# LATAH COUNTY, IDAHO

Moscow, Idaho

Audited Financial Statements
For the Year Ended
September 30, 2022

# LATAH COUNTY, IDAHO
**Moscow, Idaho**

## TABLE OF CONTENTS


**PAGE**

**FINANCIAL SECTION**

**Independent Auditor's Report** ..... **1-4**

Management's Discussion and Analysis ..... **5-11**

**FINANCIAL STATEMENTS**

Government-Wide Financial Statements:

Statement of Net Position ..... **12**

Statement of Activities ..... **13**

Fund Financial Statements:

Governmental Funds – Balance Sheet ..... **14**

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities ..... **15**

Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances ..... **16**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities ..... **17**

Solid Waste Fund – Statement of Net Position ..... **18**

Solid Waste Fund – Statement of Revenues, Expenses and Changes in Net Position ..... **19**

Solid Waste Fund – Statement of Cash Flows ..... **20**

Fiduciary Funds – Statement of Fiduciary Net Position ..... **21**

Fiduciary Funds – Statement of Changes in Fiduciary Net Position ..... **22**

Notes to the Financial Statements ..... **23-40**

**PAGE**

**REQUIRED SUPPLEMENTARY INFORMATION**


Current Expense Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual ..... **41**

Justice Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual ..... **42**

Social Services Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual ..... **43**

ARPA Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual ..... **44**

Net Pension (Asset) Liability Related Schedules ..... **45**


**SUPPLEMENTARY INFORMATION**


Nonmajor Special Revenue Funds – Combining Balance Sheet ..... **46-50**

Nonmajor Special Revenue Funds – Combining Schedule of Revenues, Expenditures and Changes in Fund Balances ..... **51-55**

Nonmajor Special Revenue Funds – Supplemental Schedule of Revenues and Expenditures – Budget and Actual ..... **56**


**SINGLE AUDIT SECTION**


Schedule of Expenditures of Federal Awards ..... **57**

Notes to Schedule of Expenditures of Federal Awards ..... **58**

**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*** ..... **59-60**

**Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance** ..... **61-63**

Schedule of Findings and Questioned Costs ..... **64-65**

# FINANCIAL SECTION

HAYDEN ROSS

# INDEPENDENT AUDITOR'S REPORT

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

**Report on the Audit of the Financial Statements**

***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Latah County, Idaho as of September 30, 2022, and the respective changes in financial position 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 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 Latah 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 Latah County, Idaho's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Latah 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 Latah County, Idaho's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 11, the budgetary comparison on pages 41 through 44, and the net pension (asset) liability related schedules on page 45 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards,* we have also issued our report dated March 31, 2023 on our consideration of Latah County, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Latah 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 Standard* in considering Latah County, Idaho's internal control over financial reporting and compliance.

*Hayden Ross, PLLC*

Moscow, Idaho
March 31, 2023

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

As management of Latah County, Idaho, our discussion and analysis of Latah County, Idaho's financial performance provides an overview and analysis of the financial activities for the fiscal year ending September 30, 2022. We encourage readers to consider the information presented in conjunction with additional information accompanied in the Notes to Financial Statements, which is included in this audit report. Comparative analysis will be done on key elements of the County's governmental and enterprise funds.

**Overview of Financial Statements**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Government-wide Financial Analysis

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

**Table 1. Latah County, Idaho's Statement of Net Position for 2022 compared to 2021:** For the fiscal year ended September 30, 2022, the net position of the County as a whole increased by $957,792.

| | 2022 | 2021 | Change | Change % |
|---|---|---|---|---|
| **Assets** | | | | |
| Current and other assets | 31,043,297 | 27,424,068 | 3,619,229 | 13% |
| Capital assets, net | 6,001,436 | 4,778,580 | 1,222,856 | 26% |
| Noncurrent assets | - | 197,133 | (197,133) | 100% |
| **Total assets** | 37,044,733 | 32,399,781 | 4,644,952 | 14% |
| **Deferred outflows of resources** | 5,135,802 | 2,858,577 | 2,277,225 | 80% |
| **Liabilities** | | | | |
| Current liabilities | 1,093,953 | 888,828 | 205,125 | 23% |
| Non-current liabilities | 10,379,288 | 627,052 | 9,752,236 | 1555% |
| **Total liabilities** | 11,473,241 | 1,515,880 | 9,957,361 | 657% |
| **Deferred inflows of resources** | 17,621,675 | 21,614,651 | (3,992,976) | -18% |
| **Net Position** | | | | |
| Net investment in capital assets | 5,905,269 | 4,778,580 | 1,126,689 | 24% |
| Restricted | 7,769,523 | 6,237,880 | 1,531,643 | 25% |
| Unrestricted | (589,173) | 1,111,367 | (1,700,540) | 153% |
| **Total Net Position** | $ 13,085,619 | $ 12,127,827 | $ 957,792 | 8% |

Latah County, Idaho's assets and deferred outflows of resources exceed its liabilities and deferred inflows of resources at the close of FY22 by $13,085,619 (net position). As mentioned earlier, Net Position over time may serve as a useful indicator of Latah County, Idaho's financial position. The amount of net position shown as Net Investment in Capital Assets (45% of net position) are capital assets used to maintain and improve the County's operations. These assets are not available for future spending but with a positive change in net investments the County is experiencing positive growth. Additionally, the County's net position includes resources that are subject to restrictions on how they can be used. The remaining balance is considered unrestricted and may be used to meet the County's obligations to citizens.

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

**Table 2. Latah County, Idaho's Statement of Activities for 2022 compared to 2021:** Revenues for the County's activities increased by $2,970,816 and expenses increased by $5,023,875.

| Revenues | 2022 | 2021 | Change | % Change |
|---|---|---|---|---|
| **Program Revenues:** | | | | |
| Charges for Services | 3,058,935 | 3,070,604 | (11,669) | 0% |
| Operating Grants & Contributions | 2,684,023 | 948,598 | 1,735,425 | 183% |
| Capital Grants & Contributions | 299,999 | - | 299,999 | 100% |
| Taxes | 11,561,364 | 10,987,135 | 574,229 | 5% |
| Intergovernmental | 4,578,128 | 4,363,180 | 214,948 | 5% |
| Licenses & Permits | 663,496 | 584,133 | 79,363 | 14% |
| Interest & Investment Earnings | 75,401 | 35,511 | 39,890 | 112% |
| Miscellaneous | 558,502 | 519,871 | 38,631 | 7% |
| **Total Revenues** | 23,479,848 | 20,509,032 | 2,970,816 | 14% |
| | | | | |
| **Expenses** | | | | |
| **Program Expenses:** | | | | |
| **Governmental Activities:** | | | | |
| General Government | 6,774,552 | 4,807,517 | 1,967,035 | 41% |
| Public Safety | 10,619,773 | 8,476,440 | 2,143,333 | 25% |
| Culture & Education | 399,627 | 334,857 | 64,770 | 19% |
| Health & Welfare | 1,042,991 | 966,065 | 76,926 | 8% |
| Agriculture | 900,109 | 648,719 | 251,390 | 39% |
| Education | 14,750 | 16,450 | (1,700) | -10% |
| Planning & Building | 702,958 | 492,713 | 210,245 | 43% |
| Debt service | 590 | - | 590 | 100% |
| Capital Outlay | 281,976 | 68,734 | 213,242 | 310% |
| Amortization expense | 26,916 | - | 26,916 | 100% |
| **Business-type Activities:** | | | | |
| Solid Waste Collections | 1,757,814 | 1,686,686 | 71,128 | 4% |
| **Total Expenses** | 22,522,056 | 17,498,181 | 5,023,875 | 29% |
| | | | | |
| **Change in net position** | 957,792 | 3,010,851 | (2,053,059) | -68% |
| **Net position - beginning** | 12,127,827 | 9,116,976 | 3,010,851 | 33% |
| **Net position - ending** | $ 13,085,619 | $ 12,127,827 | $ 957,792 | 8% |

**Governmental Activities:** Property taxes and Intergovernmental revenues were the largest sources of general revenue, making up 53% and 21% of total governmental revenues, respectively. Charges for services was another significant revenue at 5% of all County revenues.

The largest program expense is public safety which accounted for $10,619,773 of the $20,764,242 or 51% of total expenses for governmental activities. The main component of the expenses under this function are related to salaries, benefits, and operations. The next largest function of expenses was general government, accounting for $6,774,552 and representing 33% of total governmental expenses.

**Business-Type Activities:** The largest revenue source for business-type activities was Charges for Services which accounted for $1,859,940 of the total revenue, which was an increase of $53,445 or 3% from last year.

Solid Waste expense of $1,757,814 includes salaries, benefits, office expenses and solid waste collection contracts.

**Capital Assets:** Latah County, Idaho's net capital assets for its governmental activities as of September 30, 2022, amounts to $6,001,436 (net of depreciation/amortization) increased by $1,222,856 or 26%. This investment in capital assets includes buildings and grounds, improvements, machinery and equipment, and vehicles (see Table below).

| Capital Assets | 2022 | 2021 | Change | % Change |
|---|---|---|---|---|
| Land | 890,577 | 890,577 | - | 0% |
| Construction in Progress | 219,570 | - | 219,570 | 100% |
| Building & Grounds | 2,507,491 | 2,521,593 | (14,102) | -1% |
| Equipment | 1,921,555 | 1,031,105 | 890,450 | 86% |
| Vehicles | 365,004 | 335,305 | 29,699 | 9% |
| Right-of-use assets | 97,239 | - | 97,239 | 100% |
| Total Net Capital Assets | $ 6,001,436 | $ 4,778,580 | $ 1,222,856 | 26% |

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

- Sheriff mobile radio upgrades, image plotter printer, Sheriff operations system upgrade to Spillman
- Four Sheriff vehicles
- Courthouse Generator Rewire
- Caterpillar 236D3
- ITS is working on a camera refresh project for security cameras and server upgrades at the courthouse.
- Building improvements included Auditor's vault remodel, Sheriff HVAC, Parks and Rec HVAC upgrade, Fairgrounds RV expansion, and a down payment on Blaine St. building.

**Long Term Debt:** The County has no outstanding bonds. All lease agreements have a clause that if there are no available funds in the budget, lease will be terminated.

When an employee leaves employment, any accrued vacation hours are paid, any accrued comp time hours are paid, and any unused sick time is forfeited. In addition, if an employee is in retirement status, 50% of vacation and 25% of sick leave is paid to an HRA/VEBA. The estimated amount of payments for accrued vacation and comp time are recorded as accrued compensated absences in the statement of net position.

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

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

Current Expense Fund – Budget to actual differences within expenditures was slightly lower than FY2021, as 92% of our expected expenditures were used as anticipated. The revenues on the

other hand were slightly higher than predicted due to an increase in Licenses and permits and Miscellaneous.

Justice Fund –Budget to actual amounts in the Justice Fund, were slightly lower this year with 92% of expenditures used as predicted. Revenues were slightly lower than budgeted amounts due to a decrease in Charges for Services and Interest income.

Social Services Fund – Only 83% of the budget was used due to the difficulty of knowing how many indigent cases the County will experience within the year. Also in 2022, the legislature passed a bill that ended the indigent program and fund. This went into effect on 3/31/2022. Revenue received was lower than budgeted due to the requirement of all indigent reimbursements be deposited into the current expense fund after 4/1/2022. This also could have been due to inflation and the inability of people to pay their debts.

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

**Local Economy:** Latah County, Idaho's largest industries that provide quality jobs include Government, Accommodation and Food Services, Educational Services, Health Care & Social Assistance and Retail. Highest paying industries jobs include Utilities, Public Administration, Agriculture, Forestry, Fishing, Hunting and Mining. The largest employers include the University of Idaho, who employs over 2,500 full-time and part-time faculty and staff. Gritman Medical Center is a private, nonprofit Critical Access Hospital and has over 500 employees. The City of Moscow supports local farmers, artisans and musicians with the Moscow Farmers Market that generates more than $4 million in revenue.

**Population:** The population in Latah County, Idaho for 2021 was estimated to be 40,313 and increased in 2022 to 41,600. Population is expected to increase by 1% between 2022 and 2027. Growth is primarily occurring in Moscow but areas like Deary, Troy, Potlatch and Genesee have had significant increases. The population ebbs and flows during the year due to the student population at the University of Idaho.

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

**Human Resources:** Latah County, Idaho's medical premiums increased by 0.7% over FY2021 and the County increased wages across the board by 3%. The County has continued its efforts to promote wellness and healthy lifestyles with the County's Wellness Program and incentives.

**Risk Management & Liability Insurance:** Latah County, Idaho pays premiums to the Idaho Counties Risk Management Program to help the County with risk management loss control activities. These funds paid to ICRMP are collected from the Tort property tax levy which is allowed by Idaho Code. Workers Compensation Insurance losses were significantly lower this

year compared to previous years. Latah County Risk Management is focusing efforts to reduce the risk and losses in this area for the future.

**Planning:** In 2022, Latah County, Idaho approved 478 building permits within the County. This is an increase of 100 building permits over 2021. New addresses came in at 140 versus 95 the previous year and zoning permits have decreased from 183 in 2021 to 115 in 2022. Most of the growth in Latah County, Idaho has been due to residential construction.

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

# FINANCIAL STATEMENTS

## STATEMENT OF NET POSITION
September 30, 2022

| | PRIMARY GOVERNMENT | | |
|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total |
| **ASSETS** | | | |
| Current assets: | | | |
| Cash and investments | 16,141,893 | 1,025,974 | 17,167,867 |
| Receivables: | | | |
| Taxes | 222,842 | - | 222,842 |
| Unbilled taxes | 12,000,259 | - | 12,000,259 |
| Accounts | 55,632 | 129,400 | 185,032 |
| Prepaid items | 165,366 | 1,152 | 166,518 |
| Due from other governments | 1,245,273 | 55,506 | 1,300,779 |
| Total current assets | 29,831,265 | 1,212,032 | 31,043,297 |
| Noncurrent assets: | | | |
| Non-depreciable assets | 1,110,147 | - | 1,110,147 |
| Depreciable assets | 12,078,449 | - | 12,078,449 |
| Less: accumulated depreciation | (7,284,399) | - | (7,284,399) |
| Right-of-use assets | 124,155 | - | 124,155 |
| Less: accumulated amortization | (26,916) | - | (26,916) |
| Total noncurrent assets | 6,001,436 | - | 6,001,436 |
| Total assets | 35,832,701 | 1,212,032 | 37,044,733 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Pension related items | 5,080,849 | 54,953 | 5,135,802 |
| **LIABILITIES** | | | |
| Current liabilities: | | | |
| Warrants payable | 821,400 | 137,569 | 958,969 |
| Non-warrants payable | 27,270 | - | 27,270 |
| Unearned revenue | - | 80,087 | 80,087 |
| Current portion of right-of-use lease liability | 27,627 | - | 27,627 |
| Total current liabilities | 876,297 | 217,656 | 1,093,953 |
| Noncurrent liabilities: | | | |
| Accrued compensated absences | 679,325 | 11,444 | 690,769 |
| Noncurrent portion of right-of-use lease liability | 68,540 | - | 68,540 |
| Net pension liability | 9,517,045 | 102,934 | 9,619,979 |
| Total noncurrent liabilities | 10,264,910 | 114,378 | 10,379,288 |
| Total liabilities | 11,141,207 | 332,034 | 11,473,241 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Unavailable tax revenue | 12,000,259 | - | 12,000,259 |
| Deferred grant revenue | 5,516,313 | - | 5,516,313 |
| Pension related items | 103,979 | 1,124 | 105,103 |
| Total deferred inflows of resources | 17,620,551 | 1,124 | 17,621,675 |
| **NET POSITION** | | | |
| Net investment in capital assets | 5,905,269 | - | 5,905,269 |
| Restricted for: | | | |
| General government | 470,000 | - | 470,000 |
| Public safety | 5,735,501 | - | 5,735,501 |
| Culture and recreation | 388,363 | - | 388,363 |
| Health and welfare | 522,936 | - | 522,936 |
| Agriculture | 302,505 | - | 302,505 |
| Education | 350,218 | - | 350,218 |
| Unrestricted | (1,523,000) | 933,827 | (589,173) |
| Total net position | $ 12,151,792 | $ 933,827 | $ 13,085,619 |

**LATAH COUNTY, IDAHO**
**Moscow, Idaho**

**STATEMENT OF ACTIVITIES**
**For the Year Ended September 30, 2022**

| | | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|---|---|---|---|---|---|---|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| **FUNCTIONS/PROGRAMS** | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | 6,774,552 | 472,032 | 1,694,996 | 45,001 | (4,562,523) | - | (4,562,523) |
| Public safety | 10,619,773 | 660,470 | 983,527 | 254,998 | (8,720,778) | - | (8,720,778) |
| Culture and recreation | 399,627 | 63,264 | 5,500 | - | (330,863) | - | (330,863) |
| Health and welfare | 1,042,991 | 251 | - | - | (1,042,740) | - | (1,042,740) |
| Agriculture | 900,109 | 2,978 | - | - | (897,131) | - | (897,131) |
| Education | 14,750 | - | - | - | (14,750) | - | (14,750) |
| Planning and building | 702,958 | - | - | - | (702,958) | - | (702,958) |
| Debt service | 590 | - | - | - | (590) | - | (590) |
| Capital outlay | 281,976 | - | - | - | (281,976) | - | (281,976) |
| Amortization expense | 26,916 | - | - | - | (26,916) | - | (26,916) |
| Total governmental activities | 20,764,242 | 1,198,995 | 2,684,023 | 299,999 | (16,581,225) | - | (16,581,225) |
| Business-type activities: | | | | | | | |
| Solid waste | 1,757,814 | 1,859,940 | - | - | - | 102,126 | 102,126 |
| Total business-type activities | 1,757,814 | 1,859,940 | - | - | - | 102,126 | 102,126 |
| Total primary government | $ 22,522,056 | $ 3,058,935 | $ 2,684,023 | $ 299,999 | (16,581,225) | 102,126 | (16,479,099) |
| | **General revenues** | | | | | | |
| | Taxes | | | | 11,561,364 | - | 11,561,364 |
| | Intergovernmental | | | | 4,578,128 | - | 4,578,128 |
| | Licenses and permits | | | | 663,496 | - | 663,496 |
| | Interest and investment earnings | | | | 69,352 | 6,049 | 75,401 |
| | Miscellaneous | | | | 558,184 | 318 | 558,502 |
| | Transfers in (out) | | | | 16,820 | (16,820) | - |
| | Total general revenue | | | | 17,447,344 | (10,453) | 17,436,891 |
| | Change in net position | | | | 866,119 | 91,673 | 957,792 |
| | Total net position - beginning of year | | | | 11,285,673 | 842,154 | 12,127,827 |
| | Total net position - end of year | | | | $ 12,151,792 | $ 933,827 | $ 13,085,619 |

**GOVERNMENTAL FUNDS**
**BALANCE SHEET**
**September 30, 2022**

| | Current Expense | Justice | Social Services | ARPA | Nonmajor Governmental | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | | | | | | |
| Assets: | | | | | | |
| Cash and investments | 3,543,989 | 3,869,743 | 551,703 | 5,532,179 | 2,644,279 | 16,141,893 |
| Receivables: | | | | | | |
| Taxes | 73,867 | 101,414 | 11,611 | - | 35,950 | 222,842 |
| Unbilled taxes | 4,192,179 | 5,603,639 | - | - | 2,204,441 | 12,000,259 |
| Accounts | - | 15 | - | - | 55,617 | 55,632 |
| Prepaid items | 46,381 | 97,079 | 844 | - | 21,062 | 165,366 |
| Due from other governments | 218,471 | 834,451 | - | - | 192,351 | 1,245,273 |
| Due from other funds | 7,099 | - | - | - | - | 7,099 |
| Total assets | 8,081,986 | 10,506,341 | 564,158 | 5,532,179 | 5,153,700 | 29,838,364 |
| Deferred outflows of resources | - | - | - | - | - | - |
| **TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | $ 8,081,986 | $ 10,506,341 | $ 564,158 | $ 5,532,179 | $ 5,153,700 | $ 29,838,364 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | | | | | | |
| Liabilities: | | | | | | |
| Warrants payable | 193,307 | 321,434 | 53,761 | 15,866 | 237,032 | 821,400 |
| Accounts payable | - | 26,779 | - | - | 491 | 27,270 |
| Due to other funds | - | - | - | - | 7,099 | 7,099 |
| Total liabilities | 193,307 | 348,213 | 53,761 | 15,866 | 244,622 | 855,769 |
| Deferred inflows of resources: | | | | | | |
| Deferred revenue | 44,399 | 61,300 | 6,990 | - | 21,431 | 134,120 |
| Deferred grant revenue | - | - | - | 5,516,313 | - | 5,516,313 |
| Unavailable tax revenue | 4,192,179 | 5,603,639 | - | - | 2,204,441 | 12,000,259 |
| Total deferred inflows of resources | 4,236,578 | 5,664,939 | 6,990 | 5,516,313 | 2,225,872 | 17,650,692 |
| Fund balances: | | | | | | |
| Nonspendable | 46,381 | 97,079 | 844 | - | 21,062 | 165,366 |
| Assigned | 400,000 | 665,277 | - | - | 221,617 | 1,286,894 |
| Restricted for: | | | | | | |
| General government | - | - | - | - | 393,631 | 393,631 |
| Public safety | - | 3,730,833 | - | - | 1,178,321 | 4,909,154 |
| Culture and recreation | - | - | - | - | 253,507 | 253,507 |
| Health and welfare | - | - | 502,563 | - | 7,260 | 509,823 |
| Agriculture | - | - | - | - | 259,051 | 259,051 |
| Education | - | - | - | - | 348,757 | 348,757 |
| Unassigned | 3,205,720 | - | - | - | - | 3,205,720 |
| Total fund balance | 3,652,101 | 4,493,189 | 503,407 | - | 2,683,206 | 11,331,903 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | $ 8,081,986 | $ 10,506,341 | $ 564,158 | $ 5,532,179 | $ 5,153,700 | $ 29,838,364 |

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

| | | |
|---|---|---|
| Total fund balances - governmental funds | | 11,331,903 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds: | | |
| Cost of capital assets | 13,188,596 | |
| Accumulated depreciation | (7,284,399) | |
| | | 5,904,197 |
| Right-of-use lease assets used in governmental activities are not financial resources and therefore are not reported as assets in government funds. | | |
| Cost of right-of-use lease assets | 124,155 | |
| Accumulated amortization | (26,916) | |
| | | 97,239 |
| Assets that are not available to pay for current period expenditures are not considered available in the governmental funds: | | |
| Property taxes | | 134,120 |
| Certain pension related items are recorded as deferred outflow or inflow of resources and recognized in future periods for governmental activities: | | |
| Deferred outflow of resources | | 5,080,849 |
| Deferred inflow of resources | | (103,979) |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds: | | |
| Right-of-use lease liability | (96,167) | |
| Compensated absences | (679,325) | |
| Net pension liability | (9,517,045) | |
| | | (10,292,537) |
| Total net position - governmental activities | | $ 12,151,792 |

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

| | Current Expense | Justice | Social Services | ARPA | Nonmajor Governmental | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | |
| Taxes | 3,804,232 | 5,272,589 | 592,588 | - | 1,900,388 | 11,569,797 |
| Intergovernmental | 939,813 | 3,396,885 | 72,859 | 2,191,957 | 960,636 | 7,562,150 |
| Licenses and permits | 663,496 | - | - | - | - | 663,496 |
| Charges for services | 464,072 | 245,729 | 251 | - | 488,943 | 1,198,995 |
| Interest income | 68,430 | 28,566 | - | - | 1,412 | 98,408 |
| Miscellaneous | 207,885 | 44,556 | 11,761 | - | 294,089 | 558,291 |
| Total revenues | 6,147,928 | 8,988,325 | 677,459 | 2,191,957 | 3,645,468 | 21,651,137 |
| **EXPENDITURES** | | | | | | |
| General government | 4,665,723 | - | - | 590,684 | 915,097 | 6,171,504 |
| Public safety | 163,898 | 8,586,186 | - | - | 639,197 | 9,389,281 |
| Culture and recreation | - | - | - | - | 344,202 | 344,202 |
| Health and welfare | - | - | 628,739 | - | 402,669 | 1,031,408 |
| Agriculture | 116,411 | - | - | - | 692,422 | 808,833 |
| Education | - | - | - | - | 14,750 | 14,750 |
| Planning and building | 623,031 | - | - | - | - | 623,031 |
| Debt service: | | | | | | |
| Principal | 18,151 | 1,415 | - | - | 8,123 | 27,689 |
| Interest | 361 | 49 | - | - | 180 | 590 |
| Capital outlay | 529,576 | 974,108 | - | 248,250 | 371,257 | 2,123,191 |
| Total expenditures | 6,117,151 | 9,561,758 | 628,739 | 838,934 | 3,387,897 | 20,534,479 |
| Excess (deficiency) of revenues over (under) expenditures | 30,777 | (573,433) | 48,720 | 1,353,023 | 257,571 | 1,116,658 |
| Other financing sources (uses) | | | | | | |
| Operating transfers in (out) | 670,798 | 581,793 | 1,000 | (1,353,023) | 116,252 | 16,820 |
| Lease financing | - | - | - | - | 25,920 | 25,920 |
| Net increase (decrease) in the fair value of investments | (2,906) | (26,150) | - | - | - | (29,056) |
| Total other financing sources (uses) | 667,892 | 555,643 | 1,000 | (1,353,023) | 142,172 | 13,684 |
| Net change in fund balance | 698,669 | (17,790) | 49,720 | - | 399,743 | 1,130,342 |
| Fund balances - beginning of year | 2,953,432 | 4,510,979 | 453,687 | - | 2,283,463 | 10,201,561 |
| Fund balances - end of year | $ 3,652,101 | $ 4,493,189 | $ 503,407 | $ - | $ 2,683,206 | $ 11,331,903 |

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

| | | |
|---|---|---|
| Net change in fund balances - governmental funds | | 1,130,342 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. | | |
| Capital additions | 1,814,996 | |
| Depreciation expense | (689,272) | |
| | | 1,125,724 |
| Capital outlays to lease right-of-use assets are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of these assets are allocated over their estimated useful lives and reported as amortization expense. | | |
| Right-of-use lease asset | 26,219 | |
| Amortization expense | (26,916) | |
| | | (697) |
| Some property taxes will not be collected for several months after the County's fiscal year end, and are not considered as "available" revenues in the governmental funds Instead, they are recorded as deferred revenues. They are however, recorded as revenues in the Statement of Activities. | | (8,433) |
| Proceeds from the sale of capital assets are recorded as a gain for governmental funds, however, in the Statement of Activities, the gain is reduced by the remaining net depreciable basis associated with the disposed assets. | | (107) |
| Proceeds from the issuance of right-of-use lease debt is an expenditure in the governmental funds, but the issuance increases long-term debt in the Statement of Net Position. | | (25,920) |
| Repayment of the principal of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term debt in the Statement of Net Position. | | |
| Principal payments | | 27,689 |
| Net pension liability adjustments: | | |
| Fiscal year 2021 employer PERSI contributions recognized as pension expense in the current year. | (268,994) | |
| Fiscal year 2022 employer PERSI contributions deferred to subsequent year. | 288,769 | |
| Pension related amortization expense. | (1,339,837) | |
| | | (1,320,062) |
| Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This is the amount by which compensated absences incurred exceeded the amount paid during the year. | | (62,417) |
| Total change in net position - governmental activities | | $ 866,119 |

## SOLID WASTE FUND
## STATEMENT OF NET POSITION
## September 30, 2022

| | | |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | 1,025,974 | |
| Accounts receivable | 129,400 | |
| Prepaid items | 1,152 | |
| Due from other governments | 55,506 | |
| Total current assets | | 1,212,032 |
| Total assets | | 1,212,032 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | |
| Pension related items | | 54,953 |
| **LIABILITIES** | | |
| Current liabilities: | | |
| Warrants payable | 137,569 | |
| Unearned revenue | 80,087 | |
| Total current liabilities | | 217,656 |
| Noncurrent liabilities: | | |
| Accrued compensated absences | 11,444 | |
| Net pension liability | 102,934 | |
| Total noncurrent liabilities | | 114,378 |
| Total liabilities | | 332,034 |
| **DEFERRED INFLOWS OF RESOURCES** | | |
| Pension related items | | 1,124 |
| **NET POSITION** | | |
| Unrestricted | 933,827 | |
| Total net position | | $ 933,827 |

# LATAH COUNTY, IDAHO
**Moscow, Idaho**

## SOLID WASTE FUND
## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
**For the Year Ended September 30, 2022**

| | | |
|---|---|---|
| **OPERATING REVENUES** | | |
| Charges for services | 1,859,940 | |
| Miscellaneous income | 318 | |
| Total operating revenues | | 1,860,258 |
| **OPERATING EXPENSES** | | |
| Salaries | 106,433 | |
| Payroll and benefits | 53,806 | |
| Collection expense | 1,597,575 | |
| Total operating expenses | | 1,757,814 |
| Operating income | | 102,444 |
| **NON-OPERATING REVENUES** | | |
| Interest income | | 6,049 |
| Excess (deficiency) of revenues over (under) expenditures | | 108,493 |
| Other financing sources (uses) | | |
| Transfer in (out) | | (16,820) |
| Change in net position | | 91,673 |
| Net position - beginning of year | | 842,154 |
| Net position - end of year | | $ 933,827 |

## SOLID WASTE FUND
## STATEMENT OF CASH FLOWS
## For the Year Ended September 30, 2022

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash received from customers | 1,850,610 | |
| Cash paid to suppliers | (1,586,785) | |
| Cash paid for salaries and benefits | (145,650) | |
| Net cash provided by (used in) operating activities | | 118,175 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Interest income | | 6,049 |
| **CASH FLOWS FROM CAPITAL FINANCING AND RELATED FINANCING ACTIVITIES** | | - |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | |
| Cash paid to other funds | | (16,820) |
| **NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** | | 107,404 |
| **CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR** | | 918,570 |
| **CASH AND CASH EQUIVALENTS - END OF YEAR** | | $ 1,025,974 |
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:** | | |
| Operating income (loss) | | 102,444 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | |
| Change in pension related items: | | |
| Deferred outflow of resources | (23,509) | |
| Deferred inflow of resources | (68,304) | |
| Decrease (increase) in assets: | | |
| Receivables | (8,892) | |
| Prepaid items | 524 | |
| Net pension asset | 2,168 | |
| Increase (decrease) in liabilities: | | |
| Warrants payable | 10,266 | |
| Accrued compensated absences | 1,300 | |
| Net pension liability | 102,934 | |
| Unearned revenue | (756) | |
| Total adjustments | | 15,731 |
| Net cash provided by (used in) operating activities | | $ 118,175 |

# LATAH COUNTY, IDAHO
**Moscow, Idaho**

## FIDUCIARY FUNDS
## STATEMENT OF FIDUCIARY NET POSITION
**September 30, 2022**

| | | Total Custodial Funds |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | 837,883 | |
| Taxes receivable | 694,047 | |
| Total assets | | 1,531,930 |
| **DEFERRED OUTFLOW OF RESOURCES** | | - |
| **LIABILITIES** | | |
| Current liabilities: | | |
| Warrants payable | 502,177 | |
| Due to other governments | 330,889 | |
| Total liabilities | | 833,066 |
| **DEFERRED INFLOW OF RESOURCES** | | - |
| **NET POSITION** | | |
| Restricted | | $ 698,864 |

# LATAH COUNTY, IDAHO
**Moscow, Idaho**

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

| | | Total Custodial Funds |
|---|---|---|
| **ADDITIONS** | | |
| Property tax | 67,836,644 | |
| Non-property taxes collected for other governments | 4,345,124 | |
| Fees collected for other governments | 5,594,232 | |
| Court fees | 1,019,566 | |
| Miscellaneous | 121,585 | |
| Catastrophic collections | 37,375 | |
| Total additions | | 78,954,526 |
| **DEDUCTIONS** | | |
| Payments to other governments | 77,742,661 | |
| Payments for catastrophic health | 37,375 | |
| Payments to vendors | 1,108,525 | |
| Total deductions | | 78,888,561 |
| Net change in net position | | 65,965 |
| Beginning net position | | 632,899 |
| Ending net position | | $ 698,864 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

## NOTE 1 Summary of Significant Accounting Policies

Latah County was formed May 14, 1888 by an act of the Congress of the United States. The County provides the following services as provided by law: tax assessment and collection, public safety, sanitation, licensing, agriculture support, cultural and educational support, planning and health and welfare.

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

**Reporting Entity:**

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

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basis—but not the only criterion—for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operation, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationship, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

## NOTE 1 Summary of Significant Accounting Policies (Continued)

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

**Basis of Presentation:**

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

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

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

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

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

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

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

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

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

## NOTE 1 Summary of Significant Accounting Policies (Continued)

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

The County reports the following major governmental funds:

- Current Expense Fund: This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- Justice Fund: This fund accounts for services and equipment used to provide public safety to the County.
- Social Services Fund: This fund accounts for the provision of Social Services assistance to county residents.
- ARPA Fund: This fund accounts for the federal allocations received under the American Rescue Plan Act (ARPA).

The County reports the following proprietary fund:

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

Additionally, the County reports the following fiduciary fund types:

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

**Basis of Accounting**

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when

## NOTE 1 Summary of Significant Accounting Policies (Continued)

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

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

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

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

1. Prior to the first Monday in August, the County Clerk submits to the County Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures only. It is published publicly on or before the third week in August.

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

3. Prior to the first Tuesday after the first Monday of September, the budget is legally adopted by the Commission.

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

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

**Allowance for Uncollectible Amounts –** No allowance for uncollectible amounts has been deemed necessary as of September 30, 2022.

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

## NOTE 1 Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

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

The Bank is administered by the payroll clerk along with two randomly selected sick bank members. At September 30, 2022 there were 9,570 hours of sick leave in the bank for County employees.

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

## NOTE 1 Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

**Restricted balances are as follows:**

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

## NOTE 1 Summary of Significant Accounting Policies (Continued)

**Assigned balances are as follows:**

- The County has assigned funds consisting of the use of fund balance to balance the 2022-23 budget in the amount of $1,286,894.

**Nonspendable balances are as follows:**

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

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

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

## NOTE 2 Cash and Investments

**Deposits**

**Cash On Hand**

Cash on hand totaled $3,510 at September 30, 2022.

| | Carrying Amount | Bank Balance |
|---|---|---|
| **Checking and Savings Accounts** | $3,601,929 | $3,779,208 |

Checking and savings accounts were held at various banking institutions. At each bank, FDIC insures up to $250,000 for the combined amount of all time and savings accounts, plus an additional $250,000 for the combined amount of all interest-bearing and noninterest-bearing demand deposit accounts. The balances of $2,951,524 at Banner Bank and $248,059 at Potlatch #1 Federal Credit Union are in excess of the FDIC insured limit.

**Investments**

Amounts reported as investments consist of the following:

| | Recorded Cost | Market Value | Interest Rate | Maturity Date |
|---|---|---|---|---|
| LGIP | 13,156,484 | 13,156,484 | Various | Various |
| Lewis Clark Credit Union CD | 250,000 | 250,000 | 3.042% | 10/18/2024 |
| Piper Sandler | 968,760 | 997,816 | Various | Various |
| Retirement Solutions – Custodial | 25,067 | 25,067 | n/a | n/a |
| Total | $14,400,311 | $14,429,367 | | |

Except for specific investments held in proprietary accounts, the County reports amounts held as investments at 10% in the Current Expense fund and 90% in the Justice fund, with interest

## NOTE 2 Cash and Investments (Continued)

earnings credited to those funds in that proportion. All amounts held as investments are uninsured and uncollateralized.

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

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

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

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

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

*Concentration of credit risk* is the risk that concentration of investments with one issuer represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principle that governments should provide note disclosure when five percent of the total investments of the entity are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The County has no policy limiting the amount it may invest in any one issuer.

## NOTE 2 Cash and Investments (Continued)

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

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

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

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

The County sponsors a deferred compensation plan with $25,067 held in a custodial account for the benefit of participating employees.

## NOTE 3 Property Tax

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

*Tax Year 2021 Levy (FY2022 Revenue)*

The market value upon which the 2021 levy was based was $2,895,890,823. The property tax was levied in October 2021 and was due in two equal installments on December 20th and June 20th.

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

| | Percentage | Amount |
|---|---|---|
| Levy | 38.98181% | $11,580,131 |

*Tax Year 2022 Levy (FY2022 Asset)*

The property tax levy for 2022 has been recorded as an asset in the amount of $12,000,259. This levy is for the FY2023 operations and has been presented as unavailable property tax revenue.

*Deferred Revenue*

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

| | |
|---|---|
| Total taxes receivable as of September 30, 2022 | 222,842 |
| Less: Taxes collected by November 30, 2022 | (88,722) |
| Total deferred tax revenue | $ 134,120 |

## NOTE 4 Capital Assets

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

| | Beginning Balance | Additions | Disposals | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Capital assets, depreciated** | | | | | |
| Buildings and grounds | 5,185,728 | 177,102 | - | - | 5,362,830 |
| Equipment | 3,009,376 | 1,144,315 | (16,478) | - | 4,137,213 |
| Vehicles | 2,331,397 | 274,009 | (27,000) | - | 2,578,406 |
| Total capital assets, depreciated | 10,526,501 | 1,595,426 | (43,478) | - | 12,078,449 |
| Less: accumulated depreciation | | | | | |
| Buildings and grounds | (2,664,135) | (191,204) | - | - | (2,855,339) |
| Equipment | (1,978,271) | (253,758) | 16,371 | - | (2,215,658) |
| Vehicles | (1,996,092) | (244,310) | 27,000 | - | (2,213,402) |
| Total accumulated depreciation | (6,638,498) | (689,272) | 43,371 | - | (7,284,399) |
| **Net capital assets, depreciated** | 3,888,003 | 906,154 | (107) | - | 4,794,050 |
| **Capital assets, not depreciated** | | | | | |
| Land | 890,577 | - | - | - | 890,577 |
| Construction in progress | - | 219,570 | - | - | 219,570 |
| **Net capital assets, not depreciated** | 890,577 | 219,570 | - | - | 1,110,147 |
| **Total capital assets, net** | $4,778,580 | $1,125,724 | $ (107) | $ - | $5,904,197 |

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

| | |
|---|---|
| General government | 230,032 |
| Public safety | 378,499 |
| Culture and recreation | 37,373 |
| Health and welfare | 1,746 |
| Agriculture | 41,622 |
| Total governmental activities depreciation expense | $689,272 |

## NOTE 5 Defined Benefit Pension Plan

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

*Plan Description*

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

## NOTE 5 Defined Benefit Pension Plan (Continued)

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

*Pension Benefits*

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months. Amounts in parenthesis represent police/firefighters. The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

*Member and Employer Contributions*

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

The contribution rates for employees are set by statute at 60% (72%) of the employer rate. As of September 30, 2022 it was 7.16% (9.13%). The employer contribution rate is set by the Retirement Board and was 11.94% (12.28%) of covered compensation. Latah County's employer contributions required and paid were $1,169,897, for the year ended September 30, 2022.

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

At September 30, 2022, the County reported a liability for its proportionate share of the net pension (asset) liability as of June 30, 2022. The net pension (asset) liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date. The County's proportion of the net

## NOTE 5 Defined Benefit Pension Plan (Continued)

pension (asset) liability was based on the County's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022, the County's proportion was 0.24423889%.

The County's pension expense (revenue) is calculated and made available as part of PERSI's annual audit. The pension expense (revenue) for the year ending June 30, 2022 was calculated at $2,493,754.

At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | 1,057,847 | 42,937 |
| Changes in assumptions or other inputs | 1,568,345 | - |
| Net difference between projected and actual earning on pension plan investments | 2,213,443 | - |
| Change in proportionate share | 4,275 | 62,166 |
| Employer contributions subsequent to the measurement date | 291,892 | - |
| Total | $5,135,802 | $105,103 |

$291,892 reported as deferred outflow of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction (addition) of the net pension (asset) liability in the year ended September 30, 2023.

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

| For the Year Ending June 30: | Amount to be Recognized |
|---|---|
| 2023 | 1,147,066 |
| 2024 | 1,245,249 |
| 2025 | 575,926 |
| 2026 | 1,828,456 |
| 2027 | 234,002 |

## NOTE 5 Defined Benefit Pension Plan (Continued)

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

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

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

**Contributing Members, Service Retirement Members, and Beneficiaries**

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

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

## NOTE 5 Defined Benefit Pension Plan (Continued)

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

*Discount Rate*

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

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

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

| | 1% Decrease (5.35%) | Current Discount Rate (6.35%) | 1% Increase (7.35%) |
|---|---|---|---|
| Employer's proportionate share of the net pension (asset) liability | $16,978,321 | $9,619,979 | $3,597,367 |

*Pension plan fiduciary net position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

## NOTE 5 Defined Benefit Pension Plan (Continued)

*Payables to the pension plan*

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

## NOTE 6 Right-of-use Lease Asset/Liability

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

- Copier leases previously reported as operating leases have been restated as a right-of-use lease asset and right-of-use liability.
- The mail machine lease previously reported as an operating lease has been restated as a right-of-use asset and right-of-use liability.
- The tower leases previously reported as operating leases have been restated as a right-of-use asset and right-of-use liability.
- The fiber optics lease previously reported as an operating lease has bene restated as a right-of-use asset and right-of-use liability.

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

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

| | Beginning Balance, As Restated | Additions | Modications & Remeasurements | Subtractions | Ending Balance |
|---|---|---|---|---|---|
| **Right-of-Use Lease Assets** | | | | | |
| Land | 39,274 | 9,489 | - | - | 48,763 |
| Equipment | 58,662 | 16,730 | - | - | 75,392 |
| **Total Right-of-Use Lease Assets** | 97,936 | 26,219 | - | - | 124,155 |
| **Less: Accumulated Amortization** | | | | | |
| Land | - | (6,098) | - | - | (6,098) |
| Equipment | - | (20,818) | - | - | (20,818) |
| **Total Accumulated Amortization** | - | (26,916) | - | - | (26,916) |
| **Total Right-of-Use Lease Assets, net** | $ 97,936 | $ (697) | $ - | $ - | $ 97,239 |

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

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

| | |
|---|---|
| **Lease expense** | |
| Amortiation expense by class of underlying asset | |
| Land | 6,098 |
| Equipment | 20,818 |
| **Total** | $ 26,916 |

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

| | Beginning Balance, As Restated | Additions | Modications & Remeasurements | Subtractions | Ending Balance | Amount Due in One Year |
|---|---|---|---|---|---|---|
| **Right-of-Use Lease Liabilities** | $ 97,936 | 25,920 | - | $ (27,689) | $ 96,167 | $ 27,627 |

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

| FY Ending September 30, | Principal | Interest | Total Payments |
|---|---|---|---|
| 2023 | 27,627 | 1,406 | 29,033 |
| 2024 | 24,979 | 1,038 | 26,017 |
| 2025 | 16,766 | 717 | 17,483 |
| 2026 | 12,307 | 446 | 12,753 |
| 2027 | 8,470 | 208 | 8,678 |
| 2028-2032 | 6,018 | 135 | 6,153 |
| Total Future Payments | $ 96,167 | $ 3,950 | $ 100,117 |

## NOTE 7 Long-Term Liabilities

A summary of changes in long-term debt of the County for the year ended September 30, 2022:

| | |
|---|---|
| Governmental activities – compensated absences | |
| Beginning balance | 616,908 |
| Additions(reductions) | 62,417 |
| Ending balance | $679,325 |
| | |
| Business-type activities – compensated absences | |
| Beginning balance | 10,144 |
| Additions(reductions) | 1,300 |
| Ending balance | $11,444 |

## NOTE 8 Interfund Receivables, Payable, and Transfers

The composition of interfund receivables and payables as of September 30, 2022 was as follows:

| Fund | Interfund Receivable | Interfund Payable |
|---|---|---|
| Current Expense Fund | 7,099 | - |
| Veterans' Memorial | - | 26 |
| Historic Preservation Grant Fund | - | 4,015 |
| 2020 Homeland Security Grant Fund | - | 409 |
| 2021 Homeland Security Grant Fund | - | 2,649 |
| Total | $7,099 | $7,099 |

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

| Fund | Out | In |
|---|---|---|
| Current Expense Fund | - | 670,798 |
| Justice Fund | - | 581,793 |
| Social Services Fund | - | 1,000 |
| District Court Fund | - | 7,838 |
| Fair Operations Fund | - | 3,500 |
| Sheriff Programs Fund | - | 1,000 |
| Historical Museum Fund | - | 1,500 |
| Youth Services Programs Fund | - | 1,000 |
| Parks and Recreation Fund | - | 101,252 |
| Revaluation Fund | - | 7,000 |
| Noxious Weeds Fund | - | 1,000 |
| CAO Expansion District II Fund | 7,838 | - |
| Solid Waste Fund | 16,820 | - |
| ARPA Fund | 1,353,023 | - |
| Total | $1,377,681 | $1,377,681 |

## NOTE 9 Contingent Liabilities

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

## NOTE 10 Litigation

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

## NOTE 11 Deferred Compensation Plan

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

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

## NOTE 12 Risk Management

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

## NOTE 13 Landfill Closure and Post-Closure Care

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

# REQUIRED SUPPLEMENTARY INFORMATION

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

| | Original Budget | Final Budget | Actual | Variances Favorable (Unfavorable) Original to Actual | Final to Actual |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Taxes | 3,783,109 | 3,783,109 | 3,804,232 | 21,123 | 21,123 |
| Intergovernmental | 972,570 | 972,570 | 939,813 | (32,757) | (32,757) |
| Licenses and permits | 471,000 | 471,000 | 663,496 | 192,496 | 192,496 |
| Charges for services | 504,984 | 504,984 | 464,072 | (40,912) | (40,912) |
| Interest income | 20,000 | 20,000 | 68,430 | 48,430 | 48,430 |
| Miscellaneous | 26,800 | 26,800 | 207,885 | 181,085 | 181,085 |
| Total revenues | 5,778,463 | 5,778,463 | 6,147,928 | 369,465 | 369,465 |
| **Expenditures** | | | | | |
| General government | 4,804,368 | 4,986,984 | 4,665,723 | 138,645 | 321,261 |
| Public safety | 165,170 | 181,544 | 163,898 | 1,272 | 17,646 |
| Agriculture | 122,862 | 122,862 | 116,411 | 6,451 | 6,451 |
| Planning and building | 585,063 | 634,398 | 623,031 | (37,968) | 11,367 |
| Debt service: | | | | | |
| Principal | - | - | 18,151 | (18,151) | (18,151) |
| Interest | - | - | 361 | (361) | (361) |
| Capital outlay | 617,000 | 718,938 | 529,576 | 87,424 | 189,362 |
| Total expenditures | 6,294,463 | 6,644,726 | 6,117,151 | 177,312 | 527,575 |
| Excess (deficiency) of revenues over (under) expenditures | (516,000) | (866,263) | 30,777 | 546,777 | 897,040 |
| Other financing sources (uses) | | | | | |
| Operating transfers in (out) | 16,000 | 16,000 | 670,798 | 654,798 | 654,798 |
| Net increase (decrease) in the fair value of investments | - | - | (2,906) | (2,906) | (2,906) |
| Total other financing sources (uses) | 16,000 | 16,000 | 667,892 | 651,892 | 651,892 |
| Net change in fund balance | $ (500,000) | $ (850,263) | 698,669 | $ 1,198,669 | $ 1,548,932 |
| Fund balance - beginning of year | | | 2,953,432 | | |
| Fund balance - end of year | | | $ 3,652,101 | | |

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

| | Original Budget | Final Budget | Actual | Variances Favorable (Unfavorable) Original to Actual | Final to Actual |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Taxes | 5,237,864 | 5,237,864 | 5,272,589 | 34,725 | 34,725 |
| Intergovernmental | 3,385,411 | 3,385,411 | 3,396,885 | 11,474 | 11,474 |
| Charges for services | 367,200 | 367,200 | 245,729 | (121,471) | (121,471) |
| Interest income | 50,000 | 50,000 | 28,566 | (21,434) | (21,434) |
| Miscellaneous | 28,100 | 28,100 | 44,556 | 16,456 | 16,456 |
| Total revenues | 9,068,575 | 9,068,575 | 8,988,325 | (80,250) | (80,250) |
| **Expenditures** | | | | | |
| Public safety | 9,269,170 | 9,389,217 | 8,586,186 | 682,984 | 803,031 |
| Debt service: | | | | | |
| Principal | - | - | 1,415 | (1,415) | (1,415) |
| Interest | - | - | 49 | (49) | (49) |
| Capital outlay | 750,000 | 974,108 | 974,108 | (224,108) | - |
| Total expenditures | 10,019,170 | 10,363,325 | 9,561,758 | 457,412 | 801,567 |
| Excess (deficiency) of revenues over (under) expenditures | (950,595) | (1,294,750) | (573,433) | 377,162 | 721,317 |
| Other financing sources (uses) | | | | | |
| Transfer in (out) | - | - | 581,793 | 581,793 | 581,793 |
| Net increase (decrease) in the fair value of investments | - | - | (26,150) | (26,150) | (26,150) |
| Total other financing sources (uses) | - | - | 555,643 | 555,643 | 555,643 |
| Net change in fund balance | $ (950,595) | $ (1,294,750) | (17,790) | $ 932,805 | $ 1,276,960 |
| Fund balance - beginning of year | | | 4,510,979 | | |
| Fund balance - end of year | | | $ 4,493,189 | | |

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

| | Original Budget | Final Budget | Actual | Variances Favorable (Unfavorable) Original to Actual | Variances Favorable (Unfavorable) Final to Actual |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Taxes | 587,004 | 587,004 | 592,588 | 5,584 | 5,584 |
| Intergovernmental | 73,859 | 73,859 | 72,859 | (1,000) | (1,000) |
| Charges for services | 1,300 | 1,300 | 251 | (1,049) | (1,049) |
| Miscellaneous | 35,000 | 35,000 | 11,761 | (23,239) | (23,239) |
| Total revenues | 697,163 | 697,163 | 677,459 | (19,704) | (19,704) |
| **Expenditures** | | | | | |
| Health and welfare | 747,163 | 754,271 | 628,739 | 118,424 | 125,532 |
| Excess (deficiency) of revenues over (under) expenditures | (50,000) | (57,108) | 48,720 | 98,720 | 105,828 |
| Other financing sources (uses) | | | | | |
| Transfer in (out) | - | - | 1,000 | 1,000 | 1,000 |
| Net change in fund balance | $ (50,000) | $ (57,108) | 49,720 | $ 99,720 | $ 106,828 |
| Fund balance - beginning of year | | | 453,687 | | |
| Fund balance - end of year | | | $ 503,407 | | |

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

| | Original Budget | Final Budget | Actual | Variances Favorable (Unfavorable) Original to Actual | Variances Favorable (Unfavorable) Final to Actual |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Intergovernmental | 2,000,000 | 2,000,000 | 2,191,957 | 191,957 | 191,957 |
| Total revenues | 2,000,000 | 2,000,000 | 2,191,957 | 191,957 | 191,957 |
| **Expenditures** | | | | | |
| General government | - | - | 590,684 | (590,684) | (590,684) |
| Capital outlay | 2,000,000 | 2,000,000 | 248,250 | 1,751,750 | 1,751,750 |
| Total expenditures | 2,000,000 | 2,000,000 | 838,934 | 1,161,066 | 1,161,066 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | 1,353,023 | 1,353,023 | 1,353,023 |
| Other financing sources (uses) | | | | | |
| Transfer in (out) | - | - | (1,353,023) | (1,353,023) | (1,353,023) |
| Net change in fund balance | $ - | $ - | - | $ - | $ - |
| Fund balance - beginning of year | | | - | | |
| Fund balance - end of year | | | $ - | | |

## NET PENSION (ASSET) LIABILITY RELATED SCHEDULES

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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| Employer's portion of the net pension (asset) liability | 0.2442389% | 0.2496053% | 0.2494938% | 0.2487034% | 0.2496418% | 0.2405602% | 0.2383473% | 0.2389675% | 0.2389561% |
| Employer's proportionate share of the net pension (asset) liability | 9,619,979 | (197,133) | 5,793,576 | 2,838,880 | 3,682,260 | 3,781,193 | 4,831,666 | 3,146,813 | 1,759,091 |
| Employer's covered employee payroll | 9,551,327 | 9,237,468 | 8,810,297 | 8,372,988 | 7,961,535 | 7,407,001 | 7,098,328 | 6,634,248 | 6,416,401 |
| Employer's proportional share of the net pension (asset) liability as a percentage of its covered employee payroll | 100.72% | -2.13% | 65.76% | 33.91% | 46.25% | 51.05% | 68.07% | 47.43% | 27.42% |
| Plan fiduciary net position as a percentage of the total | 83.09% | 100.36% | 88.22% | 93.79% | 91.69% | 90.68% | 87.26% | 91.38% | 94.95% |

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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| Statutorily required contribution - Class 1 Employees | 804,579 | 778,140 | 742,156 | 668,992 | 636,117 | 591,810 | 552,836 | 528,015 | 510,645 |
| Statutorily required contribution - Class 2 Employees | 345,413 | 334,063 | 318,615 | 287,205 | 273,092 | 254,071 | 258,285 | 229,681 | 222,170 |
| Total statutorily required contributions - All Employees | 1,149,992 | 1,112,203 | 1,060,771 | 956,197 | 909,209 | 845,881 | 811,121 | 757,696 | 732,815 |
| Contributions in relation to the statutorily required contribution | (1,149,992) | (1,112,203) | (1,060,771) | (956,197) | (909,209) | (845,881) | (811,121) | (757,696) | (732,815) |
| Contribution (deficiency) excess | - | - | - | - | - | - | - | - | - |
| Employer's covered employee payroll - Class 1 Employees | 6,738,518 | 6,517,085 | 6,215,712 | 5,909,823 | 5,619,408 | 5,228,004 | 4,883,709 | 4,664,439 | 4,510,998 |
| Employer's covered employee payroll - Class 2 Employees | 2,812,809 | 2,720,383 | 2,594,585 | 2,463,165 | 2,342,127 | 2,178,997 | 2,214,619 | 1,969,809 | 1,905,403 |
| Contributions as a percentage of covered employee payroll - Class 1 | 11.94% | 11.94% | 11.94% | 11.32% | 11.32% | 11.32% | 11.32% | 11.32% | 11.32% |
| Contributions as a percentage of covered employee payroll - Class 2 | 12.28% | 12.28% | 12.28% | 11.66% | 11.66% | 11.66% | 11.66% | 11.66% | 11.66% |

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

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

## NOTES TO THE NET PENSION (ASSET) LIABILITY SCHEDULES
**As of June 30, 2022**

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

# SUPPLEMENTARY INFORMATION

**NONMAJOR SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**September 30, 2022**

| | District Court | Fair Operations | Sheriff Programs | Health District | Historical Museum | Youth Services Program | Extension Programs |
|---|---|---|---|---|---|---|---|
| **ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | | | | | | | |
| Assets: | | | | | | | |
| Cash and investments | 542,377 | 246,610 | 94,621 | 105,936 | 43,805 | 285,510 | 22,719 |
| Receivables: | | | | | | | |
| Taxes | - | 5,852 | - | 7,270 | 1,856 | - | - |
| Unbilled taxes | - | 347,046 | - | 610,693 | 88,681 | - | - |
| Accounts | - | 26,463 | - | - | - | - | - |
| Prepaid items | - | 4,250 | 1,557 | - | 639 | 1,461 | - |
| Due from other governments | 35,532 | 42,051 | 26,071 | - | - | 35,389 | - |
| Total assets | 577,909 | 672,272 | 122,249 | 723,899 | 134,981 | 322,360 | 22,719 |
| Deferred outflows of resources | - | - | - | - | - | - | - |
| **TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | $ 577,909 | $ 672,272 | $ 122,249 | $ 723,899 | $ 134,981 | $ 322,360 | $ 22,719 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | |
| Liabilities: | | | | | | | |
| Warrants payable | 8,646 | 60,366 | 2,115 | 100,667 | 956 | 5,735 | 618 |
| Non-warrants payable | - | - | 491 | - | - | - | - |
| Due to other funds | - | - | - | - | - | - | - |
| Total liabilities | 8,646 | 60,366 | 2,606 | 100,667 | 956 | 5,735 | 618 |
| Deferred inflows of resources: | | | | | | | |
| Deferred revenue | - | 3,514 | - | 4,279 | 1,117 | - | - |
| Unavailable tax revenue | - | 347,046 | - | 610,693 | 88,681 | - | - |
| Total deferred inflows of resources | - | 350,560 | - | 614,972 | 89,798 | - | - |
| Fund balance (deficit): | | | | | | | |
| Nonspendable | - | 4,250 | 1,557 | - | 639 | 1,461 | - |
| Assigned | - | 18,500 | - | 1,000 | 10,000 | - | - |
| Restricted for: | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public safety | 569,263 | - | 118,086 | - | - | - | - |
| Culture and recreation | - | - | - | - | 33,588 | - | 22,101 |
| Health and welfare | - | - | - | 7,260 | - | - | - |
| Agriculture | - | 238,596 | - | - | - | - | - |
| Education | - | - | - | - | - | 315,164 | - |
| Total fund balance (deficit) | 569,263 | 261,346 | 119,643 | 8,260 | 44,227 | 316,625 | 22,101 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | $ 577,909 | $ 672,272 | $ 122,249 | $ 723,899 | $ 134,981 | $ 322,360 | $ 22,719 |

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

| | Junior College Tuition | Parks and Recreation | Revaluation | Tort | Noxious Weeds | Election Consolidation | Emergency 911 |
|---|---|---|---|---|---|---|---|
| **ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | | | | | | | |
| Assets: | | | | | | | |
| Cash and investments | 33,593 | 147,296 | 204,201 | 20,616 | 26,768 | 93,776 | 331,940 |
| Receivables: | | | | | | | |
| Taxes | - | 3,271 | 12,288 | 3,403 | 1,811 | - | - |
| Unbilled taxes | - | 169,084 | 689,175 | 188,284 | 101,041 | - | - |
| Accounts | - | - | - | - | - | - | 29,139 |
| Prepaid items | - | 1,619 | 9,282 | - | 1,102 | 18 | 300 |
| Due from other governments | - | - | - | - | - | 30,377 | - |
| Total assets | 33,593 | 321,270 | 914,946 | 212,303 | 130,722 | 124,171 | 361,379 |
| Deferred outflows of resources | - | - | - | - | - | - | - |
| **TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | $ 33,593 | $ 321,270 | $ 914,946 | $ 212,303 | $ 130,722 | $ 124,171 | $ 361,379 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | |
| Liabilities: | | | | | | | |
| Warrants payable | - | 6,195 | 15,791 | - | 1,406 | 379 | 11,354 |
| Non-warrants payable | - | - | - | - | - | - | - |
| Due to other funds | - | - | - | - | - | - | - |
| Total liabilities | - | 6,195 | 15,791 | - | 1,406 | 379 | 11,354 |
| Deferred inflows of resources: | | | | | | | |
| Deferred revenue | - | 1,973 | 7,286 | 2,053 | 1,088 | - | - |
| Unavailable tax revenue | - | 169,084 | 689,175 | 188,284 | 101,041 | - | - |
| Total deferred inflows of resources | - | 171,057 | 696,461 | 190,337 | 102,129 | - | - |
| Fund balance (deficit): | | | | | | | |
| Nonspendable | - | 1,619 | 9,282 | - | 1,102 | 18 | 300 |
| Assigned | - | 119,387 | 50,000 | 7,730 | 15,000 | - | - |
| Restricted for: | | | | | | | |
| General government | - | - | 143,412 | 14,236 | - | 123,774 | - |
| Public safety | - | - | - | - | - | - | 349,725 |
| Culture and recreation | - | 23,012 | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - | - |
| Agriculture | - | - | - | - | 11,085 | - | - |
| Education | 33,593 | - | - | - | - | - | - |
| Total fund balance (deficit) | 33,593 | 144,018 | 202,694 | 21,966 | 27,187 | 123,792 | 350,025 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | $ 33,593 | $ 321,270 | $ 914,946 | $ 212,303 | $ 130,722 | $ 124,171 | $ 361,379 |

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

| | Snowmobile | Waterways | Emergency Medical Services | Veterans' Memorial | Phillips Farm | Latah Trail Project | Palouse & Clearwater CWMA |
|---|---|---|---|---|---|---|---|
| **ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | | | | | | | |
| Assets: | | | | | | | |
| Cash and investments | 57,201 | 20,440 | 24,113 | - | 10,801 | 84,597 | 12,985 |
| Receivables: | | | | | | | |
| Taxes | - | - | - | 199 | - | - | - |
| Unbilled taxes | - | - | - | 10,437 | - | - | - |
| Accounts | - | - | - | - | - | - | - |
| Prepaid items | - | - | - | - | - | - | - |
| Due from other governments | - | 600 | 730 | - | - | - | 11,802 |
| Total assets | 57,201 | 21,040 | 24,843 | 10,636 | 10,801 | 84,597 | 24,787 |
| Deferred outflows of resources | - | - | - | - | - | - | - |
| **TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | $ 57,201 | $ 21,040 | $ 24,843 | $ 10,636 | $ 10,801 | $ 84,597 | $ 24,787 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | |
| Liabilities: | | | | | | | |
| Warrants payable | 370 | - | 4,473 | - | - | - | 15,417 |
| Non-warrants payable | - | - | - | - | - | - | - |
| Due to other funds | - | - | - | 26 | - | - | - |
| Total liabilities | 370 | - | 4,473 | 26 | - | - | 15,417 |
| Deferred inflows of resources: | | | | | | | |
| Deferred revenue | - | - | - | 121 | - | - | - |
| Unavailable tax revenue | - | - | - | 10,437 | - | - | - |
| Total deferred inflows of resources | - | - | - | 10,558 | - | - | - |
| Fund balance (deficit): | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - |
| Restricted for: | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public safety | - | - | 20,370 | - | - | - | - |
| Culture and recreation | 56,831 | 21,040 | - | 52 | 10,801 | 84,597 | - |
| Health and welfare | - | - | - | - | - | - | - |
| Agriculture | - | - | - | - | - | - | 9,370 |
| Education | - | - | - | - | - | - | - |
| Total fund balance (deficit) | 56,831 | 21,040 | 20,370 | 52 | 10,801 | 84,597 | 9,370 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | $ 57,201 | $ 21,040 | $ 24,843 | $ 10,636 | $ 10,801 | $ 84,597 | $ 24,787 |

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

| | Historic Preservation Grant | Interlock Electronic Monitor | Court Facilities | Drug Court | Misdemeanor Probation Revolving | Recording - Archival Records |
|---|---|---|---|---|---|---|
| **ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | | | | | | |
| Assets: | | | | | | |
| Cash and investments | - | 10,578 | 32,774 | 64,751 | 14,062 | 110,455 |
| Receivables: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Unbilled taxes | - | - | - | - | - | - |
| Accounts | - | - | - | - | 15 | - |
| Prepaid items | - | - | - | 834 | - | - |
| Due from other governments | 5,500 | - | - | - | - | - |
| Total assets | 5,500 | 10,578 | 32,774 | 65,585 | 14,077 | 110,455 |
| Deferred outflows of resources | - | - | - | - | - | - |
| **TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | $ 5,500 | $ 10,578 | $ 32,774 | $ 65,585 | $ 14,077 | $ 110,455 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | |
| Liabilities: | | | | | | |
| Warrants payable | - | 95 | - | 1,208 | - | - |
| Non-warrants payable | - | - | - | - | - | - |
| Due to other funds | 4,015 | - | - | - | - | - |
| Total liabilities | 4,015 | 95 | - | 1,208 | - | - |
| Deferred inflows of resources: | | | | | | |
| Deferred revenue | - | - | - | - | - | - |
| Unavailable tax revenue | - | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - | - |
| Fund balance (deficit): | | | | | | |
| Nonspendable | - | - | - | 834 | - | - |
| Assigned | - | - | - | - | - | - |
| Restricted for: | | | | | | |
| General government | - | - | - | - | - | 110,455 |
| Public safety | - | 10,483 | 32,774 | 63,543 | 14,077 | - |
| Culture and recreation | 1,485 | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Agriculture | - | - | - | - | - | - |
| Education | - | - | - | - | - | - |
| Total fund balance (deficit) | 1,485 | 10,483 | 32,774 | 64,377 | 14,077 | 110,455 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | $ 5,500 | $ 10,578 | $ 32,774 | $ 65,585 | $ 14,077 | $ 110,455 |

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

| | IECC E911 Program | CAO Expansion District II | 2020 Homeland Security Grant | 2021 Homeland Security Grant | Total |
|---|---|---|---|---|---|
| **ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Assets: | | | | | |
| Cash and investments | 1,754 | - | - | - | 2,644,279 |
| Receivables: | | | | | |
| Taxes | - | - | - | - | 35,950 |
| Unbilled taxes | - | - | - | - | 2,204,441 |
| Accounts | - | - | - | - | 55,617 |
| Prepaid items | - | - | - | - | 21,062 |
| Due from other governments | - | - | 1,442 | 2,857 | 192,351 |
| Total assets | 1,754 | - | 1,442 | 2,857 | 5,153,700 |
| Deferred outflows of resources | - | - | - | - | - |
| **TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** | $ 1,754 | $ - | $ 1,442 | $ 2,857 | $ 5,153,700 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| Liabilities: | | | | | |
| Warrants payable | - | - | 1,033 | 208 | 237,032 |
| Non-warrants payable | - | - | - | - | 491 |
| Due to other funds | - | - | 409 | 2,649 | 7,099 |
| Total liabilities | - | - | 1,442 | 2,857 | 244,622 |
| Deferred inflows of resources: | | | | | |
| Deferred revenue | - | - | - | - | 21,431 |
| Unavailable tax revenue | - | - | - | - | 2,204,441 |
| Total deferred inflows of resources | - | - | - | - | 2,225,872 |
| Fund balance (deficit): | | | | | |
| Nonspendable | - | - | - | - | 21,062 |
| Assigned | - | - | - | - | 221,617 |
| Restricted for: | | | | | |
| General government | 1,754 | - | - | - | 393,631 |
| Public safety | - | - | - | - | 1,178,321 |
| Culture and recreation | - | - | - | - | 253,507 |
| Health and welfare | - | - | - | - | 7,260 |
| Agriculture | - | - | - | - | 259,051 |
| Education | - | - | - | - | 348,757 |
| Total fund balance (deficit) | 1,754 | - | - | - | 2,683,206 |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | $ 1,754 | $ - | $ 1,442 | $ 2,857 | $ 5,153,700 |

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

| | District Court | Fair Operations | Sheriff Programs | Health District | Historical Museum | Youth Services Programs | Extension Programs |
|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | |
| Taxes | 89 | 304,124 | - | 401,387 | 96,378 | - | - |
| Intergovernmental | 132,755 | 45,001 | 35,947 | - | - | 172,040 | - |
| Charges for services | 101,883 | - | 89,892 | - | - | - | - |
| Interest income | - | - | - | - | - | - | - |
| Miscellaneous | 20 | 197,497 | 500 | - | - | 1,000 | 16,646 |
| Total revenues | 234,747 | 546,622 | 126,339 | 401,387 | 96,378 | 173,040 | 16,646 |
| **Expenditures** | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public safety | 68,110 | - | 130,582 | - | - | 152,757 | - |
| Culture and recreation | - | - | - | - | 80,347 | - | - |
| Health and welfare | - | - | - | 402,669 | - | - | - |
| Agriculture | - | 433,655 | - | - | - | - | 24,569 |
| Education | - | - | - | - | - | - | - |
| Debt service: | | | | | | | |
| Principal | 520 | - | - | - | - | - | - |
| Interest | 78 | - | - | - | - | - | - |
| Capital outlay | 16,730 | 49,986 | - | - | - | - | - |
| Total expenditures | 85,438 | 483,641 | 130,582 | 402,669 | 80,347 | 152,757 | 24,569 |
| Excess (deficiency) of revenues over (under) expenditures | 149,309 | 62,981 | (4,243) | (1,282) | 16,031 | 20,283 | (7,923) |
| Other financing sources (uses) | | | | | | | |
| Operating transfers in (out) | 7,838 | 3,500 | 1,000 | - | 1,500 | 1,000 | - |
| Lease financing | 16,431 | - | - | - | - | - | - |
| Total other financing sources (uses) | 24,269 | 3,500 | 1,000 | - | 1,500 | 1,000 | - |
| Net change in fund balance | 173,578 | 66,481 | (3,243) | (1,282) | 17,531 | 21,283 | (7,923) |
| Fund balances (deficits) - beginning of year | 395,685 | 194,865 | 122,886 | 9,542 | 26,696 | 295,342 | 30,024 |
| Fund balances (deficits) - end of year | $ 569,263 | $ 261,346 | $ 119,643 | $ 8,260 | $ 44,227 | $ 316,625 | $ 22,101 |

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

| | Junior College Tuition | Parks and Recreation | Revaluation | Tort | Noxious Weeds | Election Consolidation | Emergency 911 |
|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | |
| Taxes | - | 167,111 | 652,165 | 174,609 | 94,208 | - | - |
| Intergovernmental | 20,000 | - | - | - | - | 114,921 | - |
| Charges for services | - | 34,980 | - | - | 2,978 | - | 205,291 |
| Interest income | - | - | - | - | - | - | 1,412 |
| Miscellaneous | - | 286 | 27,245 | - | 8 | - | - |
| Total revenues | 20,000 | 202,377 | 679,410 | 174,609 | 97,194 | 114,921 | 206,703 |
| **Expenditures** | | | | | | | |
| General government | - | - | 597,336 | 173,282 | - | 94,692 | - |
| Public safety | - | - | - | - | - | - | 168,141 |
| Culture and recreation | - | 208,505 | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - | - |
| Agriculture | - | - | - | - | 104,486 | - | - |
| Education | 14,750 | - | - | - | - | - | - |
| Debt service: | | | | | | | |
| Principal | - | - | - | - | - | - | 7,603 |
| Interest | - | - | - | - | - | - | 102 |
| Capital outlay | - | 11,840 | 33,968 | - | - | - | 23,234 |
| Total expenditures | 14,750 | 220,345 | 631,304 | 173,282 | 104,486 | 94,692 | 199,080 |
| Excess (deficiency) of revenues over (under) expenditures | 5,250 | (17,968) | 48,106 | 1,327 | (7,292) | 20,229 | 7,623 |
| Other financing sources (uses) | | | | | | | |
| Operating transfers in (out) | - | 101,252 | 7,000 | - | 1,000 | - | - |
| Lease financing | - | - | - | - | - | - | 9,489 |
| Total other financing sources (uses) | - | 101,252 | 7,000 | - | 1,000 | - | 9,489 |
| Net change in fund balance | 5,250 | 83,284 | 55,106 | 1,327 | (6,292) | 20,229 | 17,112 |
| Fund balances (deficits) - beginning of year | 28,343 | 60,734 | 147,588 | 20,639 | 33,479 | 103,563 | 332,913 |
| Fund balances (deficits) - end of year | $ 33,593 | $ 144,018 | $ 202,694 | $ 21,966 | $ 27,187 | $ 123,792 | $ 350,025 |

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

| | Snowmobile | Waterways | Emergency Medical Services | Veterans' Memorial | Phillips Farm | Latah Trail Project | Palouse & Clearwater CWMA |
|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | |
| Taxes | - | - | - | 10,317 | - | - | - |
| Intergovernmental | - | - | - | - | - | - | 81,709 |
| Charges for services | 11,478 | 16,691 | 8,863 | - | 115 | - | - |
| Interest income | - | - | - | - | - | - | - |
| Miscellaneous | 15 | - | - | - | 5,000 | 12,798 | 31,674 |
| Total revenues | 11,493 | 16,691 | 8,863 | 10,317 | 5,115 | 12,798 | 113,383 |
| **Expenditures** | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public safety | - | - | 4,473 | - | - | - | - |
| Culture and recreation | 13,799 | 19,999 | - | 10,200 | 3,054 | 2,798 | - |
| Health and welfare | - | - | - | - | - | - | - |
| Agriculture | - | - | - | - | - | - | 129,712 |
| Education | - | - | - | - | - | - | - |
| Debt service: | | | | | | | |
| Principal | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Total expenditures | 13,799 | 19,999 | 4,473 | 10,200 | 3,054 | 2,798 | 129,712 |
| Excess (deficiency) of revenues over (under) expenditures | (2,306) | (3,308) | 4,390 | 117 | 2,061 | 10,000 | (16,329) |
| Other financing sources (uses) | | | | | | | |
| Operating transfers in (out) | - | - | - | - | - | - | - |
| Lease financing | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Net change in fund balance | (2,306) | (3,308) | 4,390 | 117 | 2,061 | 10,000 | (16,329) |
| Fund balances (deficits) - beginning of year | 59,137 | 24,348 | 15,980 | (65) | 8,740 | 74,597 | 25,699 |
| Fund balances (deficits) - end of year | $ 56,831 | $ 21,040 | $ 20,370 | $ 52 | $ 10,801 | $ 84,597 | $ 9,370 |

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

| | Historic Preservation Grant | Interlock Electronic Monitor | Court Facilities | Drug Court | Misdemeanor Probation Revolving | Recording - Archival Records |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| Taxes | - | - | - | - | - | - |
| Intergovernmental | 5,500 | - | - | 83,312 | - | - |
| Charges for services | - | 1,407 | 7,130 | 7,960 | 275 | - |
| Interest income | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | 1,400 | - |
| Total revenues | 5,500 | 1,407 | 7,130 | 91,272 | 1,675 | - |
| **Expenditures** | | | | | | |
| General government | - | - | - | - | - | 49,787 |
| Public safety | - | 1,370 | - | 84,127 | 74 | - |
| Culture and recreation | 5,500 | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Agriculture | - | - | - | - | - | - |
| Education | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 5,500 | 1,370 | - | 84,127 | 74 | 49,787 |
| Excess (deficiency) of revenues over (under) expenditures | - | 37 | 7,130 | 7,145 | 1,601 | (49,787) |
| Other financing sources (uses) | | | | | | |
| Operating transfers in (out) | - | - | - | - | - | - |
| Lease financing | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Net change in fund balance | - | 37 | 7,130 | 7,145 | 1,601 | (49,787) |
| Fund balances (deficits) - beginning of year | 1,485 | 10,446 | 25,644 | 57,232 | 12,476 | 160,242 |
| Fund balances (deficits) - end of year | $ 1,485 | $ 10,483 | $ 32,774 | $ 64,377 | $ 14,077 | $ 110,455 |

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

| | IECC E911 Program | CAO Expansion District II | 2020 Homeland Security Grant | 2021 Homeland Security Grant | Total |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Taxes | - | - | - | - | 1,900,388 |
| Intergovernmental | 239,998 | - | 10,010 | 19,443 | 960,636 |
| Charges for services | - | - | - | - | 488,943 |
| Interest income | - | - | - | - | 1,412 |
| Miscellaneous | - | - | - | - | 294,089 |
| Total revenues | 239,998 | - | 10,010 | 19,443 | 3,645,468 |
| **Expenditures** | | | | | |
| General government | - | - | - | - | 915,097 |
| Public safety | - | - | 10,120 | 19,443 | 639,197 |
| Culture and recreation | - | - | - | - | 344,202 |
| Health and welfare | - | - | - | - | 402,669 |
| Agriculture | - | - | - | - | 692,422 |
| Education | - | - | - | - | 14,750 |
| Debt service: | | | | | |
| Principal | - | - | - | - | 8,123 |
| Interest | - | - | - | - | 180 |
| Capital outlay | 235,499 | - | - | - | 371,257 |
| Total expenditures | 235,499 | - | 10,120 | 19,443 | 3,387,897 |
| Excess (deficiency) of revenues over (under) expenditures | 4,499 | - | (110) | - | 257,571 |
| Other financing sources (uses) | | | | | |
| Operating transfers in (out) | - | (7,838) | - | - | 116,252 |
| Lease financing | - | - | - | - | 25,920 |
| Total other financing sources (uses) | - | (7,838) | - | - | 142,172 |
| Net change in fund balance | 4,499 | (7,838) | (110) | - | 399,743 |
| Fund balances (deficits) - beginning of year | (2,745) | 7,838 | 110 | - | 2,283,463 |
| Fund balances (deficits) - end of year | $ 1,754 | $ - | $ - | $ - | $ 2,683,206 |

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

| | Budgeted Revenue | Actual Revenue | Budgeted Expenditures | Actual Expenditures | Other Financing Sources (Uses) | Beginning Fund Balance (Deficit) | Ending Fund Balance (Deficit) |
|---|---|---|---|---|---|---|---|
| District Court | 156,488 | 234,747 | 156,488 | 85,438 | 24,269 | 395,685 | 569,263 |
| Fair Operations | 458,281 | 546,622 | 518,268 | 483,641 | 3,500 | 194,865 | 261,346 |
| Sheriff Program | 156,104 | 126,339 | 177,426 | 130,582 | 1,000 | 122,886 | 119,643 |
| Health District | 397,669 | 401,387 | 402,669 | 402,669 | - | 9,542 | 8,260 |
| Historical Museum | 97,558 | 96,378 | 107,558 | 80,347 | 1,500 | 26,696 | 44,227 |
| Youth Services Programs | 152,120 | 173,040 | 245,596 | 152,757 | 1,000 | 295,342 | 316,625 |
| Extension Programs | 42,500 | 16,646 | 42,500 | 24,569 | - | 30,024 | 22,101 |
| Junior College Tuition | - | 20,000 | 20,000 | 14,750 | - | 28,343 | 33,593 |
| Parks and Recreation | 194,703 | 202,377 | 227,233 | 220,345 | 101,252 | 60,734 | 144,018 |
| Revaluation | 654,058 | 679,410 | 688,902 | 631,304 | 7,000 | 147,588 | 202,694 |
| Tort | 172,992 | 174,609 | 180,992 | 173,282 | - | 20,639 | 21,966 |
| Noxious Weed | 95,583 | 97,194 | 111,471 | 104,486 | 1,000 | 33,479 | 27,187 |
| Election Consolidation | 102,000 | 114,921 | 106,806 | 94,692 | - | 103,563 | 123,792 |
| Emergency 911 | 186,000 | 206,703 | 382,430 | 199,080 | 9,489 | 332,913 | 350,025 |
| Snowmobile | 9,000 | 11,493 | 51,000 | 13,799 | - | 59,137 | 56,831 |
| Waterways | 20,000 | 16,691 | 20,000 | 19,999 | - | 24,348 | 21,040 |
| Emergency Medical Services | 8,000 | 8,863 | 12,000 | 4,473 | - | 15,980 | 20,370 |
| Veterans' Memorial | 10,200 | 10,317 | 10,200 | 10,200 | - | (65) | 52 |
| Phillips Farm | 5,000 | 5,115 | 10,000 | 3,054 | - | 8,740 | 10,801 |
| Latah Trail Project | 10,000 | 12,798 | 60,000 | 2,798 | - | 74,597 | 84,597 |
| Palouse & Clearwater CWMA | 90,000 | 113,383 | 130,457 | 129,712 | - | 25,699 | 9,370 |
| Historic Preservation Grant | 7,000 | 5,500 | 7,000 | 5,500 | - | 1,485 | 1,485 |
| Interlock Electronic Monitor | 1,000 | 1,407 | 10,000 | 1,370 | - | 10,446 | 10,483 |
| Court Facilities | 9,000 | 7,130 | 23,000 | - | - | 25,644 | 32,774 |
| Drug Court | 87,046 | 91,272 | 87,235 | 84,127 | - | 57,232 | 64,377 |
| Misdemeanor Probation Revolving | 800 | 1,675 | 10,000 | 74 | - | 12,476 | 14,077 |
| Recording - Archival Records | - | - | 160,000 | 49,787 | - | 160,242 | 110,455 |
| IECC E911 Program | 144,538 | 239,998 | 238,245 | 235,499 | - | (2,745) | 1,754 |
| CAO Expansion District II | - | - | - | - | (7,838) | 7,838 | - |
| 2020 Homeland Security Grant | 27,500 | 10,010 | 27,500 | 10,120 | - | 110 | - |
| 2021 Homeland Security Grant | 62,000 | 19,443 | 62,000 | 19,443 | - | - | - |
| Total | $ 3,357,140 | $ 3,645,468 | $ 4,286,976 | $ 3,387,897 | $ 142,172 | $ 2,283,463 | $ 2,683,206 |

**SINGLE AUDIT SECTION**

**LATAH COUNTY, IDAHO**
**Moscow, Idaho**

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

| | Federal Assistance Listing Number | Pass-Through Grantor Number/Grant ID Number | Passed-Through to Subrecipients | Expenditures |
|---|---|---|---|---|
| **U.S. Department of Agriculture** | | | | |
| Passed through Idaho Department of Agriculture: | | | | |
| Forest Health Protection | 10.680 | 20-DG-11046000-609 | - | 8,978 |
| **Total U.S. Department of Agriculture** | | | $ - | $ 8,978 |
| **U.S. Department of the Interior** | | | | |
| Passed through Idaho State Historical Society: | | | | |
| Historic Preservation Fund Grants-In-Aid | 15.904 | Not Available | - | 5,500 |
| Direct through U.S. Department of Interior: | | | | |
| Payment in Lieu of Taxes | 15.226 | Not Applicable | - | 298,793 |
| **Total U.S. Department of Interior** | | | $ - | $ 304,293 |
| **U.S. Department of Justice** | | | | |
| Direct through U.S. Department of Justice: | | | | |
| Bulletproof Vest Partnership Program | 16.607 | Not Available | - | 2,325 |
| Passed through Idaho State Police: | | | | |
| NICS Act Record Improvement Program | 16.813 | 2020-NS-BX-K017 | - | 15,000 |
| **Total U.S. Department of Justice** | | | $ - | $ 17,325 |
| **Department of Transportation** | | | | |
| Passed through Idaho Transportation Department: | | | | |
| Highway Safety Cluster | | | | |
| State and Community Highway Safety | 20.600 | Not Available | - | 8,474 |
| National Priority Safety Programs | 20.616 | Not Available | - | 17,115 |
| Total Highway Safety Cluster | | | - | 25,589 |
| **Total Department of Transportation** | | | $ - | $ 25,589 |
| **U.S. Department of the Treasury** | | | | |
| Direct through U.S. Department of Treasury: | | | | |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | Not Available | 149,718 | 2,191,957 |
| **Total U.S. Department of the Treasury** | | | $ 149,718 | $ 2,191,957 |
| **U.S. Department of Health and Human Services** | | | | |
| Passed through Idaho Department of Health & Welfare: | | | | |
| Opioid STR | 93.788 | 1H79TI083282-02 | - | 32,280 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 1B08TI083444-01 | - | 10,130 |
| **Total U.S. Department of Health and Human Services** | | | $ - | $ 42,410 |
| **Department of Homeland Security** | | | | |
| Passed through Idaho Military Division: | | | | |
| Emergency Management Performance Program: | | | | |
| Emergency Management Performance Grants | 97.042 | EMS2021EP00003 | - | 29,419 |
| COVID-19 - Emergency Management Performance Grants | 97.042 | 21EMPG056 | - | 8,187 |
| Total Emergency Management Performance Program | | | - | 37,606 |
| Homeland Security Grant Program: | | | | |
| 2020 Homeland Security Grant | 97.067 | EMW2020SS00070 | - | 10,120 |
| 2021 Homeland Security Grant | 97.067 | EMW2021SS00070 | - | 19,443 |
| Total Homeland Security Grant Program | | | - | 29,563 |
| **Total Department of Homeland Security** | | | $ - | $ 67,169 |
| **Total Expenditures of Federal Awards** | | | $ 149,718 | $ 2,657,721 |

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

## NOTE 1 Basis of Presentation

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

## NOTE 2 Summary of Significant Accounting Policies

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

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

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

HAYDEN ROSS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Latah County, Idaho as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise Latah County, Idaho's basic financial statements, and have issued our report thereon dated March 31, 2023

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*Hayden Ross, PLLC*

Moscow, Idaho
March 31, 2023

HAYDEN ROSS

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

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

## Report on Compliance for Each Major Federal Program

### *Opinion on Each Major Federal Program*

We have audited Latah 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 Latah County, Idaho's major federal programs for the year ended September 30, 2022. Latah County, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Latah County, Idaho complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Latah 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 Latah 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 Latah County, Idaho's internal control over compliance. Accordingly, no such opinion is expressed.

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

**Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

*Hayden Ross, PLLC*

Moscow, Idaho
March 31, 2023

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

**Section I - Summary of Auditor's Results**

*Financial Statements*

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

*Federal Awards*

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

***Identification of major programs:***
***Reporting Requirements and Communication Considerations***

| Federal Assistance Listing Number | Name of Federal Program or Cluster |
|---|---|
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds |

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

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

**Section II - Financial Statement Findings**

None.

**Section III - Federal Award Findings and Questioned Costs**

None.