CLEARWATER COUNTY, STATE OF IDAHO

FINANCIAL STATEMENTS

Year Ended September 30, 2024

CLEARWATER COUNTY, STATE OF IDAHO

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	3
MANAGEMENT'S DISCUSSION AND ANALYSIS (M D & A)	6
BASIC FINANCIAL STATEMENTS	
COUNTY-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	14
Statement of Activities	15
FUND FINANCIAL STATEMENTS	
Balance Sheet - Governmental Funds	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	19
Statement of Fiduciary Net Position – Fiduciary Funds	21
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	22
NOTES TO FINANCIAL STATEMENTS	23
REQUIRED SUPPLEMENTARY INFORMATION (RSI)	
Budgetary Comparison Schedule – General Fund	41
Budgetary Comparison Schedule – Road and Bridge	42
Budgetary Comparison Schedule – Justice	43
Budgetary Comparison Schedule – Local Assistance & Tribal Fund	44
Schedule of Pension Funding	45
SUPPLEMENTARY INFORMATION	
GOVERNMENTAL FUNDS	
Combining Balance Sheet – GAAP Basis	47
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – GAAP Basis	51
FIDUCIARY FUNDS	
Combining Balance Sheet – GAAP Basis	55
Combining Statement of Revenues, Expenditures, and Changes in Net Position – GAAP Basis	56
ALL COUNTY FUNDS	
Combining Balance Sheet	57
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	58
SINGLE AUDIT SECTION	
Independent Auditor's Report – *Government Auditing Standards*	60
Independent Auditor's Report – *Uniform Guidance*	62
Schedule of Findings and Questioned Costs	65
Schedule of Expenditures of Federal Awards – Modified Accrual Basis	67

PRESNELL GAGE, PLLC
ACCOUNTING AND CONSULTING

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Clearwater County, State of Idaho
Orofino, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clearwater County, State of Idaho, as of and for the year ended September 30, 2024, 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, each major fund, and the aggregate remaining fund information of Clearwater County, State of Idaho, as of September 30, 2024, 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 Clearwater County, State of 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.

Lewiston Office: 1216 Idaho Street, Lewiston, Idaho 83501, (208) 746-8281
Moscow Office: 609 South Washington, Suite 202, Moscow, Idaho 83843, (208) 882-2211
Grangeville Office: 109 South Mill Street, Grangeville, Idaho 83530, (208) 983-1254
Orofino Office: P.O. Box 632, 216 Johnson Avenue, Orofino, Idaho 83544, (208) 476-3012
Pullman Office: 1230 SE Bishop Blvd., Pullman, Washington 99163, (509) 332-6541
Eagle Office: 1159 E Iron Eagle Drive, Suite 100, Eagle, Idaho 83616, (208) 319-2929

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 Clearwater County, State of 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 Clearwater County, State of 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 Clearwater County, State of 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, schedule of pension funding, and budgetary comparison information on pages 6 through 13 and 41 through 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 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.

Supplementary Information

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

Reports on Summarized Comparative Information

We have previously audited Clearwater County, State of Idaho's 2023 and 2022 financial statements, and we expressed unmodified audit opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our reports dated March 26, 2025, and July 29, 2024. In our opinion, the summarized comparative information presented herein is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 29, 2025, on our consideration of Clearwater County, State of 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 Clearwater County, State of Idaho's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Clearwater County, State of Idaho's internal control over financial reporting and compliance.

Presnell Gage, PLLC

December 29, 2025
Lewiston, Idaho

The discussion and analysis of the Clearwater County's Government Services financial performance provides an overview of the County's financial activities for the fiscal year October 1, 2023 through September 30, 2024.

Role of County Government in Idaho. Idaho counties, like counties in other states, have a dual function. They serve as an arm of the state government in administering elections, enforcing state laws, and performing many other state-mandated functions. They also serve as a unit of local government, which has responsibilities in meeting the needs of its own citizens in health, welfare, agricultural services, public works, planning, parks, and recreation.

Clearwater County is a larger county as far as land mass with 1,572,681 acres and serves a population of approximately 8,734.

Elected Officials. The Board of County Commissioners, consisting of three elected commissioners, serves as the governing body for Clearwater County carrying out local legislative duties and fulfilling other obligations as chief executive of the County. The Board is responsible for setting general policy for Clearwater County and has primary authority to establish terms and conditions of employment with Clearwater County. The Board also appoints personnel to help maintain its administrative responsibilities.

Six other Clearwater County officials are elected by the County's voters to carry out specific public information. These elected officials include: Clerk/Auditor (maintains fiscal accounts, budget officer, recorder, clerk of the district court, and clerk of the Board of Commissioners); Assessor (determines property values, administers property taxation system, and issues vehicle registrations); Treasurer (tax collector, ex-officio public administrator); Prosecuting Attorney (prosecutes crimes and provides legal counsel to the County government); Sheriff (law enforcement); and Coroner (determines cause of death).

Clearwater County Elected Officials:

County Commissioners	Mitch Reggear, District #1
	Vince Frazier, Chair, District #2
	Ken Harvey, District #3
Sheriff	Chris Goetz
Assessor	Susan Spencer
Auditor, Recorder and Clerk of the Court	JoAnn Davis
Treasurer and Tax Collector	Dawn Erlewine
Prosecuting Attorney	E. Clayne Tyler
Coroner	Dennis Fuller

Other County Supervisors and Officials:

Secretary, Public Health Unit	Rhonda Lycan
Ambulance Supervisor	Darren Smith
Veterans Service Officer	Steve Olin/Quinton Cook
Environmental Health Specialist	Seth Johnson and Jennifer Ryan
Zoning Officer and Building Official	Bobbi Kaufman and Jeni Larsen
Emergency Management Director	Don Gardner
Road Supervisor	Ruby Knapik
Weed Control Supervisor	Ruby Knapik

Judicial Officers – District and Magistrate Court:

Second Judicial District Judge	Adam Green
Magistrate Judge	David Judd

Goal: It is the goal of each elected official, each department head, and every employee to provide the best possible service to every member of the public in a courteous, equitable, efficient, effective way. It is the goal of the County to utilize revenues in the most efficient way to allow each elected official to fulfill their respective duties as prescribed in the *Idaho Code*. Further, it is the objective of every elected official to collect revenues as allowed by law, including taxes, fees, and fines. These revenues should be used in the most effective way to help pay for the cost of all services. The County is accountable to the taxpayers and citizens of Clearwater County and all members of the public.

The goal of Clearwater County to provide the best possible service within the revenues allowed continues to be a challenge because of the economy that has experienced fluctuations, a high rate of unemployment levels, federal funding holdbacks or the non-allocation of funds for local programs, increased personnel benefit costs, and unfunded mandates.

USING THIS ANNUAL REPORT

This annual report consists of four distinct series of financial statements: the County-wide financial statements; the fund financial statements; the fiduciary financial statements; and supplementary information.

- The statement of net position and the statement of activities (on pages 14 through 16) provide information about the activities of the County as a whole and present a longer-term view of the County's finances.

- The fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements (on pages 17 to 20) also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds.

- The fiduciary funds (on pages 21 and 22) provide information about activities for which the County acts solely as a trustee or agent for the benefit of other governmental districts, County employees, and as an agent of the District Court.

- The remaining statements and schedules provide information about individual funds within the County and the results of their operations compared to budget.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES

One of the most important questions asked about the County's finances is: "Is the County as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the County as a whole and about its activities in a way that may help answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES (CONTINUED)

These two statements report the County's net position and changes in them. You can think of the County's net position—the difference between assets and the liabilities—as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the County's property tax base and population to assess the overall health of the County.

Financial Highlights

- The County's net position amounts to $24,580,025. This is down from $26,896,394 in 2023 and up from $21,802,191 in 2022. Net position also includes $16,851,986 in net capital assets (less related debt) up from $16,513,368 in 2023 and up from $15,756,667 in 2022.

- The County's net position decreased by $2,316,369.

- The total cost of County governmental activity operations amounted to $16,259,542 (up from $13,582,660 in 2023 and up from $13,432,563 in 2022) of which $2,495,184 ($3,648,037 in 2023) was generated from charges for services and $3,048,022 ($1,773,852 in 2023) was generated from program revenues. General revenues amounted to $8,399,967 ($13,254,974 in 2023).

The Clearwater County Commissioners for the 2023-2024 fiscal year budget authorized a 5% increase for wages and finance 100 percent of any increases to medical benefits for all departments. The commissioners held the hiring wage at the same levels and also held the wage classifications at the same rates.

- Departmental functions and activities as well as some of the significant changes in revenues and expenses for those departments for 2024 are outlined below:

  The Clearwater County's current expense fund is the fund from which the majority of the services provided to the County are funded. The services provided through this fund are recording, financial auditor controller, treasurer and tax collector, vehicle licensing, coroner, elections, commissioners' expenses, building maintenance, emergency management, County agent, cooperative extension, data processing, IT department, planning and zoning, juvenile probation services, and veterans service officer. The revenues for this fund come from property taxes, Payment In Lieu of Tax (PILT) payments, revenue sharing, sales tax, and fees collected for services.

  Planning and Zoning – The Planning and Zoning Commission and the Clearwater County Commissioners have updated the building code ordinances for Clearwater County to include the latest version of the *International Building Codes* that was adopted in January of 2018. The Land Use Ordinance draft is completed and is waiting legal review to move to public hearing. The department utilizes a web-based software for current permits and is converting the old permits into the system. The County expended approximately $137,022, which includes the cost of benefits for planning and zoning expenses and collected approximately $93,421 of revenue in fiscal year 2024 for building permits and zoning permit.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES (CONTINUED)

Financial Highlights (Continued)

Road and Bridge – Clearwater County's Road and Bridge Department is responsible for the oversight of the maintenance of County roads within its highway district boundaries. The Road and Bridge Department does general maintenance and upkeep on the roads and snow removal in the winter months.

Dent Bridge – The County has ongoing maintenance of the Dent Bridge and has an established trust fund for those expenses. This fund is dedicated to maintenance for the Dent Bridge.

Ambulance – Clearwater County ambulance provides ambulance services to all the citizens in Clearwater County. There are ambulances in Elk River, Pierce, Weippe, and Orofino. The ambulance services are provided with property taxes and payments for services by the patrons. The ambulance department spent approximately $211,047 more in the fiscal year 2024 compared to the 2023 fiscal year and brought in approximately $501,457 in ambulance service fees in fiscal year 2024.

Consolidated Election Fund – The County clerk received funding in the amount of $66,572 from the State of Idaho to run elections for schools, cities, and taxing districts and spent $84,826 for the cost of running two elections in 2024 for taxing districts, schools, and cities.

Court Fund – The court fund is utilized for funding of the court system. This fund pays for daily operations of the court and for any trials that are held. This fund utilizes property taxes and a percentage of the fines and fees collected to provide these services. The court expenses increased by $28,140 for the fiscal year 2023-2024. The increase in expenses is largely due to in-person jury trials and witness fees. There were no significant expenses to the court facility funds and the clerk is trying to save those funds for future updates to the courtrooms that are needed. The court also has Problem Solving Courts which divert non-violent, substance abusing offenders from prison and jail into treatment. By increasing direct supervision of offenders, coordinating public resources, and expediting case processing, Problem Solving Courts can help break the cycle of criminal behavior, alcohol and drug use, and incarceration. There is a separate budget for these courts and most of the funding for them comes from the State of Idaho. The Problem Solving Court had expenses in the amount of $80,601 in the 2024 fiscal year.

Justice Fund – The justice fund provides law enforcement for Clearwater County. The costs for adult and juvenile detention facilities are paid out of this fund. The prosecutor's office is also provided for in this fund. The revenues for this fund come from property taxes, PILT payments, revenue sharing, sales tax, and fees collected for services. The justice fund expenses were $100,651 higher than fiscal year 2023.

E-911 Rural Addressing – The County continues to collect E-911 fees of $1.25 per telephone line per month. Twenty-five cents go to the state E-911 fund. The money is being used for maintenance of the Central Square software for the E-911 System. The County still issues new Rural Addresses throughout the year. This includes purchases of signs and materials to continue adding addresses to the E-911 System. Clearwater County is using the fund balance that is being carried over to adequately fund the ongoing operation and maintenance costs for the E-911 system. In March of 2019, the County implemented the text to 911 for all County residents. The County received $106,204 for E-911 Service in the 2024 fiscal year.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES (CONTINUED)

Financial Highlights (Continued)

Noxious Weed Department – The noxious weed department works year-round to strategize and take measures that will control and eradicate weeds in Clearwater County. The director has a professional application license for chemicals necessary in this work. The weed department continues to promote noxious weed control and has pursued the options of weed coalitions to collaborate with local residents to control the noxious weeds in Clearwater County. The revenue for this fund comes from property taxes. Expenses for this fund were down $120,985 from prior fiscal year 2023.

Solid Waste – Over the past year, the amount of MSW (household trash) has slightly increased resulting in higher costs to run the department. The department has installed a permanent scale house, which has created better service for the County patrons. Having the scale house has also allowed us to verify that only Clearwater County residents are using the service without additional cost, and out of County patrons are charged a fee for our service. In October 2020, Clearwater County was able to complete an expansion for the non-municipal solid waste (NMSW-non household trash) landfill in Weippe, Idaho, for the collection of NMSW needs for the County. We are continuing to utilize this site and working on the next phase to keep it open and useable.

A table of the net expenses by each function compared to the prior year is attached as Table 1 on Page 13.

FUND FINANCIAL STATEMENTS

The fund financial statements begin on page 17 and provide detailed information about the most significant funds — not the County as a whole. Some funds are required to be established by state law. However, the County establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental Funds - All of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliation after the fund financial statements.

Fiduciary Funds - The County is the fiduciary for licenses and fines collected for the State of Idaho and for property taxes and intergovernmental revenue collected for other taxing districts. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position on page 21. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

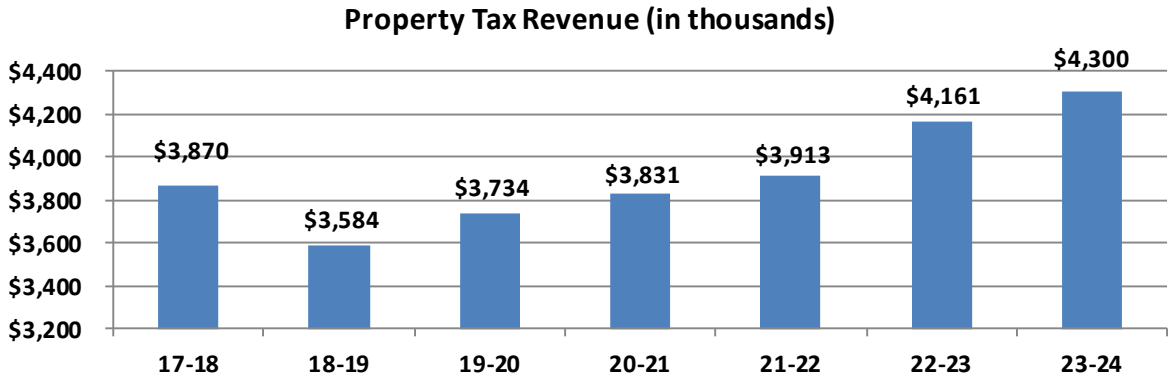
FUND FINANCIAL STATEMENTS (CONTINUED)

Financial Highlights

The County's governmental fund balances increased by $778,926 vs. a increase of $144,661 in 2023 ($8,883,263 compared to $8,104,337 at the beginning of the year).

Approximately 25 percent (30 percent in 2023) of total County revenue is provided by the property taxes, which are based upon property valuations and requested tax levies and are subject to budget hearings. In addition, there are statutory restrictions on the total levy that certain County funds may levy. The County has levied the maximum allowed for the 2024 fiscal year, which is 3 percent plus new construction.

Property tax revenue for recent years (on the modified accrual basis of accounting) was:



In 2024, actual expenditures were below budget for most of the County departments. Expenses overall increased. Some budget costs increased due to the 5% wage increases in salaries and benefits. Social services costs are minimal and as of October 1, 2024, public defense is provided by the State of Idaho.

The Insurance and Grants fund is a fund that contains special grants. The County received few grants in fiscal year 2024 which increased the expenses in the fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of 2024, the County had $16,851,986, net of accumulated depreciation invested in capital assets, including buildings, bridges, roads, and major equipment ($16,513,368 in 2023 and $15,756,667 in 2022). This amount represents a net change of $338,618 from last year. Capital purchases of $1,851,897 exceed current year depreciation of $1,513,279. More detailed information about the County's capital assets is presented in Notes 1 and 6 to the financial statements.

The largest portion of the County's capital assets represents its investment in County buildings and roads. These capital assets amount to $28,105,021 out of $45,619,226 in total capital assets ($28,042,121 out of $43,824,407 in 2023). The County uses these capital assets for the benefit of its citizens; consequently, these assets are not available for future spending.

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt - The County has no long-term debt

Net Pension Liability - The County recognized a net pension liability of $3,918,727 for its share of PERSI's net pension liability. PERSI is one of the strongest retirement systems in the nation, with funding at 84 percent of the pension obligation. The County recognized deferred outflows of $922,137 and deferred inflows of $71,131 for the County's share of earnings in excess of the minimum expectation by PERSI and for payments made towards the net pension liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected officials considered many factors when setting the fiscal year 2025 budget, tax rates, and fees that will be charged. For fiscal year 2025, the County anticipates a three percent increase in property tax revenue plus a factor for new construction growth (the value of the new construction times the previous year's levy rate). The County budget had a 5 percent increase for wages for its employees and had an increase in the costs of employee benefits. The economic situation remains about the same for Clearwater County, as funding for Secure Rural Schools (SRS) is never a guarantee, and without any assurances for future funding for SRS, the County is doing what it can to function within its means. The elected officials will continue to provide the best services possible to the County within its means and will proceed with a conservative fiscal stance. In Clearwater County, PILT has been traditionally used to fund the General Fund and the Justice Fund, however, in future years, PILT may be used to fund other government functions, depending upon the final allocation of PILT Funds.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office at 208-476-5615 in Orofino, Idaho.

TABLE 1 – FUNCTIONAL EXPENDITURES

The following table compares expenses by function to the 2023 expenses:

	Functional Expenses 2024	Functional Expenses 2023	Increase (Decrease)
GOVERNMENTAL ACTIVITIES			
GENERAL SERVICES			
General government	$ 2,120,826	$ 1,944,821	$ 176,005
Treasurer/tax collector	185,339	170,629	14,710
Assessor	257,819	246,376	11,443
Elections	131,772	123,447	8,325
Information services	484,625	355,250	129,375
LICENSING AND PUBLIC SERVICES			
Auditor/recorder	263,292	287,055	(23,763)
Motor vehicle licenses	304,056	300,562	3,494
Planning and building	137,461	127,872	9,589
LEGAL SYSTEM			
District and drug court	423,033	394,073	28,960
Prosecuting attorney	388,790	365,697	23,093
PUBLIC SAFETY			
Ambulance	1,148,218	741,631	406,587
Coroner	44,209	46,411	(2,202)
Civil defense-emergency services	72,769	64,985	7,784
Sheriff	2,226,718	2,108,554	118,164
Public defender	322,580	222,545	100,035
Predators	4,000	2,999	1,001
Detention and probation programs	188,085	165,035	23,050
Special grants	341,683	243,124	98,559
PUBLIC WORKS			
Transportation-roads and bridges	2,527,694	1,993,438	534,256
Noxious weeds	127,209	186,513	(59,304)
HEALTH AND WELFARE			
Solid waste	1,184,676	1,108,839	75,837
Charity/indigent assistance		28,024	(28,024)
North Idaho Health District/ Clearwater Valley Hospital	1,201,788	214,073	987,715
Junior college tuition/Historical Society	30,400	23,300	7,100
CULTURE AND RECREATION			
Recreation-boat, snowmobile, and fair	207,691	187,975	19,716
County agent	90,819	87,295	3,524
UNALLOCATED DEPRECIATION	1,513,279	1,227,474	285,805
PERSI RETIREMENT ACTUARIAL CHARGES	330,711	614,663	(283,952)
Total governmental activities	$16,259,542	$13,582,660	$ 2,676,882

CLEARWATER COUNTY, STATE OF IDAHO

STATEMENT OF NET POSITION
September 30, 2024

	Governmental Activities	Prior Year - 2023 Governmental Activities	Prior Year - 2022 Governmental Activities
ASSETS			
Current assets			
Cash	$ 1,785,817	$ 6,164,644	$ 7,314,705
Investments	8,873,553	6,690,629	656,551
Property taxes receivable	234,605	243,129	227,961
Accounts receivable	967,810	836,768	1,095,174
Total current assets	11,861,785	13,935,170	9,294,391
Noncurrent assets			
Capital assets	45,619,226	43,824,407	42,561,693
Less accumulated depreciation	(28,767,240)	(27,311,039)	(26,805,026)
Total noncurrent assets	16,851,986	16,513,368	15,756,667
Total assets	28,713,771	30,448,538	25,051,058
DEFERRED OUTFLOW OF RESOURCES			
Defined benefit pension	922,137	1,794,971	2,397,997
LIABILITIES			
Current liabilities			
Warrants payable	647,467	483,105	804,239
Compensated absences	418,558	332,029	322,281
Total current liabilities	1,066,025	815,134	1,126,520
Noncurrent liabilities			
Net pension liability	3,918,727	4,531,981	4,500,258
Total noncurrent liabilities	3,918,727	4,531,981	4,500,258
Total liabilities	4,984,752	5,347,115	5,626,778
DEFERRED INFLOW OF RESOURCES			
Defined benefit pension	71,131		20,086
NET POSITION			
Invested in capital assets, net of related debt	16,851,986	16,513,368	15,756,667
Unrestricted	7,728,039	10,383,026	6,045,524
Total net position	$ 24,580,025	$ 26,896,394	$ 21,802,191

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

STATEMENT OF ACTIVITIES
Year Ended September 30, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Prior Year 2023	Prior Year 2022
GOVERNMENTAL ACTIVITIES						
GENERAL GOVERNMENT						
GENERAL SERVICES						
General government	$ 2,120,826			$ (2,120,826)	$ (1,944,821)	$ (1,713,692)
Treasurer/tax collector	185,339			(185,339)	(170,629)	(160,653)
Assessor	257,819	$ 4,240		(253,579)	(239,451)	(251,929)
Elections	131,772		$ 83,360	(48,412)	(57,370)	(114,678)
Information services	484,625			(484,625)	(355,250)	(299,337)
LICENSING AND PUBLIC SERVICES						
Auditor/recorder	263,292	52,216		(211,076)	(231,894)	(180,926)
Motor vehicle licenses	304,056	92,769		(211,287)	(198,309)	(159,870)
Planning and building	137,461	110,464		(26,997)	(41,451)	(54,983)
LEGAL SYSTEM						
District and drug court	423,033	36,066	250	(386,717)	(337,471)	(275,364)
Prosecuting attorney	388,790	64,537		(324,253)	(310,547)	(268,162)
PUBLIC SAFETY						
Ambulance	1,148,218	551,050	29,529	(567,639)	(111,562)	(284,131)
Coroner	44,209			(44,209)	(46,411)	(44,325)
Civil defense-emergency services	72,769		16,815	(55,954)	(48,555)	(50,902)
Sheriff	2,226,718	293,985		(1,932,733)	(1,783,512)	(1,620,571)
Public defender	322,580	140		(322,440)	(222,377)	(230,053)
Predators	4,000			(4,000)	(2,999)	(3,000)
Detention and probation programs	188,085	11,764	63,609	(112,712)	(85,227)	(53,212)
Special grants	341,683		512,226	170,543	(105,274)	210,268
PUBLIC WORKS						
Transportation-roads and bridges	2,527,694	47,654	2,300,285	(179,755)	(428,261)	(570,305)
Noxious weeds	127,209			(127,209)	(186,500)	(152,676)
HEALTH AND WELFARE						
Solid waste	1,184,676	1,123,738		(60,938)	959,138	96,414
Charity/indigent assistance					3,786	41,126
North Idaho Health District/ Clearwater Valley Hospital	1,201,788			(1,201,788)	(214,073)	(586,280)
Junior college tuition / Historical Society	30,400			(30,400)	(23,300)	(20,450)
CULTURE AND RECREATION						
Recreation - boat, snowmobile, and fair	207,691	106,561	41,948	(59,182)	(49,019)	(63,372)
County agent	90,819			(90,819)	(87,295)	(81,714)
Balance forward	14,415,552	2,495,184	3,048,022	(8,872,346)	(6,318,634)	(6,892,777)

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

STATEMENT OF ACTIVITIES
Year Ended September 30, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Prior Year 2023	Prior Year 2022
Balance forward	$ 14,415,552	$ 2,495,184	$ 3,048,022	$ (8,872,346)	$ (6,318,634)	$ (6,892,777)
UNALLOCATED DEPRECIATION	1,513,279			(1,513,279)	(1,227,474)	(1,146,110)
PERSI RETIREMENT ACTUARIAL CHARGES	330,711			(330,711)	(614,663)	(753,347)
Total governmental activities	$ 16,259,542	$ 2,495,184	$ 3,048,022	(10,716,336)	(8,160,771)	(8,792,234)
General revenues:						
Property taxes, levied for general purposes				4,326,849	3,229,209	3,944,837
State sales tax not restricted to specific programs				1,348,352	1,360,477	1,438,013
Other state and federal funding not restricted to specific programs				1,676,086	1,322,059	1,601,339
Interest and investment earnings				449,325	112,160	2,596
Other general revenues				599,355	7,231,069	502,835
				8,399,967	13,254,974	7,489,620
Change in net position				(2,316,369)	5,094,203	(1,302,614)
Net position, beginning				26,896,394	21,802,191	23,104,805
Net position, ending				$ 24,580,025	$ 26,896,394	$ 21,802,191

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2024

	General	Road and Bridge	Justice	Local Assistance & Tribal Fund	Other Governmental Funds	Total Governmental Funds	Prior Year 2023	Prior Year 2022
ASSETS								
Cash and investments	$ 1,570,290	$ 2,624,557	$ 893,156	$ 2,090,635	$ 3,480,732	$ 10,659,370	$ 12,855,273	$ 7,971,256
Taxes receivable	56,285		81,799		96,521	234,605	243,129	227,961
Intergovernmental receivable	124,360	214,600	295,617		333,233	967,810	836,768	1,095,174
Total assets	$ 1,750,935	$ 2,839,157	$ 1,270,572	$ 2,090,635	$ 3,910,486	$ 11,861,785	$ 13,935,170	$ 9,294,391
LIABILITIES AND FUND BALANCES								
Warrants payable	$ 66,594	$ 146,821	$ 94,789	$ 77,516	$ 261,747	$ 647,467	$ 483,105	$ 804,239
Total liabilities	66,594	146,821	94,789	77,516	261,747	647,467	483,105	804,239
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	45,327		66,683	1,890,582	328,463	2,331,055	5,347,728	530,476
Total deferred inflows of resources	45,327		66,683	1,890,582	328,463	2,331,055	5,347,728	530,476
FUND BALANCES								
Assigned for accounting accruals	79,033	214,600	228,934		80,168	602,735	523,773	646,882
Assigned for special revenue		2,477,736	880,166	122,537	3,240,108	6,720,547	6,256,078	5,451,678
Unassigned	1,559,981					1,559,981	1,324,486	1,861,116
Total fund balances	1,639,014	2,692,336	1,109,100	122,537	3,320,276	8,883,263	8,104,337	7,959,676
Total liabilities and fund balances	$ 1,750,935	$ 2,839,157	$ 1,270,572	$ 2,090,635	$ 3,910,486	$ 11,861,785	$ 13,935,170	$ 9,294,391

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

RECONCILIATION OF THE STATEMENT OF NET POSITION
TO THE BALANCE SHEET- GOVERNMENTAL FUNDS
September 30, 2024

	2024	Prior Year 2023	Prior Year 2022
Total fund balances - Governmental Funds	$ 8,883,263	$ 8,104,337	$ 7,959,676
Amounts reported for governmental activities in the statement of net position are			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds:			
Cost of capital assets	45,619,226	43,824,407	42,561,693
Accumulated depreciation	(28,767,240)	(27,311,039)	(26,805,026)
Deferred outflows and deferred inflows for pension liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			
Deferred outflows	922,137	1,794,971	2,397,997
Deferred inflows	(71,131)		(20,086)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			
Compensated absences to employees	(418,558)	(332,029)	(322,281)
Net pension asset (liability)	(3,918,727)	(4,531,981)	(4,500,258)
Amounts receivable to be collected this year, but are not available soon enough to pay for current period's expenditures and, therefore, are unavailable in the future.	2,331,055	5,347,728	530,476
Total net position - Governmental Activities	$ 24,580,025	$ 26,896,394	$ 21,802,191

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended September 30, 2024

	General	Road and Bridge	Justice	Local Assistance & Tribal Fund	Other Governmental Funds	Total Governmental Funds	Prior Year 2023	Prior Year 2022
REVENUES								
Property taxes	$ 1,474,891	$ 2,551	$ 2,053,726		$ 769,172	$ 4,300,340	$ 4,161,177	$ 3,913,335
Licenses and permits	207,965		27,935		93,021	328,921	306,601	304,400
Intergovernmental revenue	1,080,810	2,885,702	1,369,149	$ 2,022,361	1,762,852	9,120,874	5,932,586	5,142,463
Charges for services	68,026	47,589	266,050		517,724	899,389	1,109,345	790,689
Interest and rent	308,285			119,630	21,410	449,325	112,160	2,599
Fines and penalties	290		64,537		35,951	100,778	98,977	99,071
Other revenue	19,694	1,736	71,486		1,672,303	1,765,219	2,143,765	1,914,364
Total revenues	3,159,961	2,937,578	3,852,883	2,141,991	4,872,433	16,964,846	13,864,611	12,166,921
EXPENDITURES								
General government	2,558,566			2,022,361	1,791,001	6,371,928	4,632,090	3,571,413
Public safety	277,063		3,675,578		1,294,298	5,246,939	4,823,611	4,347,891
Public works		2,061,218			127,841	2,189,059	2,196,309	2,582,648
Health and welfare					1,993,279	1,993,279	1,769,370	1,894,421
Culture and recreation					238,091	238,091	211,275	201,038
Other	90,819		55,805			146,624	87,295	81,714
Total expenditures	2,926,448	2,061,218	3,731,383	2,022,361	5,444,510	16,185,920	13,719,950	12,679,125
OTHER FINANCING SOURCES (USES)								
Operating transfers in	3,595				1,063,512	1,067,107	95,657	521,120
Operating transfers out					(1,067,107)	(1,067,107)	(95,657)	(521,120)
Total other financing sources (uses)	3,595	0	0	0	(3,595)	0	0	0
NET CHANGES IN FUND BALANCES	237,108	876,360	121,500	119,630	(575,672)	778,926	144,661	(512,204)
FUND BALANCES AT BEGINNING OF YEAR	1,401,906	1,815,976	987,600	2,907	3,895,948	8,104,337	7,959,676	8,471,880
FUND BALANCES AT END OF YEAR	$ 1,639,014	$ 2,692,336	$ 1,109,100	$ 122,537	$ 3,320,276	$ 8,883,263	$ 8,104,337	$ 7,959,676

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended September 30, 2024

	2024	Prior Year 2023	Prior Year 2022
Net changes in fund balances - total Governmental Funds	$ 778,926	$ 144,661	$ (512,204)
Amounts reported for governmental activities in the statement of activities are different because:			
Capital outlays to purchase or build capital assets are reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation:			
Current year capital outlay	1,851,897	1,984,175	666,148
Current year depreciation	(1,513,279)	(1,227,474)	(1,146,110)
Book basis on capital assets disposed during the year			(2,741)
Amounts borrowed on long-term debt are reported in the governmental funds as other financing sources. Amounts repaid on long-term debt are reported in the governmental funds as expenditures. However, for governmental activities, the borrowing and repayment of funds is reflected as outstanding long-term debt:			
Current year repayment of long-term debt			516,017
Current year compensated absences	(418,558)	(332,029)	(322,281)
Prior year compensated absences	332,029	322,281	281,135
Net pension liability and the related deferred outflows and deferred inflows are not considered available for the governmental funds in the current year.			
Current year net pension liability, deferred outflows, and deferred inflows	(330,711)	(614,663)	(753,347)
Some amounts receivable will not be collected for several months after the fiscal year-ends, and they are not considered available revenues in the governmental funds. Instead, they are counted as unavailable tax revenues. They are, however, recorded as revenues in the statement of activities:			
Current year receivables	2,331,055	5,347,728	530,476
Prior year receivables	(5,347,728)	(530,476)	(559,707)
Change in net position - Governmental Activities	$ (2,316,369)	$ 5,094,203	$ (1,302,614)

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
September 30, 2024

	Private-Purpose Trusts	Custodial Funds
ASSETS		
Cash and investments	$ 23,343	$ 1,013,507
Property taxes receivable		285,660
Intergovernmental receivable		71,285
Total assets	23,343	1,370,452
LIABILITIES		
Current liabilities		
Warrants payable	5,189	120,149
Held in trust for other governments		359,908
Held in trust for individuals		890,395
Total liabilities	5,189	1,370,452
NET POSITION		
Held in trust for Clearwater Valley Hospital and the State of Idaho	$ 18,154	$ 0

See accompanying notes

CLEARWATER COUNTY, STATE OF IDAHO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
Year Ended September 30, 2024

	Private-Purpose Trusts	Custodial Funds
ADDITIONS		
Property taxes		$ 6,104,669
Licenses and permits		688,821
Intergovernmental revenue		1,592,924
Charges for services		4,444
Fines and penalties		79,276
Other receipts		413,532
Refunds and reimbursements	$ 13,857	
Total additions	13,857	8,883,666
DEDUCTIONS		
Disbursed for beneficiaries	13,664	8,883,666
Total deductions	13,664	8,883,666
Change in net position	193	
NET POSITION AT BEGINNING OF YEAR	17,961	
NET POSITION AT END OF YEAR	$ 18,154	$ 0

See accompanying notes

1. SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity. Clearwater County was formed February 27, 1911, and is headquartered in Orofino, Idaho. The County operates under a commissioner form of government, with supervision of various departments by elected officials. Clearwater County provides the following services: public safety, sanitation, health and welfare, road and bridges, planning and zoning, and tax assessment and collection.

Component Units. The County has developed criteria to determine whether outside agencies with activities which benefit the citizens of the County should be included within its financial reporting entity. The criteria include, but are not limited to, whether the County (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability for fiscal matters (e.g., final budget approval of assets, etc.). Blended component units, although legally separate entities, are, in substance, part of the County's operations.

In conformity with United States generally accepted accounting principles (GAAP), the financial statements of the Orofino Celebrations, Inc., (Fair Association) have been included in these financial statements as a blended component unit of Clearwater County. The Fair Association is responsible for conducting the County Fair on behalf of Clearwater County. For financial statement purposes, the Fair Association is reported as a special revenue fund of Clearwater County. These financial statements include the activity for the Fair Association for the year ended September 30, 2024.

The financial statements of Clearwater County have been prepared in conformity with 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.

Measurement Focus and Basis of Accounting. The accounting policies of Clearwater County conform to United States generally accepted accounting principles as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County uses the following two bases of accounting in these financial statements:

Economic Resources Measurement Focus and Accrual Basis of Accounting

Under this measurement focus, 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 exchange, 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 is recognized in the fiscal year in which all eligibility requirements have been satisfied.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued).

Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting

Under this measurement focus, revenues are recognized when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes as available if they are collected within 30 days after year-end. A 60-day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes, state sales taxes, highway user's revenue, state revenue sharing, and interest are considered to be susceptible to accrual.

The County reports unearned revenue in its Fund Financial Statements. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the County before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

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 to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Restricted Resources. Program expenses are allocated to restricted program revenue first and then to the next highest level of restricted net position/fund balances when both restricted and unrestricted resources are available.

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB No. 54) defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB No. 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Nonspendable Includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted Includes amounts that can be spent only for the specific purpose stipulated by external resource providers, constitutional provisions, or enabling legislation.

Committed Includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Resources (Continued).

Assigned Includes amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned Residual classification of fund balance that includes all spendable amounts that have not been restricted, committed, or assigned.

County-Wide Financial Statements. The County-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The statement of net position and the statement of activities display information about the overall County except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements reflect only governmental activities of the County since there are no "business-type activities" within the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different functions of the County. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Program Revenue
The Statement of Activities reflects all restricted federal and state grants as program revenue, as well as all charges to County patrons for licenses, solid waste collections, and charges to other taxing entities for services such as law enforcement and jail services.

Fund Financial Statements. The Fund financial statements provide information about the County's fund categories. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. All remaining funds are aggregated and reported as non-major funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Governmental Funds
Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The County reports the following major governmental funds:

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Continued).

Governmental Funds (Continued)

- General Fund. This is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

- Road and Bridge. The "Road and Bridge Fund" is responsible for the construction and maintenance of County roads within the unincorporated areas of the County. The County Commissioners serve as the Highway District Commissioners. This fund is one of two highway districts in the County. The second highway district is a separate taxing district not included in these financial statements.

- Justice Fund. The "Justice Fund" provides funding for the operations of the offices of the clerk of the district court; the county sheriff's department; the prosecuting attorney; and operations of the county jail.

- Local Assistance & Tribal Consistency Fund. The "LATCF" is used to account for the grant money received from the Department of the Treasury that the county has received from the American Rescue Plan.

Fiduciary Funds. The County reports two types of fiduciary funds: Private purpose trusts and Custodial funds.

The private purpose trusts are used to account for trusts where the contributions and earnings will benefit County employees. These revenues are not available to finance County operations. All private purpose trusts are accounted for using the economic resources measurement focus and the accrual basis of accounting.

The custodial funds are used to account for monies collected and held on behalf of the State of Idaho, other taxing districts, and amounts held by County departments for individuals in fulfilling their public duties. Custodial funds are accounted for using the economic resources measurement focus and the accrual basis of accounting.

Use of Estimates. The County uses estimates and assumptions in preparing financial statements in accordance with United States generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that the County uses.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications. Certain reclassifications have been made to prior year balances in order to conform to the current year presentation.

Basis of Presentation.

Cash and Investments

Cash and investments include amounts in demand deposits as well as short-term investments in cash instruments. Statutes authorize the County to invest in obligations of the State of Idaho and its agencies, U.S. Treasury and U.S. agencies, local improvement County bonds, repurchase agreements, tax and revenue anticipation bonds and notes, and the State Treasurer's Local Government Investment Pool.

Deposits in the State Treasurer's Local Government Investment Pool are stated at fair value, which is the same as the value of the pool shares. The Idaho State Treasurer oversees the Local Government Investment Pool under the Joint Exercises of Power provisions of *Idaho Code*. The State Treasurer combines deposits from all governmental entities in the State, which participate in the Pool and purchases the following types of investments:

Local Certificates of Deposit
Repurchase Agreements
U.S. Government Securities

The entities participating in the Pool own a percentage of each investment held. This percentage is calculated by dividing the individual entity's deposits by the total deposits held in the pool. The purpose of this is to:

Increase the overall rate of return.
Reduce the risk of default.
Place each entity under the FDIC and SLIC limits of $250,000.

Investments held at year-end are disclosed in Note 3.

Inventories

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. The balance of governmental fund inventories is considered immaterial at year-end.

Capital Assets

Capital assets are long-lived assets of the County as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The County records all capital assets at their original cost. Assets acquired prior to 2003 are recorded at their estimated original cost. Interest is capitalized on capital assets during the construction period.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued).

Capital Assets (Continued)

The County capitalizes equipment with an original unit cost of $3,000 or more and an expected life of more than 3 years. The County capitalizes property improvements with an original cost of $10,000 or more that is expected to extend the property life by 10 years or more. Equipment with an original unit cost of between $200 and $3,000 is not capitalized for depreciation purposes, but is recorded for inventory tracking purposes only.

The County has not capitalized its infrastructure acquired prior to 2003. Significant infrastructure includes County roads, bridges, and Dent Bridge. After October 1, 2003, the County capitalizes road improvements with an original cost of $3,000 or more that is expected to extend the property life by 3 years or more.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings - 30 years; vehicles - 7 years; machinery and equipment - 10 years; computer equipment - 3 years; road construction - 30 years; road overlays - 15 years; road seal-coating - 7 years.

Property Taxes. The County levies property taxes for the County and all taxing districts within the County in November and the taxes are payable on December 20 and June 20 following the levy date. The taxes are distributed to taxing districts in the month following collection. The taxes are delinquent and a lien is filed the day following the due dates. A tax deed is issued on property three years from the date of delinquency.

Budgets. Annual appropriated budgets are adopted for all Governmental Funds other than the Fair Association. All appropriations, other than appropriations for uncompleted improvements in progress of construction, lapse at the end of the fiscal year.

Encumbrances. The County does not incorporate encumbrances as an extension of the formal budgetary accounting system. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Pensions. For purposes of measuring the net pension liability, asset, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by PERSI. 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.

Compensated Absences. Accumulated paid time off, and compensatory time are reported as liabilities of the County. Upon termination, an employee is reimbursed for accumulated paid time off up to a maximum of 380 hours and accumulated compensatory time up to a maximum of 240 hours for regular employees or 480 hours for POST certified law enforcement in full.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflow/Inflows of Resources. The County reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position. Deferred outflows of resources reported in this year's government-wide financial statements include amounts related to the County's participation in PERSI as outlined in Note 13 – Defined Benefit Pension Plan. No deferred outflows of resources affect the fund financial statements in the current year.

The County reports increases in net assets that relate to future periods as deferred inflows in a separate section of the County-wide statement of net position and the County governmental fund balance sheet. Deferred inflows of resources reported in this year's government-wide financial statements include amounts related to the County's participation in PERSI as outlined in Note 13 – Defined Benefit Pension Plan. Deferred inflows of resources reported in the fund financial statements include property tax and receivables that are not collected for 60 days after year-end and are not considered available to pay current year bills under the modified accrual basis of accounting.

2. LEGAL COMPLIANCE - BUDGETS

On or before the first Monday in August, the County Auditor, acting as budget officer, submits a proposed budget to the County Commissioners. When the Commissioners have agreed upon a tentative appropriation, the budget officer shall publish a notice of the tentative appropriation not later than the third week in August.

On the Tuesday following the first Monday in September, the Board of County Commissioners holds public hearings and upon the conclusion of those hearings, determines the amount of the budget. The amount of the budget shall be no greater than the amount of the tentative appropriation, and the amount to be raised from property taxes shall not be greater than the amount advertised.

The County budgets revenue on a comprehensive basis other than United States generally accepted accounting principles (GAAP). Property tax revenues are budgeted when levied. Intergovernmental revenue is recognized only when received.

The County adopts annual appropriated budgets for the general, special revenue, and debt service funds other than the Fair Association. All appropriations, other than appropriations for uncompleted improvements in progress of construction, lapse at the end of the year.

Expenditures may not exceed appropriations at the fund level. The budget is further broken down into the classifications of (1) salaries and wages and (2) all other expenditures.

Supplemental Appropriations. The County Commissioners may adjust the budget during the year to reflect the receipt of unscheduled revenue provided that there shall be no increase in anticipated property taxes. The annual budget procedure shall be complied with as nearly as practical before the budget may be adjusted. There were $233,703 in supplemental appropriations during the current fiscal year.

2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

Fund Transfers. There were transfers to pay operating expenses that were anticipated in the original budget at September 30, 2024, in the amount of $1,067,107.

Deficit Fund Balance. There were no funds with a deficit fund balance at September 30, 2024.

3. CASH AND INVESTMENTS

Cash and Investment policies are disclosed in Note 1.

Cash. At year-end, the carrying amount of the County's deposits (checking and savings) was $1,785,817 for Governmental Activities, $23,343 for Private Purpose Trusts, and $1,013,507 for Custodial funds. The bank balance was $2,542,505. Of the bank balance, $662,906 was considered covered by federal depository insurance. Banner Bank has fully guaranteed and collateralized the bank balance of $1,627,379 under an irrevocable standby letter of credit with the Federal Home Loan Bank of Seattle. The County had $252,220 in excess of the FDIC insured and bank collateralized limits.

Investments. At year-end, the components of the County's investments were:

Idaho State Treasurer's Local Government Investment Pool	$ 8,873,553

Interest Rate Risk
Interest rate risk is the risk that changes in interest rate will reduce the value of the County's investments. The County does not have a policy regarding interest rate risk.

Custodial Risk
Custodial risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments are held in the County's name.

Credit Risk
Credit risk is the risk that a borrower will fail to repay principal and interest in a timely manner.

Concentration of Credit Risk
The County has no policy on the amount they may invest in any one issuer.

4. PROPERTY TAXES

Property taxes are levied in November and payable on December 20 and June 20 following the levy date. The taxes are delinquent the day following the due dates. A lien is filed on property three years from the date of delinquency.

Details of property tax levies for all County funds (including the County general road fund and ambulance district) are as follows:

County Assessed Market Value for Tax Purposes

	Total Market Valuation Before Exemptions	All County Levies	Tax Charge
2023	$ 1,049,280,531	0.003795123	$ 3,970,338
2022	996,456,139	0.003850165	3,829,464
2021	947,864,456	0.004878963	3,680,692
2020	887,394,263	0.004825132	3,521,959
2019	845,697,660	0.004859472	3,387,430
2018	813,438,538	0.004991731	3,340,064
2017	746,814,140	0.005214798	3,211,672
2016	728,479,426	0.005151374	3,106,439
2015	710,824,553	0.005077322	2,998,285
2014	683,148,638	0.004947273	2,803,420

5. ACCOUNTS RECEIVABLE

Details of accounts receivable at September 30, 2024, are as follows:

State of Idaho sales tax	$ 411,195
State of Idaho Highway Users Tax	214,600
State of Idaho inmate housing	9,930
State of Idaho, other grants	59,215
Court Fees	22,410
Federal government agencies, Sheriff's deputy agreements	82,446
Ambulance billings to individuals, Medicaid, and insurance companies	313,946
Allowance for uncollectible accounts	(74,658)
Other	11
	$ 1,039,095
Accounts receivable, governmental funds	$ 967,810
Accounts receivable, custodial funds	71,285
	$ 1,039,095

6. CAPITAL ASSETS

A summary of changes in governmental activities capital assets follows:

	10/1/2023	Additions	Deletions	Balance 9/30/2024
Capital assets				
Buildings	$ 8,149,649	$ 62,900		$ 8,212,549
Roads	19,892,472			19,892,472
Equipment	3,093,646	580,537		3,674,183
Heavy equipment	2,493,881			2,493,881
Vehicles	3,718,901	1,208,460	$ (57,078)	4,870,283
CV Hospital	6,475,858			6,475,858
	$ 43,824,407	$ 1,851,897	$ (57,078)	45,619,226
Accumulated depreciation				
Buildings	$ 6,599,106	$ 86,593		$ 6,685,699
Roads	9,093,072	535,554		9,628,626
Equipment	2,239,362	288,063		2,527,425
Heavy equipment	1,792,092	128,942		1,921,034
Vehicles	2,074,107	414,127	$ (57,078)	2,431,156
CV Hospital	5,513,300	60,000		5,573,300
	$ 27,311,039	$ 1,513,279	$ (57,078)	28,767,240
Governmental activities, net capital assets				$ 16,851,986

Depreciation was charged to the following functions in the statement of activities:

Governmental functions-unallocated	$ 1,513,279

7. LONG-TERM OBLIGATIONS

Compensated Absences. The County provides paid time off benefits ranging from 8 hours to 22 hours per month to full-time employees. Benefits are prorated for part-time employees. The maximum accumulated vacation benefit is 380 hours. Unused paid time off is paid to employees upon termination of employment.

The County allows the use of compensation time to employees in lieu of overtime pay. Compensation time may be used as additional paid time off or is paid to employees upon termination of employment.

Changes in Long-term Debt. The following is a summary of changes in long-term debt for the year ended September 30, 2024:

	10/1/2023	Additions	Reductions	9/30/2024	Due Within One Year
Compensated Absences					
Paid-Time Off	$ 255,796	$ 48,621		$ 304,417	$ 304,417
Compensatory time	76,233	37,908		114,141	114,141
Total compensated absences	$ 332,029	$ 86,529	$ 0	$ 418,558	$ 418,558

8. SEGMENT INFORMATION - ENTERPRISE FUND

Effective March 1, 2015, the County entered into a lease with Essentia Community Hospitals and Clinics (ECHC) for the continued operation of the Clearwater Valley Hospital. The terms of the new lease call for a 20-year lease for the hospital location with renewal options. Rent amounts to $1,500 per month for the hospital.

9. BUDGETARY REPORTING BASIS RECONCILIATION TO GAAP

The budget-to-actual financial statements in this report are based on the County's legally adopted budget, which is adopted on a comprehensive basis other than United States generally accepted accounting principles (GAAP). On the budgetary basis, the County records intergovernmental revenues only when received and records property tax revenues when levied.

10. FUND BALANCE AND DESIGNATIONS

Assigned Fund Balance. The fund balances of certain individual funds are assigned for particular purposes by the governing body including the following:

- ***Accounting Accruals.*** *Idaho Code* authorizes counties to accumulate and budget fund balances sufficient to maintain County operations on a cash basis. The fund balance designated for accounting accruals is that portion of the fund balance that is not available to the County on the budgetary basis of accounting.

  Approximately 25 percent of total County revenue is received through property tax collections, which are available to the County in January and July. A substantial portion of the unassigned fund balances are used to finance operations between property tax collections.

- ***Special Revenue.*** The fund balance has been assigned for special revenue purposes for that fund.

Unassigned Fund Balance. The fund balance has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

11. RISK MANAGEMENT

The County is a member of the Idaho County Reciprocal Management Program (ICRMP). ICRMP is an all-lines aggregate insurance program providing liability, property, and casualty insurance coverage to Idaho's counties and other political subdivisions on a voluntary participation basis. ICRMP assumes or reinsures all risk for covered claims. Participants are charged an annual insurance premium with no additional assessments for losses.

The general insurance limits are as follows:

General liability	$500,000 per claim
Property damage	Replacement cost coverage with a $1,500 deductible.
Automobile liability	$500,000 per claim
Errors and omissions liability	$500,000 per claim
Crime insurance and bonding	$500,000 per claim
Machinery	Replacement cost coverage with a $1,500 deductible.

The County's unemployment is self-insured with the State of Idaho.

12. 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 County employees, permits them to defer a portion of their salary until future years. Participation in the Plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Plan assets are available only for payment of benefits to plan participants and their beneficiaries. Accordingly, the Plan assets are not reflected in the County's financial statements.

13. DEFINED BENEFIT PENSION PLAN

Plan Description. The County contributes to the Base Plan, which is a cost-sharing, multiple-employer, defined benefit pension plan administered by the Public Employee Retirement System of Idaho (PERSI) 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 for retirement, disability, death, and survivor benefits of eligible members or beneficiaries. Benefits are based upon members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with 5 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 classifications. The annual service retirement allowance for each month of credited service is 2.0 percent (2.3 percent 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 percent minimum cost of living increase per year provided the *Consumer Price Index* increases 1 percent 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 percent, whichever is less; however, any amount above the 1 percent 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.

13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Member and Employer Contributions (Continued). The contribution rates for employees are set by statute at 60 percent of the employer rate for general employees and 74 percent for police and firefighters. As of September 30, 2024, it was 7.18 percent for general employees and 10.83 percent for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.96 percent for general employees and 14.65 percent for police and firefighters. The County contributions required and paid were $603,404, $557,917 and $548,426 for the three years ended September 30, 2024, 2023, and 2022, respectively.

Pension Liabilities, Assets, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2024, the County reported an liability of $3,918,727 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, 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 employers. At June 30, 2024, the County's proportion was .10476074 percent.

For the year ended September 30, 2024, the County recognized a net change in pension expense of $(330,711). At September 30, 2024, 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
Employer contributions made subsequent to the measurement date	$ 143,000	
Differences between expected and actual experience	$ 623,897	
Changes in assumptions or other inputs	$ 155,240	
Net difference between projected and actual earnings on pension plan investments		$ 71,131

Deferred out flows of resources in the amount of $143,000 related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the subsequent year end.

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, 2024, the beginning of the measurement period ended June 30, 2024, is 4.4 and 4.4 for the measurement period June 30, 2023.

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

2025	$ 193,413
2026	730,657
2027	(126,000)
2028	(90,063)

13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions. Valuations are based upon 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. PERSI amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period permitted under Section 59-1322, *Idaho Code,* is 25 years.

The total pension liability in the June 30, 2024, 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	6.35%, net of pension plan investment expense
Cost of Living Adjustments (COLA)	1.00%

Several different sets of mortality rates are used in the valuation for contributing members, service retirement members, and beneficiaries. These rates were adopted for the valuation dated July 1, 2024.

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries – Male	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries – Female	Pub-2010 General Tables, increased 21%
Fire & Police – Male	Pub-2010 Safety Tables, increased 21%
Fire & Police – Female	Pub-2010 Safety Tables, increased 26%
Disabled Members – Male	Pub-2010 Disabled Tables, increased 38%
Disabled Members – Female	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, 2024, is based on the results of an actuarial valuation date of July 1, 2024.

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 the 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 2024.

13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued).

CAPITAL MARKET ASSUMPTIONS

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
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 percent. 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 plan's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the 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 (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
County's proportionate share of the net pension liability	$7,446,803	$3,918,727	$1,037,189

13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

14. OTHER POST-EMPLOYMENT BENEFITS

The County does not provide benefits to retired employees other than retirement benefits funded through the Public Employee Retirement System of Idaho. However, retired employees can remain on the County's insurance policy after retirement if the retired employee pays the monthly cost. This arrangement is referred to as an "implicit subsidy" since the medical insurance rate of a retired employee is generally higher than the medical insurance rate of a younger employee. The estimated amount of this implicit subsidy is considered immaterial to these financial statements.

15. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. 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.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, the County expects that none of these matters fall outside of the umbrella of the County's insurance policy.

16. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 29, 2025, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CLEARWATER COUNTY, STATE OF IDAHO

BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary	Variance With
	Original	Final	Basis	Final Budget
REVENUES				
Property taxes	$ 1,467,453	$ 1,467,453	$ 1,474,979	$ 7,526
Other revenues	904,050	904,050	1,683,369	779,319
Total revenues	2,371,503	2,371,503	3,158,348	786,845
EXPENDITURES				
Salaries and wages	1,548,661	1,548,661	1,343,296	205,365
Other expenditures	1,968,653	1,968,653	1,583,152	385,501
Total expenditures	3,517,314	3,517,314	2,926,448	590,866
EXCESS OF REVENUES OVER EXPENDITURES	(1,145,811)	(1,145,811)	231,900	1,377,711
OTHER FINANCING SOURCES (USES)				
Operating transfers in			3,595	3,595
Total other financing sources (uses)	0	0	3,595	3,595
NET CHANGE IN FUND BALANCE	(1,145,811)	(1,145,811)	235,495	1,381,306
FUND BALANCE AT BEGINNING OF YEAR	1,145,811	1,145,811	1,324,486	178,675
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 1,559,981	$ 1,559,981

The County budgets revenue on a comprehensive basis of accounting other than United States generally accepted accounting principles (GAAP). Property tax revenues are budgeted when levied. Intergovernmental revenue is recognized only when received.

Revenues on GAAP Basis	$ 3,159,961
Accrued intergovernmental revenue	(124,360)
Deferred property tax revenue	45,327
Prior year accrued intergovernmental revenue	122,659
Prior year deferred property tax revenue	(45,239)
Revenues on Budgetary Basis	$ 3,158,348

CLEARWATER COUNTY, STATE OF IDAHO

BUDGETARY COMPARISON SCHEDULE -
ROAD AND BRIDGE
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary	Variance With
	Original	Final	Basis	Final Budget
REVENUES				
Property taxes	$ 2,551	$ 2,551	$ 2,551	
Other revenues	1,641,082	1,641,082	2,937,670	$ 1,296,588.00
Total revenues	1,643,633	1,643,633	2,940,221	1,296,588
EXPENDITURES				
Other expenditures	3,236,828	3,236,828	2,061,218	1,175,610
Total expenditures	3,236,828	3,236,828	2,061,218	1,175,610
NET CHANGE IN FUND BALANCE	(1,593,195)	(1,593,195)	879,003	2,472,198
FUND BALANCE AT BEGINNING OF YEAR	1,593,195	1,593,195	1,598,733	5,538
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 2,477,736	$ 2,477,736

The County budgets revenue on a comprehensive basis of accounting other than United States generally accepted accounting principles (GAAP). Property tax revenues are budgeted when levied. Intergovernmental revenue is recognized only when received.

Revenues on GAAP Basis	$ 2,937,578
Accrued intergovernmental revenue	(214,600)
Prior year accrued intergovernmental revenue	217,243
Revenues on Budgetary Basis	$ 2,940,221

CLEARWATER COUNTY, STATE OF IDAHO

BUDGETARY COMPARISON SCHEDULE -
JUSTICE
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
REVENUES				
Property taxes	$ 2,051,396	$ 2,051,396	$ 2,052,979	$ 1,583
Other revenues	1,413,996	1,413,996	1,736,076	322,080
Total revenues	3,465,392	3,465,392	3,789,055	323,663
EXPENDITURES				
Salaries and wages	2,315,675	2,315,675	1,997,855	317,820
Other expenditures	2,031,755	2,031,755	1,733,528	298,227
Total expenditures	4,347,430	4,347,430	3,731,383	616,047
NET CHANGE IN FUND BALANCE	(882,038)	(882,038)	57,672	939,710
FUND BALANCE AT BEGINNING OF YEAR	882,038	882,038	822,494	(59,544)
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 880,166	$ 880,166

The County budgets revenue on a comprehensive basis of accounting other than United States generally accepted accounting principles (GAAP). Property tax revenues are budgeted when levied. Intergovernmental revenue is recognized only when received.

Revenues on GAAP Basis	$ 3,852,883
Accrued intergovernmental revenue	(295,617)
Deferred property tax revenue	66,683
Prior year accrued intergovernmental revenue	232,536
Prior year deferred property tax revenue	(67,430)
Revenues on Budgetary Basis	$ 3,789,055

CLEARWATER COUNTY, STATE OF IDAHO

BUDGETARY COMPARISON SCHEDULE -
LOCAL ASSISTANCE & TRIBAL FUND
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
REVENUES				
Other revenues	$ 2,668,500	$ 2,668,500	$ 119,630	$ (2,548,870)
Total revenues	2,668,500	2,668,500	119,630	(2,548,870)
EXPENDITURES				
Other expenditures	3,981,943	3,981,943	2,022,361	1,959,582
Total expenditures	3,981,943	3,981,943	2,022,361	1,959,582
NET CHANGE IN FUND BALANCE	(1,313,443)	(1,313,443)	(1,902,731)	(589,288)
FUND BALANCE AT BEGINNING OF YEAR	1,313,443	1,313,443	3,915,850	2,602,407
FUND BALANCE AT END OF YEAR	$ 0	$ 0	$ 2,013,119	$ 2,013,119

The County budgets revenue on a comprehensive basis of accounting other than United States generally accepted accounting principles (GAAP). Property tax revenues are budgeted when levied. Intergovernmental revenue is recognized only when received.

Revenues on GAAP Basis	$ 2,141,991
Deferred grant revenue	1,890,582
Prior year deferred property tax revenue	(3,912,943)
Revenues on Budgetary Basis	$ 119,630

CLEARWATER COUNTY, STATE OF IDAHO

SCHEDULE OF PENSION FUNDING

SCHEDULE OF THE DISTRICT'S SHARE OF NET PENSION ASSET AND LIABILITY - PERSI BASE PLAN
Data reported is measured as of June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's portion of the net pension (asset) liability	0.10476074%	0.13564400%	0.11425575%	0.10422913%	0.10699670%	0.10778880%	0.10912810%	0.10553220%	0.10353250%	0.10754770%
Employer's proportionate share of the net pension (asset) liability	$ 3,918,727	$ 4,531,981	$ 4,500,258	$ (82,000)	$ 2,485,000	$ 1,230,000	$ 1,610,000	$ 1,659,000	$ 2,098,800	$ 1,416,200
Employer's covered payroll	4,744,211	4,849,222	4,577,428	3,912,756	3,791,054	3,796,400	3,527,400	3,397,700	3,145,400	2,984,500
Employer's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	83%	93%	98%	-2%	66%	32%	46%	49%	67%	47%
Plan fiduciary net position as a percentage of the total pension liability	86%	84%	83%	100%	88%	94%	92%	91%	87%	91%

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS TO PENSION PLANS - PERSI BASE PLAN
Data reported is measured as of September 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 603,404	$ 557,917	$ 548,426	$ 471,686	$ 456,380	$ 429,756	$ 399,306	$ 384,614	$ 356,058	$ 337,840
Contributions in relation to the statutorily required contribution	603,404	557,917	548,426	471,686	456,380	429,756	399,306	384,614	356,058	337,840
Contribution (deficiency) excess	0	0	0	0	0	0	0	0	0	0
Employer's covered payroll	4,744,211	4,849,222	4,577,428	3,912,756	3,791,054	3,796,400	3,527,400	3,397,700	3,145,400	2,984,500
Contributions as a percentage of covered payroll	12.72%	11.51%	11.98%	12.06%	11.32%	11.32%	11.32%	11.32%	11.32%	11.32%

SUPPLEMENTARY INFORMATION

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET - GAAP BASIS
September 30, 2024

	General	Road and Bridge	Ambulance	Consolidated Elections	District Court	County Fair	Justice	Drug Investigation	Court Interlock
ASSETS									
Cash and investments	$ 1,570,290	$ 2,624,557	$ 184,258	$ 83,027	$ 129,756	$ 43,925	$ 893,156	$ 30,070	$ 2,573
Taxes receivable	56,285		6,384		1,816	1,004	81,799		
Intergovernmental receivable	124,360	214,600	245,531		42,736		295,617		30
Total assets	$ 1,750,935	$ 2,839,157	$ 436,173	$ 83,027	$ 174,308	$ 44,929	$ 1,270,572	$ 30,070	$ 2,603
LIABILITIES AND FUND BALANCES									
Warrants payable	$ 66,594	$ 146,821	$ 16,732	$ 7,579	$ 1,657	$ 26,400	$ 94,789		
Total liabilities	66,594	146,821	16,732	7,579	1,657	26,400	94,789	$ 0	$ 0
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	45,327		244,466		1,480	824	66,683		
Total deferred inflows of resources	45,327	0	244,466	0	1,480	824	66,683	0	0
FUND BALANCES									
Assigned for accounting accruals	79,033	214,600	1,065		41,256		228,934		30
Assigned for special revenue		2,477,736	173,910	75,448	129,915	17,705	880,166	30,070	2,573
Unassigned	1,559,981								
Total fund balances	1,639,014	2,692,336	174,975	75,448	171,171	17,705	1,109,100	30,070	2,603
Total liabilities and fund balances	$ 1,750,935	$ 2,839,157	$ 436,173	$ 83,027	$ 174,308	$ 44,929	$ 1,270,572	$ 30,070	$ 2,603

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET - GAAP BASIS
September 30, 2024

	Health District	Historical Society	Court Facilities	Drug Court	Social Services	Junior College	Parks	Predatory Animals	Reappraisal
ASSETS									
Cash and investments	$ 53,045	$ 15,050	$ 22,651	$ 61,609	$ 433,061	$ 14,825	$ 5,326		$ 108,011
Taxes receivable	5,301	1,050			268		210	$ 63	5,504
Intergovernmental receivable			200	495					
Total assets	$ 58,346	$ 16,100	$ 22,851	$ 62,104	$ 433,329	$ 14,825	$ 5,536	$ 63	$ 113,515
LIABILITIES AND FUND BALANCES									
Warrants payable		$ 14,800		$ 4,368	$ 72,489		$ 278		$ 172
Total liabilities	$ 0	14,800	$ 0	4,368	72,489	$ 0	278	$ 0	172
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	4,298	860			66		173	52	4,467
Total deferred inflows of resources	4,298	860	0	0	66	0	173	52	4,467
FUND BALANCES									
Assigned for accounting accruals			200	495					
Assigned for special revenue	54,048	440	22,651	57,241	360,774	14,825	5,085	11	108,876
Unassigned									
Total fund balances	54,048	440	22,851	57,736	360,774	14,825	5,085	11	108,876
Total liabilities and fund balances	$ 58,346	$ 16,100	$ 22,851	$ 62,104	$ 433,329	$ 14,825	$ 5,536	$ 63	$ 113,515

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET - GAAP BASIS
September 30, 2024

	Enhanced 911	Solid Waste	Current Expense Tort	Noxious Weed	Snowmobile	County Vessel	Sunnyside Complex Fire	American Rescue Plan	Local Assistance & Tribal Fund
ASSETS									
Cash and investments	$ 109,057	$ 357,505	$ 38,507	$ 71,604	$ 24,775	$ 104,839	$ 45,292		$ 2,090,635
Taxes receivable		66,101	2,988	5,832					
Intergovernmental receivable									
Total assets	$ 109,057	$ 423,606	$ 41,495	$ 77,436	$ 24,775	$ 104,839	$ 45,292	$ 0	$ 2,090,635
LIABILITIES AND FUND BALANCES									
Warrants payable	$ 2,462	$ 98,731		$ 771		$ 14,722			$ 77,516
Total liabilities	2,462	98,731	$ 0	771	$ 0	14,722	$ 0	$ 0	77,516
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue		57,519	2,424	4,715					1,890,582
Total deferred inflows of resources	0	57,519	2,424	4,715	0	0	0	0	1,890,582
FUND BALANCES									
Assigned for accounting accruals									
Assigned for special revenue	106,595	267,356	39,071	71,950	24,775	90,117	45,292		122,537
Unassigned									
Total fund balances	106,595	267,356	39,071	71,950	24,775	90,117	45,292	0	122,537
Total liabilities and fund balances	$ 109,057	$ 423,606	$ 41,495	$ 77,436	$ 24,775	$ 104,839	$ 45,292	$ 0	$ 2,090,635

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET - GAAP BASIS
September 30, 2024

	Ambulance ARPA	Capital Trust	Dent Bridge Maintenance	Grants	Contingency Fund	Community Guardians	American Recovery	Fair Association	Total
ASSETS									
Cash and investments		$ 179,170	$ 267,126	$ 321,165	$ 743,483	$ 689		$ 30,333	$10,659,370
Taxes receivable									234,605
Intergovernmental receivable				44,241					967,810
Total assets	$ 0	$ 179,170	$ 267,126	$ 365,406	$ 743,483	$ 689	$ 0	$ 30,333	$11,861,785
LIABILITIES AND FUND BALANCES									
Warrants payable			$ 53	$ 533					$ 647,467
Total liabilities	$ 0	$ 0	53	533	$ 0	$ 0	$ 0	$ 0	647,467
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue				7,119					2,331,055
Total deferred inflows of resources	0	0	0	7,119	0	0	0	0	2,331,055
FUND BALANCES									
Assigned for accounting accruals				37,122					602,735
Assigned for special revenue		179,170	267,073	320,632	743,483	689		30,333	6,720,547
Unassigned									1,559,981
Total fund balances	0	179,170	267,073	357,754	743,483	689	0	30,333	8,883,263
Total liabilities and fund balances	$ 0	$ 179,170	$ 267,126	$ 365,406	$ 743,483	$ 689	$ 0	$ 30,333	$11,861,785

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GAAP BASIS
Year Ended September 30, 2024

	General	Road and Bridge	Ambulance	Consolidated Elections	District Court	County Fair	Justice	Drug Investigative	Court Interlock
REVENUES									
Property taxes	$ 1,474,891	$ 2,551	$ 160,960		$ 36,266	$ 25,003	$ 2,053,726		
Licenses and permits	207,965		2,727				27,935		
Intergovernmental revenue	1,080,810	2,885,702	78,141		167,011	266	1,369,149		
Charges for services	68,026	47,589	501,457				266,050		
Interest and rent	308,285		19,407						
Fines and penalties	290				33,531		64,537		
Other revenue	19,694	1,736	20,902	$ 83,360	577		71,486		$ 391
Total revenues	3,159,961	2,937,578	783,594	83,360	237,385	25,269	3,852,883	$ 0	391
EXPENDITURES									
General government	2,558,566			85,111	347,432				
Public safety	277,063		954,312				3,675,578		195
Public works		2,061,218							
Health and welfare									
Culture and recreation						33,995			
Other	90,819						55,805		
Total expenditures	2,926,448	2,061,218	954,312	85,111	347,432	33,995	3,731,383	0	195
OTHER FINANCING SOURCES (USES)									
Operating transfers in	3,595								
Operating transfers out									
Total other financing sources (uses)	3,595	0	0	0	0	0	0	0	0
NET CHANGES IN FUND BALANCES	237,108	876,360	(170,718)	(1,751)	(110,047)	(8,726)	121,500	0	196
FUND BALANCES AT BEGINNING OF YEAR	1,401,906	1,815,976	345,693	77,199	281,218	26,431	987,600	30,070	2,407
FUND BALANCES AT END OF YEAR	$ 1,639,014	$ 2,692,336	$ 174,975	$ 75,448	$ 171,171	$ 17,705	$ 1,109,100	$ 30,070	$ 2,603

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GAAP BASIS
Year Ended September 30, 2024

	Health District	Historical Society	Court Facilities	Drug Court	Social Services	Junior College	Parks	Predatory Animals	Reappraisal
REVENUES									
Property taxes	$ 126,959	$ 27,813			$ 4,895		$ 5,036	$ 873	$ 111,482
Licenses and permits									
Intergovernmental revenue	1,361	300		$ 5,000			52	8	1,155
Charges for services									
Interest and rent									
Fines and penalties			$ 2,420						
Other revenue				80,937	186,497		1,275	31	
Total revenues	128,320	28,113	2,420	85,937	191,392	$ 0	6,363	912	112,637
EXPENDITURES									
General government									190,937
Public safety				80,601					
Public works									
Health and welfare	140,340				322,580			4,000	
Culture and recreation		29,600				800	9,406		
Other									
Total expenditures	140,340	29,600	0	80,601	322,580	800	9,406	4,000	190,937
OTHER FINANCING SOURCES (USES)									
Operating transfers in								2,064	
Operating transfers out					(3,595)				
Total other financing sources (uses)	0	0	0	0	(3,595)	0	0	2,064	0
NET CHANGES IN FUND BALANCES	(12,020)	(1,487)	2,420	5,336	(134,783)	(800)	(3,043)	(1,024)	(78,300)
FUND BALANCES AT BEGINNING OF YEAR	66,068	1,927	20,431	52,400	495,557	15,625	8,128	1,035	187,176
FUND BALANCES AT END OF YEAR	$ 54,048	$ 440	$ 22,851	$ 57,736	$ 360,774	$ 14,825	$ 5,085	$ 11	$ 108,876

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GAAP BASIS
Year Ended September 30, 2024

	Enhanced 911	Solid Waste	Current Expense Tort	Noxious Weed	Snowmobile	County Vessel	Sunnyside Complex Fire	American Rescue Plan	Local Assistance & Tribal Fund
REVENUES									
Property taxes			$ 70,192	$ 148,003					
Licenses and permits					$ 12,516	$ 77,778			
Intergovernmental revenue			740	1,587		41,948			$ 2,022,361
Charges for services									
Interest and rent									119,630
Fines and penalties									
Other revenue	$ 106,204	$1,127,099							
Total revenues	106,204	1,127,099	70,932	149,590	12,516	119,726	$ 0	$ 0	2,141,991
EXPENDITURES									
General government			88,395					1,061,448	2,022,361
Public safety	66,882								
Public works				127,209					
Health and welfare		1,184,676							
Culture and recreation					15,478	85,097			
Other									
Total expenditures	66,882	1,184,676	88,395	127,209	15,478	85,097	0	1,061,448	2,022,361
OTHER FINANCING SOURCES (USES)									
Operating transfers in								1,061,448	
Operating transfers out									
Total other financing sources (uses)	0	0	0	0	0	0	0	1,061,448	0
NET CHANGES IN FUND BALANCES	39,322	(57,577)	(17,463)	22,381	(2,962)	34,629	0	0	119,630
FUND BALANCES AT BEGINNING OF YEAR	67,273	324,933	56,534	49,569	27,737	55,488	45,292	0	2,907
FUND BALANCES AT END OF YEAR	$ 106,595	$ 267,356	$ 39,071	$ 71,950	$ 24,775	$ 90,117	$ 45,292	$ 0	$ 122,537

CLEARWATER COUNTY, STATE OF IDAHO

GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GAAP BASIS
Year Ended September 30, 2024

	Ambulance ARPA	Capital Trust	Dent Bridge Maintenance	Grants	Contingency Fund	Community Guardians	American Recovery	Fair Association	Total
REVENUES									
Property taxes								$ 51,690	$ 4,300,340
Licenses and permits									328,921
Intergovernmental revenue	$ 192,308			$ 497,697			$ 775,278		9,120,874
Charges for services								16,267	899,389
Interest and rent							2,003		449,325
Fines and penalties									100,778
Other revenue				7,410	$ 57,620				1,765,219
Total revenues	192,308	$ 0	$ 0	505,107	57,620	$ 0	777,281	67,957	16,964,846
EXPENDITURES									
General government					17,525	153			6,371,928
Public safety	192,308								5,246,939
Public works			632						2,189,059
Health and welfare				341,683					1,993,279
Culture and recreation								63,715	238,091
Other									146,624
Total expenditures	192,308	0	632	341,683	17,525	153	0	63,715	16,185,920
OTHER FINANCING SOURCES (USES)									
Operating transfers in									1,067,107
Operating transfers out					(2,064)		(1,061,448)		(1,067,107)
Total other financing sources (uses)	0	0	0	0	(2,064)	0	(1,061,448)	0	0
NET CHANGES IN FUND BALANCES	0	0	(632)	163,424	38,031	(153)	(284,167)	4,242	778,926
FUND BALANCES AT BEGINNING OF YEAR	0	179,170	267,705	194,330	705,452	842	284,167	26,091	8,104,337
FUND BALANCES AT END OF YEAR	$ 0	$ 179,170	$ 267,073	$ 357,754	$ 743,483	$ 689	$ 0	$ 30,333	$ 8,883,263

CLEARWATER COUNTY, STATE OF IDAHO

FIDUCIARY FUNDS
COMBINING BALANCE SHEET - GAAP BASIS
September 30, 2024

	Catastrophic Claims Trust	Other Taxing Districts	Unclaimed Property Trust	Auditor's Trust	Other Trust Accounts	Total
ASSETS						
Cash and investments	$ 23,343	$ 119,218	$ 1,826	$ 263,225	$ 629,238	$ 1,036,850
Taxes receivable		285,660				285,660
Intergovernmental receivable		71,285				71,285
Total assets	$ 23,343	$ 476,163	$ 1,826	$ 263,225	$ 629,238	$ 1,393,795
LIABILITIES						
Warrants payable	$ 5,189	$ 116,255			$ 3,894	$ 125,338
Due to other governments		359,908				359,908
Due to other individuals			$ 1,826	$ 263,225	625,344	890,395
Total liabilities	$ 5,189	$ 476,163	$ 1,826	$ 263,225	$ 629,238	$ 1,375,641
NET POSITION	$ 18,154	$ 0	$ 0	$ 0	$ 0	$ 18,154

CLEARWATER COUNTY, STATE OF IDAHO

FIDUCIARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION - GAAP BASIS
Year Ended September 30, 2024

	Catastrophic Claims Trust	Other Taxing Districts	Unclaimed Property Trust	Auditor's Trust	Other Trust Accounts	Total
REVENUES						
Property taxes		$ 6,104,669				$ 6,104,669
Licenses and permits		688,821				688,821
Intergovernmental revenue		1,592,924				1,592,924
Charges for services		4,444				4,444
Fines and penalties		79,276				79,276
Other receipts			$ 1,590	$ 263,225	$ 148,717	413,532
Refunds and reimbursements	$ 13,857					13,857
Total revenues	13,857	8,470,134	1,590	263,225	148,717	8,897,523
EXPENDITURES						
Disbursed for beneficiaries	13,664	8,470,134	1,590	263,225	148,717	8,897,330
Total expenditures	13,664	8,470,134	1,590	263,225	148,717	8,897,330
EXCESS OF REVENUES OVER EXPENDITURE	193	0	0	0	0	193
NET POSITION AT BEGINNING OF YEAR	17,961	0	0	0	0	17,961
NET POSITION AT END OF YEAR	$ 18,154	$ 0	$ 0	$ 0	$ 0	$ 18,154

CLEARWATER COUNTY, STATE OF IDAHO

ALL COUNTY FUNDS
COMBINING BALANCE SHEET
September 30, 2024

	County Funds	Private Purpose Trusts	Custodial Funds
ASSETS			
Current assets			
Cash and investments	$ 10,659,370	$ 23,343	$ 1,013,507
Taxes receivable	234,605		285,660
Intergovernmental receivable	967,810		71,285
Total current assets	11,861,785	23,343	1,370,452
Total assets	$ 11,861,785	$ 23,343	$ 1,370,452
LIABILITIES			
Current liabilities			
Warrants payable	$ 647,467	$ 5,189	$ 120,149
Due to other governments			359,908
Due to other individuals			890,395
Unearned revenue	2,331,055		
Total current liabilities	2,978,522	5,189	1,370,452
Total liabilities	2,978,522	5,189	1,370,452
FUND BALANCES	8,883,263	18,154	0
Total liabilities and fund balances	$ 11,861,785	$ 23,343	$ 1,370,452

CLEARWATER COUNTY, STATE OF IDAHO

ALL COUNTY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended September 30, 2024

	County Funds	Private Purpose Trusts	Custodial Funds
REVENUES			
Property taxes	$ 4,300,340		$ 6,104,669
Licenses and permits	328,921		688,821
Intergovernmental revenue	9,120,874		1,592,924
Charges for services	899,389		4,444
Interest and rent	449,325		
Fines and penalties	100,778		79,276
Other revenue	1,765,219	$ 13,857	413,532
Total revenues	16,964,846	13,857	8,883,666
EXPENDITURES			
General government	6,371,928		
Public safety	5,246,939		
Public works	2,189,059		
Health and welfare	1,993,279		
Culture and recreation	238,091		
Other	146,624		
Disbursed for beneficiaries		13,664	
Allocated to other governments			8,883,666
Total expenditures	16,185,920	13,664	8,883,666
OTHER FINANCING SOURCES (USES)			
Operating transfers in	1,067,107		
Operating transfers out	(1,067,107)		
Total other financing sources (uses)	0	0	0
NET CHANGES IN FUND BALANCES	778,926	193	
FUND BALANCES AT BEGINNING OF YEAR	8,104,337	17,961	0
FUND BALANCES AT END OF YEAR	$ 8,883,263	$ 18,154	$ 0

SINGLE AUDIT SECTION

PRESNELL GAGE, PLLC
ACCOUNTING AND CONSULTING

INDEPENDENT AUDITOR'S REPORT – *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Clearwater County, State of Idaho
Orofino, 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, each major fund, and the aggregate remaining fund information of Clearwater County, State of Idaho, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clearwater County, State of Idaho's basic financial statements, and have issued our report thereon dated December 29, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clearwater County, State of 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 Clearwater County, State of Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of Clearwater County, State of Idaho's internal control.

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

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

Lewiston Office: 1216 Idaho Street, Lewiston, Idaho 83501, (208) 746-8281
Moscow Office: 609 South Washington, Suite 202, Moscow, Idaho 83843, (208) 882-2211
Grangeville Office: 109 South Mill Street, Grangeville, Idaho 83530, (208) 983-1254
Orofino Office: P.O. Box 632, 216 Johnson Avenue, Orofino, Idaho 83544, (208) 476-3012
Pullman Office: 1230 SE Bishop Blvd., Pullman, Washington 99163, (509) 332-6541
Eagle Office: 1159 E Iron Eagle Drive, Suite 100, Eagle, Idaho 83616, (208) 319-2929

Report on Compliance and Other Matters

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

Purpose of this Report

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



December 29, 2025
Lewiston, Idaho

PRESNELL GAGE, PLLC
ACCOUNTING AND CONSULTING

INDEPENDENT AUDITOR'S REPORT – *UNIFORM GUIDANCE*

Board of Commissioners
Clearwater County, State of Idaho
Orofino, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Clearwater County, State of Idaho's compliance with the types of compliance requirements identified as subject to audit in the OMB's *Compliance Supplement*, that could have a direct and material effect on each of Clearwater County, State of Idaho's major federal programs for the year ended September 30, 2024. Clearwater County, State of 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, Clearwater County, State of 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, 2024.

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 Clearwater County, State of 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 Clearwater County, State of Idaho's compliance with the compliance requirements referred to above.

Lewiston Office: 1216 Idaho Street, Lewiston, Idaho 83501, (208) 746-8281
Moscow Office: 609 South Washington, Suite 202, Moscow, Idaho 83843, (208) 882-2211
Grangeville Office: 109 South Mill Street, Grangeville, Idaho 83530, (208) 983-1254
Orofino Office: P.O. Box 632, 216 Johnson Avenue, Orofino, Idaho 83544, (208) 476-3012
Pullman Office: 1230 SE Bishop Blvd., Pullman, Washington 99163, (509) 332-6541
Eagle Office: 1159 E Iron Eagle Drive, Suite 100, Eagle, Idaho 83616, (208) 319-2929

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 Clearwater County, State of Idaho's federal programs.

Auditor's Responsibility 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 Clearwater County, State of 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 Clearwater County, State of 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 Clearwater County, State of 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 Clearwater County, State of 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 Clearwater County, State of 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 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.

Presnell Gage, PLLC

December 29, 2025
Lewiston, Idaho

CLEARWATER COUNTY, STATE OF IDAHO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2024

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 deficiencies identified that are not considered to be material weaknesses?	_____ 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 deficiencies identified that are not considered to be material weaknesses?	_____ 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 the Uniform Guidance:	_____ yes	_X_ no

Identification of major programs:

CFDA Numbers	Name of federal program or cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
21.032	Local Assistance and Tribal Consistency Fund

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

CLEARWATER COUNTY, STATE OF IDAHO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2024

Section II -- Financial Statement Findings

No matters were reported.

Section III -- Federal Award Findings and Questioned Costs

No matters were reported.

CLEARWATER COUNTY, STATE OF IDAHO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - MODIFIED ACCRUAL BASIS
Year Ended September 30, 2024

	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
DEPARTMENT OF AGRICULTURE				
Passed through the State of Idaho -				
Department of Lands				
Schools and Roads Grants to States -				
Federal Forest Receipts	10.665		$ 597,341	$ 1,207,896
				1,207,896
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through the State of Idaho -				
Department of Commerce				
Community Development Block Grant	14.228	B-23BDC-16-0001	190,265	190,265
				190,265
DEPARTMENT OF THE TREASURY				
Passed through the State of Idaho -				
Office of the Governor				
Coronavirus State and Local Fiscal Recovery Fund	21.027		None	1,253,756 *
Local Assistance and Tribal Consistency Fund	21.032		None	2,022,362 *
				3,276,118
ELECTION ASSISTANCE COMMISSION				
Passed through the State of Idaho -				
Secretary of State				
HAVA Election Security Grants	90.404	EAC-ELSEC22ID	None	21,774
				21,774
DEPARTMENT OF HOMELAND SECURITY				
Passed through the State of Idaho -				
Department of Parks and Recreation				
Boating Safety Financial Assistance	97.012		None	41,948
Military Division				
Emergency Management Performance Grant	97.042	EMS-2022-EP-00005	None	16,461
				58,409
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 4,754,462

NOTE 1: BASIS OF PRESENTATION

The schedule includes federal award activity of the County under programs of the federal government for the year ended September 30, 2024. The information in this schedule is presented in compliance 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 the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3: DE MINIMIS INDIRECT COST RATE

The County did not elect to use the 10 percent de minimis cost rate.

NOTE 4: MAJOR PROGRAMS

Programs indicated with "*" are major programs as reported on the schedule of findings and questions costs.