE 1 Summary of Significant Accounting Policies (Continued)

Budgets – Budgets are adopted on a basis consistent with governmental accounting principles. Annual appropriated budgets are adopted for the general, special revenue and proprietary funds. All annual appropriations lapse at year-end. The budget may be amended after a public hearing is held.

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

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

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

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

Allowance for Uncollectible Amounts – The County has established an allowance for doubtful accounts in the County Ambulance District equal to the amounts sent to collections.

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

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

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

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

NOTE 1 Summary of Significant Accounting Policies (Continued)

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

Road, bridge, and airport infrastructure	20 years
Buildings and improvements	30 - 40 years
Equipment	8 - 15 years
Vehicles and motor-driven equipment	3 - 15 years

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

Compensated Absences – It is the County's policy to permit employees to accumulate earned but unused vacation, sick and comp time pay benefits. In the event of separation, an employee is reimbursed for accumulated vacation days up to a maximum of twenty-four days for employees with less than five years of service, thirty-two days for employees with between 5 and 15 years of service, and thirty-six days for employees with more than fifteen years of service. In the event of separation, an employee is reimbursed for accumulated comp time days up to a maximum of seven days. There is no liability for unpaid accumulated sick leave and comp time since the County does not have a policy to pay any amounts when employees separate from service with the County. The balance of accumulated vacation payable is reported on the statement of net position as accrued compensated absences.

Long Term Obligations – In the government-wide financial statements, and proprietary funds types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type of Statement of Net Position.

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

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

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

Unavailable Tax Revenue – Unavailable tax revenue represents the property taxes levied for 2022 that are measurable but unavailable to the County, therefore recorded as a deferred inflow of resources in both governmental fund and government-wide financial statements.

Pensions – For purposes of measuring the net pension (asset) liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of

NOTE 1 Summary of Significant Accounting Policies (Continued)

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.

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

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

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

Hospital Addition/Remodel – In 2011, BCH began a major addition and remodel project. Since the Hospital was not in a position to issue bonded debt for the construction costs, Benewah County agreed to issue general obligation bonds (see note 8) and in exchange executed a memorandum of understanding with the Hospital wherein the Hospital agreed to make monthly payments into a trust account held by the County in sufficient amount to cover the general obligation bond payments. The County makes the bond debt payments from this trust account.

NOTE 2 Cash and Investments

Deposits

	Carrying Amount	Bank Balance
Checking and Savings Accounts	10,465,027	10,564,441
Cash on hand	100	-
	$10,465,127	$10,564,441

NOTE 2 Cash and Investments (Continued)

Checking and savings accounts were held at various banking institutions. At each bank, FDIC insures up to $250,000 for the combined amount of all time and savings accounts, plus an additional $250,000 for the combined amount of all interest-bearing and noninterest-bearing demand deposit accounts. The balances of $2,501,936 at Banner Bank, $1,406,526 at Wells Fargo Bank, and $5,540,152 at P1FCU are in excess of the FDIC insured limit and uncollateralized.

Benewah Community Hospital had a balance of $4,535,000 that was in excess of the FDIC insured limit and uncollateralized.

Investments

Detail of investments at September 30, 2022 are as follows:

	Rate	Total
Multi Bank Securities	3.00%	249,000
Total		$ 249,000

Investment Maturities

External Investment Pool	Book Value	Market Value	Less than 1 Year	1-8 Years
Multi Bank Securities Pool	$ 249,000	$ 247,708	$ 249,000	$ -

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

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization such as Moody's or Standard & Poor's. At year-end, the County did not hold any investments and is not subject to this risk. The County does not have a policy related to credit risk.

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Investments that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rate. The County's policy

NOTE 2 Cash and Investments (Continued)

is to hold investments covered by the FDIC or to invest in US Government-backed securities. In addition, it is the intent of management to hold the securities to maturity thereby reducing the interest rate risk.

Concentration of credit risk is the risk that concentration of investments with one issuer represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principal that governments should provide note disclosure when five percent of the total investments of the entity are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The County does not have a policy limiting the amount it may invest in any one issuer.

When applicable the County's investments are classified into the following three categories of credit risk:

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

NOTE 3 Property Tax

The County's property tax is recognized as an asset at the time the County has an enforceable legal claim to the resources (January 1st of each year) and the revenue is recognized in the period for which the taxes are levied. For FY2022, the County has recognized the 2021 levy as revenue and the tax year 2022 levy as an asset.

Tax Year 2021 Levy (FY2022 Revenue)

The market value upon which the 2021 levy was based was $870,326,530. The property tax was levied in October 2021 and was due in two equal installments on December 20th and June 20th.

The total tax levy (per $100 of value) for the year was as follows:

	Percentage	Amount
Levy	40.59914%	$3,588,382

Tax Year 2022 Levy (FY2022 Asset)

The property tax levy for 2022 has been recorded as an asset in the amount of $5,051,166. This levy is for the FY2023 operations and has been presented as unavailable property tax revenue.

NOTE 3 Property Tax (Continued)

Deferred Revenue

To the extent property taxes are not collected within 60 days of the end of the accounting period, a deferred revenue amount has been recorded in the governmental funds.

Total taxes receivable as of September 30, 2022	244,482
Less: Taxes collected by November 30, 2022	(44,477)
Total deferred tax revenue	$ 200,005

NOTE 4 Capital Assets

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

Governmental Activities:

	Begininng Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets, depreciated					
Buildings	4,247,939	12,836	-	-	4,260,775
Equipment	1,770,266	1,085,880	-	-	2,856,146
Office equipment	196,432	-	-	(19,724)	176,708
Vehicles	3,119,510	113,384	(62,300)	-	3,170,594
Bridges	8,418,293	47,227	-	-	8,465,520
Other infrastructure	226,040	-	-	-	226,040
Road infrastructure	45,111,364	-	-	-	45,111,364
Airport infrastructure	2,906,608	-	-	-	2,906,608
Total capital assets, depreciated	65,996,452	1,259,327	(62,300)	(19,724)	67,173,755
Less: accumulated depreciation					
Buildings	(3,112,514)	(51,343)	-	-	(3,163,857)
Equipment	(711,859)	(252,370)	-	-	(964,229)
Office equipment	(158,903)	(7,583)	-	-	(166,486)
Vehicles	(2,769,460)	(65,760)	62,300	-	(2,772,920)
Bridges	(4,839,950)	(81,849)	-	-	(4,921,799)
Other infrastructure	(45,208)	(11,302)	-	-	(56,510)
Road infrastructure	(43,801,447)	(69,288)	-	-	(43,870,735)
Airport infrastructure	(1,989,625)	(145,669)	-	-	(2,135,294)
Total accumulated depreciation	(57,428,966)	(685,164)	62,300	-	(58,051,830)
Net capital assets, depreciated	8,567,486	574,163	-	(19,724)	9,121,925
Capital assets, not depreciated					
Land	34,000	-	-	-	34,000
Construction in progress	492,907	200,158	-	-	693,065
Total capital assets, not depreciated	526,907	200,158	-	-	727,065
Total capital assets, net	$ 9,094,393	$ 774,321	$ -	$ (19,724)	$ 9,848,990

NOTE 4 Capital Assets (Continued)

During 2022, depreciation expense was charged to functions as follows:

General government	113,645
Public safety	96,742
Highway and transportation	385,315
Sanitation	76,108
Culture and recreation	13,158
Weed abatement	196
Total	$685,164

Business-Type Activities:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets, depreciated					
Buildings	1,516,711	312,431	-	96,511	1,925,653
Equipment	505,529	43,442	-	-	548,971
Office equipment	23,521	-	-	19,724	43,245
Vehicles	39,848	-	-	-	39,848
Total capital assets, depreciated	2,085,609	355,873	-	116,235	2,557,717
Less: accumulated depreciation					
Buildings	(804,857)	(31,308)	-	-	(836,165)
Equipment	(488,428)	(10,826)	-	-	(499,254)
Office equipment	(18,580)	(8,648)	-	-	(27,228)
Vehicles	(26,496)	(10,445)	-	-	(36,941)
Total accumulated depreciation	(1,338,361)	(61,227)	-	-	(1,399,588)
Net capital assets, depreciated	747,248	294,646	-	116,235	1,158,129
Capital assets, not depreciated					
Construction in progress	93,321	138,190	-	(96,511)	135,000
Land	15,183	-	-	-	15,183
Total capital assets, not depreciated	108,504	138,190	-	(96,511)	150,183
Total capital assets, net	$ 855,752	$ 432,836	$ -	$ 19,724	$ 1,308,312

During 2022, $61,227 of depreciation expense was charged to the business-type activities.

NOTE 4 Capital Assets (Continued)

Activity for the Benewah Community Hospital for the year ended December 31, 2021, was as follows.

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets, depreciated					
Land improvements	1,474,215	-	-	-	1,474,215
Buildings	30,599,298	29,962	-	43,595	30,672,855
Equipment	10,601,767	430,795	(17,809)	-	11,014,753
Total capital assets, depreciated	42,675,280	460,757	(17,809)	43,595	43,161,823
Less: accumulated depreciation					
Land improvements	(932,936)	(83,325)	-	-	(1,016,261)
Buildings	(14,670,773)	(927,327)	-	-	(15,598,100)
Equipment	(8,817,091)	(564,119)	17,809	-	(9,363,401)
Total accumulated depreciation	(24,420,800)	(1,574,771)	17,809	-	(25,977,762)
Net capital assets, depreciated	18,254,480	(1,114,014)	-	43,595	17,184,061
Capital assets, not depreciated					
Construction in progress	6,138	37,457	-	(43,595)	-
Land	260,435	-	-	-	260,435
Total capital assets, not depreciated	266,573	37,457	-	(43,595)	260,435
Total capital assets, net	$18,521,053	$(1,076,557)	$ -	$ -	$17,444,496

NOTE 5 Defined Benefit Pension Plan

In accordance with GASB 68, *Accounting and Financial Reporting for Pensions*, which became effective for the year ended September 30, 2015, the financial reporting and note disclosures are based off the most recent audited financial statements of PERSI, which was completed for the period ended June 30, 2022. All amounts are as of June 30, 2022 unless otherwise noted.

Plan Description

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

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.

NOTE 5 Defined Benefit Pension Plan (Continued)

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 (5months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months. Amounts in parenthesis represent police/firefighters.

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

Member and Employer Contributions

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

The contribution rates for employees are set by stature at 60% (72%) of the employer rate. As of September 30, 2022 it was 7.16% (9.13%). The employer contribution rate is set by the Retirement Board and was 11.94% (12.28%) of covered compensation. The County's employer contributions required and paid were $381,761 for the year ended September 30, 2022.

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

At September 30, 2022, the County reported a (asset) liability for its proportionate share of the net pension (asset) liability as of June 30, 2022. The net pension (asset) liability was measured as of June 30, 2022, and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension (asset) liability was based on the County's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the County's proportion was 0.07834601%.

NOTE 5 Defined Benefit Pension Plan (Continued)

The County's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. The pension expense (revenue) for the year ending June 30, 2022 was calculated at $799,937.

At September 30, 2022, 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	339,332	13,773
Changes in assumptions or other inputs	503,088	-
Net difference between projected and actual earning on pension plan investments	710,019	-
Change in proportionate share	47,741	-
Employer contributions subsequent to the measurement date	91,102	-
Total	$1,691,282	$13,773

$91,102 reported as deferred outflow 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 ended September 30, 2023.

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

For the Year Ending June 30:	Amount to be Recognized
2023	367,951
2024	399,446
2025	184,743
2026	586,525
2027	138,844

NOTE 5 Defined Benefit Pension Plan (Continued)

Actuarial Assumptions

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

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

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

Contributing Members, Service Retirement Members, and Beneficiaries

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

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

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

NOTE 5 Defined Benefit Pension Plan (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.00%
Large Cap	18%	4.50%
Small/Mid Cap	11%	4.70%
International Equity	15%	4.50%
Emerging Markets Equity	10%	4.90%
Domestic Fixed	20%	-0.25%
TIPS	10%	-0.30%
Real Estate	8%	3.75%
Private Equity	8%	6.00%

Discount Rate

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

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$5,446,240	$3,085,860	$1,153,949

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.

NOTE 5 Defined Benefit Pension Plan (Continued)

Payables to the pension plan

At September 30, 2022, the County reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 6 Right-of-use Lease Asset/Liability

During the year ended September 30, 2022, the County adopted new accounting guidance by implementing the provision of GASB Statement No. 87, *Leases*, which establishes criteria for identifying and reporting right-of-use lease assets and lease liabilities. The implementation of this statement has resulted in a change in the presentation of the financial statements for the following activities:

- Equipment leases previously reported as operating leases have been restated as a right-of-use lease asset and right-of-use liability.

The restatement has no effect on beginning governmental activities net position.

During the year ended September 30, 2022, the following changes occurred in right-of-use lease assets:

Right-of-Use Lease Assets	Beginning of Year	Additions	Modifications & Remeasurements	Subtractions	End of Year
Equipment	5,475	16,712	-	-	22,187
Less: Accumulated Amortization					
Equipment	-	(3,383)	-	-	(3,383)
Total Right-of-Use Lease Assets, net	$ 5,475	$ 13,329	$ -	$ -	$ 18,804

Total lease expense for the year ended September 30, 2022 is as follows:

Lease expense	
Amortization expense by class of underlying asset	
Equipment	3,383
Total amortization expense	3,383
Interest on lease liabilities	160
Total	$ 3,543

During the year ended September 30, 2022, the following changes occurred in the right-of-use lease liability:

Right-of-Use Lease Liabilities	Beginning of Year	Additions	Modifications & Remeasurements	Subtractions	End of Year	Amounts Due Within One Year
Equipment	$ 5,475	$ 16,608	$ -	$ (3,333)	$ 18,750	$ 4,261
	$ 5,475	$ 16,608	$ -	$ (3,333)	$ 18,750	$ 4,261

NOTE 6 Right-of-use Lease Asset/Liability (Continued)

Future minimum annual payments as of September 30, 2022 are as follows:

FY Ending September 30,	Principal	Interest	Total Payments
2023	4,261	251	4,512
2024	4,320	192	4,512
2025	4,381	132	4,513
2026	4,042	71	4,113
2027	1,746	21	1,767
Total Future Payments	$ 18,750	$ 667	$ 19,417

NOTE 7 Lease Receivable

During the year ended September 30, 2022, the County adopted new accounting guidance by implementing the provision of GASB Statement No. 87, *Leases*, which establishes criteria for identifying and reporting leases. The implementation of this statement has resulted in a change in the presentation of the financial statements for the following activities:

- The building leases previously reported as an operating lease has been restated as a right-of-use lease assets and right-to-use lease liabilities. The County is the lessor of the lease.

The restatement has no effect on beginning governmental activities net position.

The County entered into a lease agreement to lease a building to the Forest Service on December 6, 2010 for 60 months ending on December 5, 2015, with the option to renew for three additional five-year periods with a discount rate of 1.48% based on the estimated incremental borrowing rate determined by the County. The lease requires monthly payments to be received of $15,249.

The County entered into a lease agreement to lease a building to USPS on December 6, 2010 for 180 months ending on December 5, 2025, with no option to renew with a discount rate of 0.93% based on the estimated incremental borrowing rate determined by the County. The lease requires monthly payments to be received of $6,268.

The County entered into a lease agreement to lease land to Tarmak Holdings, LLC on August 1, 2021 for 24 months ending on July 31, 2023, with no option to renew with a discount rate of 0.27% based on the estimated incremental borrowing rate determined by the County. The lease requires monthly payments to be received of $400.

NOTE 7 Lease Receivable (Continued)

Total lease revenue for the year ended September 30, 2022 is as follows:

Lease Revenue	
Building	246,509
Land	4,789
Total lease revenue	251,298
Interest revenue	25,004
Total	$276,302

Future minimum annual receipts as of September 30, 2022 are as follows:

FY Ending September 30,	Principal	Interest	Total Receipts
2023	240,014	22,194	262,208
2024	239,128	19,079	258,207
2025	242,280	15,928	258,208
2026	192,682	12,889	205,571
2027	177,772	10,253	188,025
Thereafter	596,259	14,823	611,082
Total Future Payments	$1,688,135	$ 95,166	$ 1,783,301

NOTE 8 Long Term Liabilities

The County finances various heavy equipment through long-term financing arrangements all of which contain purchase options throughout the term and are payable for from governmental funds. The long-term financing arrangements are arranged through agreements with various banks and financing institutions.

	Interest Rates	Issue Date	Maturaity	Indebtedness September 30, 2022
Governmental Activities				
Heavy Equipment	2.99%-3.59%	Varies	Varies	932,539

The following is a summary of changes in long-term debt obligations of the County for the year ended September 30, 2022:

	Long-Term Obligations October 1, 2021	Long-Term Obligations Incurred	Long-Term Obligations Paid	Long-Term Obligations September 30, 2022	Due Within One Year	Remaining Balance
Governmental Activities						
Heavy Equipment	432,271	561,830	(61,562)	932,539	110,259	822,280
2009 General Obligation Bonds	420,000	-	(135,000)	285,000	140,000	145,000
Total govermental activities	$ 852,271	$ 561,830	$ (196,562)	$ 1,217,539	$ 250,259	$ 967,280

NOTE 8 Long Term Liabilities (Continued)

Future minimum annual payments for the long-term liabilities as of September 30, 2022 are as follows:

Heavy Equipment:

Year Ended 9/30	Principal	Interest	Total
2023	110,260	30,718	140,978
2024	157,151	27,623	184,774
2025	77,696	22,238	99,934
2026	226,522	14,451	240,973
2027	199,485	13,082	212,567
2028	26,771	5,795	32,566
2029	134,654	5,346	140,000
Totals	**$ 932,539**	**$ 119,253**	**$ 1,051,792**

2009 General Obligation Bonds:

Authorized by resolution #2009-14 on October 13, 2009 for the issuance of general obligation bonds of the County in the principal amount of $1,730,000 to fund the construction and equipping of a new solid waste facility. The interest rate varies between 4.237% and 6.25%.

Year Ended 9/30	Principal	Interest	Total
2023	140,000	11,400	151,400
2024	145,000	5,800	150,800
Totals	**$ 285,000**	**$ 17,200**	**$ 302,200**

Other Long-term Debt-BCH

Long Term Debt:

A note payable to Kootenai Health dated November 11, 2019, in the original amount of $200,000. The note is due in monthly installments of $4,427, including interest at 3 percent, through September 2023. It is an unsecured note established to pay for previous years' services and has reduced the accounts payable by full principal amount.

Series 2020A Taxable Revenue Bonds payable to Idaho Bond Bank Authority, dated October 8, 2020, in the original amount of $19,010,000, payable annually on September 15, with variable principal payments ranging from $675,000 to $1,380,000, beginning September 15, 2021. Variable rate interest of 4 to 5 percent is payable semiannually through September 15, 2040.

The bonds were issued by Benewah County and are secured by the County's full faith and credit and tax revenues. The County and the Hospital have signed an agreement under which all bond principle and interest payments will be made by the Hospital. In conjunction with this bond issuance, the Series 2010B-2 bonds that were issued in the original amount of $23,875,000 and

NOTE 8 Long Term Liabilities (Continued)

dated November 1, 2020, were refunded. The Hospital recognized a deferred inflow of $121,959 that is to be amortized through September 2040. The Series 2010B-2 bonds were issued in the form of Build America Bonds under the American Recovery and Reinvestment Act of 2009. Under this act, the Hospital received a subsidy payment from the United States Treasury for a portion of the interest associated with the 2010B-2 Bonds. The subsidy payment is equal to 32.935 percent of the total interest payable during each annual period. The refunding will reduce debt service payments by $5,563,000 over the life of the bonds with an economic gain on the refunding are approximately $4,906,000. The Hospital will no longer receive the subsidy payments due to the refunding.

The County and the Hospital entered into a memorandum of understanding (MOU) dated January 26, 2012 agreeing the entire debt service obligation on the Series 2010B bonds would be funded by the Hospital. In October 2020, the Series 2010B Bonds were defeased with the issuance of the 2020 Series A bonds. The MOU was updated in December 2020 with the following key provisions:

1. Beginning November 1, 2020, the Hospital shall make not less than a $140,000 deposit at the County to be deposited into the Bond Fund to ensure there are sufficient funds available to the County to pay for the debt service on the refunding bond.
2. Beginning on or before January 1, 2024, the Hospital shall make not less than a $130,000 deposit at the County to be deposited into the Bond Fund.
3. Beginning on or before January 1, 2031, the Hospital shall make not less than a $120,000 deposit at the County to be deposited into the Bond Fund.
4. The amount held in the Bond Fund shall be an amount sufficient to make each bond payment due at least six (6) months in advance of the due date.
5. Six (6) months prior to the date of the final debt service payment, the County will review the Bond Fund balance and shall advise the Hospital of any adjustments to the Hospital's monthly payment required for the final debt service payment, taking into account any accrued monies in the Bond Fund.

For the year ended September 30, 2022, BCH made $2,350,000 in payments during the year and the ending balance of the Bond Fund was $1,417,719. The payments made, and ending balance, was in compliance with the funding plan.

A summary of changes in long-term debt of BCH for the year ended December 31, 2021 is as follows:

	Balance 12/31/2020	Acquired	Principal Payments	Balance 12/31/2021	Due Within One Year
Long-term debt	23,643,572	-	(761,839)	22,881,733	701,151
Lease obligations	1,991,704	261,635	(845,226)	1,408,113	459,717
Total long-term debt	$25,635,276	$ 261,635	$ (1,607,065)	$24,289,846	$1,160,868

NOTE 9 Transfers Between Funds

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

Fund	Out	In
General	-	292,645
Juvenile Probation	-	56,991
Health District	-	8,361
Road and Bridge	-	100,000
ARPA	470,997	-
Unemployment Trust	10,000	-
Workman's Comp Trust		23,000
Total	$480,997	$480,997

NOTE 10 Excess of Actual Expenditures over Budget in Individual Funds

The following funds had an excess of actual expenditures over budget for the year ended September 30, 2022:

Fund	Excess
Health District	2
Tort	2
General	36,235
Road	647,199
911 Emergency	18,340
Parks and Recreation	12,086
Leuty Building	3,699
Building Inspector	18,314

NOTE 11 Deficit Fund Balance

The County had the following deficit fund balances at September 30, 2022:

Solid Waste	80,248
Grant Trust	263
911 Emergency	29,335
County Sewer	10,188

It is the County's intent to eliminate the deficit in the future through the budgeting process.

NOTE 12 Risk Management and Contingencies

The County faces a risk of loss (other than that associated with the area's general economic dependence on the health of the timber industry) in three areas. The first two are property damage and tort liability. To protect itself from such potential losses, the County purchases commercial insurance through the Idaho Counties Risk Management Program (ICRMP), a public entity risk pool in which ICRMP acts an underwriter and collector of premiums paid by the pool's participants.

The third area of risk involves employee injury on the job. To guard against this potential loss, the County obtains workman's compensation insurance through the Idaho State Insurance Fund. This policy is a retrospectively rated policy. Premiums are accrued based on experience to date of a group of entities. Adjustments are made to the premiums based on actual experience.

Settlements have not exceeded insurance coverage for each of the last three years.

NOTE 13 Contingent Liabilities

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

NOTE 14 Prior Period Adjustment

The County made prior period adjustments for the items as noted below:

- A prior period adjustment was recorded to account for deferred revenue not recorded in the prior year. The adjustment increases nonmajor governmental fund deferred grant revenue, decreases beginning fund balance, and decreases beginning net position by $81,863, respectively.

- A prior period adjustment was recorded to account for grant receivables that did not materialize in the prior year. This adjustment decreases nonmajor governmental fund due from other governments, beginning fund balance, and beginning net position by $20,046, respectively.

- A prior period adjustment was recorded to account for a depreciable asset that was capitalized in the governmental activities instead of the business-type activities. This adjustment increases nonmajor proprietary fund depreciable assets and beginning net position by $19,724, respectively. The adjustment also decreases governmental activities depreciable assets and beginning net position by $19,724, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable) Original to Actual	Final to Actual
Revenues					
Taxes	922,949	922,949	953,646	30,697	30,697
Licenses and permits	62,000	62,000	164,439	102,439	102,439
Intergovernmental	320,000	320,000	429,926	109,926	109,926
Charges for services	5,000	5,000	62,412	57,412	57,412
Interest income	25,000	25,000	20,837	(4,163)	(4,163)
Miscellaneous	15,000	15,000	22,952	7,952	7,952
Total revenues	1,349,949	1,349,949	1,654,212	304,263	304,263
Expenditures					
General government	2,024,317	2,024,317	2,044,442	(20,125)	(20,125)
Public safety	92,134	92,134	51,226	40,908	40,908
Capital outlay	101,700	101,700	155,248	(53,548)	(53,548)
Debt service:					
Principal	-	-	3,333	(3,333)	(3,333)
Interest	-	-	137	(137)	(137)
Total expenditures	2,218,151	2,218,151	2,254,386	(36,235)	(36,235)
Excess (deficiency) of revenues over (under) expenditures	(868,202)	(868,202)	(600,174)	268,028	268,028
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	100	100	100
Operating transfer in (out)	-	-	292,645	292,645	292,645
Proceeds from lease financing	-	-	16,608	16,608	16,608
Total other financing sources (uses)	-	-	309,353	309,353	309,353
Net change in fund balance	$ (868,202)	$ (868,202)	(290,821)	$ 577,381	$ 577,381
Fund balance - beginning of year			1,368,519		
Fund balance - end of year			$ 1,077,698		

JUSTICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable) Original to Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues					
Taxes	1,715,163	1,715,163	1,742,799	27,636	27,636
Licenses and permits	10,000	10,000	47,274	37,274	37,274
Intergovernmental	210,000	210,000	325,994	115,994	115,994
Charges for services	135,000	135,000	68,048	(66,952)	(66,952)
Miscellaneous	2,000	2,000	3,290	1,290	1,290
Total revenues	2,072,163	2,072,163	2,187,405	115,242	115,242
Expenditures					
Public safety	2,238,980	2,238,980	2,171,701	67,279	67,279
Capital outlay	96,200	96,200	92,614	3,586	3,586
Total expenditures	2,335,180	2,335,180	2,264,315	70,865	70,865
Net change in fund balance	$ (263,017)	$ (263,017)	(76,910)	$ 186,107	$ 186,107
Fund balance - beginning of year			291,286		
Fund balance - end of year			$ 214,376		

ROAD FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable) Original to Actual	Final to Actual
Revenues					
Taxes	813,628	813,628	827,554	13,926	13,926
Licenses and permits	-	-	825	825	825
Intergovernmental	1,432,000	1,432,000	2,221,426	789,426	789,426
Miscellaneous	-	-	1,334	1,334	1,334
Total revenues	2,245,628	2,245,628	3,051,139	805,511	805,511
Expenditures					
Highway and transportation	2,872,110	2,932,113	3,075,840	(203,730)	(143,727)
Capital outlay	485,000	485,000	955,828	(470,828)	(470,828)
Debt Service:					
Principal	-	-	25,023	(25,023)	(25,023)
Interest	-	-	7,621	(7,621)	(7,621)
Total expenditures	3,357,110	3,417,113	4,064,312	(707,202)	(647,199)
Excess (deficiency) of revenues over (under) expenditures	(1,111,482)	(1,171,485)	(1,013,173)	98,309	158,312
Other financing sources (uses)					
Operating transfer in (out)	-	-	100,000	100,000	100,000
Proceeds from long-term financing	-	-	561,830	561,830	561,830
Total other financing sources (uses)	-	-	661,830	661,830	661,830
Net change in fund balance	$ (1,111,482)	$ (1,171,485)	(351,343)	$ 760,139	$ 820,142
Fund balance - beginning of year			1,137,850		
Fund balance - end of year			$ 786,507		

SOLID WASTE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variances Favorable (Unfavorable) Original to Actual	Variances Favorable (Unfavorable) Final to Actual
Revenues					
Taxes	354,673	354,673	361,216	6,543	6,543
Intergovernmental	145,000	145,000	205,280	60,280	60,280
Charges for services	205,000	205,000	238,537	33,537	33,537
Miscellaneous	-	-	63,417	63,417	63,417
Special assessments	300,000	300,000	355,160	55,160	55,160
Total revenues	1,004,673	1,004,673	1,223,610	218,937	218,937
Expenditures					
Sanitation	1,139,673	1,139,673	1,194,635	(54,962)	(54,962)
Capital outlay	265,000	319,188	194,023	70,977	125,165
Debt Service:					
Principal	-	-	36,539	(36,539)	(36,539)
Interest	-	-	4,504	(4,504)	(4,504)
Total expenditures	1,404,673	1,458,861	1,429,701	(25,028)	29,160
Net change in fund balance	$ (400,000)	$ (454,188)	(206,091)	$ 193,909	$ 248,097
Fund balance - beginning of year			125,843		
Fund balance - end of year			$ (80,248)		

NET PENSION (ASSET) LIABILITY RELATED SCHEDULES

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's portion of the net pension (asset) liability	0.07834601%	0.07464867%	0.0744101%	0.0736815%	0.0737084%	0.0708655%	0.0695255%	0.0698980%	0.0708675%
Employer's proportionate share of the net pension (asset) liability	3,085,860	(58,956)	1,727,902	841,055	1,087,212	1,113,884	1,409,389	920,443	521,696
Employer's covered employee payroll	3,073,425	2,771,265	2,635,844	2,488,779	2,358,447	2,288,798	2,032,611	1,954,088	1,909,655
Employer's proportional share of the net pension (asset) liability as a percentage of its covered employee payroll	100.40%	-2.13%	65.55%	33.79%	46.10%	48.67%	69.34%	47.10%	27.32%
Plan fiduciary net position as a percentage of the total	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution - Class 1 Employees	299,436	269,997	256,803	229,948	217,906	211,471	189,451	181,731	177,582
Statutorily required contribution - Class 2 Employees	69,454	62,626	59,566	53,337	50,544	49,051	41,861	40,658	39,750
Total Statutorily required contribution - All employees	368,890	332,623	316,369	283,285	268,450	260,522	231,312	222,389	217,332
Contributions in relation to the statutorily required contribution	(368,890)	(332,623)	(316,369)	(283,285)	(268,450)	(260,522)	(231,312)	(222,389)	(217,332)
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-
Employer's covered employee payroll - Class 1 Employees	2,507,839	2,261,281	2,150,779	2,031,343	1,924,965	1,868,123	1,673,601	1,605,395	1,568,746
Employer's covered employee payroll - Class 2 Employees	565,587	509,984	485,065	457,436	433,482	420,675	359,010	348,693	340,909
Contributions as a percentage of covered employee payroll - Class 1	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%	11.32%	11.32%	11.32%
Contributions as a percentage of covered employee payroll - Class 2	12.28%	12.28%	12.28%	11.66%	11.66%	11.66%	11.66%	11.66%	11.66%

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

Data is reported is measured as of June 30, 2022.

NOTES TO THE NET PENSION LIABILITY SCHEDULES
As of June 30, 2022

Change of Assumptions. There was no change of assumptions as of June 30, 2022.

SUPPLEMENTARY INFORMATION

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 2022

	Juvenile Probation	Airport	Ambulance	Bond Redemption	District Court	County Fair	Fair Grounds and Buildings
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and cash equivalents	8,779	257,985	38,742	6	55,830	4,973	4,939
Receivables:							
Taxes	-	892	1,155	-	5,656	900	591
Unbilled taxes	-	10,000	3,672	-	148,466	13,950	8,950
Accounts	-	-	-	-	-	-	-
Lease	-	-	-	-	-	-	-
Due from other governments	24,964	19,141	932	-	13,923	1,289	1,219
Total assets	33,743	288,018	44,501	6	223,875	21,112	15,699
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 33,743	$ 288,018	$ 44,501	$ 6	$ 223,875	$ 21,112	$ 15,699
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	8,754	4,618	985	-	10,136	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	8,754	4,618	985	-	10,136	-	-
Deferred inflows of resources:							
Deferred revenue	-	711	966	-	4,411	714	479
Deferred grant revenue	-	-	-	-	-	-	-
Deferred lease revenue	-	-	-	-	-	-	-
Unavailable tax revenue	-	10,000	3,672	-	148,466	13,950	8,950
Total deferred inflows of resources	-	10,711	4,638	-	152,877	14,664	9,429
Fund Balances:							
Restricted for:							
General government	-	-	-	6	60,862	-	-
Public safety	24,989	-	38,878	-	-	-	-
Highway and transportation	-	272,689	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	6,448	6,270
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Grant programs	-	-	-	-	-	-	-
Total fund balances	24,989	272,689	38,878	6	60,862	6,448	6,270
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 33,743	$ 288,018	$ 44,501	$ 6	$ 223,875	$ 21,112	$ 15,699

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2022

	Health District	Hospital Operation	Indigent and Charity	Junior College	Pest	Revaluation	CDA Basin Project
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and cash equivalents	1	15,852	310,685	230,503	3,185	53,107	2,410
Receivables:							
Taxes	1,766	4,930	953	126	10	8,420	-
Unbilled taxes	52,000	-	-	-	-	211,080	-
Accounts	-	-	9,138	-	-	-	-
Lease	-	-	-	-	-	-	-
Due from other governments	668	1,000	11,037	12,059	151	13,850	-
Total assets	54,435	21,782	331,813	242,688	3,346	286,457	2,410
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 54,435	$ 21,782	$ 331,813	$ 242,688	$ 3,346	$ 286,457	$ 2,410
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	-	-	5,715	-	-	15,523	-
Accounts payable	-	-	-	10,450	-	-	-
Total liabilities	-	-	5,715	10,450	-	15,523	-
Deferred inflows of resources:							
Deferred revenue	1,388	3,954	460	-	-	6,803	-
Deferred grant revenue	-	-	-	-	-	-	-
Deferred lease revenue	-	-	-	-	-	-	-
Unavailable tax revenue	52,000	-	-	-	-	211,080	-
Total deferred inflows of resources	53,388	3,954	460	-	-	217,883	-
Fund Balances:							
Restricted for:							
General government	1,047	-	325,638	232,238	-	53,051	2,410
Public safety	-	-	-	-	-	-	-
Highway and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	3,346	-	-
Culture and recreation	-	-	-	-	-	-	-
Hospital operations	-	17,828	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Grant programs	-	-	-	-	-	-	-
Total fund balances	1,047	17,828	325,638	232,238	3,346	53,051	2,410
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 54,435	$ 21,782	$ 331,813	$ 242,688	$ 3,346	$ 286,457	$ 2,410

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2022

	Tort	Stimulus Grant	Warrant Redemption	Weeds	Elections	Snowmobile	Waterways
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and cash equivalents	16,585	11,083	48	4,002	414,564	66,291	18,618
Receivables:							
Taxes	6,262	-	-	476	-	-	-
Unbilled taxes	123,000	-	-	15,850	-	-	-
Accounts	-	-	-	-	78	-	-
Lease	-	-	-	-	-	-	-
Due from other governments	3,929	-	-	52	16,904	-	-
Total assets	149,776	11,083	48	20,380	431,546	66,291	18,618
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 149,776	$ 11,083	$ 48	$ 20,380	$ 431,546	$ 66,291	$ 18,618
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	-	-	-	-	845	-	1,672
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	845	-	1,672
Deferred inflows of resources:							
Deferred revenue	5,153	-	-	349	-	-	-
Deferred grant revenue	-	-	-	-	-	-	-
Deferred lease revenue	-	-	-	-	-	-	-
Unavailable tax revenue	123,000	-	-	15,850	-	-	-
Total deferred inflows of resources	128,153	-	-	16,199	-	-	-
Fund Balances:							
Restricted for:							
General government	21,623	-	48	-	430,701	-	-
Public safety	-	-	-	-	-	-	-
Highway and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	66,291	16,946
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	4,181	-	-	-
Grant programs	-	11,083	-	-	-	-	-
Total fund balances	21,623	11,083	48	4,181	430,701	66,291	16,946
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 149,776	$ 11,083	$ 48	$ 20,380	$ 431,546	$ 66,291	$ 18,618

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2022

	Marine Patrol	Local Improvement Guarantee	Building and Land Trust	Insurance Reserve	Court Facilities Trust	Indigent Defense Grant Trust	Court Interlock Device
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and cash equivalents	51,770	51,247	160,576	44,783	85,542	134,337	8,648
Receivables:							
Taxes	-	3	-	-	-	-	-
Unbilled taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Lease	-	-	3,995	-	-	-	-
Due from other governments	6,417	-	-	-	260	-	45
Total assets	58,187	51,250	164,571	44,783	85,802	134,337	8,693
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 58,187	$ 51,250	$ 164,571	$ 44,783	$ 85,802	$ 134,337	$ 8,693
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	1,667	-	-	9,280	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	1,667	-	-	9,280	-	-	-
Deferred inflows of resources:							
Deferred revenue	-	-	-	-	-	-	-
Deferred grant revenue	-	-	-	-	-	134,337	-
Deferred lease revenue	-	-	3,990	-	-	-	-
Unavailable tax revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	3,990	-	-	134,337	-
Fund Balances:							
Restricted for:							
General government	-	51,250	160,581	35,503	-	-	-
Public safety	56,520	-	-	-	85,802	-	8,693
Highway and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Grant programs	-	-	-	-	-	-	-
Total fund balances	56,520	51,250	160,581	35,503	85,802	-	8,693
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 58,187	$ 51,250	$ 164,571	$ 44,783	$ 85,802	$ 134,337	$ 8,693

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2022

	Timber Plus Grant Trust	Hughes House Trust	Page Recording Fees	Title III - Craig-Wyden	Toys for Tots Trust	Christmas Hills Trust	Grant Trust
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and cash equivalents	10,750	10,171	270,444	88	2,780	63,934	-
Receivables:							
Taxes	-	-	-	-	-	-	-
Unbilled taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Lease	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	12,722
Total assets	10,750	10,171	270,444	88	2,780	63,934	12,722
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 10,750	$ 10,171	$ 270,444	$ 88	$ 2,780	$ 63,934	$ 12,722
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Due to other funds	-	-	-	-	-	-	9,118
Warrants payable	-	430	-	-	-	-	3,867
Retainage payable	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	430	-	-	-	-	12,985
Deferred inflows of resources:							
Deferred revenue	-	-	-	-	-	-	-
Deferred grant revenue	-	-	-	-	-	-	-
Deferred lease revenue	-	-	-	-	-	-	-
Unavailable tax revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund Balances:							
Restricted for:							
General government	-	9,741	270,444	-	-	63,934	(263)
Public safety	10,750	-	-	88	2,780	-	-
Highway and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Grant programs	-	-	-	-	-	-	-
Total fund balances	10,750	9,741	270,444	88	2,780	63,934	(263)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 10,750	$ 10,171	$ 270,444	$ 88	$ 2,780	$ 63,934	$ 12,722

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
September 30, 2022

	Sheriff's Trust (Forest Service)	Agent Grant (4H)	Sewer Capitalization Trust	Sheriff Labor Program	Sheriff Law Enforcement Trust	LRHIP Grant	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and cash equivalents	18,830	25,401	6,363	6,146	8,385	15,000	2,493,383
Receivables:							
Taxes	-	-	-	-	-	-	32,140
Unbilled taxes	-	-	-	-	-	-	586,968
Accounts	-	-	-	-	-	-	9,216
Lease	-	-	-	-	-	-	3,995
Due from other governments	-	-	-	-	-	-	140,562
Total assets	18,830	25,401	6,363	6,146	8,385	15,000	3,266,264
Deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 18,830	$ 25,401	$ 6,363	$ 6,146	$ 8,385	$ 15,000	$ 3,266,264
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants payable	-	-	-	-	122	-	63,614
Accounts payable	-	-	-	-	-	-	10,450
Total liabilities	-	-	-	-	122	-	83,182
Deferred inflows of resources:							
Deferred revenue	-	-	-	-	-	-	25,388
Deferred grant revenue	-	-	-	-	-	-	134,337
Deferred lease revenue	-	-	-	-	-	-	3,990
Unavailable tax revenue	-	-	-	-	-	-	586,968
Total deferred inflows of resources	-	-	-	-	-	-	750,683
Fund balances:							
Restricted for:							
General government	-	25,401	-	-	-	-	1,744,215
Public safety	18,830	-	6,363	6,146	8,263	-	268,102
Highway and transportation	-	-	-	-	-	-	272,689
Sanitation	-	-	-	-	-	-	3,346
Culture and recreation	-	-	-	-	-	-	95,955
Hospital operations	-	-	-	-	-	-	17,828
Weed abatement	-	-	-	-	-	-	4,181
Grant programs	-	-	-	-	-	15,000	26,083
Total fund balances	18,830	25,401	6,363	6,146	8,263	15,000	2,432,399
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 18,830	$ 25,401	$ 6,363	$ 6,146	$ 8,385	$ 15,000	$ 3,266,264

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended September 30, 2022

	Juvenile Probation	Airport	Ambulance	Bond Redemption	District Court	County Fair	Fair Grounds and Buildings
Revenues							
Taxes	-	14,169	23,247	-	130,046	20,210	13,429
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	109,911	145,327	2,670	-	45,317	5,155	4,875
Charges for services	-	9,480	4,908	-	13,166	-	-
Fines	-	-	-	-	24,265	-	-
Interest income	-	-	-	-	-	-	-
Miscellaneous	2,150	71,199	1,605	-	17,874	-	-
Total revenues	112,061	240,175	32,430	-	230,668	25,365	18,304
Expenditures							
General government	-	-	-	-	265,676	-	-
Public safety	164,476	-	30,631	-	-	-	-
Highway and transportation	-	71,660	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	22,250	17,250
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Capital outlay	-	123,524	-	-	-	-	-
Total expenditures	164,476	195,184	30,631	-	265,676	22,250	17,250
Excess (deficiency) of revenues over (under) expenditures	(52,415)	44,991	1,799	-	(35,008)	3,115	1,054
Other financing sources (uses)							
Operating transfers in (out)	56,991	-	-	-	-	-	-
Net change in fund balance	4,576	44,991	1,799	-	(35,008)	3,115	1,054
Fund balances - beginning of year	20,413	247,744	37,079	6	95,870	3,333	5,216
Prior period adjustment (Note 14)	-	(20,046)	-	-	-	-	-
Fund balances - end of year	$ 24,989	$ 272,689	$ 38,878	$ 6	$ 60,862	$ 6,448	$ 6,270

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2022

	Health District	Hospital Operation	Indigent and Charity	Junior College	Pest	Revaluation	CDA Basin Project
Revenues							
Taxes	38,142	100,989	12,848	-	67	151,243	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,673	8,500	44,148	62,399	4,805	55,400	-
Charges for services	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-
Miscellaneous	-	-	92,855	-	-	-	-
Total revenues	40,815	109,489	149,851	62,399	4,872	206,643	-
Expenditures							
General government	54,713	-	85,203	25,444	-	240,420	-
Public safety	-	-	-	-	-	-	-
Highway and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	3,500	-	-
Culture and recreation	-	-	-	-	-	-	-
Hospital operations	-	100,800	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	3,957	-
Total expenditures	54,713	100,800	85,203	25,444	3,500	244,377	-
Excess (deficiency) of revenues over (under) expenditures	(13,898)	8,689	64,648	36,955	1,372	(37,734)	-
Other financing sources (uses)							
Operating transfers in (out)	8,361	-	-	-	-	-	-
Net change in fund balance	(5,537)	8,689	64,648	36,955	1,372	(37,734)	-
Fund balances - beginning of year	6,584	9,139	260,990	195,283	1,974	90,785	2,410
Prior period adjustment (Note 14)	-	-	-	-	-	-	-
Fund balances - end of year	$ 1,047	$ 17,828	$ 325,638	$ 232,238	$ 3,346	$ 53,051	$ 2,410

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2022

	Tort	Stimulus Grant	Warrant Redemption	Weeds	Elections	Snowmobile	Waterways
Revenues							
Taxes	139,726	-	-	13,160	-	-	-
Licenses and permits	-	-	-	-	-	-	18,685
Intergovernmental	15,718	-	-	209	65,911	7,540	-
Charges for services	-	-	-	-	-	-	660
Fines	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-
Miscellaneous	20,797	-	-	-	368	-	2,664
Total revenues	176,241	-	-	13,369	66,279	7,540	22,009
Expenditures							
General government	170,528	-	-	-	22,712	-	-
Public safety	-	-	-	-	-	-	-
Highway and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	8,326	21,513
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	18,700	-	-	-
Capital outlay	-	-	-	-	-	-	3,117
Total expenditures	170,528	-	-	18,700	22,712	8,326	24,630
Excess (deficiency) of revenues over (under) expenditures	5,713	-	-	(5,331)	43,567	(786)	(2,621)
Other financing sources (uses)							
Operating transfers in (out)	-	-	-	-	-	-	-
Net change in fund balance	5,713	-	-	(5,331)	43,567	(786)	(2,621)
Fund balances - beginning of year	15,910	11,083	48	9,512	387,134	67,077	19,567
Prior period adjustment (Note 14)	-	-	-	-	-	-	-
Fund balances - end of year	$ 21,623	$ 11,083	$ 48	$ 4,181	$ 430,701	$ 66,291	$ 16,946

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2022

	Marine Patrol	Local Improvement Guarantee	Building and Land Trust	Insurance Reserve	Court Facilities Trust	Indigent Defense Grant Trust	Court Interlock Device
Revenues							
Taxes	-	-	-	-	-	-	-
Licenses and permits	18,574	-	-	-	-	-	-
Intergovernmental	6,417	-	-	-	-	4,500	-
Charges for services	-	-	4,800	-	-	-	-
Fines	-	-	-	-	-	-	-
Interest income	-	-	5	-	-	-	-
Miscellaneous	-	-	-	-	2,909	-	687
Total revenues	24,991	-	4,805	-	2,909	4,500	687
Expenditures							
General government	-	-	-	9,280	-	-	-
Public safety	10,174	-	-	-	-	4,500	-
Highways and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Capital outlay	8,384	-	-	-	-	-	-
Total expenditures	18,558	-	-	9,280	-	4,500	-
Excess (deficiency) of revenues over (under) expenditures	6,433	-	4,805	(9,280)	2,909	-	687
Other financing sources (uses)							
Operating transfers in (out)	-	-	-	-	-	-	-
Net change in fund balance	6,433	-	4,805	(9,280)	2,909	-	687
Fund balances - beginning of year	50,087	51,250	155,776	44,783	82,893	81,863	8,006
Prior period adjustment (Note 14)	-	-	-	-	-	(81,863)	-
Fund balances - end of year	$ 56,520	$ 51,250	$ 160,581	$ 35,503	$ 85,802	$ -	$ 8,693

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2022

	Timber Plus Grant Trust	Hughes House Trust	Page Recording Fees	Title III - Craig-Wyden	Toys for Tots Trust	Christmas Hills Trust	Grant Trust
Revenues							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	14,620	-	-	-	-
Intergovernmental	-	-	-	-	-	-	45,722
Charges for services	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	58	-
Miscellaneous	-	1,751	-	-	975	-	-
Total revenues	-	1,751	14,620	-	975	58	45,722
Expenditures							
General government	-	1,893	-	-	-	2,709	46,068
Public safety	-	-	-	-	-	-	-
Highway and transportation	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Hospital operations	-	-	-	-	-	-	-
Weed abatement	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	-	1,893	-	-	-	2,709	46,068
Excess (deficiency) of revenues over (under) expenditures	-	(142)	14,620	-	975	(2,651)	(346)
Other financing sources (uses)							
Operating transfers in (out)	-	-	-	-	-	-	-
Net change in fund balance	-	(142)	14,620	-	975	(2,651)	(346)
Fund balances - beginning of year	10,750	9,883	255,824	88	1,805	66,585	83
Prior period adjustment (Note 14)	-	-	-	-	-	-	-
Fund balances - end of year	$ 10,750	$ 9,741	$ 270,444	$ 88	$ 2,780	$ 63,934	$ (263)

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
For the Year Ended September 30, 2022

	Sheriff's Trust (Forest Service)	Agent Grant (4H)	Sewer Capitalization Trust	Sheriff Labor Program	Sheriff Law Enforcement Trust	LRHIP Grant	Total
Revenues							
Taxes	-	-	-	-	-	-	657,276
Licenses and permits	-	-	-	-	-	-	51,879
Intergovernmental	-	5,000	-	860	-	-	643,057
Charges for services	-	-	-	-	-	-	33,014
Fines	-	-	-	-	-	-	24,265
Interest income	-	-	-	-	-	-	63
Miscellaneous	1,178	-	489	-	2,497	-	219,998
Total revenues	1,178	5,000	489	860	2,497	-	1,629,552
Expenditures							
General government	-	-	-	-	-	-	924,646
Public safety	-	-	-	691	4,027	-	214,499
Highways and transportation	-	-	-	-	-	-	71,660
Sanitation	-	-	-	-	-	-	3,500
Culture and recreation	-	-	-	-	-	-	69,339
Hospital operations	-	-	-	-	-	-	100,800
Weed abatement	-	-	-	-	-	-	18,700
Capital outlay	-	-	-	-	-	-	138,982
Total expenditures	-	-	-	691	4,027	-	1,542,126
Excess (deficiency) of revenues over (under) expenditures	1,178	5,000	489	169	(1,530)	-	87,426
Other financing sources (uses)							
Operating transfers in (out)	-	-	-	-	-	-	65,352
Net change in fund balance	1,178	5,000	489	169	(1,530)	-	152,778
Fund balances - beginning of year	17,652	20,401	5,874	5,977	9,793	15,000	2,381,530
Prior period adjustment (Note 14)	-	-	-	-	-	-	(101,909)
Fund balances - end of year	$ 18,830	$ 25,401	$ 6,363	$ 6,146	$ 8,263	$ 15,000	$ 2,432,399

NONMAJOR SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended September 30, 2022

	Budgeted Revenue	Actual Revenue	Budgeted Expenditures	Actual Expenditures	Other Financing Sources (Uses)	Beginning Fund Balance	Prior Period Adjustment	Ending Fund Balance
Juvenile Probation	93,000	112,061	164,499	164,476	56,991	20,413	-	24,989
Airport	272,480	240,175	217,500	195,184	-	247,744	(20,046)	272,689
Ambulance	27,510	32,430	89,510	30,631	-	37,079	-	38,878
Bond Redemption	-	-	-	-	-	6	-	6
District Court	225,521	230,668	286,521	265,676	-	95,870	-	60,862
County Fair	21,250	25,365	22,250	22,250	-	3,333	-	6,448
Fair Grounds and Buildings	17,250	18,304	17,250	17,250	-	5,216	-	6,270
Health District	38,500	40,815	54,711	54,713	8,361	6,584	-	1,047
Hospital Operation	107,000	109,489	102,000	100,800	-	9,139	-	17,828
Indigent and Charity	100,431	149,851	236,431	85,203	-	260,990	-	325,638
Junior College	65,000	62,399	75,000	25,444	-	195,283	-	232,238
Pest	4,000	4,872	3,500	3,500	-	1,974	-	3,346
Revaluation	161,074	206,643	247,074	244,377	-	90,785	-	53,051
CDA Basin project	-	-	-	-	-	2,410	-	2,410
Tort	147,150	176,241	170,526	170,528	-	15,910	-	21,623
Stimulus Grant	-	-	-	-	-	11,083	-	11,083
Warrant Redemption	-	-	-	-	-	48	-	48
Weeds	12,850	13,369	26,850	18,700	-	9,512	-	4,181
Elections	60,000	66,279	112,520	22,712	-	387,134	-	430,701
Snowmobile	-	7,540	16,000	8,326	-	67,077	-	66,291
Waterways	25,000	22,009	32,220	24,630	-	19,567	-	16,946
Marine Patrol	38,000	24,991	27,355	18,558	-	50,087	-	56,520
Local Improvement Guarantee	-	-	-	-	-	51,250	-	51,250
Building and Land Trust	-	4,805	-	-	-	155,776	-	160,581
Insurance Reserve	-	-	-	9,280	-	44,783	-	35,503
Court Facilities Trust	-	2,909	-	-	-	82,893	-	85,802
Indigent Defense Grant Trust	-	4,500	-	4,500	-	81,863	(81,863)	-
Court Interlock Device	-	687	-	-	-	8,006	-	8,693
Timber Trust Grant Trust	-	-	-	-	-	10,750	-	10,750
Hughes House Trust	-	1,751	-	1,893	-	9,883	-	9,741
Page Recording Fees	-	14,620	-	-	-	255,824	-	270,444
Title III- Craig-Wyden	-	-	-	-	-	88	-	88
Toys for Tots Trust	-	975	-	-	-	1,805	-	2,780
Christmas Hills Trust	-	58	-	2,709	-	66,585	-	63,934
Grant Trust	-	45,722	-	46,068	-	83	-	(263)
Sheriff's Trust (Forest Service)	-	1,178	-	-	-	17,652	-	18,830
Agent Grant (4H)	-	5,000	-	-	-	20,401	-	25,401
Sewer Capitalization Trust	-	489	-	-	-	5,874	-	6,363
Sheriff Labor Program	-	860	-	691	-	5,977	-	6,146
Sheriff Law Enforcement Trust	-	2,497	-	4,027	-	9,793	-	8,263
LRHIP Grant	-	-	-	-	-	15,000	-	15,000
Total	$ 1,416,016	$ 1,629,552	$ 1,901,717	$ 1,542,126	$ 65,352	$ 2,381,530	$ (101,909)	$ 2,432,399

NONMAJOR PROPRIETARY FUNDS
COMBINING SCHEDULE OF NET POSITION
For the Year Ended September 30, 2022

	911 Emergency	Parks and Recreation	Leuty Building	Building Inspector	County Sewer	Assessor Map Trust	911 Emergency Trust	Totals
ASSETS								
Current assets:								
Cash and cash equivalents	-	20,741	12,261	451,839	18,504	69,388	-	572,733
Receivables:								
Taxes	-	1,301	-	-	-	-	-	1,301
Unbilled taxes	-	20,630	-	-	-	-	-	20,630
Accounts	6,413	12,498	-	3,063	9,316	472	-	31,762
Due from other governments	-	664	2,500	-	2,693	-	-	5,857
Total current assets	6,413	55,834	14,761	454,902	30,513	69,860	-	632,283
Noncurrent assets:								
Non-depreciable assets	-	-	15,183	-	-	-	-	15,183
Depreciable assets	289,857	544,484	226,824	25,000	-	14,848	94,978	1,195,991
Less: accumulated depreciation	(273,835)	(500,990)	(92,381)	(19,384)	-	(14,837)	(94,978)	(996,405)
Total noncurrent assets	16,022	43,494	149,626	5,616	-	11	-	214,769
Total assets	22,435	99,328	164,387	460,518	30,513	69,871	-	847,052
DEFERRED OUTFLOWS OF RESOURCES	33,656	27,906	-	30,443	-	-	-	92,005
LIABILITIES								
Current liabilities:								
Warrants payable	7,795	16,128	580	6,980	8,566	-	-	40,049
Vouchers Payable	-	-	-	-	32,135	-	-	32,135
Due to other funds	15,329	-	-	-	-	-	-	15,329
Total current liabilities	23,124	16,128	580	6,980	40,701	-	-	87,513
Noncurrent liabilities:								
Accrued compensated absences	619	-	-	2,494	-	-	-	3,113
Net pension liability	61,409	50,917	-	55,545	-	-	-	167,871
Total noncurrent liabilities	62,028	50,917	-	58,039	-	-	-	170,984
Total liabilities	85,152	67,045	580	65,019	40,701	-	-	258,497
DEFERRED INFLOWS OF RESOURCES								
Unavailable taxes revenue	-	20,630	-	-	-	-	-	20,630
Pension related items	274	227	-	248	-	-	-	749
Total deferred inflow of resources	274	20,857	-	248	-	-	-	21,379
NET POSITION								
Net investment in capital assets	16,022	43,494	149,626	5,616	-	11	-	214,769
Restricted For:								
Capital fees	-	-	-	-	489	-	-	489
Unrestricted	(45,357)	(4,162)	14,181	420,078	(10,677)	69,860	-	443,923
Total net position	$ (29,335)	$ 39,332	$ 163,807	$ 425,694	$ (10,188)	$ 69,871	$ -	$ 659,181

NONMAJOR PROPRIETARY FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2022

	911 Emergency	Parks and Recreation	Leuty Building	Building Inspector	County Sewer	Assessor Map Trust	911 Emergency Trust	Totals
Operating revenues								
Taxes	-	23,648	-	-	-	-	-	23,648
Intergovernmental	33,603	2,657	10,000	-	-	-	-	46,260
Licenses, permits, and other	-	-	-	585	-	-	-	585
Charges for services	106,584	96,653	-	198,079	105,741	5,584	-	512,641
Total operating revenue	140,187	122,958	10,000	198,664	105,741	5,584	-	583,134
Operating expenses								
Salaries	52,896	57,622	-	62,860	-	-	-	173,378
Payroll and benefits	37,632	13,566	-	58,668	-	-	-	109,866
Maintenance, repair and supplies	89,495	76,107	6,028	4,834	80,353	-	-	256,817
Capital outlay	-	630	-		35,576	-	-	36,206
Depreciation	9,223	5,216	5,671	5,000	-	2,725	-	27,835
Total operating expenses	189,246	153,141	11,699	131,362	115,929	2,725	-	604,102
Change in net position	(49,059)	(30,183)	(1,699)	67,302	(10,188)	2,859	-	(20,968)
Net position - beginning of year	-	69,515	165,506	358,392	-	67,012	-	660,425
Prior period adjustment (Note 14)	19,724	-	-	-	-	-	-	19,724
Net position - end of year	$ (29,335)	$ 39,332	$ 163,807	$ 425,694	$ (10,188)	$ 69,871	$ -	$ 659,181

PROPRIETARY FUNDS
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
For the Year Ended September 30, 2022

	Budgeted Revenue	Actual Revenue	Budgeted Expenses	Actual Expenses	Beginning Net Position	Prior Period Adjustment	Ending Net Position
911 Emergency	135,000	140,187	170,906	189,246	-	19,724	(29,335)
Parks and Recreation	109,930	122,958	141,055	153,141	69,515	-	39,332
Leuty Building	8,000	10,000	8,000	11,699	165,506	-	163,807
Building Inspector	150,000	198,664	113,048	131,362	358,392	-	425,694
County Sewer	-	105,741	-	115,929	-	-	(10,188)
Assessor Map Trust	-	5,584	-	2,725	67,012	-	69,871
911 Emergency Trust	-	-	-	-	-	-	-
Total	$ 402,930	$ 583,134	$ 433,009	$ 604,102	$ 660,425	$ 19,724	$ 659,181

SINGLE AUDIT SECTION

BENEWAH COUNTY, IDAHO
St. Maries, Idaho

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2022

	Federal Assistance Listing Number	Pass-Through Grantor Number/Grant ID Number	Passed-Through to Subrecipients	Expenditures
Department of Agriculture				
Direct through Department of Agriculture:				
Forest Service Schools and Roads Cluster:				
Schools and Roads - Grants to Counties	10.666	Not Applicable	-	40,075
Total Department of Agriculture			$ -	$ 40,075
U.S. Department of the Interior				
Direct through U.S. Department of Interior:				
Payment in Lieu of Taxes	15.226	Not Applicable	-	109,476
Total U.S. Department of Interior			$ -	$ 109,476
Department of Transportation				
Passed through Idaho Transportation Department:				
National Priority Safety Programs	20.616	Not Available	-	35,565
Direct through U.S. Department of Transportation				
Airport Improvement Program	20.106	Not Available	-	126,519
Total Department of Transportation			$ -	$ 162,084
U.S. Department of the Treasury				
Direct through U.S. Department of the Treasury:				
COVID-19 - Coronavirus Relief Fund	21.019	Not Applicable	-	9,826
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Applicable	113,048	470,997
Total U.S. Department of Treasury			$ 113,048	$ 480,823
Department of Homeland Security				
Passed through State Military Division:				
Homeland Security Grant Program	97.067	EMW2021SS00070	-	7,096
Total Department of Homeland Security			$ -	$ 7,096
Total Expenditures of Federal Awards			$ 113,048	$ 799,554

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
September 30, 2022

NOTE 1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Benewah County, Idaho, under programs of the federal government for the year ended September 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Benewah County, Idaho, it is not intended to and does not present the financial position, changes in net position, or cash flows of Benewah County, Idaho.

NOTE 2 Summary of Significant Accounting Policies

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

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

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

HAYDEN ROSS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commissioners
Benewah County, Idaho
St. Maries, Idaho 83861

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Benewah County, Idaho as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise Benewah County, Idaho's basic financial statements, and have issued our report thereon dated May 30, 2023.

Report on Internal Control over Financial Reporting

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

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

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

described in the accompanying schedule of findings and questioned costs as item 2022-001, which we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Benewah County, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Benewah County, Idaho's Response to Findings

Benewah County, Idaho's responses to findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

Purpose of this Report

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

Hayden Ross, PLLC

Moscow, Idaho
May 30, 2023

HAYDEN ROSS

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

To the County Commissioners
Benewah County, Idaho
St. Maries, Idaho 83861

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Benewah County, Idaho's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Benewah County, Idaho's major federal programs for the year ended September 30, 2022. Benewah 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, Benewah County, Idaho complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 Benewah 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 Benewah County, Idaho's compliance with the compliance requirements referred to above.

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 Benewah 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 Benewah 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 generally accepted auditing standards, *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 Benewah County, Idaho's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Benewah 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 Benewah 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 Benewah 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.

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 not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

Hayden Ross, PLLC

Moscow, Idaho
May 30, 2023

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		
Component unit - Benewah County Fair Association	Qualified	
All other opinion units	Unmodified	
Internal control over financial reporting:		
- material weakness(es) identified?	____ yes	__x__ no
- significant deficiency(ies) identified?	__x__ yes	____ none reported
Noncompliance material to financial statements noted?	____ yes	__x__ no

Federal Awards

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

Identification of major programs:
Reporting Requirements and Communication Considerations

CFDA Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended September 30, 2022

Finding 2022-001 Year-end Financial Close and Reporting

Condition	Throughout our testing, the financial statement closing process was not completed in a timely manner.
Criteria	Year-end financial close process should be completed in a timely manner.
Cause	Deficiency in controls over financial close and reporting.
Potential effect of Condition	Misstatements on the financial statements due to error or fraud.
Recommendation	We recommend that management complete the closing process in a timely manner.
Management's Response	Management has agreed that this is an important control and will complete the closing process in a timely manner.