GEM COUNTY, IDAHO

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2022

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Independent Auditor's Report

Board of Commissioners
Gem County, Idaho
Emmett, Idaho

Opinions

We have audited 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 Gem County, Idaho, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Gem County, Idaho's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Gem 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Gem County, Idaho's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Gem County, Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Gem 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 budgetary comparison information, Schedule of County's Proportionate Share of Net Pension Liability, Schedule of County Contributions, and Schedule of Changes in Net OPEB Liability and Related Ratios are presented on pages 42 to 48 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 inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gem County, Idaho's basic financial statements. The schedules of revenues by source, expenditures by object, the combining nonmajor fund financial statements *and* schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of revenues by source, expenditures by object, the combining nonmajor fund financial statements and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2023 on our consideration of Gem 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 Gem County, Idaho's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Gem County, Idaho's internal control over financial reporting and compliance.

Zwygart John and Associates, PLLC

Nampa, Idaho
March 24, 2023

Gem County, Idaho
Statement of Net Position
September 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and Investments	$ 18,051,109	$ 830,157	$ 18,881,266	$ 69,500
Receivables, Net:				
Taxes and Special Fees	187,307	2	187,309	-
Interest	26,061	-	26,061	-
Accounts	-	89,722	89,722	-
Inventory	31,291	-	31,291	-
Due From Other Governments	504,209	-	504,209	-
Capital Assets:				
Land and Construction in Progress	3,864,753	-	3,864,753	17,850
Depreciable Buildings, Property, and Equipment, Net	6,045,592	660,516	6,706,108	89,348
Right to Use Assets	626,022	-	626,022	-
Total Capital Assets	10,536,367	660,516	11,196,883	107,198
Total Assets	29,336,344	1,580,397	30,916,741	176,698
Deferred Outflows				
Pension Related Items	2,720,297	-	2,720,297	-
OPEB Related Items	26,142	-	26,142	-
Total Deferred Outflows	2,746,439	-	2,746,439	-
Liabilities				
Accounts Payable and Other Current Liabilities	704,306	2,473	706,779	6,577
Salaries and Benefits Payable	709,936	-	709,936	-
Accrued Interest	10,299	-	10,299	-
Long-Term Liabilities:				
Due Within One Year:				
Compensated Absences	188,436	-	188,436	-
Lease	232,517	-	232,517	-
Due in More Than One Year:				
Other Post-Employment Benefits	305,374	-	305,374	-
Municipal Leases	879,263	-	879,263	-
Net Pension Liability	5,090,351	-	5,090,351	
Total Liabilities	8,120,482	2,473	8,122,955	6,577
Deferred Inflows				
Pension Related Items	22,720	-	22,720	-
OPEB Related Items	22,709	-	22,709	-
Total Deferred Inflows	45,429	-	45,429	-
Net Position				
Invested in Capital Assets, Net of Related Debt	9,657,104	660,516	10,317,620	107,198
Restricted	11,006,202	-	11,006,202	-
Unrestricted (Deficit) Surplus	3,253,566	917,408	4,170,974	62,923
Total Net Position	$ 23,916,872	$ 1,577,924	$ 25,494,796	$ 170,121

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

Gem County, Idaho
Statement of Activities
For the Year Ended September 30, 2022

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities	Total Primary Government	Component Units
Primary Government:								
Governmental Activities:								
General Government	$ 4,614,101	$ 1,066,322	$ 1,809,311	$ -	$ (1,738,468)	$ -	$ (1,738,468)	
Public Protection	4,213,046	496,032	12,038	-	(3,704,976)	-	(3,704,976)	
Public Assistance	468,256	25,288	50,984	-	(391,984)	-	(391,984)	
Health and Sanitation	1,339,326	183,481	-	-	(1,155,845)	-	(1,155,845)	
Public Ways and Facilities	2,937,264	59,567	56,620	-	(2,821,077)	-	(2,821,077)	
Culture and Recreation	349,994	7,291	20,000	-	(322,703)	-	(322,703)	
Impact Fees	-	263,780	-	-	263,780	-	263,780	
Interest on Long-Term Debt	21,103	-	-	-	(21,103)	-	(21,103)	
Total Governmental Activities	13,943,090	2,101,761	1,948,953	-	(9,892,376)	-	(9,892,376)	
Business-type Activities:								
Ambulance Service	813,037	817,782	-	-	-	4,745	4,745	
Total Business-type Activities	813,037	817,782	-	-	-	4,745	4,745	
Total Primary Government	$ 14,756,127	$ 2,919,543	$ 1,948,953	$ -	(9,892,376)	4,745	(9,887,631)	
Component Units:								
Fair Board	$ 258,452	$ 151,520	$ -	$ -				$ (106,932)
Total Component Units	$ 258,452	$ 151,520	$ -	$ -				(106,932)
General Revenues:								
Property Taxes					6,704,645	-	6,704,645	-
Intergovernmental					5,999,936	-	5,999,936	64,000
Other					480,904	364,678	845,582	79,159
Unrestricted Investment Earnings					99,160	-	99,160	-
Disposal of Assets					42,441	25,406	67,847	-
Transfers					(102,250)	102,250	-	-
Total General Revenues and Special Items					13,224,836	492,334	13,717,170	143,159
Unrealized Gain (Loss) on Investments					(294,664)	-	(294,664)	-
Change in Net Position					3,037,796	497,079	3,534,875	36,227
Net Assets, Beginning					21,096,050	1,080,845	22,176,895	133,894
Prior Period Adjustment					(216,974)	-	(216,974)	-
Net Assets, Beginning					20,879,076	1,080,845	21,959,921	133,894
Net Assets, Ending					$ 23,916,872	$ 1,577,924	$ 25,494,796	$ 170,121

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

Gem County, Idaho
Balance Sheet -
Governmental Funds
September 30, 2022

	General	Road and Bridge	Justice
Assets			
Cash and Investments	$ 5,870,953	$ 3,829,525	$ 2,346,924
Receivables, Net:			
Taxes and Special Fees	46,813	15,828	53,246
Interest	26,061	-	-
Accounts	-	-	-
Inventory	-	-	-
Due From Other Governments	269,313	-	234,896
Total Assets	$ 6,213,140	$ 3,845,353	$ 2,635,066
Liabilities			
Warrants and Accounts Payable	$ 131,662	$ 174,484	$ 44,033
Salaries and Benefits Payable	164,341	69,794	305,591
Total Liabilities	296,003	244,278	349,624
Deferred Inflows			
Unearned Revenue - Property Taxes and Special Fees	42,243	14,280	48,111
Total Deferred Inflows	42,243	14,280	48,111
Fund Balances			
Restricted	-	3,586,795	2,237,331
Unassigned	5,874,894	-	-
Total Fund Balances	5,874,894	3,586,795	2,237,331
Total Liabilities, Deferred Inflows, and Fund Balances	$ 6,213,140	$ 3,845,353	$ 2,635,066

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

Gem County, Idaho
Balance Sheet -
Governmental Funds
September 30, 2022
(continued)

	Solid Waste Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and Investments	$ 676,852	$ 4,991,530	$ 17,715,784
Receivables, Net:			
Taxes and Special Fees	26,145	45,275	187,307
Interest	-	-	26,061
Accounts	-	-	-
Inventory	-	31,291	31,291
Due From Other Governments	-	-	504,209
Total Assets	$ 702,997	$ 5,068,096	$ 18,464,652
Liabilities			
Warrants and Accounts Payable	$ 198,329	$ 155,798	$ 704,306
Salaries and Benefits Payable	51,622	118,543	709,891
Total Liabilities	249,951	274,341	1,414,197
Deferred Inflows			
Unearned Revenue - Property Taxes and Special Fees	23,832	40,893	169,359
Total Deferred Inflows	23,832	40,893	169,359
Fund Balances:			
Restricted	429,214	4,752,862	11,006,202
Unassigned	-	-	5,874,894
Total Fund Balances	429,214	4,752,862	16,881,096
Total Liabilities, Deferred Inflows, and Fund Balances	$ 702,997	$ 5,068,096	$ 18,464,652

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

Gem County, Idaho
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position
September 30, 2022

Total Fund Balances - Governmental Funds		$ 16,881,096
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. Those assets		
Land	$ 3,864,753	
Right to Use Assets, net of $145,005 accumulated amortization	626,022	
Depreciable Buildings, Property, and Equipment, net of $7,593,406 accumulated depreciation	6,045,592	
		10,536,367
Property taxes and special fees receivable will be collected this year, but are not available soon enough to pay for current period's expenditures and, therefore, are deferred in the funds.		169,359
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Position.		
Accrued Interest	$ (10,299)	
Leases Payable	(232,517)	
Municipal Leases Payable	(879,263)	
Compensated Absences	(188,436)	
Other Post-Employment Benefits	(305,374)	
OPEB Related Deferred Inflows	(22,709)	
OPEB Related Deferred Outflows	26,142	
		(1,612,456)
Internal service funds are used by management to charge medical costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. Internal service fund net position is:		335,280
The County participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.		
Net Pension Liability	$ (5,090,351)	
Pension Related Deferred Inflows	(22,720)	
Pension Related Deferred Outflows	2,720,297	
		(2,392,774)
Net Position of Governmental Activities		$ 23,916,872

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

Gem County, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2022

	General	Road and Bridge	Justice
Revenues			
Property Taxes	$ 1,904,134	$ 606,288	$ 1,959,412
Intergovernmental	1,379,702	3,059,385	977,454
Charges for Services	882,483	10,182	496,240
Grants and Contributions	1,759,022	1,209	12,038
Interest Income	99,160	-	-
Other Revenue	107,899	385	97,868
Total Revenues	6,132,400	3,677,449	3,543,012
Expenditures			
Current:			
General Government	4,635,745	(5,010)	-
Public Protection	78,553	-	3,417,823
Public Assistance	39,734	-	-
Health and Sanitation	-	-	-
Public Ways and Facilities	207,715	1,612,138	-
Culture and Recreation	149,949	-	-
Capital Outlay	47,726	1,059,030	268,183
Total Expenditures	5,159,422	2,666,158	3,686,006
Excess (Deficiency) of Revenues Over Expenditures	972,978	1,011,291	(142,994)
Other Financing Sources (Uses)			
Transfer In	(81,700)	26,940	84,900
Transfer Out	(152,750)	(10,000)	(8,600)
Debt Proceeds	-	249,433	157,500
Sale of Assets	-	23,989	9,554
Unrealized Gain (Loss) on Investments	(294,664)	-	-
Total Other Financing Sources (Uses)	(529,114)	290,362	243,354
Net Change in Fund Balances	443,864	1,301,653	100,360
Fund Balances, Beginning	5,431,030	2,285,142	2,136,971
Fund Balances, Ending	$ 5,874,894	$ 3,586,795	$ 2,237,331

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

Gem County, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2022
(continued)

	Solid Waste	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	$ 689,925	$ 1,540,084	$ 6,699,843
Intergovernmental	-	583,395	5,999,936
Charges for Services	183,481	529,375	2,101,761
Grants and Contributions	-	176,684	1,948,953
Interest Income	-	-	99,160
Other Revenue	529	47,681	254,362
Total Revenues	873,935	2,877,219	17,104,015
Expenditures			
Current:			
General Government	-	632,813	5,263,548
Public Protection	-	168,505	3,664,881
Public Assistance	-	405,590	445,324
Health and Sanitation	771,992	442,911	1,214,903
Public Ways and Facilities	-	434,958	2,254,811
Culture and Recreation	-	173,680	323,629
Capital Outlay	234	108,573	1,483,746
Total Expenditures	772,226	2,367,030	14,650,842
Excess (Deficiency) of Revenues Over Expenditures	101,709	510,189	2,453,173
Other Financing Sources (Uses)			
Transfer In	-	229,460	259,600
Transfer Out	(175,000)	(15,500)	(361,850)
Debt Proceeds	-	-	406,933
Sale of Assets	1,550	7,348	42,441
Unrealized Gain (Loss) on Investments	-	-	(294,664)
Total Other Financing Sources (Uses)	(173,450)	221,308	52,460
Net Change in Fund Balances	(71,741)	731,497	2,505,633
Fund Balances, Beginning	500,955	4,021,365	14,375,463
Fund Balances, Ending	$ 429,214	$ 4,752,862	$ 16,881,096

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

Gem County, Idaho
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the Governmental
Funds to the Statement of Activities
For the Year Ended September 30, 2022

Total Net Change in Fund Balance - Governmental Funds		$ 2,505,633
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. The cost and related accumulated depreciation, when capital assets are disposed are also not reported in the governmental funds. In the current period these amounts are:		
Capital Outlay	$ 1,938,434	
Depreciation Expense	(556,288)	
Amortization Expense	(40,084)	
Net		1,342,062
Because some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities.		4,802
The net revenue of certain activities of internal service funds is reported with governmental activities.		99,098
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net assets.		
Proceeds from Debt	$ (406,933)	
Bond and Municipal Lease Principal Payments	201,506	
		(205,427)
Compensated absences and other post-employment benefits reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in compensated absences and other post-employment benefits.		(41,189)
The County participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities.		(667,183)
Change in Net Position of Governmental Activities		$ 3,037,796

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

Gem County, Idaho
Statement of Net Position - Proprietary Funds
September 30, 2022

	Enterprise Funds	Governmental Activities
	Ambulance Service	Internal Services
Assets		
Current Assets:		
Cash and Cash Equivalents	$ 830,157	$ 335,325
Receivables, Net:		
Taxes	2	-
Accounts	89,722	-
Total Current Assets	919,881	335,325
Noncurrent Assets:		
Property and Equipment, Net	660,516	-
Total Noncurrent Assets	660,516	-
Total Assets	1,580,397	335,325
Liabilities		
Current Liabilities:		
Warrants Payable	2,473	-
Salaries and Benefits Payable	-	45
Total Liabilities	2,473	45
Net Position		
Invested in Capital Assets Net of Related Debt	660,516	-
Unrestricted	917,408	335,280
Total Net Position	$ 1,577,924	$ 335,280

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

Gem County, Idaho
Statement of Revenues, Expenses, and Changes in Net Position -
Proprietary Funds
For the Year Ended September 30, 2022

	Enterprise Funds	Governmental Activities
	Ambulance Service	Internal Services
Operating Revenues		
Charges for Services	$ 817,782	$ -
Miscellaneous	364,678	226,542
Total Operating Revenues	1,182,460	226,542
Operating Expenses		
Contract Work	726,528	-
Employee Benefits	-	127,444
Depreciation	86,509	-
Total Operating Expenses	813,037	127,444
Net Operating Income (Loss)	369,423	99,098
Nonoperating Revenues (Expenses)		
Transfers In	102,250	-
Sale of Assets	25,406	-
Total Nonoperating Revenues (Expenses)	127,656	-
Change in Net Position	497,079	99,098
Net Position - Beginning	1,080,845	236,182
Net Position - Ending	$ 1,577,924	$ 335,280

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

Gem County, Idaho
Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2022

	Enterprise Funds	Governmental Activities
	Ambulance Service	Internal Services
Cash Flows From Operating Activities		
Receipts from Customers	$ 808,908	$ -
Other Receipts	364,678	226,542
Payments to Suppliers	(760,397)	-
Payments to Employees	-	(127,900)
Net Cash Provided (Used) by Operating Activities	413,189	98,642
Cash Flows From Noncapital Financing Activities		
Transfers In (Out)	102,250	-
Net Cash Provided (Used) by Noncapital Financing Activities	102,250	-
Cash Flows From Capital and Related Financing Activities		
Purchases of Construction of Capital Assets	(515,722)	-
Sale of Assets	25,406	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(490,316)	-
Net Increase (Decrease) in Cash and Cash Equivalents	25,123	98,642
Cash and Cash Equivalents - Beginning of Year	805,034	236,683
Cash and Cash Equivalents - End of Year	$ 830,157	$ 335,325
Displayed As:		
Cash and Cash Equivalents	$ 830,157	$ 335,325

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

Gem County, Idaho
Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2022
(continued)

	Enterprise Funds	Governmental Activities
	Ambulance Service	Internal Services
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	$ 369,423	$ 99,098
Adjustment to Reconcile Operating Income (Loss) to Net Income Provided (Used) by Operating Activities:		
Depreciation	86,509	-
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(8,874)	-
Increase (Decrease) in Warrants Payable	(33,869)	-
Increase (Decrease) in Salaries and Benefits Payable	-	(456)
Net Cash Provided (Used) by Operating Activities	$ 413,189	$ 98,642

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

Gem County, Idaho
Statement of Fiduciary Net Position
September 30, 2022

	Custodial Funds
Assets	
Cash and Cash Equivalents	$ 659,707
Receivables, Net:	
Taxes	150,569
Total Assets	810,276
Liabilities	
Warrants and Accounts Payable	341,460
Total Liabilities	341,460
Net Position	
Restricted for:	
Individuals, Organizations, or Other Governments	468,816
Total Net Position	$ 468,816

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

Gem County, Idaho
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2022

	Custodial Funds
Additions:	
Fees collected for other governments	$ 6,202,660
Property taxes collected for other governments	5,230,930
Total Additions	11,433,590
Deductions:	
Fees distributed to other governments	6,196,656
Taxes distributed to other governments	5,258,028
Total Deductions	11,454,684
Change in Net Position	(21,094)
Net Position - Beginning	489,910
Net Position - Ending	$ 468,816

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Gem County, Idaho (the County) operates under the direction of a Board of Commissioners who are responsible for the various operations of the County. The accompanying basic financial statements present the County (the primary government) and its component units, entities for which the government is considered to be financially accountable. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County.

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

Discretely Presented Component Units

To define the County for financial reporting purposes, it was necessary to consider all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles. The basic - but not the only - criterion for including a potential component unit with the reporting entity is the governing body's ability to exercise oversight responsibility including, but not limited to, the selection of governing authority, the designation of management, and the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion in or exclusion from the reporting entity is the existence of a financial benefit or burden relationship. Based on the foregoing criteria, the following entities are presented below:

- Gem County Fair Board was created for the purpose of conducting fair activities within the County. The Fair Board is governed by a board appointed by the County Commissioners. Financial statements may be obtained from Gem County Fair Board Clerk.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall County, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

generally, are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

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

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, use, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The County reports the following major governmental funds:

- *General fund*. This is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.
- *Solid Waste Fund*. This fund accounts for the expenses associated with the collection of solid waste within the County.
- *Road and Bridge fund*. This fund accounts for repairs and maintenance of roads and bridges and construction of new roads and bridges.
- *Justice fund*. Accounts for law enforcement services, the collection of permits and licensing fees, and expenditures dedicated to justice services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. Revenues and expenses that arise from capital and non-capital financing activities and from investing activities are presented as non-operating revenues or expenses.

Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County reports the following enterprise funds:

- *Ambulance Service fund*. This fund accounts for ambulance charges and the related expenses.

Internal Service Funds

Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost - reimbursement basis. The County reports the following internal service fund:

- *Insurance Pool fund.* This fund accounts for the employee self-insurance program for medical benefits.

The County reports the following fiduciary fund types:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

The government-wide, 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.

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

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

Fund Balance Reporting in Governmental Funds

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

- *Restricted.* Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Unassigned.* Balances available for any purpose.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

Fund	Purpose
Road and Bridge	Revenues in this fund come from levied property taxes, federal forest funds, other intergovernmental revenue and grants that are to be used for maintaining and improving roads and bridges within the County.
Justice	Revenues in this fund come from levied property taxes, intergovernmental revenues, grants, charges for services, and other revenue that are to be used for running the County's justice system.
Solid Waste	Revenue from this fund comes from fees charged for solid waste collection and storage. Funds are used to collect and manage saolid waste within the County.
Nonmajor Special Revenue Funds	Revenues in these funds come from levied property taxes, intergovernmental revenue, grants, charges for services, and other revenues that are to be used for items ranging from public assistance and safety, health and welfare, sanitation, maintenance and improvement of public ways and facilities, culture and recreation, and other governmental type activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets and Liabilities

Cash Equivalents

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

Receivables

All receivables are shown net of an allowance for uncollectible accounts, as applicable.

Inventories

Inventory on government-wide and fund financial statements are stated at cost and are expensed when used.

Property Taxes

In accordance with Idaho law, ad-valorem property taxes are levied in September for each calendar year. Taxes are recorded by the County using the modified accrual basis of accounting. Levies are made on or before the 2nd Monday of September.

One-half of property taxes are due on or before the 20th of December. The remaining one-half is due on or before June 20th of the following year. A lien is filed on property three years from the date of delinquency.

The property tax calendar is as follows:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are shown below:

	Capitalization Policy	Depreciation Method	Estimated Useful Life
Buildings and Improvements	$5,000	Straight-Line	15 – 99 Years
Equipment	$5,000	Straight-Line	5 – 35 Years

The County (a phase three government) has elected not to report major general infrastructure assets retroactively. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to October 1, 2003. Since October 1, 2003, the County has acquired no new infrastructure assets.

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

Compensated Absences

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

Warrants and Accounts Payable

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

Pensions

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Post-Employment Benefits

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

Use of Estimates

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

Adoption of New Accounting Standard

The County adopted GASB 87, Leases, during the year. This has caused long-term leases to be included on the balance sheet as right-to-use assets and a corresponding lease liability. This has caused no change to the opening balances of the County. See Note 9 for additional details about lease arrangements.

2. CASH AND INVESTMENTS

Deposits

As of September 30, 2022, the carrying amount of the County's deposits was $3,880,857 and the respective bank balances totaled $3,467,637. All of the bank balances were insured or collateralized with pooled securities held by the pledging institution in the name of the County.

2. CASH AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of September 30, 2022, all of the County's deposits were covered by the federal depository insurance or by collateral held by the County's agent or pledging financial institution's trust department or agent in the name of the County, and thus were not exposed to custodial credit risk. The County's policy is to fully collateralize any deposits in excess of insurance limits with government and/or agency securities held by the pledging financial institution. The County also had $1,100 of cash on hand.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The County's policy is to invest in instruments authorized by Idaho Code and that have a credit rating of A or better. Where possible, the County also intends for its investments to be diversified to avoid a concentration of assets. No more than 50% of total funds shall be invested in any one institution.

Interest Rate Risk

The County's policy to help manage its exposure to fair value losses from increasing interest rates includes staggering maturities and selecting investments with stable income and reasonable liquidity.

Investments

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

The County follows Idaho Statute that outlines qualifying investment options as follows:

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

2. CASH AND INVESTMENTS (continued)

The County's investments at September 30, 2022, are summarized below:

			Investment Maturities (in Years)			
Investment Type	Rating	Fair Value	Less Than 1	1-5	6-10	11-15
External Investment Pool	Not Rated	$10,634,504	$10,634,504	$ -	$ -	$ -
Money Market	Not Rated	20,612	20,612	-	-	-
Certificates of Deposit	Not Rated	708,303	-	708,303	-	-
U.S. Treasury Securities	AAA	2,147,011	2,099,136	47,875		
U.S. Government Bonds	AAA	2,148,677	153,389	1,699,807	295,481	-
		$15,659,107	$12,907,641	$2,455,985	$ 295,481	$ -

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

	Governmental Activities	Business-type Activities	Total	Fiduciary Funds
Cash and cash equivalents	$ 2,056,677	$ 1,165,482	$ 3,222,159	$ 659,707
Investments categorized as cash	10,655,116	-	10,655,116	-
Noncurrent Investments	5,003,991	-	5,003,991	-
	$ 17,715,784	$ 1,165,482	$ 18,881,266	$ 659,707

The following accounts are not recorded on the County's books:

	Book Balance	Bank Balance
Jail Commissary	$ 8,825	$ 8,825
Inmate Trust	14,667	15,207
Tax Anticipation Trust	125,723	105,463
Gem County Tax Collector	-	38,237
Sheriff Civil Department	7,687	7,687
	$156,902	$175,419

3. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following at:

	Enterprise
Ambulance Service Receivables	$ 217,092
Allowance for Doubtful Accounts	(127,370)
	$ 89,722

4. CAPITAL ASSETS

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

	Balance 9/30/2021	Adjustments	Additions	Disposals	Balance 9/30/2022
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	$3,864,753	$ -	$ -	$ -	$ 3,864,753
Capital Assets Being Depreciated:					
Buildings	4,699,386	-	1,200,670	-	5,900,056
Equipment	7,704,112	(402,440)	580,268	(142,998)	7,738,942
Right to Use	-	771,027	-	-	771,027
Total Historical Cost	12,403,498	368,587	1,780,938	(142,998)	13,638,998
Less: Accumulated Depreciation					
Buildings and Improvements	2,580,234	-	110,983	-	2,691,217
Equipment	4,760,841	(160,960)	445,306	(142,998)	4,902,189
Right to Use	-	104,921	40,084	-	145,005
Total Acc. Depr.	7,341,075	(56,039)	596,373	(142,998)	7,738,411
Net Depreciable Assets	5,062,423	424,626	1,184,565	-	5,900,587
Governmental Activities Capital Assets - Net	$8,927,176	$ 424,626	$1,184,565	$ -	$ 9,765,340
Business-type Activities:					
Capital Assets Being Depreciated:					
Buildings	$ 157,594	$ -	$ -	$ -	$ 157,594
Equipment	771,387	-	515,722	(166,788)	1,120,321
Total Historical Cost	928,980	-	515,722	(166,788)	1,277,915
Less: Accumulated Depreciation					
Buildings	67,256	-	3,940	-	71,196
Equipment	630,422	-	82,569	(166,788)	546,203
Total Acc. Depr.	697,678	-	86,509	(166,788)	617,399
Net Depreciable Assets	231,302	-	429,213	-	660,516
Business-type Activities - Net	$ 231,302	$ -	$ 429,213	$ -	$ 660,516

4. CAPITAL ASSETS (continued)

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

Governmental Activities:	
General Government	$ 109,380
Public Protection	163,493
Health and Sanitation	104,174
Public Ways and Facilities	201,978
Culture and Recreation	17,348
	$ 596,373
Business-type Activities:	
Ambulance Services	$ 86,509

5. COMPENSATED ABSENCES

The County has established a formal method of recording accumulated unpaid vacation or sick pay as required by generally accepted accounting principles for the government-wide financial statements and proprietary funds in the fund financial statements. The cost of vacation and sick leave is recognized when payments are made to employees in the governmental funds on the fund financial statements.

	9/30/2021	Earned	Used	9/30/2022	Current
Governmental Activities	$ 193,970	$ 309,376	$ (314,910)	$ 188,436	$ 188,436

6. PENSION PLAN

Plan Description

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

6. PENSION PLAN (continued)

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for public safety. As of June 30, 2022, it was 7.16% for general employees and 9.13% for public safety. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. Gem County, Idaho's contributions were $621,963 the year ended September 30, 2022.

6. PENSION PLAN (continued)

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

At September 30, 2022, Gem County reported a liability (asset) for its proportionate share of the net pension liability (asset.) The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. Gem County, Idaho's proportion of the net pension liability (asset) was based on Gem County, Idaho's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022 Gem County, Idaho's proportion was 0.1292375 percent.

For the year ended September 30, 2022, Gem County, Idaho recognized pension expense/(revenue) of $1,289,148 . At September 30, 2022, Gem County, Idaho 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	$ 559,749	$ 22,720
Changes in assumptions or other inputs	829,880	-
Net difference between projected and actual earnings on pension plan investments	1,171,324	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions.	-	-
Gem County, Idaho's contributions subsequent to the measurement date	159,344	-
Total	$2,720,297	$ 22,720

$159,344 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2022.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2022, the beginning of the measurement period ended June 30, 2021, is 4.6 and 4.6 for the measurement period June 30, 2022.

6. PENSION PLAN (continued)

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

For the Year Ended September 30:	PERSI
2023	$ 766,303
2024	658,916
2025	304,748
2026	967,610

Actuarial Assumptions

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

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries – Male 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%

6. PENSION PLAN (continued)

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2022 is based on the results of an actuarial valuation date of July 1, 2022.

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2022.

Asset Class	
Fixed Income	30.0%
US/Global Equity	55.0%
International Equity	15.0%
Cash	0.0%
Total	100.0%

6. PENSION PLAN (continued)

Discount Rate

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

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$ 8,983,971	$ 5,090,351	$ 1,903,524

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.

7. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

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

7. OTHER POST-EMPLOYMENT BENEFITS (continued)

Benefits Provided

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

Contributions and Implicit Rate Subsidy

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

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

When a medical plan is self-insured through a third-party administrator or fully insured, a premium is usually determined by analyzing the claims of the entire population in that plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower. Therefore, the retirees' premiums are being subsidized by the active group. The difference between the expected claims for the retiree group and the blended premium is called the implicit rate subsidy. Accordingly, the County's implicit subsidy contributions were $10,878 for the year ended September 30, 2022.

7. OTHER POST-EMPLOYMENT BENEFITS (continued)

Net OPEB Liability of the County

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

Total OPEB Liability	$ 305,374
OPEB Plan Fiduciary Net Position	-
Net OPEB obligation - end of year	$ 305,374

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0%

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

For the year ended September 30, 2022, the County recognized OPEB revenue (expense) of $46,723. At September 30, 2022, the County reported deferred outflows of resources related to OPEB from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Gain	$ -	$ 22,709
Assumption Changes	15,055	-
Subsequent Employer Contributions	11,087	-
Total	$ 26,142	$ 22,709

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense(revenue) as follows:

For the Year Ended September 30:	PERSI
2023	$(21,151)
2024	(21,151)
2025	(21,152)
2026	(1,200)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of October 1, 2017 which was also the measurement date. The following actuarial assumptions applied to all periods included in the measurement:

7. OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial cost method	Entry age, level percentage of pay
Inflation	2.00%
Salary increases	3.00%
Medical trend rate	6.25% as of October 1, 2019 grading to 5.00% over 6 years
Mortality	RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel)

Discount Rate

The discount rate used to measure the total OPEB liability was 2.30%. Since the County's OPEB plan is not pre-funded, the discount rate is equal to the 20-Year Municipal Bond Yield of 2.30%.

Changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Beginning of Year	$ 287,785	$ -	$ 287,785
Changes for the Year			
Service Cost	25,242	-	25,242
Interest Cost	9,229	-	9,229
Assumption Changes	17,612	-	17,612
Difference Between Expected and Actual Experience	(23,616)	-	(23,616)
Benefit Payments	(10,878)	-	(10,878)
Net Change in Total OPEB liability	17,589	-	17,589
End of Year	$ 305,374	$ -	$ 305,374

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

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

	1 % Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
Net OPEB Liability	$ 333,877	$ 305,374	$ 278,729

7. OTHER POST-EMPLOYMENT BENEFITS (continued)

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

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

	1% Decrease (5.50% Decreasing to 4.00%)	Current Healthcare Cost Trend Rate (6.50% Decreasing to 5.00%)	1% Decrease (7.50% Decreasing to 6.00%)
Net OPEB Liability	$ 265,963	$ 305,374	$ 352,722

8. RISK MANAGEMENT

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

9. LONG-TERM OBLIGATIONS

The County has entered into several municipal lease-purchase agreements for road equipment.

Changes in long-term obligations for the year ended September 30, 2022, are as follows:

9. LONG-TERM OBLIGATIONS (continued)

	Maturity	Interest Rate	Beginning	Adjustment	Increase	Decrease	Ending	Current
2019 Western Star	2023	4.34%	$ 81,348	$ -	$ -	$ (39,810)	$ 41,538	$ 41,538
2012 John Deere 624K Loader	2024	4.71%	22,586	-	-	(7,185)	15,401	7,523
2012 John Deere 770G Motor Grad	2024	4.71%	72,607	-	-	(23,098)	49,509	24,185
2022 John Deere 672G Motor Grad	2029	2.75%	-	-	249,433	-	249,433	32,765
2015 John Deere 544K 4WD Loade	2024	4.15%	62,446	-	-	(19,975)	42,471	20,804
Sheriff Vehicle Leases	2024	4.71%	60,740	-	-	(27,032)	33,708	28,154
Sheriff Patrol Vehicle Lease	2025	4.15%	79,149	-	-	(13,340)	65,809	13,893
Sheriff Emergency Veh. Lease	2026	4.15%	43,376	-	-	(5,618)	37,758	6,950
2022 Ford F-150 (3)	2027	8.23%	-	-	157,500	(32,206)	125,294	21,896
2019 JD 77GP Motor Grader	2025	4.71%	-	255,035	-	(20,248)	234,787	21,202
2018 JC 772GXT Motor Grader	2023	4.71%	-	229,066	-	(12,994)	216,072	13,607
Total			$422,252	$484,101	$406,933	$ (201,506)	$1,111,780	$ 232,517

Debt service requirements on long-term debt at September 30, 2022, are as follows:

Year Ending September 30,	Governmental Activities Municipal Leases Principal	Interest
2023	$ 232,517	$ 50,812
2024	364,171	40,265
2025	296,634	23,201
2026	97,484	58,839
2027	44,748	3,481
2028	37,589	2,123
2029	38,638	1,076
	$ 1,111,780	$ 179,796

Interest expense for the year ending September 30, 2022 was $21,103. No interest was capitalized during the year.

10. DEFERRED COMPENSATION PLAN

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

10. DEFERRED COMPENSATION PLAN

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

The County has no liability for losses under the plan but it does have the obligation of due care in selecting the third-party administrator. For the year ended September 30, 2022, the County made no employer contributions to the plan.

Rent expenditures for the year ended September 30, 2022, was $153,006 .

11. OTHER COMMITMENTS

The County has credit cards with a credit limit of $35,000. As of September 30, 2022, $4,588 of the available credit was in use.

12. TAX ABATEMENTS

The County entered into a property tax abatement agreement with a local business under Idaho Code 63-602NN. Under the Idaho Code the County granted property tax abatement per resolution 2016-07. The local business was granted an abatement of 100% of its additional investment of $8,000,000 starting in 2016 for a total of five periods (2017 at 100%, 2018 at 75%, 2019 at 50%, and 2020 at 50%).

For the fiscal year ended September 30, 2022, the County abated property taxes totaling $20,479 for the County and $31,043 for other taxing districts for a total of $51,522.

13. PRIOR PERIOD ADJUSTMENT

During the year ended September 30, 2022, there were certain capital assets that were incorrectly reported on the prior year's Statement of Net Position. This caused Net Position to be understated. Due to accounting changes noted in Note 1 there was also an increase to long-term obligations. The changes to Net Position are as follows.

Net Position was restated as follows:

Statement of Net Position - Governmental Activities, As Previously Stated	$21,096,050
Increase in Net Position due to Understated Fixed Assets	267,127
Decrease in Net Position due to Understated Long-Term Obligations	(484,101)
Statement of Net Position - Governmental Activities , Restated	$20,879,076

14. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments (State of Idaho) consist of sales tax of $504,209.

15. TRANSFERS

Transfers between funds were as follows:

$ 50,500	From General Fund to Nonmajor fund to set aside for future projects
84,900	From General Fund to the Justice Fund to cover salary costs
10,000	From Road Fund to Nonmajor fund to set aside for future projects
8,600	From Justice Fund to Nonmajor funds to set aside for future projects
175,000	From Solid Waste to Nonmajor funds to set aside for future projects
5,954	From Nonmajor funds to other Nonmajor funds to set aside for future proj
102,250	From General Fund to Ambulance Fund to cover capital costs
3,200	From Nonmajor funds to the General Fund to cover capital costs
26,940	From Nonmajor funds to the Road Fund to cover capital costs
$467,344	

REQUIRED SUPPLEMENTARY INFORMATION

Gem County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ 1,879,352	$ 1,879,352	$ 1,904,134	$ 24,782
Intergovernmental	444,618	444,618	1,379,702	935,084
Charges for Services	327,950	327,950	882,483	554,533
Grants and Contributions	10,000	10,000	1,759,022	1,749,022
Interest Income	37,000	37,000	99,160	62,160
Other Revenue	43,250	43,250	107,899	64,649
Total Revenues	2,742,170	2,742,170	6,132,400	3,390,230
Expenditures				
Current:				
Salaries	1,580,891	1,617,641	1,618,765	(1,124)
Benefits	610,522	630,017	598,858	31,159
Operating Expenses	2,872,827	3,498,843	2,894,073	604,770
Capital Outlay	78,760	112,260	47,726	64,534
Total Expenditures	5,143,000	5,858,761	5,159,422	699,339
Excess (Deficiency) of Revenues Over Expenditures	(2,400,830)	(3,116,591)	972,978	4,089,569
Other Financing Sources (Uses)				
Transfer In	-	-	(81,700)	(81,700)
Transfer Out	(50,500)	(50,500)	(152,750)	(102,250)
Unrealized Gain(Loss)	-	-	(294,664)	(294,664)
Total Other Financing Sources (Uses)	(50,500)	(50,500)	(529,114)	(478,614)
Net Change in Fund Balances	(2,451,330)	(3,167,091)	443,864	3,610,955
Fund Balances - Beginning	2,451,330	3,167,091	5,431,030	2,263,939
Fund Balances - Ending	$ -	$ -	$ 5,874,894	$ 5,874,894

Gem County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
Solid Waste
For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ -	$ -	$ 689,925	$ 689,925
Intergovernmental				
Charges for Services	95,700	95,700	183,481	87,781
Grants and Contributions	-	-	-	-
Other Revenue	430,000	430,000	529	(429,471)
Total Revenues	525,700	525,700	873,935	348,235
Expenditures				
Current:				
Salaries	382,243	383,564	390,435	(6,871)
Benefits	148,634	148,634	139,951	8,683
Operating Expenses	258,800	258,800	241,606	17,194
Capital Outlay	21,200	21,200	234	20,966
Total Expenditures	810,877	812,198	772,226	39,972
Excess (Deficiency) of Revenues Over Expenditures	(285,177)	(286,498)	101,709	308,263
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(175,000)	(175,000)	(175,000)	-
Debt Proceeds	-	-	-	-
Sale of Assets	-	-	1,550	1,550
Total Other Financing Sources (Uses)	(175,000)	(175,000)	(173,450)	1,550
Net Change in Fund Balances	(460,177)	(461,498)	(71,741)	309,813
Fund Balances - Beginning	460,177	461,498	500,955	39,457
Fund Balances - Ending	$ -	$ -	$ 429,214	$ 349,270

Gem County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
Road and Bridge
For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ 659,765	$ 659,765	$ 606,288	$ (53,477)
Intergovernmental	1,429,526	1,429,526	3,059,385	1,629,859
Charges for Services	162,355	162,355	10,182	(152,173)
Grants and Contributions	100,000	100,000	1,209	(98,791)
Other Revenue	-	-	385	385
Total Revenues	2,351,646	2,351,646	3,677,449	1,325,803
Expenditures				
Current:				
Salaries	661,448	661,448	587,791	73,657
Benefits	307,227	307,227	264,929	42,298
Operating Expenses	842,500	842,500	754,408	88,092
Capital Outlay	1,872,355	1,872,355	1,059,030	813,325
Total Expenditures	3,683,530	3,683,530	2,666,158	1,017,372
Excess (Deficiency) of Revenues Over Expenditures	(1,331,884)	(1,331,884)	1,011,291	2,343,175
Other Financing Sources (Uses)				
Transfers In	150,000	150,000	26,940	(123,060)
Transfers Out	(10,000)	(10,000)	(10,000)	-
Debt Proceeds	-	-	249,433	249,433
Sale of Assets	-	-	23,989	23,989
Total Other Financing Sources (Uses)	140,000	140,000	290,362	150,362
Net Change in Fund Balances	(1,191,884)	(1,191,884)	1,301,653	2,493,537
Fund Balances - Beginning	1,191,884	1,191,884	2,285,142	1,093,258
Fund Balances - Ending	$ -	$ -	$ 3,586,795	$ 3,586,795

Gem County, Idaho
Budgetary (GAAP Basis) Comparison Schedule
Justice
For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ 1,935,793	$ 1,935,793	$ 1,959,412	$ 23,619
Intergovernmental	540,000	540,000	977,454	437,454
Charges for Services	406,320	406,320	496,240	89,920
Grants and Contributions	73,968	73,968	12,038	(61,930)
Other Revenue	66,100	66,100	97,868	31,768
Total Revenues	3,022,181	3,022,181	3,543,012	520,831
Expenditures				
Current:				
Salaries	2,254,243	2,259,243	2,231,651	27,592
Benefits	842,195	842,195	789,124	53,071
Operating Expenses	474,604	484,604	397,048	87,556
Capital Outlay	94,600	103,117	268,183	(165,066)
Total Expenditures	3,665,642	3,689,159	3,686,006	3,153
Excess (Deficiency) of Revenues Over Expenditures	(643,461)	(666,978)	(142,994)	523,984
Other Financing Sources (Uses)				
Transfers In	-	-	84,900	84,900
Transfers Out	(15,000)	(15,000)	(8,600)	6,400
Debt Proceeds	-	-	157,500	157,500
Sale of Assets	-	-	9,554	9,554
Total Other Financing Sources (Uses)	(15,000)	(15,000)	243,354	258,354
Net Change in Fund Balances	(658,461)	(681,978)	100,360	782,338
Fund Balances, Beginning	658,461	681,978	2,136,971	1,454,993
Fund Balances, Ending	$ -	$ -	$ 2,237,331	$ 2,237,331

1. BUDGETS AND BUDGETARY ACCOUNTING

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

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

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

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

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

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

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

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

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

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

Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Employee Payroll	County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.1292375%	$ 5,090,351	$ 5,173,944	98.38%	83.09%
2021	0.1315003%	(103,856)	4,857,284	-2.14%	100.36%
2020	0.1324668%	3,076,054	4,795,091	64.15%	88.22%
2019	0.1317582%	1,503,983	4,502,401	33.40%	93.79%
2018	0.1322335%	1,950,467	4,262,915	45.75%	91.69%
2017	0.1302199%	2,046,833	4,095,243	49.98%	90.68%
2016	0.1289738%	2,614,497	3,811,894	68.59%	87.26%
2015	0.1283078%	1,682,144	3,607,878	46.62%	91.38%

Data reported is measured as of June 30, 2022

Schedule of County Contributions

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	County's Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2022	$ 621,963	$ 621,963	-	$ 5,173,944	12.02%
2021	583,588	583,588	-	4,857,284	12.01%
2020	576,268	576,268	-	4,795,091	12.02%
2019	518,040	518,040	-	4,502,401	11.51%
2018	485,949	485,949	-	4,262,915	11.40%
2017	466,931	466,931	-	4,095,243	11.40%
2016	434,771	434,771	-	3,811,894	11.41%
2015	411,527	411,527	-	3,607,878	11.41%

Data reported is measured as of September 30, 2022

* 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 Gem County will present information for those years for which information is available.

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

Other Post-Employment Benefit Plan

Last 10 - Fiscal Years*

	2022	2021	2020	2019	2018
Fiscal Year					
Total OPEB Liability					
Service Cost	$ 25,242	$ 21,174	$ 20,508	$ 16,467	$ 15,987
Interest Cost	9,229	8,499	9,638	9,412	9,239
Assumption Changes	17,612	-	1,935	-	-
Difference between Expected and Actual	(23,616)	-	(7,636)	-	-
Benefit Payments	(10,878)	(7,984)	(26,191)	(20,762)	(20,806)
Net Change in Total OPEB Liability	17,589	21,689	(1,746)	5,117	4,420
Total OPEB Liability - Beginning	287,785	266,096	267,842	262,725	258,305
Total OPEB Liability - Ending (a)	$ 305,374	$ 287,785	$ 266,096	$ 267,842	$ 262,725
Plan Fiduciary Net Position - Beginning	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	-	-	-	-	-
County's Net OPEB Liability - Ending (a) - (b)	$ 305,374	$ 287,785	$ 266,096	$ 267,842	$ 262,725
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered Employee Payroll	$ 5,790,390	$ 5,292,402	$ 5,125,813	$ 4,522,863	$ 4,391,129
Net OPEB Liability as a Percentage of Covered Employee Payroll	5.3%	5.4%	5.2%	5.9%	6.0%

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

NOTES:

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

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

SUPPLEMENTAL INFORMATION

Gem County, Idaho
Supplemental Schedule of Revenues by Source
- Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2022

	Budget	Actual	Variance
Program Revenues			
Charges for Services	$ 327,950	$ 882,483	$ 554,533
Grants and Contributions	10,000	1,759,022	1,749,022
Total Program Revenues	337,950	2,641,505	2,303,555
General Revenues			
Property Taxes	1,879,352	1,904,134	24,782
Intergovernmental	444,618	1,379,702	935,084
Interest Income	37,000	99,160	62,160
Other Revenue	43,250	107,899	64,649
Total General Revenues	2,404,220	3,490,895	1,086,675
Transfers In	-	(81,700)	(81,700)
Total Revenue	$ 2,742,170	$ 6,050,700	$ 3,308,530

Gem County, Idaho
Supplemental Schedule of Expenditures by Object of Expenditure
- Budget (GAAP Basis) and Actual - General Fund
For the Year Ended September 30, 2022

	Budget	Actual	Variance
Clerk/Auditor			
Salaries	$ 464,711	$ 464,702	$ 9
Change in Accrued Payroll	-	21,827	(21,827)
Benefits	178,317	171,546	6,771
Other Expenses	13,500	11,535	1,965
Capital Outlay	4,000	2,337	1,663
	660,528	671,947	(11,419)
Assessor			
Salaries	336,461	297,187	39,274
Change in Accrued Payroll	-	8,580	(8,580)
Benefits	132,593	121,775	10,818
Other Expenses	74,500	52,040	22,460
Capital Outlay	7,500	6,909	591
	551,054	486,491	64,563
Treasurer/Tax Collector			
Salaries	127,099	126,139	960
Change in Accrued Payroll	-	3,523	(3,523)
Benefits	45,647	44,545	1,102
Other Expenses	26,300	6,211	20,089
Capital Outlay	2,000	1,849	151
	201,046	182,267	18,779
Commissioners			
Salaries	137,550	137,550	-
Benefits	51,440	50,569	871
Other Expenses	15,700	13,916	1,784
Capital Outlay	1,500	-	1,500
	206,190	202,035	4,155
Coroner			
Salaries	16,526	16,525	1
Benefits	10,861	11,151	(290)
Other Expenses	26,370	12,058	14,312
Capital Outlay	3,000	2,855	145
	56,757	42,589	14,168
Buildings and Grounds			
Salaries	66,922	63,268	3,654
Change in Accrued Payroll	-	2,921	(2,921)
Benefits	28,487	27,274	1,213
Other Expenses	138,150	114,252	23,898
Capital Outlay	44,500	11,198	33,302
	278,059	218,913	59,146

Gem County, Idaho
Supplemental Schedule of Expenditures by Object of Expenditure
- Budget (GAAP Basis) and Actual - General Fund
For the Year End September 30, 2022
(continued)

	Budget	Actual	Variance
Disaster Services			
Salaries	$ 32,263	$ 30,903	$ 1,360
Change in Accrued Payroll	-	1,764	(1,764)
Benefits	14,764	12,772	1,992
Other Expenses	34,523	32,127	2,396
Capital Outlay	1,000	987	13
	82,550	78,553	3,997
Extension Office			
Salaries	73,093	67,860	5,233
Change in Accrued Payroll	-	3,586	(3,586)
Benefits	31,008	29,318	1,690
Other Expenses	60,957	51,531	9,426
Capital Outlay	40,000	40,000	-
	205,058	192,295	12,763
Elections			
Salaries	3,500	1,078	2,422
Benefits	708	223	485
Other Expenses	51,400	42,181	9,219
Capital Outlay	6,000	-	6,000
	61,608	43,482	18,126
General			
Salaries	35,357	34,314	1,043
Change in Accrued Payroll	-	1,765	(1,765)
Benefits	15,284	14,809	475
Other Expenses	2,626,250	2,301,395	324,855
Capital Outlay	20,000	-	20,000
	2,696,891	2,352,283	344,608
IT			
Salaries	57,788	57,500	288
Change in Accrued Payroll	-	2,301	(2,301)
Benefits	20,045	19,286	759
Other Expenses	220,737	199,571	21,166
Capital Outlay	25,000	21,866	3,134
	323,570	300,524	23,046
Development Services			
Salaries	260,717	247,536	13,181
Change in Accrued Payroll	-	12,309	(12,309)
Benefits	101,463	96,902	4,561
Other Expenses	159,170	124,882	34,288
Capital Outlay	2,000	1,731	269
	523,350	483,360	39,990
Veterans Services			
Other Expenses	3,000	1,163	1,837
	3,000	1,163	1,837
City-County Planning			
Other Expenses	59,600	56,270	3,330
	59,600	56,270	3,330
Total General Government	$ 5,909,261	$ 5,312,172	$ 597,089

Gem County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2022

	Project Grant	Cigarette Tax/Block Grant	District Court	Fair, County	Fair, Grounds and Buildings
Assets					
Cash and Cash Equivalents	$ 15,062	$ 66,267	$ 317,645	$ 23,880	$ 136,188
Receivables, Net:					
Taxes	-	-	5,506	2,032	3,244
Inventory	-	-	-	-	-
Total Assets	$ 15,062	$ 66,267	$ 323,151	$ 25,912	$ 139,432
Liabilities					
Warrants Payable	$ 138	$ 1,588	$ 39,868	$ -	$ 11,775
Salaries and Benefits Payable	-	2,614	40,690	-	9,252
Total Liabilities	138	4,202	80,558	-	21,027
Deferred Inflows					
Unearned Revenue - Property Taxes	-	-	4,958	1,835	2,930
Total Deferred Inflows	-	-	4,958	1,835	2,930
Fund Balances					
Restricted	14,924	62,065	237,635	24,077	115,475
Total Fund Balances	14,924	62,065	237,635	24,077	115,475
Total Liabilities, Deferred Inflows, and Fund Balances	$ 15,062	$ 66,267	$ 323,151	$ 25,912	$ 139,432

Gem County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2022
(continued)

	Parks and Recreation	Health District	Consolidated Elections	Indigent	Junior College Tuition
Assets					
Cash and Cash Equivalents	$ 67,207	$ 37,179	$ 91,146	$ 679,341	$ 133,321
Receivables, Net:					
Taxes	1,672	922	-	12,723	-
Inventory	-	-	-	-	-
Total Assets	$ 68,879	$ 38,101	$ 91,146	$ 692,064	$ 133,321
Liabilities					
Warrants Payable	$ 6,167	$ -	$ 117	$ 68,355	$ 4,800
Salaries and Benefits Payable	5,553	-	5,061	5,858	-
Total Liabilities	11,720	-	5,178	74,213	4,800
Deferred Inflows					
Unearned Revenue - Property Taxes	1,512	836	-	11,502	-
Total Deferred Inflows	1,512	836	-	11,502	-
Fund Balances					
Restricted	55,647	37,265	85,968	606,349	128,521
Total Fund Balances	55,647	37,265	85,968	606,349	128,521
Total Liabilities Deferred Inflows, and Fund Balances	$ 68,879	$ 38,101	$ 91,146	$ 692,064	$ 133,321

Gem County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2022
(continued)

	Enhanced 911	Revaluation	Tort	Weed Control	Snowmobile
Assets					
Cash and Cash Equivalents	$ 628,541	$ 197,457	$ 286,576	$ 168,509	$ 22,021
Receivables, Net:					
Taxes	-	7,868	6,605	4,703	-
Inventory	-	-	-	31,291	-
Total Assets	$ 628,541	$ 205,325	$ 293,181	$ 204,503	$ 22,021
Liabilities					
Warrants Payable	$ 2,809	$ 4,849	$ -	$ 4,713	$ -
Salaries and Benefits Payable	-	21,434	-	20,479	-
Total Liabilities	2,809	26,283	-	25,192	-
Deferred Inflows					
Unearned Revenue - Property Taxes	-	7,106	5,964	4,250	-
Total Deferred Inflows	-	7,106	5,964	4,250	-
Fund Balances					
Restricted	625,732	171,936	287,217	175,061	22,021
Total Fund Balances	625,732	171,936	287,217	175,061	22,021
Total Liabilities, Deferred Inflows, and Fund Balances	$ 628,541	$ 205,325	$ 293,181	$ 204,503	$ 22,021

Gem County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2022
(continued)

	Waterways	Drug Court	Disaster/ Emergency	Building Construction Fund	Bond Retirement
Assets					
Cash and Cash Equivalents	$ 50,248	$ 70,737	$ -	$ -	$ -
Receivables, Net:					
Taxes	-	-	-	-	-
Inventory	-	-	-	-	-
Total Assets	$ 50,248	$ 70,737	$ -	$ -	$ -
Liabilities					
Warrants Payable	$ 476	$ 8,515	$ -	$ -	$ -
Salaries and Benefits Payable	6,777	825	-	-	-
Total Liabilities	7,253	9,340	-	-	-
Deferred Inflows					
Unearned Revenue - Property Taxes	-	-	-	-	-
Total Deferred Inflows	-	-	-	-	-
Fund Balance					
Restricted:	42,995	61,397	-	-	-
Total Fund Balances	42,995	61,397	-	-	-
Total Liabilities, Deferred Inflows, and Fund Balances	$ 50,248	$ 70,737	$ -	$ -	$ -

Gem County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2022
(continued)

	Impact Fees - Road	Impact Fees - Sheriff	Impact Fees - EMS	Impact Fees - Fire1	Impact Fees - Mid Fire	Property Tax Litigation
Assets						
Cash and Cash Equivalents	$ 218,350	$ 18,561	$ 26,869	$ -	$ -	$ -
Receivables, Net:						
Taxes	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total Assets	$ 218,350	$ 18,561	$ 26,869	$ -	$ -	$ -
Liabilities						
Warrants Payable	$ -	$ -	$ -	$ -	$ -	$ -
Salaries and Benefits Payable	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-
Deferred Inflows						
Unearned Revenue - Property Taxes	-	-	-	-	-	-
Total Deferred Inflows	-	-	-	-	-	-
Fund Balance						
Restricted:	218,350	18,561	26,869	-	-	-
Total Fund Balances	218,350	18,561	26,869	-	-	-
Total Liabilities, Deferred Inflows, and Fund Balances	$ 218,350	$ 18,561	$ 26,869	$ -	$ -	$ -

Gem County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2022
(continued)

	Miscellaneous Revenues	Motor Vehicle Building	Court Facilities	Development Fees
Assets				
Cash and Cash Equivalents	$ 16,609	$ 185,872	$ 94,774	$ 599,319
Receivables, Net:				
Taxes	-	-	-	-
Inventory	-	-	-	-
Total Assets	$ 16,609	$ 185,872	$ 94,774	$ 599,319
Liabilities				
Warrants Payable	$ 1,628	$ -	$ -	$ -
Salaries and Benefits Payable	-	-	-	-
Total Liabilities	1,628	-	-	-
Deferred Inflows				
Unearned Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balance				
Restricted:	14,981	185,872	94,774	599,319
Total Fund Balances	14,981	185,872	94,774	599,319
Total Liabilities, Deferred Inflows, and Fund Balances	$ 16,609	$ 185,872	$ 94,774	$ 599,319

Gem County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2022
(continued)

	Vehicle Depreciation	Equipment Depreciation	Project Depreciation	Total
Assets				
Cash and Cash Equivalents	$ 551,246	$ 217,605	$ 71,000	$ 4,991,530
Receivables, Net:				
Taxes	-	-	-	45,275
Inventory	-	-	-	31,291
Total Assets	$ 551,246	$ 217,605	$ 71,000	$ 5,068,096
Liabilities				
Warrants Payable	$ -	$ -	$ -	$ 155,798
Salaries and Benefits Payable	-	-	-	118,543
Total Liabilities	-	-	-	274,341
Deferred Inflows				
Unearned Revenue - Property Taxes	-	-	-	40,893
Total Deferred Inflows	-	-	-	40,893
Fund Balance				
Restricted:	551,246	217,605	71,000	4,752,862
Total Fund Balances	551,246	217,605	71,000	4,752,862
Total Liabilities, Deferred Inflows, and Fund Balances	$ 551,246	$ 217,605	$ 71,000	$ 5,068,096

Gem County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2022

	Project Grant	Cigarette Tax/Block Grant	District Court	Fair, County	Fair, Grounds and Buildings
Revenues					
Property Taxes	$ -	$ -	$ 184,745	$ 75,446	$ 119,861
Intergovernmental	-	42,611	53,255	-	-
Charges for Services	-	-	-	-	29,163
Grants and Contributions	14,353	35,936	-	-	-
Other Revenue	-	95	24,841	-	906
Total Revenues	14,353	78,642	262,841	75,446	149,930
Expenditures					
Current:					
Salaries	-	28,507	176,837	-	72,200
Benefits	-	21,593	57,794	-	28,922
Operating Expenses	1,771	19,564	157,559	74,581	13,233
Capital Outlay	-	-	6,733	-	8,639
Total Expenditures	1,771	69,664	398,923	74,581	122,994
Excess (Deficiency) of Revenues Over Expenditures	12,582	8,978	(136,082)	865	26,936
Other Financing Sources (Uses)					
Transfers In	-	-	5,954	-	-
Transfers (Out)	-	-	-	-	(10,000)
Sale of Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	5,954	-	(10,000)
Net Change in Fund Balances	12,582	8,978	(130,128)	865	16,936
Fund Balances, Beginning	2,342	53,087	367,763	23,212	98,539
Fund Balances, Ending	$ 14,924	$ 62,065	$ 237,635	$ 24,077	$ 115,475

Gem County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2022
(continued)

	Parks and Recreation	Health District	Consolidated Elections	Indigent	Junior College Tuition
Revenues					
Property Taxes	$ 56,842	$ 2,901	$ -	$ 411,263	$ 1,024
Intergovernmental	-	-	80,640	113,801	-
Charges for Services	-	-	25,288	-	-
Grants and Contributions	20,000	-	-	50,984	-
Other Revenue	-	-	-	(21,000)	200
Total Revenues	76,842	2,901	105,928	555,048	1,224
Expenditures					
Current:					
Salaries	41,567	-	42,045	44,161	-
Benefits	16,179	-	15,566	16,176	-
Operating Expenses	39,530	-	39,221	382,574	13,400
Capital Outlay	-	-	2,337	-	-
Total Expenditures	97,276	-	99,169	442,911	13,400
Excess (Deficiency) of Revenues Over Expenditures	(20,434)	2,901	6,759	112,137	(12,176)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers (Out)	(3,000)	-	-	-	-
Sale of Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	(3,000)	-	-	-	-
Net Change in Fund Balances	(23,434)	2,901	6,759	112,137	(12,176)
Fund Balances, Beginning	79,081	34,364	79,209	494,212	140,697
Fund Balances, Ending	$ 55,647	$ 37,265	$ 85,968	$ 606,349	$ 128,521

Gem County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2022
(continued)

	Enhanced 911	Revaluation	Tort	Weed Control	Snowmobile
Revenues					
Property Taxes	$ -	$ 299,515	$ 243,599	$ 144,888	$ -
Intergovernmental	225,384	-	-	-	2,902
Charges for Services	-	-	-	27,305	-
Grants and Contributions	-	-	-	-	-
Other Revenue	-	-	16,391	-	-
Total Revenues	225,384	299,515	259,990	172,193	2,902
Expenditures					
Current:					
Salaries	-	161,433	-	112,553	-
Benefits	-	73,168	-	61,281	-
Operating Expenses	135,248	22,411	200,398	56,556	1,823
Capital Outlay	85,916	4,948	-	-	-
Total Expenditures	221,164	261,960	200,398	230,390	1,823
Excess (Deficiency) of Revenues Over Expenditures	4,220	37,555	59,592	(58,197)	1,079
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers (Out)	-	(2,500)	-	-	-
Sale of Assets	-	-	-	7,348	-
Total Other Financing Sources (Uses)	-	(2,500)	-	7,348	-
Net Change in Fund Balances	4,220	35,055	59,592	(50,849)	1,079
Fund Balances, Beginning	621,512	136,881	227,625	225,910	20,942
Fund Balances, Ending	$ 625,732	$ 171,936	$ 287,217	$ 175,061	$ 22,021

Gem County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2022
(continued)

	Waterways	Drug Court	Disaster/ Emergency	Building Construction Fund	Bond Retirement
Revenues					
Property Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	27,373	35,516	-	-	-
Charges for Services	-	-	-	-	-
Grants and Contributions	55,411	-	-	-	-
Other Revenue	-	3,934	-	-	-
Total Revenues	82,784	39,450	-	-	-
Expenditures					
Current:					
Salaries	25,071	8,199	-	-	-
Benefits	4,094	650	-	-	-
Operating Expenses	61,048	24,408	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	90,213	33,257	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	(7,429)	6,193	-	-	-
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers (Out)	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(7,429)	6,193	-	-	-
Fund Balances, Beginning	50,424	55,204	-	-	-
Fund Balances, Ending	$ 42,995	$ 61,397	$ -	$ -	$ -

Gem County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2022
(continued)

	Impact Fees - Road	Impact Fees - Sherriff	Impact Fees - EMS	Impact Fees - Fire1	Impact Fees - Mid Fire	Property Tax Litigation
Revenues						
Property Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-
Charges for Services	218,350	18,561	26,869	-	-	-
Grants and Contributions	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-
Total Revenues	218,350	18,561	26,869	-	-	-
Expenditures						
Current:						
Salaries	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	218,350	18,561	26,869	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers (Out)	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	218,350	18,561	26,869	-	-	-
Fund Balances, Beginning	-	-	-	-	-	-
Fund Balances, Ending	$ 218,350	$ 18,561	$ 26,869	$ -	$ -	$ -

Gem County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2022
(continued)

	Miscellaneous Revenues	Motor Vehicle Building	Court Facilities	Development Fees
Revenues				
Property Taxes	$ -	$ -	$ -	$ -
Intergovernmental	1,913	-	-	-
Charges for Services	-	-	-	183,839
Grants and Contributions	-	-	-	-
Other Revenue	15,452	-	6,862	-
Total Revenues	17,365	-	6,862	183,839
Expenditures				
Current:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Operating Expenses	7,136	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	7,136	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	10,229	-	6,862	183,839
Other Financing Sources (Uses)				
Transfers In	-	(3,200)	(5,954)	(26,940)
Transfers (Out)	-	-	-	-
Sale of Assets	-	-	-	-
Total Other Financing Sources (Uses)	-	(3,200)	(5,954)	(26,940)
Net Change in Fund Balances	10,229	(3,200)	908	156,899
Fund Balances, Beginning	4,752	189,072	93,866	442,420
Fund Balances, Ending	$ 14,981	$ 185,872	$ 94,774	$ 599,319

Gem County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2022
(continued)

	Vehicle Depreciation	Equipment Depreciation	Project Depreciation	Total
Revenues				
Property Taxes	$ -	$ -	$ -	$ 1,540,084
Intergovernmental	-	-	-	583,395
Charges for Services	-	-	-	529,375
Grants and Contributions	-	-	-	176,684
Other Revenue	-	-	-	47,681
Total Revenues	-	-	-	2,877,219
Expenditures				
Current:				
Salaries	-	-	-	712,573
Benefits	-	-	-	295,423
Operating Expenses	-	-	-	1,250,461
Capital Outlay	-	-	-	108,573
Total Expenditures	-	-	-	2,367,030
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	510,189
Other Financing Sources (Uses)				
Transfers In	200,500	59,100	-	229,460
Transfers (Out)	-	-	-	(15,500)
Sale of Assets	-	-	-	7,348
Total Other Financing Sources (Uses)	200,500	59,100	-	221,308
Net Change in Fund Balances	200,500	59,100	-	731,497
Fund Balances, Beginning	350,746	158,505	71,000	4,021,365
Fund Balances, Ending	$ 551,246	$ 217,605	$ 71,000	$ 4,752,862

Gem County, Idaho
Combining Statement of Fiduciary Net Position - Custodial Funds
September 30, 2022

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Assets			
Cash and Investments	$ 626,963	$ 32,744	$ 659,707
Property Taxes Receivable	-	150,569	150,569
Total Assets	626,963	183,313	810,276
Liabilities			
Warrants and Accounts Payable	322,538	18,922	341,460
Total Liabilities	322,538	18,922	341,460
Net Position			
Restricted for:			
Individuals, Organizations, or Other Governments	304,425	164,391	468,816
Total Net Position	$ 304,425	$ 164,391	$ 468,816

Gem County, Idaho
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended September 30, 2022

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Additions:			
Fees collected for other governments	$ 6,202,660	$ -	$ 6,202,660
Property taxes collected for other governments	-	5,230,930	5,230,930
Total Additions	6,202,660	5,230,930	11,433,590
Deductions:			
Fees distributed to other governments	6,196,656	-	6,196,656
Taxes distributed to other governments	-	5,258,028	5,258,028
Total Deductions	6,196,656	5,258,028	11,454,684
Change in Net Position	6,004	(27,098)	(21,094)
Net Position - Beginning	298,421	191,489	489,910
Net Position - Ending	$ 304,425	$ 164,391	$ 468,816

FEDERAL REPORTS

Gem County, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

Program Title	Assistance Listing Number	Flow through Number	Program Expenditures
U.S. Department of the Interior			
Direct			
Payment in Lieu of Taxes	15.226		348,059
Secure Rural Schools and Community Self-Determination	15.234		52,519
Total U.S. Department of Housing and Urban Development			400,578
U.S. Department of Justice			
Passed through Idaho State Police			
Support for Adam Walsh Act Implementation Grant Program	16.750	2019-AW-BX-0007	294
Total U.S. Department of Justice			294
U.S. Department of Transportation			
Passed through Idaho Transportation Department			
Highway Safety Cluster			
State and Community Highway Safety	20.600	0260	1,228
National Priority Safety Program	20.616	0260	3,760
Total Highway Planning and Construction Cluster			4,988
Total U.S. Department of Transportation			4,988
U.S. Department of Treasury			
Direct			
Coronavirus State and Local Fiscal Recovery Funds	21.027		2,202,517
Total U.S. Department of Treasury			2,202,517
U.S. Election Assistance Commission			
Passed through Idaho Secretary of State			
HAVA Election Security Grants	90.404	ID20101001-01	25,288
Total U.S. Election Assistance Commission			25,288
U.S. Department of Homeland Security			
Passed through State Department of Parks and Recreation			
Boating Safety Financial Assistance	97.012	14.01.16	55,411
Passed through State Department of Military Division			
Emergency Management Performance	97.042	EMS2019EP000002	33,090
Homeland Security Grant Program	97.067	EMW2020SS00070	14,389
Total U.S. Department of Homeland Security			102,890
Total Federal Financial Assistance			$ 2,736,555

Note: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

Gem County, Idaho
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

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1. BASIS OF PRESENTATION

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. INDIRECT COST RATE

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

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

Board of Commissioners
Gem County
Emmett, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Gem County, Idaho, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Gem County, Idaho's basic financial statements, and have issued our report thereon dated March 24, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Gem County, Idaho's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Gem County, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of Gem 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Zwygart John and Associates, PLLC

Nampa, Idaho
March 24, 2023

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Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Commissioners
Gem County
Emmett, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Gem 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 Gem County Idaho's major federal programs for the year ended September 30, 2022. Gem 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, Gem County, Idaho complied, in all material respects, with the 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Gem 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 Gem 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 Gem 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 Gem County Idaho's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Gem County Idaho's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Gem 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 Gem 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 Gem 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. [5]

Zwygart John and Associates, PLLC

Nampa, Idaho
March 24, 2023

Gem County, Idaho
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: Unmodified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

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

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

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

Identification of major programs:

Assistance Listing Number	Name of Federal Program
21.027	American Rescue Plan Act

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

Auditee qualified as low risk auditee?	☐ yes	☑ no

Gem County, Idaho
Schedule of Findings and Questioned Costs
(continued)
For the Year Ended September 30, 2022

Section II - Financial Statement Findings

None reported.

Section III - Findings and Questioned Costs for Federal Awards

None reported.