Washington County, Idaho

Year Ended September 30, 2022

Audited Financial Statements



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Quest CPAs PLLC

WASHINGTON COUNTY, IDAHO
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Quality Expertise Service Timeliness

Independent Auditor's Report

Board of County Commissioners
Washington County, Idaho

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County'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.

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Auditor's Responsibility 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 if 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 the County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and schedule of employer's share of net pension asset and liability schedule of employer contributions, and schedule of changes in the net OPEB liability and related ratios listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries,

the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 30, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Quest CPAs PLLC

Payette, Idaho
December 30, 2022

WASHINGTON COUNTY, IDAHO
Statement of Net Position
September 30, 2022

	Governmental Activities	
	Primary Government	Component Unit
Assets		
Current Assets		
Cash & Investments	$9,189,237	$334,330
Receivables:		
Taxes	153,051	7,809
Intergovernmental		10,555
Accounts	31,304	207,670
Inventory	62,711	
Total Current Assets	9,436,303	560,364
Noncurrent Assets		
Cash & Investments	5,615,574	
Depreciable/Amortizable Net Capital Assets	377,227	313,254
Depreciable Net Capital Assets	3,335,645	
Total Noncurrent Assets	9,328,446	313,254
Total Assets	18,764,749	873,618
Deferred Outflows of Resources		
OPEB Items	33,531	
Pension Items	2,347,412	225,447
Total Deferred Outflows of Resources	2,380,943	225,447
Total Assets and Deferred Outflows of Resources	$21,145,692	$1,099,065
Liabilities		
Current Liabilities		
Accounts Payable & Accrued Expenses	$945,272	$39,732
Unearned Grant Revenue	1,925,193	
Long-Term Liabilities, Current	211,049	34,860
Total Current Liabilities	3,081,514	74,592
Noncurrent Liabilities		
Long-Term Liabilities, Noncurrent	4,948,134	467,545
Total Noncurrent Liabilities	4,948,134	467,545
Total Liabilities	8,029,648	542,137
Deferred Inflows of Resources		
OPEB Items	17,196	
Pension Items	19,634	1,889
Total Deferred Inflows of Resources	36,830	1,889
Total Liabilities and Deferred Inflows of Resources	8,066,478	544,026
Net Position		
Net Investment in Capital Assets	3,400,356	248,389
Restricted - Special Programs	10,530,589	
Unrestricted	(851,731)	306,650
Total Net Position	13,079,214	555,039
Total Liabilities and Deferred Inflows of Resources and Net Position	$21,145,692	$1,099,065

WASHINGTON COUNTY, IDAHO

Statement of Activities

Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants And Contributions	Program Revenues: Capital Grants And Contributions	Net (Expense) Revenue
Governmental Activities - Primary Government					
Current Expenditures					
Assessor	$228,511	$19,465			($209,046)
Buildings & Grounds	288,013	24,533			(263,480)
Clerk / Auditor	309,737	26,797			(282,940)
Commissioners	173,696	14,796			(158,900)
County Agent	93,866	7,996			(85,870)
Planning & Zoning	242,881	20,689			(222,192)
Prosecuting Attorney	260,844	22,219			(238,625)
Road & Bridge	2,919,407	319,849		$209,407	(2,390,151)
Sheriff & Jail	2,304,422	196,293			(2,108,129)
Treasurer / Tax Collector	140,962	12,007			(128,955)
Other ARPA Fund Functions	54,872			54,872	0
Other General Fund Functions	1,044,848	89,001			(955,847)
Other Justice Fund Functions	731,954	62,349			(669,605)
Other Nonmajor Fund Functions	2,674,853	234,637	$249,700	8,668	(2,181,848)
Other PILT Fund Functions	0				0
Capital Assets	753,129				(753,129)
Total Primary Government	$12,221,995	$1,050,631	$249,700	$272,947	($10,648,717)
Component Unit					
Weiser Ambulance District	$911,771	$630,251			($281,520)
Total Component Unit	$911,771	$630,251	$0	$0	($281,520)

Changes in Net Position	Primary Government	Component Unit
Net (Expense) Revenue	(10,648,717)	(281,520)
General Revenues		
Property Taxes	6,414,675	301,312
Intergovernmental Revenue	3,970,247	
Investment Return	72,593	238
Change in FMV of Investments	(774,487)	
Other Revenue (Expense)	1,440,054	47,874
Pension Revenue (Expense)	(1,109,878)	(105,001)
OPEB Revenue (Expense)	(35,568)	
Total	9,977,636	244,423
Change in Net Position	(671,081)	(37,097)
Net Position - Beginning	13,750,295	592,136
Net Position - Ending	$13,079,214	$555,039

WASHINGTON COUNTY, IDAHO

Balance Sheet - Governmental Funds

September 30, 2022

	General (Current Expense) Fund	Road & Bridge Fund	Justice Fund	Special Bridge Fund
Assets				
Cash & Investments	$1,547,678	$2,679,847	$2,616,784	$913,835
Receivables:				
Taxes	52,674	14,250	42,297	896
Accounts				
Inventory				
Due From Other Funds				
Total Assets	$1,600,352	$2,694,097	$2,659,081	$914,731
Liabilities				
Accounts Payable & Accrued Expenses	$89,190	$381,961	$174,275	$99,037
Unearned Grant Revenue				
Due To Other Funds				
Total Liabilities	89,190	381,961	174,275	99,037
Deferred Inflows of Resources				
Unavailable Tax Revenues	47,407	12,825	38,067	806
Total Deferred Inflows of Resources	47,407	12,825	38,067	806
Fund Balances				
Nonspendable				
Restricted - Special Programs		2,299,311	2,446,739	814,888
Unassigned	1,463,755			
Total Fund Balances	1,463,755	2,299,311	2,446,739	814,888
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$1,600,352	$2,694,097	$2,659,081	$914,731

WASHINGTON COUNTY, IDAHO

Balance Sheet - Governmental Funds

September 30, 2022

	ARPA Fund	PILT Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash & Investments	$1,925,193	$1,534,164	$3,587,310	$14,804,811
Receivables:				
Taxes			42,934	153,051
Accounts			31,304	31,304
Inventory			62,711	62,711
Due From Other Funds			0	0
Total Assets	$1,925,193	$1,534,164	$3,724,259	$15,051,877
Liabilities				
Accounts Payable & Accrued Expenses			$200,809	$945,272
Unearned Grant Revenue	$1,925,193		0	1,925,193
Due To Other Funds			0	0
Total Liabilities	1,925,193	$0	200,809	2,870,465
Deferred Inflows of Resources				
Unavailable Tax Revenues			25,252	124,357
Total Deferred Inflows of Resources	0	0	25,252	124,357
Fund Balances				
Nonspendable			62,711	62,711
Restricted - Special Programs		1,534,164	3,435,487	10,530,589
Unassigned			0	1,463,755
Total Fund Balances	0	1,534,164	3,498,198	12,057,055
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$1,925,193	$1,534,164	$3,724,259	$15,051,877

WASHINGTON COUNTY, IDAHO
Balance Sheet - Governmental Funds
September 30, 2022

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	
Total Governmental Fund Balances	$12,057,055
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,712,872
Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	124,357
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(5,159,183)
Deferred outflows/inflows related to OPEB are not due and payable in the current period and therefore are not reported in the funds.	16,335
Deferred outflows/inflows related to pensions are not due and payable in the current period and therefore are not reported in the funds.	2,327,778
Net Position of Governmental Activities	$13,079,214

WASHINGTON COUNTY, IDAHO

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2022

	General (Current Expense) Fund	Road & Bridge Fund	Justice Fund	Special Bridge Fund
Revenues				
Property Taxes	$1,808,644	$653,605	$2,141,603	$68,853
Intergovernmental Revenue	254,769	2,662,630	613,767	9,316
Investment Return	56,916			
Change in FMV of Investments	(774,487)			
Charges for Services	391,288		344,238	
Grants & Other	229,821	253,907	853,992	17,642
Total Revenues	1,966,951	3,570,142	3,953,600	95,811
Expenditures				
Current Expenditures				
Assessor	238,437			
Buildings & Grounds	157,571		142,952	
Clerk / Auditor	328,249			
Commissioners	181,241			
County Agent	97,944			
Planning & Zoning	253,430			
Prosecuting Attorney			272,173	
Road & Bridge		3,575,355		342,663
Sheriff & Jail			2,404,515	
Treasurer / Tax Collector	147,084			
Other ARPA Fund Functions				
Other General Fund Functions	1,090,231			
Other Justice Fund Functions			763,746	
Other Nonmajor Fund Functions				
Other PILT Fund Functions				
Total Expenditures	2,494,187	3,575,355	3,583,386	342,663
Excess (Deficiency) of Revenues Over Expenditures	(527,236)	(5,213)	370,214	(246,852)
Other Financing Sources (Uses)				
Proceeds from Lease		541,516		
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	541,516	0	0
Net Change in Fund Balances	(527,236)	536,303	370,214	(246,852)
Fund Balances - Beginning	1,990,991	1,763,008	2,076,525	1,061,740
Fund Balances - Ending	$1,463,755	$2,299,311	$2,446,739	$814,888

WASHINGTON COUNTY, IDAHO

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2022

	ARPA Fund	PILT Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes			$1,737,856	$6,410,561
Intergovernmental Revenue			429,765	3,970,247
Investment Return		$6,180	9,497	72,593
Change in FMV of Investments			0	(774,487)
Charges for Services			315,105	1,050,631
Grants & Other	$54,872		552,467	1,962,701
Total Revenues	54,872	6,180	3,044,690	12,692,246
Expenditures				
Current Expenditures				
Assessor			0	238,437
Buildings & Grounds			0	300,523
Clerk / Auditor			0	328,249
Commissioners			0	181,241
County Agent			0	97,944
Planning & Zoning			0	253,430
Prosecuting Attorney			0	272,173
Road & Bridge			0	3,918,018
Sheriff & Jail			0	2,404,515
Treasurer / Tax Collector			0	147,084
Other ARPA Fund Functions	54,872		0	54,872
Other General Fund Functions			0	1,090,231
Other Justice Fund Functions			0	763,746
Other Nonmajor Fund Functions			2,874,224	2,874,224
Other PILT Fund Functions			0	0
Total Expenditures	54,872	0	2,874,224	12,924,687
Excess (Deficiency) of Revenues Over Expenditures	0	6,180	170,466	(232,441)
Other Financing Sources (Uses)				
Proceeds from Lease			0	541,516
Transfers In			0	0
Transfers Out			0	0
Total Other Financing Sources (Uses)	0	0	0	541,516
Net Change in Fund Balances	0	6,180	170,466	309,075
Fund Balances - Beginning	0	1,527,984	3,327,732	11,747,980
Fund Balances - Ending	$0	$1,534,164	$3,498,198	$12,057,055

WASHINGTON COUNTY, IDAHO
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2022

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

Net Change in Fund Balances - Total Governmental Funds	$309,075
Amounts reported for governmental activities in the statement of activities are different because:	
Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the excess of capital outlays over (under) depreciation expense in the current period as well as any gains and losses on dispositions of assets.	(62,039)
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds.	4,114
Proceeds of leases is a financing source in the governmental funds, but increases long-term liabilities in the statement of net position.	(541,516)
Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	229,000
In the statement of activities, compensated absences are accrued when earned, but the expenditure is reported when due in the governmental funds.	(3,481)
Changes in net OPEB liability and related OPEB source deferred outflow of resources do not provide or require current financial resources and therefore are not reflected in the funds.	(25,180)
Changes in net pension asset/liability and related pension deferred outflows and deferred inflows do not provide or require current financial resources and therefore are not reflected in the funds.	(581,054)
Change in Net Position of Governmental Activities	($671,081)

WASHINGTON COUNTY, IDAHO
Statement of Fiduciary Net Position
September 30, 2022

	Private Purpose Trust Funds	Custodial Funds	Total
Assets			
Cash & Investments	$684,478	$29,269	$713,747
Taxes Receivable		157,680	157,680
Total Assets	$684,478	$186,949	$871,427
Liabilities			
Accounts Payable & Accrued Expenses	$290,990	$7,879	$298,869
Total Liabilities	290,990	7,879	298,869
Net Position			
Restricted - Held in Trust	393,488		393,488
Restricted - Other Governments		179,070	179,070
Total Net Position	393,488	179,070	572,558
Total Liabilities and Net Position	$684,478	$186,949	$871,427

WASHINGTON COUNTY, IDAHO
Statement of Changes in Fiduciary Net Position
Year Ended September 30, 2022

	Private Purpose Trust Funds	Custodial Funds	Total
Additions			
Collections	$3,771,216	$7,041,185	$10,812,401
Total Additions	3,771,216	7,041,185	10,812,401
Deductions			
Distributions	3,596,218	7,046,440	10,642,658
Total Deductions	3,596,218	7,046,440	10,642,658
Change in Net Position	174,998	(5,255)	169,743
Net Position - Beginning	218,490	184,325	402,815
Net Position - Ending	$393,488	$179,070	$572,558

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Compensated Absences – The County provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is recorded as a liability in the accompanying financial statements. Compensated absences will be paid by the fund in which the employee works.

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

Other Post-Employment Benefits (OPEB) – For purposes of measuring the net OPEB liability, deferred outflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's Other Post-Employment Benefit Plan (the County's OPEB Plan) and additions to/deductions from the County's OPEB Plan fiduciary net position have been determined on the same basis as they are reported by the County's OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Other post-employment benefits will be paid by the fund in which the employee works.

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

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation,

and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

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

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

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

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

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

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

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

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

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

	Governmental Funds	Fiduciary Funds	Total
Cash - Deposits	$4,422,542	$713,747	$5,136,289
Investments - Local Gov't Invest Pool	4,620,985		4,620,985
Investments - Fixed Income Securities	5,761,284		5,761,284
Total	$14,804,811	$713,747	$15,518,558

Deposits – At year end, the carrying amounts of the County's deposits were $5,136,289 and the bank balances were $5,046,831. Of the bank balances, $792,475 was insured, $3,881,129 was collateralized, and the balance was uninsured and uncollateralized.

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

Interest rate risk:

	Investment Maturity Schedule (In Years)			
Investment Type	Less Than 1	1 - 5	6 - 10	Total
Local Gov't Invest Pool	$4,620,985			$4,620,985
US Gov't Agency Oblig	145,710	$3,393,332	$2,222,242	5,761,284
Total	$4,766,695	$3,393,332	$2,222,242	$10,382,269

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

	Investment Rating Schedule			
Investment Type	AAA	AA	Not Rated	Total
Local Gov't Invest Pool			$4,620,985	$4,620,985
US Gov't Agency Oblig	$5,067,812	$693,472		5,761,284
Total	$5,067,812	$693,472	$4,620,985	$10,382,269

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

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

C. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	$377,227			$377,227
Total	377,227	$0	$0	377,227
Depreciable/Amortizable Capital Assets				
Buildings	5,579,857	44,843	144,384	5,480,316
Equipment	8,002,274	104,731	992,707	7,114,298
Leased Equipment	0	541,516		541,516
Subtotal	13,582,131	691,090	1,137,091	13,136,130
Accumulated Depreciation				
Buildings	4,316,292	113,075	144,384	4,284,983
Equipment	5,868,155	531,750	992,707	5,407,198
Subtotal	10,184,447	644,825	1,137,091	9,692,181
Accumulated Amortization				
Leased Equipment	0	108,304		108,304
Subtotal	0	108,304	0	108,304
Total	3,397,684	(62,039)	0	3,335,645
Net Capital Assets	$3,774,911	($62,039)	$0	$3,712,872

Depreciation expense of $644,825 and amortization expense of $108,304 were charged to the capital assets program.

D. LONG-TERM LIABILITIES

At year end, the County had leases as follows:

Lease for equipment #0717 for 5 years starting Feb 2022, due in annual payments ranging from $42,071 to $114,500, with interest at 3%, paid through the road & bridge fund	$156,258
Lease for equipment #0600 for 5 years starting Feb 2022, due in annual payments ranging from $42,071 to $114,500, with interest at 3%, paid through the road & bridge fund	156,258
Total	$312,516

Future lease payments are estimated as follows:

Year Ended	Principal	Interest	Total
9/30/23	$74,668	$9,474	$84,142
9/30/24	76,932	7,210	84,142
9/30/25	79,250	4,892	84,142
9/30/26	81,666	2,476	84,142
Total	$312,516	$24,052	$336,568

Changes in long-term liabilities are as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Leases	$0	$541,516	$229,000	$312,516	$74,668
Comp. Absences	132,900	311,634	308,153	136,381	136,381
Net Pension Liability	0	4,398,837		4,398,837	-
Net OPEB Liability	304,737	6,712		311,449	-
Total	$437,637	$5,258,699	$537,153	$5,159,183	$211,049

E. DEFERRED COMPENSATION PLAN

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

F. PENSION PLAN

Plan description

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

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

Pension benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for

their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

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

Member and employer contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of June 30, 2022 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The County's contributions were $537,756 for the year ended September 30, 2022.

Pension asset/liabilities, pension revenue (expense), 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 liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension 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 0.1116808 percent.

For the year ended September 30, 2022, the County recognized pension revenue (expense) of ($1,109,878). 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	$483,711	$19,634
Changes in assumptions or other inputs	717,142	
Net difference between projected and actual earnings on pension plan investments	1,012,120	
Employer contributions subsequent to the measurement date	134,439	
Total	$2,347,412	$19,634

$134,439 reported as deferred outflows of resources related to pensions resulting from County contributions

made subsequent to the measurement date will be recognized as an adjustment to the pension expense in the year ending September 30, 2023.

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

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

Year Ended	
9/30/23	($524,508)
9/30/24	(569,403)
9/30/25	(263,348)
9/30/26	(836,081)
Total	($2,193,341)

Actuarial assumptions

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

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

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return, net of investment expenses	6.35%
Cost-of-living adjustments	1.00%

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% 5% of Fire & Police active member deaths are assumed to be duty related. This assumption was adopted July 1, 2021.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%

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

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

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

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

Asset Class	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 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. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for administrative expense.

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

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the County's proportionate share of the net pension 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%)
County's proportionate share of the net pension liability	$7,763,516	$4,398,837	$1,644,934

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.

Impact on the County's net position

Depending on the annual performance of the Base Plan and the various non-financial factors that affect the collective Base Plan net pension liability (as described above), the County may periodically experience a deficit in its net position. This can occur as a result of recording the County's allocable portion of the net pension liability which is an estimated liability that changes substantially from year to year depending on the factors described above but does not currently require cash outflows. As the net pension liability of the Base Plan is closely monitored by PERSI's board (who makes changes to the contribution rates and other terms of the Base Plan when deemed necessary), such deficits are not deemed to be of substantial concern.

G. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

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

Benefits Provided

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

Contributions & Implicit Rate Subsidy

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

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

When a medical plan is self-insured through a third-party administrator or fully insured, a premium is usually determined by analyzing the claims of the entire population in that plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower. Therefore, the retirees' premiums are being subsidized by the active group. The difference between the expected claims for the retiree group and the blended premium is called the implicit rate subsidy. Accordingly, the County's implicit subsidy contributions were $10,388 for the year ended September 30, 2022.

Net OPEB Liability of the County

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

Total OPEB Liability	$311,449
OPEB Plan Fiduciary Net Position	0
Net OPEB Liability	$311,449
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%

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

For the year ended September 30, 2022, the County recognized OPEB revenue (expense) of ($35,568). At September 30, 2022, the County reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Liability losses	$8,381	
Liability gains		$17,196
Assumption changes	14,762	
Estimated employer contributions subsequent to the measurement date	10,388	
Total	$33,531	$17,196

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of October 1, 2021 with a measurement date of October 1, 2021. The following actuarial assumptions applied to all periods included in the measurement:

Actuarial cost method	Entry age, level percentage of pay
Inflation	2.00%
Salary increases	Service graded table, 3.00% used to roll pay forward to the valuation date
Medical trend rate	6.50% as of October 1, 2021 grading to 5.00% over 6 years and then to 4.00% over the next 48 years
Mortality	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale

Discount Rate

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

Changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	**Plan Fiduciary Net Position**	**Net OPEB Liability**
Beginning of Year	$304,737	$0	$304,737
Changes for Year			
Service Cost	23,796		23,796
Interest Cost	9,520		9,520
Assumption Changes	17,455		17,455
Differences Between Expected/Actual Experience	(21,496)		(21,496)
Benefit Payments	(22,563)		(22,563)
Net Change in Total OPEB Liability	6,712	0	6,712
End of Year	$311,449	$0	$311,449

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

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

	1% Decrease (1.30%)	**Current Discount Rate (2.30%)**	**1% Increase (3.30%)**
Net OPEB Liability	$340,495	$311,449	$284,447

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

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

	1% Decrease (5.50% Decreasing to 4.00%)	Current Healthcare Cost Trend Rate (6.50% Decreasing to 5.00%)	1% Increase (7.50% Decreasing to 6.00%)
Net OPEB Liability	$271,336	$311,449	$359,869

H. LANDFILL CLOSURE

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

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

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

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

I. TAX ABATEMENTS

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

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2022

General (Current Expense) Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$1,789,956	$1,789,956	$1,808,644	$18,688	
Intergovernmental Revenue	128,500	128,500	254,769	126,269	
Investment Return	25,000	25,000	56,916	31,916	
Change in FMV of Investments	0	0	(774,487)	(774,487)	
Charges for Services	187,100	187,100	391,288	204,188	
Grants & Other	282,933	282,933	229,821	(53,112)	
Total Revenues	2,413,489	2,413,489	1,966,951	(446,538)	
Expenditures					
Current Expenditures					
Assessor	275,300	275,300	238,437	36,863	
Buildings & Grounds	803,785	803,785	157,571	646,214	
Clerk / Auditor	353,520	353,520	328,249	25,271	
Commissioners	195,415	195,415	181,241	14,174	
County Agent	129,050	129,050	97,944	31,106	
Planning & Zoning	265,450	309,427	253,430	55,997	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	0	0	0	0	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	173,122	173,122	147,084	26,038	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	1,567,847	1,567,847	1,090,231	477,616	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	3,763,489	3,807,466	2,494,187	1,313,279	*
Excess (Deficiency) of Revenues Over Expenditures	(1,350,000)	(1,393,977)	(527,236)	866,741	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(1,350,000)	(1,393,977)	(527,236)	866,741	
Fund Balances - Beginning	1,350,000	1,393,977	1,990,991	597,014	
Fund Balances - Ending	$0	$0	$1,463,755	$1,463,755	
	**Total expenditures (over) under appropriations are:*			$1,313,279	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2022

Road & Bridge Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$631,215	$631,215	$653,605	$22,390	
Intergovernmental Revenue	1,295,000	1,295,000	2,662,630	1,367,630	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	19,400	19,400	253,907	234,507	
Total Revenues	1,945,615	1,945,615	3,570,142	1,624,527	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	3,434,319	3,434,319	3,575,355	(141,036)	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	3,434,319	3,434,319	3,575,355	(141,036)	*
Excess (Deficiency) of Revenues Over Expenditures	(1,488,704)	(1,488,704)	(5,213)	1,483,491	
Other Financing Sources (Uses)					
Proceeds from Lease	0	0	541,516	541,516	
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	541,516	541,516	
Net Change in Fund Balances	(1,488,704)	(1,488,704)	536,303	2,025,007	
Fund Balances - Beginning	1,488,704	1,488,704	1,763,008	274,304	
Fund Balances - Ending	$0	$0	$2,299,311	$2,299,311	
	**Total expenditures (over) under appropriations are:*			($141,036)	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2022

Justice Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$2,127,734	$2,127,734	$2,141,603	$13,869	
Intergovernmental Revenue	340,000	340,000	613,767	273,767	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	509,000	509,000	344,238	(164,762)	
Grants & Other	299,086	299,086	853,992	554,906	
Total Revenues	3,275,820	3,275,820	3,953,600	677,780	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	345,000	345,000	142,952	202,048	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	332,453	332,453	272,173	60,280	
Road & Bridge	0	0	0	0	
Sheriff & Jail	2,815,373	2,815,373	2,404,515	410,858	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	1,146,950	1,146,950	763,746	383,204	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	4,639,776	4,639,776	3,583,386	1,056,390	*
Excess (Deficiency) of Revenues Over Expenditures	(1,363,956)	(1,363,956)	370,214	1,734,170	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(1,363,956)	(1,363,956)	370,214	1,734,170	
Fund Balances - Beginning	1,363,956	1,363,956	2,076,525	712,569	
Fund Balances - Ending	$0	$0	$2,446,739	$2,446,739	
	**Total expenditures (over) under appropriations are:*			$1,056,390	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2022

Special Bridge Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$64,000	$64,000	$68,853	$4,853	
Intergovernmental Revenue	25,000	25,000	9,316	(15,684)	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	0	0	17,642	17,642	
Total Revenues	89,000	89,000	95,811	6,811	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	1,065,000	1,065,000	342,663	722,337	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	1,065,000	1,065,000	342,663	722,337	*
Excess (Deficiency) of Revenues Over Expenditures	(976,000)	(976,000)	(246,852)	729,148	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(976,000)	(976,000)	(246,852)	729,148	
Fund Balances - Beginning	976,000	976,000	1,061,740	85,740	
Fund Balances - Ending	$0	$0	$814,888	$814,888	
	**Total expenditures (over) under appropriations are:*			$722,337	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2022

ARPA Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$0	$0	$0	$0	
Intergovernmental Revenue	0	0	0	0	
Investment Return	0	0	0	0	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	0	0	54,872	54,872	
Total Revenues	0	0	54,872	54,872	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	0	0	0	0	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	54,872	(54,872)	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	0	0	54,872	(54,872)	*
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	0	0	0	0	
Fund Balances - Beginning	0	0	0	0	
Fund Balances - Ending	$0	$0	$0	$0	
	**Total expenditures (over) under appropriations are:*			($54,872)	

WASHINGTON COUNTY, IDAHO

Budgetary Comparison Schedule -
General and Major Special Revenue Funds
Year Ended September 30, 2022

PILT Fund	Budgeted Amounts (GAAP Basis) Original	Budgeted Amounts (GAAP Basis) Final	Actual Amounts	Final Budget Variance Positive (Negative)	
Revenues					
Property Taxes	$0	$0	$0	$0	
Intergovernmental Revenue	0	0	0	0	
Investment Return	0	0	6,180	6,180	
Change in FMV of Investments	0	0	0	0	
Charges for Services	0	0	0	0	
Grants & Other	0	0	0	0	
Total Revenues	0	0	6,180	6,180	
Expenditures					
Current Expenditures					
Assessor	0	0	0	0	
Buildings & Grounds	0	0	0	0	
Clerk / Auditor	0	0	0	0	
Commissioners	0	0	0	0	
County Agent	0	0	0	0	
Planning & Zoning	0	0	0	0	
Prosecuting Attorney	0	0	0	0	
Road & Bridge	0	0	0	0	
Sheriff & Jail	0	0	0	0	
Treasurer / Tax Collector	0	0	0	0	
Other ARPA Fund Functions	0	0	0	0	
Other General Fund Functions	0	0	0	0	
Other Justice Fund Functions	0	0	0	0	
Other Nonmajor Fund Functions	0	0	0	0	
Other PILT Fund Functions	0	0	0	0	
Total Expenditures	0	0	0	0	*
Excess (Deficiency) of Revenues Over Expenditures	0	0	6,180	6,180	
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	
Transfers Out	0	0	0	0	*
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	0	0	6,180	6,180	
Fund Balances - Beginning	0	0	1,527,984	1,527,984	
Fund Balances - Ending	$0	$0	$1,534,164	$1,534,164	
	**Total expenditures (over) under appropriations are:*			$0	

WASHINGTON COUNTY, IDAHO

Schedule of Employer's Share of Net Pension Asset and Liability
and Schedule of Employer Contributions
PERSI - Base Plan

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

Fiscal Year Ended June 30	Employer's Portion of the Net Pension (Asset) Liability	Employer's Proportionate Share of the Net Pension (Asset) Liability	Covered Payroll	Employer's Proportional Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset) Liability
2015	0.1183779%	$1,558,844	$3,359,903	46.40%	91.38%
2016	0.1210596%	$2,454,064	$3,581,343	68.52%	87.26%
2017	0.1157045%	$1,818,676	$3,593,701	50.61%	90.68%
2018	0.1177425%	$1,736,722	$3,788,198	45.85%	91.69%
2019	0.1163968%	$1,328,637	$3,953,304	33.61%	93.79%
2020	0.1143347%	$2,655,003	$4,071,323	65.21%	88.22%
2021	0.1135443%	($89,675)	$4,237,320	-2.12%	100.36%
2022	0.1116808%	$4,398,837	$4,404,070	99.88%	83.09%

*As of the measurement date of the net pension (asset) liability.

Schedule of Employer Contributions

Fiscal Year Ended September 30	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$380,341	$380,341	$0	$3,359,903	11.32%
2016	$405,408	$405,408	$0	$3,581,343	11.32%
2017	$406,383	$406,383	$0	$3,589,956	11.32%
2018	$436,611	$436,611	$0	$3,856,988	11.32%
2019	$456,953	$456,953	$0	$3,984,285	11.47%
2020	$491,266	$491,266	$0	$4,114,456	11.94%
2021	$510,357	$510,357	$0	$4,274,347	11.94%
2022	$537,756	$537,756	$0	$4,503,819	11.94%

Schedules above intended to show information for 10 years. Information for additional years will be presented as it becomes available.

WASHINGTON COUNTY, IDAHO

Schedule of Changes in Net OPEB Liability and Related Ratios

Other Post-Employment Benefit Plan

Last 10 - Fiscal Years*

Fiscal Year	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	$23,796	$21,864	$21,176	$17,541	$17,030
Interest Cost	9,520	9,142	9,515	8,942	8,422
Assumption Changes	17,455	0	1,596	0	0
Experience	(21,496)	0	16,766	0	0
Benefit Payments	(22,563)	(18,148)	(15,568)	(11,972)	(10,240)
Net Change in Total OPEB Liability	6,712	12,858	33,485	14,511	15,212
Total OPEB Liability - Beginning	304,737	291,879	258,394	243,883	228,671
Total OPEB Liability - Ending (a)	$311,449	$304,737	$291,879	$258,394	$243,883
Plan Fiduciary Net Position - Beginning	0	0	0	0	0
Plan Fiduciary Net Position - Ending (b)	$0	$0	$0	$0	$0
County's Net OPEB Liability - Ending (a) - (b)	$311,449	$304,737	$291,879	$258,394	$243,883
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	$4,568,425	$4,206,204	$4,073,805	$4,056,988	$3,938,823
Net OPEB Liability as a Percentage of Covered Employee Payroll	6.82%	7.24%	7.16%	6.37%	6.19%

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

NOTES:

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

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

Quest CPAs PLLC
Quality Expertise Service Timeliness

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

Board of County Commissioners
Washington County, Idaho

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

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The

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results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Quest CPAs PLLC

Payette, Idaho
December 30, 2022