

**MINIDOKA COUNTY
RUPERT, IDAHO**

**BASIC FINANCIAL STATEMENTS
With Supplemental Information**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

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STATISTICAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS
MINIDOKA COUNTY
Fiscal Year Ended September 30, 2017

The Governmental Accounting Standards Board issued its Statement No. 34 in 1999 which provided for a number of significant changes in the manner in which the County's Audit Report is presented. This report is intended to present **“an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions.”**

Some of the financial information presented in the Audit Report is re-stated here in a more personal format and, rather than duplicate the Auditor's statements, there will also be references to their findings in this report.

The three-member Board of County Commissioners (Board) is blessed with the ultimate responsibility of managing the County's finances in a sound and efficient manner. The challenge of this task is being able to satisfy the needs of 102 full time employees (which includes six fellow elected officials and five appointed department heads), 52 part time employees, and provide the necessary services to the public without placing an unbearable burden on the property tax payer. Hopefully, this report will illustrate the many demands impacting the County's financial condition and what the County is doing to provide the best service to the public within the confines of a restricted budget.

OVERVIEW OF THE FINANCIAL ACTIVITIES

The Comparison of Expenditures, which follows, gives a detailed picture of activities for the three basic categories of the County's funds: Current Expense (General) Fund, Justice Fund, and Other Special Revenue Funds. While the Board approves each department's budget annually, their control of actual expenditures during the year is limited to an approval process only. Each elected official and department head has the authority to spend funds within their approved budget without the Board's involvement. However, the Board does have the authority to make budget reductions during the year in response to revenue shortfalls.

Minidoka County
2016-2017
Comparison of Expenditures

	Actual Expenditures 2016	Actual Expenditures 2017	Difference Between 2016-2017
AUDITOR	\$ 202,700.12	\$ 210,342.70	\$ 7,642.58
ASSESSOR	216,703.38	221,098.91	4,395.53
TREASURER	211,868.67	212,843.11	974.44
COMMISSIONERS	113,390.00	116,239.49	2,849.49
CORONER	29,744.59	32,979.85	3,235.26
BUILDING & GROUNDS	221,224.36	233,113.85	11,889.49
EMERGENCY MANAGEMENT	5,000.00	21,708.36	16,708.36
COUNTY AGENT	120,995.85	119,931.06	(1,064.79)
INFORMATION TECHNOLOGY	136,224.67	140,178.73	3,954.06
ELECTIONS	46,709.76	33,916.58	(12,793.18)
GENERAL ITEMS	376,635.44	299,577.74	(77,057.70)
ZONING & BUILDING	225,941.13	229,942.03	4,000.90
GENERAL RESERVE	20,946.80	-	(20,946.80)
VETERANS	12,166.40	12,359.40	193.00
JANITOR	73,440.00	72,496.88	(943.12)
TOTAL CURRENT EXPENSE	\$ 2,013,691.17	\$ 1,956,728.69	\$ (56,962.48)
DISTRICT COURT SALARIES	347,007.20	327,893.46	(19,113.74)
SHERIFF	1,472,422.11	1,461,851.28	(10,570.83)
PROSECUTING ATTORNEY	496,904.95	516,115.30	19,210.35
PUBLIC DEFENDER	346,198.90	-	(346,198.90)
JUVENILE DETENTION	878,288.89	877,741.82	(547.07)
MISD PROBATION	54,005.50	9,200.50	(44,805.00)
JAIL	638,702.00	888,927.00	250,225.00
JUVENILE PROBATION	635,415.57	651,068.68	15,653.11
LAW ENF-COMMUNICATIONS	271,216.63	315,020.99	43,804.36
JOINT COUNTY OPERATIONS	-	-	-
GENERAL RESERVE	-	9,940.17	9,940.17
TOTAL JUSTICE FUND	\$ 5,140,161.75	\$ 5,057,759.20	\$ (82,402.55)
DISTRICT COURT	382,307.74	369,622.55	(12,685.19)
CID FUND	-	300.00	300.00
E911 SYSTEM	317,445.24	289,796.08	(27,649.16)
HEALTH	105,654.96	107,095.09	1,440.13
ELECTION CONSOLIDATION	80,958.03	64,893.62	(16,064.41)
PUBLIC ASSISTANCE	231,701.82	592,335.62	360,633.80
JR COLLEGE	196,700.00	235,900.00	39,200.00
PARKS & RECREATION	30,790.34	34,183.67	3,393.33
PEST	2,400.00	2,000.00	(400.00)
REVALUATION	370,092.81	349,018.40	(21,074.41)
SANITARY LANDFILL	672,010.40	694,070.40	22,060.00
WATERWAY FUND	24,956.57	39,782.20	14,825.63
WEEDS	84,406.16	84,222.26	(183.90)
HOSPITAL	164,000.00	164,000.00	-
TOTAL	\$ 2,663,424.07	\$ 3,027,219.89	\$ 363,795.82
TOTAL OPERATING BUDGET	\$ 9,817,276.99	\$ 10,041,707.78	\$ 224,430.79

The Board of Commissioners approved a \$1.50 per hour raise for all hourly employees in FY2017. Elected officials were given a raise equivalent to 5% increase. There were 26 payroll periods in FY2017. The contribution rates to PERSI, the State retirement program that the County belongs to, remained at 11.32% for general members and 11.66% for police officers.

AUDITOR, ASSESSOR, TREASURER, COMMISSIONERS, CORONER, INFORMATION TECHNOLOGY, PROSECUTING ATTORNEY, ZONING & BUILDING, and LAW ENFORCEMENT COMMUNICATIONS – The increase in the FY2017 budget is mostly due to the increase in salaries, as stated above.

DISTRICT COURT SALARIES – In FY2016, for security purposes, the District Court expenses were increased to provide a bailiff stationed at the entry door at all times. In FY2017, Magistrate Court was down an average of one clerk throughout the year thus creating a decrease in expenditures. Costs are expected to increase for FY2018.

ELECTIONS and ELECTION CONSOLIDATION – The County is responsible for all elections that are held as outlined in statute. Every other year the County is responsible for holding the elections of the cities within the County. The decrease in the election costs from 2016 to 2017 was in part due to the State providing funding for the May Consolidated City Bond Election along with not incurring as much of the anticipated costs during the November Presidential General Election.

EMERGENCY MANAGEMENT – In FY2017, the balance of Emergency Management funds were transferred to a Trust Fund, as the revenue and expenses are managed jointly by the different emergency factions within the County. It is not the “County’s” money, but rather that of the joint board. The County does contribute \$5,000 towards the program to help obtain grant funding for the program. Unforeseen expenses did arise due to the February 2017 flooding that occurred throughout the County. \$12,047.91 is expected to be reimbursed by FEMA during FY2018.

BUILDINGS & GROUNDS – Due to our older buildings and landscape, the cost of maintenance is ever increasing. This, along with the long cold hard winter that we endured prior to our county wide flooding, caused a need for some sidewalk upgrades, part of which was paid out of FY2017 and part of which will be paid out of FY2018’s budget.

GENERAL ITEMS - The major difference in the amount budgeted vs the expenditures is that West End Fire Dept. applied for a fire truck grant, which was expected to fund during FY17, but is now expected to fund in FY18 instead.

GENERAL RESERVE – The County did not have any unanticipated expenses this year that required the use of their General Reserve.

PUBLIC ASSISTANCE and PUBLIC DEFENDER– Due to the Justice Fund being very close to its maximum levy, the Public Defense fund was moved into the Indigent Fund causing the expenses to show a decrease in Public Defender of \$346,198.90 and an increase in Public Assistance of \$360,633.80. The difference that you notice between the two is partly due to salary increase and partly due to the creation of another secretarial position in the Public Defender’s Office due to their increase in work load.

JUVENILE DETENTION – The Juvenile Detention Fund is a Joint-Powers Agreement fund between Minidoka and Cassia County to cover expenses for the juvenile detention facility. Once again, Minidoka County’s percentage of juveniles housed was lower than the previous two fiscal years, which resulted in a lower cost to Minidoka County. This combined with the allotted increase in wage produced a minimal reduction of expense.

JUVENILE PROBATION – The Juvenile Probation Fund is a Joint-Powers Agreement fund between Minidoka and Cassia County to cover the expenses of the juvenile probation program. It relies heavily on grant and lottery monies from the State of Idaho. The increase in wages was offset by mindful spending which resulted in a minimal increase overall. FY2018 will see an increase once again due to much needed building maintenance.

JAIL - The Mini-Cassia Criminal Justice Center is a jointly operated jail facility between Minidoka and Cassia Counties. Each year the budgets are approved jointly and then they are split between the two counties depending on the population of inmates from each county. The increase in the budget this year was due to the reduced inmate population, increased operating costs, and an increase in wages. For FY2018, we expect an increase in building maintenance costs such a new door lock system.

E911 – The installation of GEN 7 dispatch equipment was responsible for an increase of expenses in the E911 fund for FY2016 and FY2017. This fund does not use taxpayers' dollars but is funded by an additional charge on telephone and cell phone lines that is remitted to the County, along with grant funding. Though wages were increased, the overall salary expenditure decreased due to employment changes within the department and a logging upgrade was purchased in FY2016, not FY2017, therefore causing an overall decrease in expense for FY2017. For FY2018 there is an expected dramatic decrease due to the GEN 7 dispatch equipment being paid out of FY2016 and FY2017.

MISD PROBATION – Due to the increase in probationers, Misdemeanor Probation has done exceptionally well at collecting revenue to help fund itself. However, this partial self-funded department depends upon cost of supervision revenue which will indefinitely fluctuate with the economy as well as a changeup in the laws and programs instituted by legislation.

SHERIFF – Even with the increase in wage, this fund had reduced its expenditures due to the difference in grant funds being received in FY2016 and not FY2017, as well as controlling costs in the expenditure accounts. Within capital assets, due to the rotation of vehicles, purchase costs were less in FY2017 than FY2016, also causing an overall decrease in expense.

JUSTICE GENERAL RESERVE – Whereas this fund did not have a need to be tapped into in FY2016, FY2017 was utilized due to unforeseen costs of \$7,601.60 for prosecution of one case, along with expenditures of \$1,604.90 and a salary calculation shortage of \$683.67 within the Sheriff's department.

PARKS & RECREATION – In FY2015, with the retirement of the caretaker at Emerald Lake and the County choosing to not have a fulltime caretaker residing at the park, expenses for FY2016 were reduced. However, due to increasing contractual and utility rates for the maintenance of Emerald Lake there was an increase in expenditure from FY2016 to FY2017. I expect this will continue to increase for FY2018.

WATERWAY FUND – The increase in this fund was due to the unfortunate events that happened on the Snake River this FY2017 with the drownings that occurred.

REVALUATION – Although an increase in wages occurred, the expenditures of this fund decreased due to a vacant position as well as educational trainings that occurred in FY2016 - did not occur in FY2017, along with a lease contract being cut by almost half.

SANITARY LANDFILL – The increase in the expenses for FY2016 for the Sanitary Landfill was seen once again in FY2017 due to an increase in the landfills budget requests. The County is just one of the seven (7) members of the Regional Solid Waste District.

JUNIOR COLLEGE – Seeing the Jr. College fund expenditures increase is absolutely wonderful. This means that more of our county students are attending college via pre-graduate or post-graduate high school. It is a good feeling that we as a community are financially helping to allow our children a higher education. Each student, pre-high school graduate (dual credit), is allotted \$ 4,125, reimbursed to the county by the State Dept. of Education. Each post-high school graduate student, that has resided in our county for a consecutive twelve months prior to the first day of the community college semester, is allotted a \$ 3,000 lifetime maximum. Currently, each student of this county could potentially receive \$ 7,125 towards the payment of community college credits.

BUDGETARY ANALYSIS

Each year the County Budget is approved with the knowledge that part of the funding, for all but one of the County's Funds, may come from the previous year's carryover (aka Beginning Fund Balance). In past years the actual revenues exceeded the actual expenditures and the carryover was not used.

The Statement of Revenues, Expenditures, and Changes in Fund Balances, shows increases in revenue negated the need to use the carryover funds budgeted, except in the Sanitary Landfill fund. In the Justice Fund \$353,245 was budgeted as carryover but was not needed as the expenses were less than budgeted. The Current Expense Fund also did not use the budgeted carryover of \$208,470. The department heads within the County are very mindful of their budgets and the costs to taxpayers. The increase of Sales Tax revenue and additional amount of PILT (Payment in Lieu of Taxes) payments from what was budgeted, accounts for the some of the increase in fund balances.

The Indigent Fund did not use the \$210,200 that was budgeted as carryover.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As a prerequisite to discussing the overall financial position of Minidoka County, we believe it would be beneficial to consider some of the components that had or could have a significant impact on the County's financial activities.

The only source of significant revenue that the Board has control over is the property tax assessments, which accounted for 49.25% of the total revenue. Another 19.91% came from the state and federal governments with state sales tax, being the largest single component of that amount. PILT (Payment in Lieu of Taxes) is received from the federal government for federally owned lands within Minidoka County. Although the County received \$461,178 in FY2014, \$420,036 in FY2015, \$500,008 in FY2016, and \$474,546 in FY2017, we believe the FY2018 payments will be paid; however, it is unclear for how much and for how long the County will continue to receive this payment. It is an ongoing concern during the budget process.

Even with the increase of revenue from Interest on Investments from \$17,482 in FY2015 to \$26,832 for FY2016 to \$35,819 for FY2017, it is nowhere near the interest earned in 2008 which was \$138,000. As you can see, economic factors (some local, some statewide, and some federal) as well as legislative influences, play a big part in shaping the County's financial picture. Contending with a reduction in revenues that are beyond our control is even more challenging. The current law limits the budget to a 3% increase in property tax dollars levied. There are also limits on the levy for each fund. The counties and other taxing districts are allowed to increase budgets based on new construction within the county each year, except in urban renewal revenue allocation areas. Any new construction in an urban renewal revenue allocation area is not included in any allowable budget increase. The County and other taxing districts will absorb the cost of providing county services to the area but will not be allowed to increase the budget due to new construction. The departmental requests along with the Budget Officer's recommendations are presented to the Board. It is then up to the Board to decide which requests they can afford to include in the budget and which ones are to be considered in another year.

The Board is aware of our buildings needs that have not received attention in the past. The Board is also very aware of the need to raise the rate of pay for our employees in order to keep a qualified workforce. With the addition on new industries coming to the area, trying to stay competitive with the wage scale is and will continue to be a high priority for the Board.

At the end of the current fiscal year, Minidoka County is able to report at the government wide level an increase in Net Position for FY2017. The same situation held true for the prior fiscal year as is shown in the statement below:

Minidoka County's Change in Net Position
General Government

	2015		2016		2017
Revenues:					
Charges for Services	\$ 1,730,378	\$	1,682,299	\$	1,621,568
Operating Grant & Contributions	1,781,114		1,501,143		1,625,577
General Revenues:					
Property Tax	4,962,742		5,131,138		5,317,248
Program revenue not restricted	1,852,443		2,179,068		2,149,559
Other	48,792		73,213		81,398
Total Revenue	<u>\$ 10,375,469</u>	\$	<u>10,566,861</u>	\$	<u>10,795,350</u>
Expenses:					
General Government	3,521,198		3,557,940		3,427,304
Public Safety	5,229,553		5,591,954		5,299,475
Agricultural	87,489		90,988		83,722
Health & Welfare	562,759		502,347		862,670
Education	188,326		198,269		237,213
Culture and Recreation	31,512		47,437		39,643
Total Expenses	<u>\$ 9,620,837</u>	\$	<u>9,988,935</u>	\$	<u>9,950,027</u>
Change in Net Position	754,631		577,926		845,323
Net Position – Beginning as restated	<u>4,740,281</u>		<u>5,434,067</u>		<u>6,006,599</u>
Net Position Ending	<u>\$ 5,494,912</u>	\$	<u>6,011,993</u>	\$	<u>6,851,922</u>

Below is a brief comparison of the County’s assets and liabilities which reflects several points. Compensated absences, net pension liability, and OPEB (other postemployment benefits) liability are the only long-term debts that the County has at this time.

As a result of GASB 68 reporting, the County’s pension liabilities with PERSI (Public Employee Retirement System of Idaho) must be addressed; the deferred inflows of resources and the deferred outflow of resources reflect the liability of the County for PERSI retirement, which is an actuarial analysis.

Net position must be maintained by the County to insure against the unexpected. Not wanting to incur long-term debt, the Board has slowly started courthouse remodeling and is aware of the need to maintain and upgrade the facility that has been neglected for too long. This concern is ongoing and at some point may require the building of new facilities to allow for the needed office space due to both growth and obsolescence of the current facilities. The Board has also taken great financial strides to address the need for ADA compliance by repairing sidewalks, adding curb cuts and more accessible parking spots during the FY2017, but we still have a long way to go to make all of our doorways accessible.

Legislation was passed in 2013 exempting the first \$100,000 of personal property value from the tax rolls. Although the state replaced the money to the counties, there is the loss of any future increase in taxes from personal property. No further increase will be sent to the counties and the value, as of 2013, is all that will be recouped. Every year the Board faces the challenge of providing for the ever-increasing demands without over-burdening the County’s taxpayers and this must be done in a way that does not negatively impact the County’s financial condition. Listed below are the property tax levies which, when compared to the maximum levy allowed, reflects the importance that the County Commissioners place on the taxpayers’ desire to not increase the dollar amount of property taxes levied for the County Government operation. All of the County’s fund levies are less than the statutory limits.

A Comparison of Minidoka County’s Assets, Liabilities, and Net Assets:

ASSETS	2015 - 2016	2016 -2017
Current and Other Assets	\$ 6,672,190	\$ 7,553,595
Capital Assets	<u>1,904,670</u>	<u>1,802,039</u>
Total Assets	<u>\$ 8,576,860</u>	<u>\$ 9,355,634</u>
 Deferred Outflow of Resources	 <u>\$ 1,226,863</u>	 <u>\$ 416,922</u>
 LIABILITIES		
Long-term Liabilities	\$ 2,517,803	\$ 2,159,523
Other Liabilities	<u>403,736</u>	<u>475,365</u>
Total Liabilities	\$ 2,921,539	\$ 2,634,888
 Deferred Inflows of Resources	 \$ 870,192	 \$ 285,748
 NET POSITION		
Invested in Capital Assets, Net of Debt	\$ 1,904,670	\$ 1,802,039
Restricted for Debt Service	-	-
Unrestricted	<u>4,107,323</u>	<u>5,049,882</u>
Total Net Position	<u>\$ 6,011,993</u>	<u>\$ 6,851,921</u>

<u>GOVERNMENTAL FUND</u>	<u>FY 2017</u>	<u>STATUTORY MAXIMUM</u>
General (Current Expense)	0.001199478	0.00200
Justice	0.001773172	0.00200
Hospital	0.000082286	0.00020
District Court	0.000164690	0.00040
Health	0.000079063	0.00040
Parks & Recreation	0.000034318	0.00010
Community College	0.000105863	0.00060
Pest	0.000001596	0.00020
Indigent	0.000440172	0.00100
Revaluation	0.000295812	0.00040
Noxious Weeds	0.000045046	0.00060
Historical Society	0.000033801	0.00012
Fair Operations	0.000057372	0.00010
Fair Buildings	0.000053286	0.00020

ANALYSIS OF INDIVIDUAL FUNDS

The Governmental Funds listed above are all Special Revenue Funds, each serving a specific purpose, with the exception of the General (Current Expense) Fund and the Justice Fund. Within those two funds you will find the budgets of many departments that provide a variety of services. Some of the larger departments in the General Fund are the Assessor, Treasurer, Zoning/Building, Elections, and the Clerk/Auditor/Recorder. All of the Public Safety/Law Enforcement functions are provided for in the Justice Fund.

The soundness of each individual fund can be measured two ways: 1) comparison of fund balance to prior year; and 2) comparing the fund balance to that fund's budget—more specifically, its ability to cover the first three months' expenses of the following year. The following statistics depict these two comparisons derived from the remaining cash analysis at the end of each fiscal year:

	<u>BEGINNING FUND BALANCE</u>	<u>ENDING FUND BALANCE</u>	<u>ESTIMATED EXPENSES OF FOLLOWING QUARTER</u>
General Fund	\$ 1,455,678	\$ 1,714,666	\$ 550,000
Justice Fund	\$ 1,742,303	\$ 2,018,272	\$ 1,050,000
All Other Funds	\$ 2,421,847	\$ 2,728,005	\$ 400,000

The above figures show that the year-end fund balance in the Justice Fund is improving, in part by transferring Public Defense out of the Justice Fund and into the Public Assistance Fund; and all other fund balances are very healthy. The General Fund and the Justice Fund have enough cushion that more of our discretionary revenue, sales tax, and PILT, can be re-allocated.

The combined year-end fund balances of the General Fund and the Justice Fund are up over the previous year's total. However, uncertainty in the federal and the state's economic conditions cause the County to be cautious and conservative in the budgeting process. The need to upgrade the buildings that the County owns is also a great concern. The variation from year to year of the County's portion of the very expensive Joint Jail and Juvenile Detention budgets, and the desire to increase pay to maintain the qualified staff of the County weigh into the decisions of the Board.

ECONOMIC FACTS AND NEXT YEAR'S BUDGET

The economic downturn has yet to have any significant adverse affect on the property values in Minidoka County. Increasing the levies that generate the property taxes is a decision that rests with the Board, but they must be mindful of any statutory levy restrictions that might come into play. At the present time the cumulative amount of property taxes available to be levied is not in any danger, however, the 3% statutory limit for the overall County property tax dollar increase barely offsets the decrease in other revenues if major repairs are needed. With ever increasing technological advances and the electrical needs of such technology, our older county buildings will need their electrical system updated.

The other effect that a slow economy has on the property tax revenues deals with the collection of taxes after they are assessed. The County experienced no reduction in tax collections for the first half payments due December 20, 2017.

The FY 2018 Budget will continue to be impacted by the sales tax revenue from the State, as well as a continued in interest earnings on the County's investments. The Joint Powers Boards are mindful of the effect of drastic percentage changes in the budgets of the counties due to population changes in the jail and detention center. A decision by both Boards of County Commissioners will use a 5 year look back for determining budgets. The average will be used thereby reducing the constant up and down of budget percentages for both counties. The ever-increasing demand on the Justice Fund is also a concern for the County as it is nearing its levy limit. The costs associated for public defenders, mental health commitments, individuals in detention or on probation, both adult and juvenile, are just a few of mandated services that continue to rise. Whether it is the economy that is causing such increases or just a sign of the times, the County is mandated to cover costs associated with these services. These increases will place greater importance on the County's ability to increase efficiency as well as containing expenses.

The possibility of further exemptions for personal property tax assessments hangs over the County and will be closely monitored during the next legislative session. It does not appear that this issue is going away. This possible further reduction in taxable assessed value could cause a tax shift and the hard-budgeting decisions would have to be made by the Board of Commissioners. Most of the County's expenses are due to mandated services required by the State, and this is where a further reduction in the personal property tax exemption would cause major concern for County Commissions across the state as to whether they would shift the taxes to the real property taxpayers or reduce services. The expenditure side of the scales to be balanced is where the Board's control weighs supreme. The County budgeting process provides for departmental requests, which are based on needs/wants to be submitted to the County Auditor who then prepares a budget recommendation to the Board based on available revenues. As stated above, the need to upgrade the facilities along with needed upgrades to the technological systems are paramount. Increases in expenses for employee wages is also a concern the Board has in order to retain a qualified staff. The role and rules that govern the County are not learned overnight. A knowledgeable staff is paramount in the success of the County.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, 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 should have questions about this report or desire additional information, please contact Tonya Page, Minidoka County Clerk, P.O. Box 368, Rupert, ID 83350. She may also be reached at 208-436-7111 or by email at tpage@co.minidoka.id.us.

BASIC FINANCIAL STATEMENTS



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"Making life less taxing since 1978"

INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
Minidoka County, State of Idaho

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Minidoka County, Idaho as of and for the year ended September 30, 2017 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Minidoka County, Idaho, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5-12 and 41-48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

Other Information

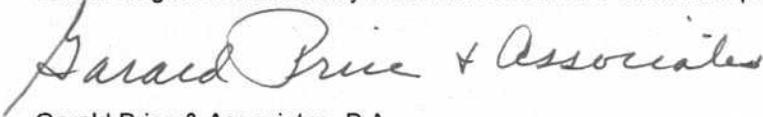
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Minidoka County, Idaho's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2018 on our consideration of Minidoka County'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit conducted in accordance with *Government Auditing Standards* in considering Minidoka County's internal control over financial reporting and compliance.



Garald Price & Associates, P.A.
Burley, Idaho
March 8, 2018

Minidoka County
Rupert, Idaho

Statement of Net Position
September 30, 2017

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Component Unit Fair Board</u>
ASSETS:		
Cash and cash equivalents	\$ 5,230,616	\$ 239,625
Investments	1,702,265	
Taxes receivable	135,500	3,221
Intergovernmental receivables	447,858	1,500
Assessment receivable	37,357	
Capital assets:		
Nondepreciable	116,531	40,861
Depreciable, Net	1,685,508	170,170
Total assets	<u>9,355,635</u>	<u>455,377</u>
DEFERRED OUTFLOW OF RESOURCES:		
Deferred outflows - pensions	416,922	
Total deferred outflows of resources	<u>416,922</u>	
	<u>\$ 9,772,557</u>	<u>\$ 455,377</u>
LIABILITIES:		
Warrants payable	\$ 213,505	\$
Accounts payable	185,064	2,824
Accrued payroll	76,796	
Long term liabilities:		
Portion due within one year:		
Compensated Absences	164,190	
Portion due or payable after one year:		
Other Post Employment Benefits liability	90,419	
Net pension liability	1,904,914	
Total liabilities	<u>2,634,888</u>	<u>2,824</u>
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows - pensions	285,748	
Total deferred inflows of resources	<u>285,748</u>	
NET POSITION:		
Net investment in capital assets	1,802,039	211,031
Restricted		200,000
Unrestricted	<u>5,049,882</u>	<u>41,522</u>
TOTAL NET POSITION	<u>\$ 6,851,922</u>	<u>\$ 452,553</u>

The notes to the financial statements are an integral part of this statement.

GARALD PRICE & ASSOCIATES, P.A.

Minidoka County
Rupert, Idaho

STATEMENT OF ACTIVITIES
For the year ended September 30, 2017

Functions/Programs	PROGRAM REVENUES			Net (Expense)Revenue and Changes in Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Component Unit Fair Board
Primary Government					
Governmental activities:					
General Government	\$ 3,427,304	\$ 418,219	\$ 914,165	\$ (2,094,920)	
Public Safety	5,299,475	1,032,732	532,160	(3,734,583)	
Agricultural	83,722	300	20,000	(63,422)	
Health and Welfare	862,670	170,318	92,352	(600,000)	
Education	237,213		66,900	(170,313)	
Culture Recreation	39,643			(39,643)	
Total governmental activities	<u>9,950,027</u>	<u>1,621,568</u>	<u>1,625,577</u>	<u>(6,702,882)</u>	
Total primary government	<u>\$ 9,950,027</u>	<u>\$ 1,621,568</u>	<u>\$ 1,625,577</u>	<u>(6,702,882)</u>	
Component unit					
Fair Board	<u>\$ 267,756</u>	<u>\$ 77,678</u>	<u>\$</u>		<u>\$ (190,078)</u>
General Revenue:					
Taxes:					
Property tax				5,317,248	141,863
Program revenue not restricted to specific purposes				2,149,559	
Investment earnings				35,820	
Gain or (Loss) on disposal of Capital Assets				38,765	
Miscellaneous				6,813	17,248
Total general revenues				<u>7,548,204</u>	<u>159,111</u>
Change in Net position				845,323	(30,967)
Net position beginning - Restated (See note 16)				6,006,599	483,520
Net position ending				<u>\$ 6,851,922</u>	<u>\$ 452,553</u>

The notes to the financial statements are an integral part of this statement.

Minidoka County
Rupert, Idaho

Balance Sheet
Governmental Funds
September 30, 2017

	Major				Non-Major	Total Governmental Funds
	General Fund	Justice Fund	Sanitary Landfill Fund	Indigent Fund	Other Government Funds	
ASSETS:						
Cash and cash equivalents	\$ 766,119	\$ 1,730,536	\$ 226,781	\$ 877,795	\$ 1,629,385	\$ 5,230,616
Investments	952,265	750,000				1,702,265
Property tax receivable	37,843	59,506		11,052	27,098	135,500
Intergovernmental receivables	11,240	396,622		4,350	35,646	447,858
Special assessment receivable			37,357			37,357
TOTAL ASSETS	\$ 1,767,467	\$ 2,936,664	\$ 264,138	\$ 893,198	\$ 1,692,129	\$ 7,553,595
LIABILITIES:						
Warrants payable	\$ 41,857	\$ 127,696	\$ -	\$ 13,479	\$ 30,472	\$ 213,505
Accounts payable	106,534	47,955		9,591	20,984	185,064
Accrued payroll	15,145	49,537		2,026	10,087	76,796
Total Liabilities	163,536	225,188		25,096	61,544	475,365
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue-property tax	33,719	52,969		9,892	24,112	120,693
Unavailable revenue-special assessment			33,273			33,273
Total deferred inflows of resources	33,719	52,969	33,273	9,892	24,112	153,966
FUND BALANCES:						
Committed for:						
Budgeted use of funds in FY18	268,370	377,749		190,700	437,046	1,273,865
Assigned for:						
General Government			230,864		531,103	761,967
Public Safety		2,280,758			(9,964)	2,270,794
Agricultural					100,693	100,693
Health and Welfare				667,510	254,903	922,413
Education					259,109	259,109
Culture and Recreation					33,582	33,582
Unassigned	1,301,842					1,301,842
Total Fund Balances	1,570,212	2,658,507	230,864	858,210	1,606,473	6,924,265
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,767,467	\$ 2,936,664	\$ 264,138	\$ 893,198	\$ 1,692,129	

Amount reported for governmental activities in the Statement of Net Position are different because:

Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds	1,802,039
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property taxes and special assessments	153,966
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds	
Other Post Employment Benefit Liability	(90,419)
Net Pension Liability	(1,904,914)
Accrued Compensated Absences	(164,190)
Deferred outflows and inflows or resources related to pension are applicable to future periods and, therefore, not reported in	
Deferred outflows of resources related to pension expense	308,259
Deferred outflows of 2017 employer contributions related to pensions	108,664
Deferred inflows of resources related to pensions	(285,749)
Net Position of Governmental Activities	\$ 6,851,922

The notes to the financial statements are an integral part of this statement.

GARALD PRICE & ASSOCIATES, P.A.

Minidoka County
Rupert, Idaho

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Governmental Funds
September 30, 2017

	Major				Non-Major	Total Governmental Funds
	General Fund	Justice Fund	Sanitary Landfill Fund	Indigent Fund	Other Government Funds	
Revenues:						
Taxes	\$ 1,510,751	\$ 2,239,134	\$	\$ 561,241	\$ 1,020,026	\$ 5,331,151
Intergovernmental	2,827	1,907,051		22,821	414,172	2,346,871
Charges for Services		865,900			7,335	873,235
Special Assessments			727,344			727,344
Other	617,312	263,798		170,318	420,087	1,471,515
Total Revenues	2,130,888	5,275,882	727,344	754,379	1,861,620	10,750,116
Expenditures:						
General Government	1,959,345		639,255		782,588	3,381,188
Public Safety		5,062,024			349,868	5,411,891
Agricultural					86,216	86,216
Health and Welfare				593,752	271,095	864,847
Education					235,900	235,900
Culture Recreation					34,184	34,184
Total Expenditures	1,959,345	5,062,024	639,255	593,752	1,759,850	10,014,225
Excess (Deficiency) of Revenues over Expenditures	171,543	213,859	88,090	160,629	101,771	735,890
Other Financing Sources (Uses):						
Transfers In	121					121
Transfers Out					121	121
Net Change in Fund Balances	171,664	213,859	88,090	160,629	101,650	735,890
Fund Balances, beginning	1,398,547	2,444,648	142,775	697,581	1,504,825	6,188,375
Fund Balances, ending	\$ 1,570,211	\$ 2,658,507	\$ 230,865	\$ 858,210	\$ 1,606,474	\$ 6,924,266

The notes to the financial statements are an integral part of this statement.

Minidoka County
Rupert, Idaho

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2017

Net Change in Fund Balances - Governmental Funds	\$	735,890
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period :		
Capital Outlay	\$	94,143
Depreciation expense		<u>(235,538)</u>
		(141,395)
Because governmental funds report capital outlays as expenditures, when capital assets are sold the proceeds are recorded as revenue. In the statement of activities, a gain or loss on sale of the asset is reported based on net proceeds and adjusted basis of the asset.		
		38,765
Because some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered as "available" revenues in the governmental funds.		
Property taxes		(12,515)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. Some expenditures reported in the governmental funds either increase or decrease long-term liabilities reported in the Statement of Net Position. In the current year these consisted of :		
Increase in compensated absences		(307)
Other Post Employment Benefits (OPEB) are not recorded in the fund balance but are included the government-wide change in net position due to governmental activities.		
		(12,849)
Governmental funds report County pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is a reported as pension expense.		
		<u>237,734</u>
Change in Net Position - Governmental Activities	\$	<u>845,323</u>

Minidoka County
Rupert, Idaho

Statement of Fiduciary Net Position
September 30, 2017

	Claims Administration Trust Fund	Agency Funds
	<u> </u>	<u> </u>
ASSETS:		
Cash and cash equivalents	\$ 271,756	\$ 427,274
Investments		
Taxes receivable		216,472
Interest receivable		
Intergovernmental receivables		
Assessment receivable		15,555
Capital assets:		
Nondepreciable		
Depreciable, Net		
 TOTAL ASSETS	 <u>\$ 271,756</u>	 <u>\$ 659,300</u>
 LIABILITIES, EQUITY AND OTHER CREDITS		
LIABILITIES:		
Warrants payable	\$ 95,889	\$ 69,061
Account payable		-
Due to other Governments		590,239
Noncurrent liabilities		
Total liabilities	<u>95,889</u>	<u>659,300</u>
 NET POSITION		
Restricted	<u>175,866</u>	
 Total net position	 <u>\$ 175,866</u>	 <u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

Minidoka County
Rupert, Idaho

Claims Administration Trust Fund
Statement of Changes in Fiduciary Net Position
For the year ended September 30, 2017

	Claims Administration Trust Fund
Additions:	
Employee contributions	\$ 177,976
Employer contributions	970,355
Other additions	13,244
	<hr/>
Total Revenues	1,161,575
	<hr/>
Deductions:	
Insurance premiums	1,091,289
Insurance buy down	80,517
Employee refund/misc.	1,313
	<hr/>
Total Deductions	1,173,119
	<hr/>
Change in Net Position	(11,544)
	<hr/>
Net Position, beginning	187,410
	<hr/>
Net Position, ending	\$ 175,866
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

Minidoka County
Rupert, Idaho

Claims Administration Trust Fund
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
For the year ended
September 30, 2017

Revenues:		
Employee contributions	\$	177,976
Employer contributions		970,355
Other revenues		<u>13,244</u>
Total Revenues		<u>1,161,575</u>
Expenses:		
Insurance premiums		1,091,289
Insurance buy down		80,517
Employee refund/misc.		<u>1,313</u>
Total Expenses		<u>1,173,119</u>
Excess (Deficiency) of Revenues over Expenses		<u>(11,544)</u>
Other Financing Sources (Uses):		
Transfers In		
Transfers Out		<u> </u>
Total other financing sources (uses)		<u> </u>
Excess (Deficiency) of Revenues Over Expenses After Other Financing Sources (Uses)		(11,544)
Fund Balances, October 1		<u>187,410</u>
Fund Balances, September 30	\$	<u><u>175,866</u></u>

The notes to the financial statements are an integral part of this statement.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

The accompanying financial statements of Minidoka County, Rupert, Idaho, have been prepared in conformity with the generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the standard-setting body for governmental accounting and financial reporting principles. The following notes to financial statements are an integral part of the County's General Purpose Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

In evaluating the County as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the County may be financially accountable and, as such, should be included in the County's financial statements. The County (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific burdens on the County. Organizations for which the County is not financially accountable are also included when doing so is necessary in order to prevent the County's financial statements from being misleading. The County has one discretely presented component unit and no blended component units.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component unit

Discretely Presented Component Unit

Minidoka County Fair Board

The Minidoka County Fair Board is a separate entity responsible for approving the budget, establishing spending limitations, funding deficits and borrowing funds and/or issuing bonds to finance fair operation and construction. The governing body is appointed by the Minidoka County board of Commissioners. A copy of the Audit may be obtained the Minidoka County Fair Board.

The County contributes to the multi-employer Public Employee Retirement System of Idaho (PERSI) and the Idaho Counties Risk Management Program (ICRMP). PERSI is administered by the State of Idaho and ICRMP is administered by the Idaho Association of Counties. Since the County does not administer or is not dominate in either plan, the financial statements of these plans are not included in this report. A copy of the PERSI report can be obtained from the Public Employee Retirement System of Idaho office in Boise, Idaho. A copy of the ICRMP report can be obtained from the Idaho Counties Risk Management Program also in Boise, Idaho.

B. Basis of Presentation, Basis of Accounting

Government-Wide Financial Statements

The County's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities. The County has no Business Type Activities. Fiduciary activities of the County are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The County has presented all major funds that met those qualifications. In addition, the County has presented the Sanitary Landfill fund as a major fund because the County believes the financial position and activities of this fund is significant to the County as a whole.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The County's fiduciary funds consist of the Claims Administration fund and Agency Funds. The Claims Administration fund is reported on the accrual basis of accounting. The Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The County reports the following major governmental funds:

General Fund (Current Expense Fund): The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Justice Fund: The Justice Fund accounts for operation and maintenance of the Sheriff's department, juvenile and adult detention facilities.

Sanitary Landfill Fund: This fund accounts for the County's share of the cost to operate the Southern Idaho Regional Solid Waste District.

Indigent Fund: This fund accounts for the County's cost of the indigent medical claims of the County's indigent residents.

The County reports the following fiduciary fund types:

Agency Fund: Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County collects and holds on behalf of others and for taxing districts to account for the property taxes that are billed and collected by the County for various municipalities and special districts within the County.

Claims Administration Trust Fund: This fund accounts for medical health insurance premiums and claims for the County employees. The revenue is restricted for medical insurance and medical claims of the County's employees. The accrual basis of accounting is utilized by the fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenues.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deposits and Investments

The County pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to the particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested as allowed by Idaho Code. State statutes authorize the County to invest in certain revenue bonds, general obligation bonds, local improvement district bonds, registered warrants of state and local governmental entities, time deposit accounts, tax anticipation and interest-bearing notes, bonds, treasury bills, debentures or other similar obligations of the United States Government and the Farm Credit System and repurchase agreements.

Investments are stated at cost and fair value is disclosed in the notes. Fair value is determined by quoted market prices. Interest income is recorded in the general fund of the County unless otherwise specified by law or Commission agreement.

Receivables

All receivables are reported at their gross value and, when deemed uncollectable, reduced by the uncollectable portion. Estimated unbilled revenues are recognized at the end of each fiscal year on a pro rata basis.

Property Tax Calendar

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date:	January 1
Levy Date:	4th Monday in October
Due Dates:	December 20, 1st installment, June 20, 2nd installment
Delinquent Dates	December 21, 1st installment, June 21, 2nd installment

The County bills and collects its own property tax and also collects taxes for other taxing districts within its boundaries. The County accrues as receivable all property taxes received during the first sixty days of the new fiscal year. The County assesses a delinquency penalty of 2%. If the taxes become delinquent the County tax collector may sell the property to collect taxes due plus 1.0% per month interest.

Due To and Due From Other Funds

Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which transactions are executed.

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Encumbrance Accounting

Encumbrance accounting methods were not used in the preparation of the County's general purpose financial statements. Uncommitted appropriations lapse at year-end and commitments are re-appropriated in the next year's budget.

Restricted Resources

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

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure) until then. The County has one item that qualify for reporting in this category: the pension obligation. The pension obligation results from changes in assumptions or other inputs in actuarial calculation of the County's net pension liability.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County has one item that qualifies for reporting in this category: the employer pension assumption. The employer pension assumption results from differences between the expected and actual experience and the net difference between projected and actual earnings on pension plan investments derived from the actuarial calculation of the County's net pension liability. On the fund level financial statements, the County has one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category: unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that amounts become available.

Capital assets

Capital assets, which include property, plant and equipment and infrastructure assets used in governmental fund type operations are accounted for in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of over one year. All material fixed assets are valued at historical cost. Property, plant, and equipment are stated at cost. Where cost could not be determined from available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. When an asset is disposed of, cost and related accumulated depreciation are removed, and any gain or loss arising from its disposal is credited or charged to operations. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Since the County is a Phase 3 government according to GASB 34, the County can be exempt from retroactively capitalizing general infrastructure assets according to GASB 34 paragraphs 148 through 151. As such, the County chose not to retroactively capitalize infrastructure assets.

Depreciation of all exhaustible fixed assets is charged as an expense against operations. Capital assets are reported net of accumulated depreciation on the statement of net assets. Depreciation has been provided over the estimated useful lives as determined by the County using the straight-line method.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation, sick pay, and compensatory time benefits. All such benefit pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Fund Equity

In the governmental fund financial statements; fund balances are classified as non spendable, restricted, or unrestricted (committed, assigned, or unassigned). Unassigned fund balances are spent before assigned and committed fund balances. Also, restricted fund balances are spent before unrestricted fund balances.

Non-spendable- The portion of fund balance that cannot be spent because it is not in spendable form or is legally or contractually required to be maintained intact.

Restricted- The portion of fund balance where limitations have been imposed by creditors, grantors, contributors or law and regulations of other governments or limitations have been imposed by law through constitutional provisions or enabling legislation.

Committed- The portion of fund balance where a self-imposed limitation is set in place prior to the end of the period. The limitation is imposed at the highest level of decision-making and requires formal action at the same level to remove. This is done annually via resolution approved by the Board of County Commissioners.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned- The portion of fund balance where a limitation results from intended uses either by: 1) highest level of decision-making or 2) body designated for that purpose, or 3) official designated for that purpose and would occur in conjunction with the close of the fiscal year. These limitations are approved by the Board of County Commissioners.

Unassigned- The remaining portion of fund balance in excess of other classifications (surplus) or excess of other classifications over total fund balance (deficit).

The County would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Pensions

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

2. CASH AND INVESTMENTS

Deposits

On September 30, 2017, the carrying amount of the County's deposits was \$7,628,345 (not including petty cash of \$3,965) and the bank balance was \$7,703,154. The difference in the amounts was attributable to transactions in transit not yet recorded at the bank.

	<u>Amount</u>
Petty Cash	\$ 3,965
Cash held by bank	5,226,651
Balance Sheet Cash Balance	<u>5,230,616</u>
Held for Fiduciary, Agency & Taxing District	699,429
Investments	1,702,264
Total Government's Cash and Investment Balance	<u>\$ 7,632,309</u>

Legal Provisions Governing Cash Deposits with Financial Institutions

For cash depositories with deposits in excess of federal insurance, State code requires the County obtain an annual affidavit showing the amount of the financial institution's capital stock and surplus. The County's deposit may not exceed the depository's capital stock and surplus.

Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County does not have a deposit policy for custodial credit risk.

As of September 30, 2017 the County's cash bank balance of \$7,703,154 of which \$1,106,699 subject to custodial credit risk.

Deposits insured by FDIC or NCUSIF	\$ 1,626,940
Deposits collateralized by a Letter of Credit	1,598,892
Deposits collateralized by a Depository Pledge Agreement	1,623,378
Deposits in by Repurchase Agreement	1,747,244
Uninsured & Uncollateralized Investments	1,106,699
Bank Value of Deposits	<u>\$ 7,703,153</u>

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

2. CASH AND INVESTMENTS (continued)

Investments

The County Treasurer invests idle monies in accordance with State statutes. As stated in the Summary of Significant Accounting Policies, Idaho Code allows idle monies to be invested in certain revenue bonds, general obligation bonds, local improvement district bonds, registered warrants of state and local governmental entities, time deposit accounts, tax anticipation and interest-bearing notes, bonds, treasury bills, debenture or other similar obligations of the United States Government and the Farm Credit System and repurchase agreements.

State law requires investments in corporate bonds to have, at the time of purchase, an A rating or higher by a commonly known rating service. At year end the County had the following investments and maturities:

Investment Type	Investment Maturities			Cost	Rating
	Fair Value	Less than 1 year	1 Year to 10 Years		
Certificates of Deposit	\$ 599,580	\$ 147,967	\$ 451,613	\$ 590,000	Federally Insured
Federal Farm Cr. Bonds	97,335		97,335	100,000	AAA & AA+
Federal Farm Cr. Bonds	99,469		99,469	100,290	AAA & AA+
Federal Farm Cr. Bonds	98,629		98,629	99,646	AAA & AA+
Federal Home Loan Bonds	99,866		99,866	100,000	AAA & AA+
Federal Home Loan BKS Bonds	99,491		99,491	100,000	AAA & AA+
Federal National Mortgage Bonds	99,381		99,381	99,800	AAA & AA+
Idaho Investment Pool	512,528	512,528		512,528	Unrated
	<u>\$ 1,706,279</u>	<u>\$ 660,495</u>	<u>\$ 1,045,784</u>	<u>\$ 1,702,264</u>	

Custodial Credit Risk-Investments

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. To address custodial credit risk, the County's policy is to invest in investments which are allowable under Idaho statutes found in Title 67, chapter 12. The County Treasurer may invest in authorized securities through offices or branches of nationally recognized, reputable firms which are registered and licensed to conduct business within the State of Idaho, as well as, local banks and savings

Investment Pool

The elected State Treasurer, following Idaho Code, is authorized to sponsor an investment pool in which the County voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body, oversight of the pool is with the State Treasurer, and Idaho Code defines allowable investments. The fair value of the County's position in the external investment pool is the same as the value of the pool shares. The external investment pool is unrated.

Interest Rate Risk

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. In accordance with investment policy, the County manages its exposure to declines in fair value by investing in securities with maturities that are consistent with needs and use of the County. The County has no policy addressing interest rate risk and exposure to declines in fair values. The segmented time distribution method has been used to disclose interest rate risk.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

2. CASH AND INVESTMENTS - (continued)

Concentration of Credit Risk

Concentration of Credit Risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Exclusive of the investment guaranteed by the U.S. Government, the County's investment in any one issuer does not represent a concentration risk.

Investment Type	Fair Value	Percent of Portfolio Investment
Certificates of Deposit	\$ 599,580	35%
Federal Farm Cr. Bonds	295,433	17%
Federal Home Loan Bonds	99,866	6%
Federal Home Loan BKS	99,491	6%
Federal National Mortgage	99,381	6%
Idaho Investment Pool	512,528	30%
	\$ 1,706,279	100%

3. TAXES RECEIVABLE

Property taxes levied for fiscal year 2016 are recorded as receivables. Under Idaho law, property taxes levied can be used as security for tax anticipation notes, therefore providing the County with the ability to borrow against the tax levy. The County has the right to take tax deeds on property for the collection of real property taxes. The County issues Warrants of Distrainment to the Sheriff on delinquent personal property which gives him the authority to seize and sale for the collection of personal property taxes.

As stated above, the County has the right to take tax deeds and Warrants of Distrainment for the collection of taxes and therefore the County does not consider it necessary to establish any allowance for uncollectible taxes receivable. The taxable value upon which the 2016 levy was based on was \$1,170,038,237.

Taxes are due in two equal installments on December 20 and June 20 following the levy date. Property taxes levied are recorded as receivables if uncollected and a deferred revenue amount is recorded to the extent of taxes not collected within 60 days of the end of the accounting period.

4. INTERGOVERNMENTAL RECEIVABLES

The amount due from other governments that is owed to the County consists of the following:

State of Idaho	
Liquor Apportionment	\$ 11,556
Sales Tax Base	120,660
Sales Tax Excess	60,525
Sales Tax-Revenue Sharing	190,420
Ag Exempt Property Tax Replacement Revenue	64,697
Total due from the State of Idaho	\$ 447,858

5. CAPITAL ASSETS

Capital assets used in governmental fund type operations are accounted for in the applicable governmental activities columns in the government-wide financial statements. All purchased Capital assets are valued at cost when historical records are available and at an estimated historical cost where no historical records exist. Donated Capital assets are valued at their estimated fair market value on the date received. When an asset is disposed of, cost and related accumulated depreciation are removed, and any gain or loss arising from its disposal is credited or charged to operations. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

5. CAPITAL ASSETS (continued)

Depreciation of all exhaustible fixed assets is charged as an expense against operations. Capital assets are reported net of accumulated depreciation on the Statement of Net Position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	20-40 years
Improvements	10-30 years
Equipment	5-15 years
Vehicles	5-10 years

A summary of changes in capital assets is as follows:

	Balance 9/30/16	Increases	Decreases	Balance 9/30/17
Capital assets nondepreciable				
Land	\$ 116,531			\$ 116,531
Total nondepreciable assets	<u>116,531</u>			<u>116,531</u>
Capital assets being depreciated:				
Buildings	5,931,670			5,931,670
Other improvements	530,024			530,024
Equipment	705,483		82,895	622,588
Vehicles	940,845	148,478	92,819	996,504
Total depreciable capital assets	<u>8,108,022</u>	<u>148,478</u>	<u>175,714</u>	<u>8,080,786</u>
Less accumulated depreciation for:				
Buildings	4,680,855	46,021		4,726,876
Other improvements	466,127	10,253		476,380
Equipment	601,538	58,342	82,894	576,986
Vehicles	571,363	120,922	77,249	615,036
Total accumulated depreciation	<u>6,319,883</u>	<u>\$ 235,538</u>	<u>\$ 160,143</u>	<u>6,395,278</u>
Total capital assets being depreciated, net	<u>1,788,139</u>			<u>1,685,508</u>
Governmental activity capital assets, net	<u>\$ 1,904,670</u>			<u>\$ 1,802,039</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 65,867
Agriculture	1,861
Public safety	162,351
Culture & recreational	5,459
Total depreciation expense	<u>\$ 235,538</u>

6. LONG-TERM DEBT

During the year ended September 30, 2017, the following changes occurred in liabilities reported in long-term debt:

	Balance 10/1/2016	Additions	Reductions	Balance 9/30/2017	Due Within One Year
Net Pension Liability	\$ 2,400,233		495,319	1,904,914	\$
Other Post-Employment Benefit Obligations	77,570	12,849		90,419	
Compensated Absences	163,884	387,619	387,313	164,190	164,190
Totals	<u>\$ 2,641,687</u>	<u>400,468</u>	<u>882,632</u>	<u>2,159,523</u>	<u>\$ 164,190</u>

The amount of long-term debt that is considered the current portion (due within the next fiscal year) is \$164,190. The amount due in the following fiscal year is \$0, with nothing due afterwards.

There is no Treasurer's cash available in the debt service fund to service the long-term debt.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

7. DEFINED BENEFIT PENSION PLAN

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2017 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% general employees and 11.66% for police and firefighters. The Minidoka County's contributions were \$435,239 for the year ended September 30, 2017.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

7. DEFINED BENEFIT PENSION PLAN (continued)

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

At September 30, 2017, Minidoka County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Minidoka County's proportion of the net pension liability was based on the Minidoka County's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2017, the Minidoka County proportion was .001211910 percent.

For the year ended September 30, the Minidoka County recognized pension expense (revenue) of \$73,988. At June 30, 2017 Minidoka County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 263,891	\$ 171,617
Changes in assumptions or other inputs	35,227	
Net difference between projected and actual earnings on pension plan investments		114,131
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions		
Employer contributions subsequent to the measurement date	<u>117,804</u>	
Total	<u>\$ 416,922</u>	<u>\$ 285,748</u>

The \$117,804 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2017.

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, 2016 the beginning of the measurement period ended June 30, 2017 is 4.9 years and 5.5 for the measurement period June 30, 2016.

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

Year ended June 30, 2017:	
2018	(103,558)
2019	178,967
2020	50,781
2021	(1,043,755)

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

7. DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions

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

The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25-10.00%
Salary inflation	3.75%
Investment rate of return	7.10% net, of investment expenses
Cost-of-living adjustments	1%

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The Total Pension Liability as of June 30, 2017 is based on the results of an actuarial valuation date of July 1, 2017.

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

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

Minidoka County
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NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

7. DEFINED BENEFIT PENSION PLAN (continued)

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 January 1, 2017.

Capital Market Assumptions

Asset Class	Expected Return	Expected Risk	Strategic Normal	Strategic Ranges
Equities			70.00%	66% - 77%
Broad Domestic Equity	9.15%	19.00%	55.00%	50% - 65%
International	9.25%	20.20%	15.00%	10% - 20%
Fixed Income	3.05%	3.75%	30.00%	23% - 33%
Cash	2.25%	0.90%	0.00%	0% - 5%
			Expected Real	Expected Risk
Total Fund	Expected Return	Expected Inflation	Return	Risk
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

* Expected arithmetic return net of fees and expenses

Actuarial Assumptions

Assumed Inflation - Standard Deviation	3.25%
Portfolio Arithmetic Mean Return	8.42%
Portfolio Long-Term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.40%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

7. DEFINED BENEFIT PENSION PLAN (continued)

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Employer's proportionate share of the net pension liability (asset)	\$ 4,427,413	\$ 1,904,914	\$ (191,349)

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.

Payables to the pension plan

At September 30, 2017, Minidoka County reported no payables to the defined benefit pension plan of for legally required employer contributions and nothing for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

8. CONTINGENT LIABILITIES

Amounts received or receivable 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.

9. LANDFILL

Pursuant to an inter-local agreement authorized by state statutes, Minidoka County joined Cassia, Blaine, Jerome, Gooding, and Lincoln counties to establish and operate Southern Idaho Regional Solid Waste District, a sanitary landfill operation for the mutual advantage of the governments. In 1999, Twin Falls County joined the District. One member of the board of directors for the District is appointed by each county.

On February 1, 2013, the County entered into an agreement with Southern Idaho Regional Solid Waste District, an independent public body corporate and politic. The agreement provides for the acceptance and disposal of solid waste by the District from Minidoka County.

The operating and capital budgets are funded by disposal charges to each county based on proportionate amount of solid waste received by each county over the total solid waste received. The County agreed to pay its pro rata share of direct costs and expenses, a reasonable overhead factor, a reasonable profit factor, management fees (if a manager is engaged), and a reasonable capital component.

The County shall pay one-half of projected solid waste disposal charges for such disposal period semi-annually on the fourth Monday in October during such disposal period and the remaining one-half of said projected county solid waste disposal charges on the fourth Monday in April immediately following such disposal period. The agreement shall be effective through January 31, 2033.

There were no additional estimated costs of closure at September 30, 2017, including final cover or seeding costs for the County's prior landfill. The County believes it is exempt for post closure care costs regarding the prior landfill because they believe it was closed within the required exemption period.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

10. RISK MANAGEMENT/INSURANCE COVERAGE

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of asset; errors and omissions; employee injuries, employee health, and natural disaster. Risks of loss are insured by the purchase of commercial insurance through participation in the Idaho Counties Risk Management Program. Under the terms of the ICRMP policy, Minidoka County's liability is limited to the amount of annual financial membership contributions plus \$1,000 per occurrence deductible.

The County's insurance coverage is as follows:

<u>General Liability</u>	
General Liability	3,000,000
Law enforcement liability	3,000,000
<u>Automobile</u>	
Automobile liability	3,000,000
Automobile medical (per person)	5,000
Automobile medical (per accident)	100,000
Uninsured motorist (per person)	100,000
Uninsured motorist (per accident)	300,000
<u>Errors & Omissions</u>	3,000,000
<u>Crime (per occurrence)</u>	500,000
<u>Property Damage</u>	
Damaged property (up to)	
Off Premise Property Damage	100,000
Data or Media (property)	1,000,000
Data or Media (Bus. Income & Extra Expense)	5,000,000
Expediting expenses	2,500,000
Spoilage damage	1,000,000
Service interruption	2,500,000
Newly acquired premises	5,000,000
Ordinance or law	5,000,000
Errors and omissions	10,000,000

Beginning May 1, 2004, Minidoka County became a member of the Government Employees Medical Plan (Gem Plan). This legal entity was created by state of Idaho political subdivisions under Idaho Code 67-2326 through 67-2333 to provide a partially self-funded employee health benefits pooling program. Each member's rate of contribution to the plan is determined annually. The County's Gem Plan has a deductible of \$2,000 per year, per covered individual. The employee of the County has a deductible of \$400 plus 20% of \$1,600 (\$2,000-\$400) per year, per covered individual. The County is self-insured for the 80% of the \$1,600 (\$1,440) per year, per covered individual.

11. DEFERRED COMPENSATION PLAN

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

12. FUND EQUITY

Minidoka County's financial policies outline the following classifications of fund balance that are reported on the governmental funds' balance sheet.

Committed- The amount of current fund balance that has been re-budgeted as a funding source for the County's FY2017 budget. These commitments were adopted by the Board of County Commissioners via resolution prior to the end of the reporting period.

Assigned- If the County had any special revenue funds that did not meet the definition of a special revenue fund they would be combined with the General Fund and their total fund balance would be considered "assigned" for their fund. Currently, all special revenue funds meet the definition and stand alone.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2017

12. FUND EQUITY (continued)

Unassigned- The General Fund is the only fund that reflects a positive "unassigned" since any surplus within a special revenue fund is automatically "assigned" to that fund per the definition of a special revenue fund. Any negative "unassigned" amounts reflect 'deficits' where there is an excess of other classifications over total fund balance.

13 INTERFUND TRANSFERS

Operating fund transfers In/Out to Other Funds consists of the following:

Fund	Transfers In	Transfers Out
General	\$ 121	
Judgement HB470 Fund		\$ 121

Transfers are used to move revenues from the fund that is required to collect them to the fund that is required or allowed to spend them.

14 POST RETIREMENT BENEFITS

The County provides a single employer post employment benefit plan which allows all eligible active employees and elected officials to participate in the retiree medical plan upon retirement. To be eligible for the County's retiree group medical plan, a employee retiree must be at least 55 years of age and completed at least 20 continuous years of service for the County. An eligible elected official must complete five continuous years of service, there is no minimum age requirement for elected officials.

The retirees must pay the full monthly premium as a condition of enrollment. Coverage in the Plan ends once a covered retiree becomes eligible for Medicare. Once a retiree becomes eligible for Medicare, the spouse can continue coverage until the spouse is eligible for Medicare. Surviving spouses are eligible for medical benefits until they qualify for Medicare and dependents are eligible for medical benefits until age 26.

The other postretirement costs are determined on an actuarial basis and are calculated based on the annual required contribution (ARC) of the employer using the projected unit credit actuarial cost method. The ARC represents the funding level that, if paid on an on going basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over 30 years. the current ARC rate as a percentage of payroll is 4.6%. The ARC for fiscal year 2017 is \$20,681. Since these funds were not placed in trust, the expense and offsetting liability are reflected in the financial statements. The County has a Post-Employment Benefit Valuation Report prepared every three years, the most current report is October 1, 2015. The table below summarizes the components of the County's OPEB costs:

Annual required contribution (ARC)	\$ 20,681
Interest on OPEB obligation	2,715
ARC Adjustment	(4,146)
Annual OPEB cost	<u>19,250</u>
Contributions made and adjustments	<u>(6,401)</u>
Change in OPEB obligation	12,849
Net OPEB obligation - beginning of year	77,570
Net OPEB obligation- end of year	<u><u>\$ 90,419</u></u>

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
Rupert, Idaho

14 POST RETIREMENT BENEFITS (continued)

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2017 and the two preceding valuation dates were as follows:

Summary of Annual OPEB Costs

Fiscal year ended	Annual Sponsor Contributions	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2013	696	12,751	5.50%	38,707
9/30/2016	2,834	19,559	14.50%	77,570
9/30/2017	\$ 6,401	\$ 19,250	33.25%	\$ 90,419

* as projected using October 1, 2015 information in the September 30, 2017 report

Funded Status and Funding Progress

Fiscal year ended	Actuarial Accrued Liability (AAL)	Actuarial Value of Plan Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ration	Covered Payroll	UAAL as of % of Covered Payroll
9/30/2013	95,161	0	95,161	0.00%	3,201,654	3.00%
9/30/2016	\$ 154,028	0	\$ 154,028	0.00%	\$ 3,369,534	4.60%
9/30/2017	information not available					

The significant actuarial assumptions used to determine funding requirements are:

Actuarial valuation date	October 1, 2015
Discount rate	3.50%
Actuarial cost method	Projected unit
Amortization method	Level Dollar
Amortization period	30 years
Inflation rate	2.50%
Medical trend rate	7.25% in 2015 grading to 5.00% over 9 years

As of September 30, 2017, there are 100 active plan participants, On that date, the County had no retirees, no spouses and no dependents receiving health insurance benefits.

PRIOR PERIOD ADJUSTMENT

Net position and fund balance as of September 30, 2016 has been adjusted to recognize an accrued payroll liability. The County pays employees on a bi-weekly basis. The County's pay period straddled the year ended September 30, 2016. Consequently, a portion of the payroll owing was paid in the subsequent year for hours worked for the year ending September 30, 2016. The County should have reported a \$70,091 liability reflecting this obligation which would have decreased net position and fund balance by \$70,091. The major funds affected were General (\$13,626), Justice (\$45,273), Indigent (\$610), and non-major funds (\$10,584).

Net position and fund balance as of September 31, 2016 has been adjusted to recognize an intergovernmental receivable. The State of Idaho remits the Ag Property Tax Replacement revenue to the County in October of the following year. The amount of the receivable was \$64,697 for September 30, 2016 and should have been reported as a revenue and a receivable. The correction will increase net position and fund balance by \$64,697. The major fund affected were General (\$11,240), Justice (25,017), Indigent (\$4,350) and non-major funds (24,090)

15 SUBSEQUENT EVENTS

For these financial statements, the County evaluated subsequent events through March 06, 2018, the date which the financial statements were issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Minidoka, County
Rupert, Idaho
Major Government Funds
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2017

GENERAL FUND				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 1,482,307	\$ 1,482,307	\$ 1,510,751	\$ 28,444
Other	906,943	906,943	620,139	(286,804)
TOTAL REVENUES	2,389,250	2,389,250	2,130,888	(258,362)
EXPENDITURES:				
Salaries	815,880	823,090	795,501	27,589
Other	1,759,370	1,774,630	1,163,844	610,786
TOTAL EXPENDITURES	2,575,250	2,597,720	1,959,345	638,375
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(186,000)	(208,470)	171,543	380,013
OTHER FINANCING SOURCES (USES):				
Transfers in			121	121
Transfers out				
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(186,000)	(208,470)	171,664	380,134
FUND BALANCE - beginning	1,398,547	1,398,547	1,398,547	
FUND BALANCE - ending	\$ 1,212,547	\$ 1,190,077	\$ 1,570,212	\$ 380,135

The notes to the required supplementary information are an integral part of this statement.

Minidoka, County
Rupert, Idaho
Major Government Funds
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2017

JUSTICE FUND				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 2,191,274	\$ 2,191,274	\$ 2,239,134	\$ 47,860
Other	2,959,489	2,959,489	3,036,749	77,260
TOTAL REVENUES	5,150,763	5,150,763	5,275,882	125,119
EXPENDITURES:				
Salaries	2,707,433	2,707,433	2,513,911	193,522
Other	2,772,275	2,796,575	2,548,112	248,463
TOTAL EXPENDITURES	5,479,708	5,504,008	5,062,024	441,984
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(328,945)	(353,245)	213,860	567,104
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out				
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(328,945)	(353,245)	213,860	567,104
FUND BALANCE - beginning	2,444,648	2,444,648	2,444,648	-
FUND BALANCE - ending	\$ 2,115,703	\$ 2,091,403	\$ 2,658,508	\$ 567,104

The notes to the required supplementary information are an integral part of this statement.

Minidoka, County
Rupert, Idaho
Major Government Funds
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2017

SANITARY LANDFILL FUND

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ -	\$ -	\$ -	-
Other	704,375	704,375	727,344	22,969
TOTAL REVENUES	704,375	704,375	727,344	22,969
EXPENDITURES:				
Salaries				
Other	704,375	704,375	639,255	65,120
TOTAL EXPENDITURES	704,375	704,375	639,255	65,120
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES			88,090	88,089
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out				
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)			88,090	88,089
FUND BALANCE - beginning	142,775	142,775	142,775	-
FUND BALANCE - ending	\$ 142,775	\$ 142,775	\$ 230,865	\$ 88,089

The notes to the required supplementary information are an integral part of this statement.

Minidoka, County
Rupert, Idaho
Major Government Funds
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2017

INDIGENT				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 543,962	\$ 543,962	\$ 561,241	\$ 17,279
Other	114,138	114,138	193,139	79,001
TOTAL REVENUES	658,100	658,100	754,379	79,001
EXPENDITURES:				
Salaries	37,000	39,200	38,259	941
Other	829,100	829,100	555,493	273,607
TOTAL EXPENDITURES	866,100	868,300	593,752	274,548
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(208,000)	(210,200)	160,628	353,549
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out			-	
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(208,000)	(210,200)	160,628	353,549
FUND BALANCE - beginning	697,581	697,581	697,581	-
FUND BALANCE - ending	\$ 489,581	\$ 487,381	\$ 858,209	\$ 370,828

The notes to the required supplementary information are an integral part of this statement.

Minidoka County
Rupert, Idaho

Schedule of Employer's Share of Net Pension Liability
For the Year Ended September 30, 2017
PERSI-Base Plan
Last 10 - Fiscal Years*

	2017	2016	2015
Employer's portion of the net pension liability	0.1211910%	0.1203773%	0.1240710%
Employer's proportionate share of the net pension liability	1,904,914	1,585,173	1,633,813
Employer's covered-employee payroll	3,799,070	3,655,363	3,190,676
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	50.14%	43.37%	51.21%
Plan fiduciary net position as a percentage of the total pension liability	90.68%	87.26%	91.38%

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

Data reported is measured as of June 30, 2017 (PERSI Year End).

The notes to the required supplementary information are an integral part of this statement.

Minidoka County
Rupert, Idaho

Schedule of Employer's Contributions
For the Year Ended September 30, 2017
PERSI - Base Plan
Last 10 - Fiscal Years*

	2017	2016	2015
Statutorily required contribution	435,239	417,850	392,910
Contributions in relation to the statutorily required contribution	435,239	417,850	392,910
Contributions (deficiency) excess		-	-
Employer's covered- employee payroll	3,799,070	3,655,363	3,190,677
Contributions as a percentage of the covered-employee payroll	11.46%	11.43%	12.31%

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

The notes to the required supplementary information are an integral part of this statement.

Minidoka County
Rupert, Idaho

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2017

1. BUDGETARY DATA

Formal budgetary accounting is employed as a management control for general and special revenue funds of the County. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the General Fund, Special Revenue Funds, and Debt Service Funds. The same basis of accounting is used to reflect actual revenues and expenditures recognized on a generally accepted accounting principles basis. Budgets for certain special revenue funds and capital project funds are made on a project basis, spanning more than one fiscal year. Budgetary control is exercised at the departmental level or by projects.

Except as provided in Idaho Code Section 31.1608, expenditures may not legally exceed budgeted appropriations at the activity level. The level at which expenditures may not legally exceed appropriations for each budget is as follows:

General (Current Expense)	\$	2,575,250
Special Revenue:		
District Court		461,250
Preventive Health		108,000
E911 System		866,650
Junior College		310,000
Parks & Recreation		97,100
Pest Control		2,000
Indigent		866,100
Revaluation		403,375
Sanitary Landfill		704,375
Noxious Weed		122,879
Justice		5,479,708
CID		12,000
Waterways		116,350
Election Consolidation		124,300
Judgement HB 470		
Hospital		164,000
Total	\$	12,413,337

Minidoka County

Rupert, Idaho

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended September 30, 2017

2. LEGAL COMPLIANCE - BUDGETS

On or before the third Monday in May of each year, all agencies of the government submit their requests for appropriation to the budget officer so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past two years, current year estimates, and requested appropriations for the next fiscal year.

In July, the proposed budget is presented to the government's commissioners for review. Following their approval, a proposed budget is published in the official newspaper of the County by the third week of August along with a Notice of Public Hearing. At the conclusion of the Public Hearing the commissioners may adopt the published budget or one with reduced amounts. In no case are the commissioners allowed to increase the published budget or the property tax revenue portion thereof.

The County Commissioners meet on or before the Tuesday following the first Monday in September in the courthouse for the purpose of considering and fixing a final budget and making appropriations to each office, department, as well as the General fund (Current Expense) and Special Revenue Funds. The budget can be amended during the year by a court order through the District Judge or by advertising and holding a public hearing, preceding the County Commissioners' approval.

3. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

No individual funds had excess of actual expenditures over budget.

**COMBINING & INDIVIDUAL
NON-MAJOR FUND
FINANCIAL STATEMENTS**

Minidoka County
Rupert, Idaho

COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2017

	District Court Fund	Court Interlock Device	E-911 Fund	Health District Fund	Election Consolidation Fund
ASSETS:					
Cash	\$ 342,965	\$ 25,573	\$ 270,816	\$ 29,548	\$ 178,164
Investments					
Taxes receivable	5,666			2,569	
Intergovernmental receivables	2,295			2,175	
Special assessment receivable					
TOTAL ASSETS	\$ 350,926	\$ 25,573	\$ 270,816	\$ 34,291	\$ 178,164
LIABILITIES:					
Warrants payable	\$ 9,826	\$ -	\$ 4,082	\$ -	\$ 1,464
Account payable	5,203		4,549		479
Accrued payroll	4,200		1,258		499
Total Liabilities	19,229		9,889		2,442
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-property tax	5,050			2,287	
Total deferred inflows of resources	5,050			2,287	
FUND BALANCES:					
Committed for:					
Budgeted use of funds in FY18	85,000	9,600	50,790		98,156
Assigned for:					
General Government	241,647				77,566
Public Safety		15,973			
Agricultural					
Health and Welfare			210,136	32,005	
Education					
Culture and Recreation					
Unassigned					
Total Fund Balances	326,647	25,573	260,926	32,005	175,722
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 350,926	\$ 25,573	\$ 270,816	\$ 34,291	\$ 178,164

Minidoka County
Rupert, Idaho

COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2017

	Debt Service Fund	Junior College Fund	Parks & Recreation Fund	Pest Control Fund	Revaluation Fund
ASSETS:					
Cash	\$ -	\$ 332,935	\$ 40,836	\$ 1,877	\$ 241,039
Investments					
Taxes receivable		3,983	1,057	58	9,624
Intergovernmental receivables		20,921	725		3,988
Special assessment receivable					
TOTAL ASSETS	\$ -	\$ 357,839	\$ 42,618	\$ 1,935	\$ 254,650
LIABILITIES:					
Warrants payable	\$ -	\$ -	\$ 2,800	\$ -	\$ 8,614
Account payable		200	297		7,349
Accrued payroll					3,239
Total Liabilities		200	3,097		19,202
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-property tax		3,531	939	52	8,572
Total deferred inflows of resources		3,531	939	52	8,572
FUND BALANCES:					
Committed for:					
Budgeted use of funds in FY18		95,000	5,000		15,000
Assigned for:					
General Government					211,877
Public Safety					
Agricultural				1,883	
Health and Welfare					
Education		259,109			
Culture and Recreation			33,582		
Unassigned					
Total Fund Balances		354,109	38,582	1,883	226,877
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ -	\$ 357,839	\$ 42,618	\$ 1,935	\$ 254,650

Minidoka County
Rupert, Idaho

COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2017

	Noxious Weeds Fund	Waterways Fund	Judgement Hb470 Fund	Hospital Fund	Court Facility Fund
ASSETS:					
Cash	\$ 139,472	\$ 12,427	\$ -	\$ 8,198	\$ 5,537
Investments					
Taxes receivable	1,364		76	2,701	
Intergovernmental receivables	1,274			4,268	
Special assessment receivable					
TOTAL ASSETS	\$ 142,109	\$ 12,427	\$ 76	\$ 15,167	\$ 5,537
LIABILITIES:					
Warrants payable	\$ 3,636	\$ 51	\$ -	\$ -	\$ -
Account payable	2,616	291			
Accrued payroll	832	59			
Total Liabilities	7,084	400			0
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-property tax	1,215		63	2,405	
Total deferred inflows of resources	1,215		63	2,405	
FUND BALANCES:					
Committed for:					
Budgeted use of funds in FY18	35,000	43,500			
Assigned for:					
General Government			13		
Public Safety		(31,473)			5,537
Agricultural	98,810				
Health and Welfare				12,763	
Education					
Culture and Recreation					
Unassigned					
Total Fund Balances	133,810	12,027	13	12,763	5,537
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 142,109	\$ 12,427	\$ 76	\$ 15,167	\$ 5,537

Minidoka County
Rupert, Idaho

COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2017

	<u>Nonmajor Governmental Funds</u>
ASSETS:	
Cash	\$ 1,629,385
Investments	-
Taxes receivable	27,098
Intergovernmental receivables	35,646
Special assessment receivable	
	<hr/>
TOTAL ASSETS	<u>\$ 1,692,129</u>
LIABILITIES:	
Warrants payable	\$ 30,472
Account payable	20,984
Accrued payroll	10,087
Total Liabilities	<u>61,544</u>
DEFERRED INFLOWS OF RESOURCES:	
Unavailable revenue-property tax	<u>24,112</u>
Total deferred inflows of resources	24,112
FUND BALANCES:	
Committed for:	
Budgeted use of funds in FY18	437,046
Assigned for:	
General Government	531,103
Public Safety	(9,964)
Agricultural	100,693
Health and Welfare	254,903
Education	259,109
Culture and Recreation	33,582
Unassigned	
	<hr/>
Total Fund Balances	<u>1,606,473</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,692,129</u>

Minidoka County
Rupert, Idaho
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the year ended September 30, 2017

	Court Interlock Device	District Court Fund	E911 Fund	Health District Fund	Election Consolidation Fund
Revenues:					
Taxes	\$ -	\$ 207,926	\$ -	\$ 99,723	\$ -
Intergovernmental		77,547			78,620
Charges for Services	2,190				
Special Assessments					
Other		112,232	237,714	9,960	
Total Revenues	2,190	397,705	237,714	109,683	78,620
Expenditures:					
General Government		369,356			64,646
Public Safety	300		289,883		
Agricultural					
Health and Welfare				107,095	
Education					
Culture Recreation					
Total Expenditures	300	369,356	289,883	107,095	64,646
Excess (Deficiency) of Revenues over Expenditures	1,890	28,349	(52,170)	2,588	13,974
Other Financing Sources (Uses):					
Transfers In					
Transfers Out					
Net Change in Fund Balances	1,890	28,349	(52,170)	2,588	13,974
Fund Balances, beginning	23,683	298,298	313,096	29,417	161,748
Fund Balances, ending	\$ 25,573	\$ 326,647	\$ 260,926	\$ 32,005	\$ 175,722

Minidoka County
Rupert, Idaho
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the year ended September 30, 2017

	Junior College Fund	Parks & Recreation Fund	Pest Control Fund	Revaluation Fund	Noxious Weeds Fund
Revenues:					
Taxes	\$ 133,287	\$ 43,254	\$ 2,023	\$ 373,086	\$ 56,771
Intergovernmental	124,682			22,151	28,363
Charges for Services					300
Special Assessments					
Other	41,825	3,521	20		5,995
Total Revenues	299,794	46,775	2,042	395,238	91,428
Expenditures:					
General Government				348,586	
Public Safety					
Agricultural			2,000		84,216
Health and Welfare					
Education	235,900				
Culture Recreation		34,184			
Total Expenditures	235,900	34,184	2,000	348,586	84,216
Excess (Deficiency) of Revenues over Expenditures	63,894	12,592	42	46,652	7,213
Other Financing Sources (Uses):					
Transfers In					
Transfers Out					
Net Change in Fund Balances	63,894	12,592	42	46,652	7,213
Fund Balances, beginning	290,215	25,991	1,841	180,225	126,597
Fund Balances, ending	\$ 354,109	\$ 38,582	\$ 1,883	\$ 226,877	\$ 133,810

Minidoka County
Rupert, Idaho
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the year ended September 30, 2017

	Waterways Fund	Debt Service Fund	Judgement Hb470 Fund	Hospital Fund	Court Facility Fund	Total Nonmajor Governmental Funds
Revenues:						
Taxes	\$ -	\$ -	\$ 113	\$ 103,843	\$ -	\$ 1,020,026
Intergovernmental	25,363			57,446		414,172
Charges for Services				4,845		7,335
Special Assessments						
Other					8,820	420,087
Total Revenues	25,363		113	166,135	8,820	1,861,621
Expenditures:						
General Government						782,588
Public Safety	39,841				19,845	349,868
Agricultural						86,216
Health and Welfare				164,000		271,095
Education						235,900
Culture Recreation						34,184
Total Expenditures	39,841			164,000	19,845	1,759,850
Excess (Deficiency) of Revenues over Expenditures	(14,478)		113	2,135	(11,025)	101,769
Other Financing Sources (Uses):						
Transfers In						
Transfers Out			121			121
Net Change in Fund Balances	(14,478)		(8)	2,135	(11,025)	101,648
Fund Balances, beginning	26,505		21	10,628	16,562	1,504,825
Fund Balances, ending	\$ 12,027	\$ -	\$ 13	\$ 12,763	\$ 5,537	\$ 1,606,474

Minidoka County
Rupert, Idaho

Combining Balance Sheet
Agency Funds
September 30, 2017

	Assessor Trust Fund	Trial Court Administrative Trust	Tax Anticipation Trust Fund	Court Trust Fund	Sales Tax Trust Fund
ASSETS:					
Cash	\$ 41,086	\$ 9,686	\$ 53,936	\$ 57,881	\$ 44
Investments					
Taxes receivable					
Intergovernmental receivables					
Special assessment receivable					
TOTAL ASSETS	\$ 41,086	\$ 9,686	\$ 53,936	\$ 57,881	\$ 44
LIABILITIES:					
Warrants payable	41,086			18,605	
Account payable					
Intergovernmental payable		9,686	53,936	39,276	44
TOTAL LIABILITIES	\$ 41,086	\$ 9,686	\$ 53,936	\$ 57,881	\$ 44

Minidoka County
Rupert, Idaho

Combining Balance Sheet
Agency Funds
September 30, 2017

	Sheriff's Civil Trust Fund	Sheriff Youth Plates	Unclaimed Property Fund	State Fund	Sheriff Forfeiture Fund	Extension Educator Fund	Emergency Management Trust	Drug Restitution Prosecutor
ASSETS:								
Cash	\$ 6,909	\$ 728	\$ -	\$ 147,961	\$ 10,074	\$ 18,966	\$ 8,088	\$ 5,374
Investments								
Taxes receivable								
Intergovernmental receivables								
Special assessment receivable								
TOTAL ASSETS	\$ 6,909	\$ 728	\$ -	\$ 147,961	\$ 10,074	\$ 18,966	\$ 8,088	\$ 5,374
LIABILITIES:								
Warrants payable	6,820				1,720	724	105	
Account payable								
Intergovernmental payable	89	728		147,961	8,353	18,242	7,983	5,374
TOTAL LIABILITIES	\$ 6,909	\$ 728	\$ -	\$ 147,961	\$ 10,074	\$ 18,966	\$ 8,088	\$ 5,374

Minidoka County
Rupert, Idaho

Combining Balance Sheet
Agency Funds
September 30, 2017

	K-9 Training Fund	Prosecuting Attorney Forfeiture Fund	Catastrophic Insurance Trust Fund	Distribution Trust Fund	Taxing Districts	Total Agency Funds
ASSETS:						
Cash	\$ 5,459	\$ 14,692	\$ 12,602	\$ 225	\$ 33,562	\$ 427,274
Investments						
Taxes receivable					216,472	216,472
Intergovernmental receivables						
Special assessment receivable					15,555	15,555
TOTAL ASSETS	\$ 5,459	\$ 14,692	\$ 12,602	\$ 225	\$ 265,589	\$ 659,300
LIABILITIES:						
Warrants payable						69,061
Account payable						
Intergovernmental payable	5,459	14,692	12,602	225	265,589	590,239
TOTAL LIABILITIES	\$ 5,459	\$ 14,692	\$ 12,602	\$ 225	\$ 265,589	\$ 659,300

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2017

	Minidoka Historical Society Fund	Wayside Sewer District Fund	Minidoka County Hospital Fund	West End Fire District Fund	Minidoka Fire District Fund
ASSETS:					
Cash	\$ 41	\$ -	\$ -	\$ 270	\$ 698
Taxes receivable	903	36		4,241	15,282
Intergovernmental receivables					
Interfund receivable					
Assessment receivable					
TOTAL ASSETS	\$ 944	\$ 36	\$ -	\$ 4,510	\$ 15,980
LIABILITIES:					
Warrants payable					
Intergovernmental payable	944	36		4,510	15,980
TOTAL LIABILITIES	\$ 944	\$ 36	\$ -	\$ 4,510	\$ 15,980

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2017

	City of Rupert Fund	City of Heyburn Fund	City of Paul Fund	City of Acequia Fund	City of Burley Fund	City of Minidoka Fund
ASSETS:						
Cash	\$ 4,298	\$ 5,369	\$ 218	\$ 6	\$ -	\$ 473
Taxes receivable	32,107	23,835	5,672		18,857	1,981
Intergovernmental receivables						
Interfund receivable						
Assessment receivable						
TOTAL ASSETS	\$ 36,405	\$ 29,205	\$ 5,890	\$ 6	\$ 18,857	\$ 2,454
LIABILITIES:						
Warrants payable						
Intergovernmental payable	36,405	29,205	5,890	6	18,857	2,454
TOTAL LIABILITIES	\$ 36,405	\$ 29,205	\$ 5,890	\$ 6	\$ 18,857	\$ 2,454

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2017

	Minidoka Highway District Fund	Cemetery District No. 1 Fund	Cemetery District No. 2 Fund	Cemetery District No. 3 Fund	Minidoka County Fair Board Fund
ASSETS:					
Cash	\$ 1,462	\$ 200	\$ 89	\$ 51	\$ 156
Taxes receivable	30,571	4,569	1,126	1,071	3,100
Intergovernmental receivables					
Interfund receivable					
Assessment receivable					
TOTAL ASSETS	\$ 32,034	\$ 4,769	\$ 1,215	\$ 1,121	\$ 3,256
LIABILITIES:					
Warrants payable					
Intergovernmental payable	32,034	4,769	1,215	1,121	3,256
TOTAL LIABILITIES	\$ 32,034	\$ 4,769	\$ 1,215	\$ 1,121	\$ 3,256

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2017

	School District #331 Fund	M V Groundwater District Fund	Total Special Taxing Districts
ASSETS:			
Cash	\$ 12,669	\$ 7,564	\$ 33,562
Taxes receivable	73,121		216,472
Intergovernmental receivables			
Interfund receivable			
Assessment receivable		15,554	15,555
TOTAL ASSETS	<u>\$ 85,790</u>	<u>\$ 23,117</u>	<u>\$ 265,589</u>
LIABILITIES:			
Warrants payable			
Intergovernmental payable	85,790	23,117	265,589
TOTAL LIABILITIES	<u>\$ 85,790</u>	<u>\$ 23,117</u>	<u>\$ 265,589</u>

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>District Court Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 203,523	\$ 203,523	\$ 207,926	\$ 4,403
Other	197,727	197,727	189,779	(7,948)
Total Revenues	401,250	401,250	397,705	(3,545)
Expenditures				
Salaries	241,350	241,350	219,886	21,464
Other	219,900	222,900	149,470	73,430
Total Expenditures	461,250	464,250	369,356	94,894
Excess (Deficiency) of Revenues over Expenditures	(60,000)	(63,000)	28,349	91,349
Other Financing Sources (Uses): Transfers In Transfers Out				
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(60,000)	(63,000)	28,349	91,349
Fund Balances, beginning	298,298	298,298	298,298	
Fund Balances, ending	\$ 238,298	\$ 235,298	\$ 326,648	\$ 91,349

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>Court Interlock Device</u>				<u>E-911 Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	2,000	2,000	2,190	190	780,000	780,000	237,714	(542,286)
Total Revenues	2,000	2,000	2,190	190	780,000	780,000	237,714	(542,286)
Expenditures								
Salaries					74,500	74,500	65,392	9,108
Other	12,000	12,000	300	11,700	792,150	796,150	224,491	567,659
Total Expenditures	12,000	12,000	300	11,700	866,650	870,650	289,883	576,767
Excess (Deficiency) of Revenues over Expenditures	(10,000)	(10,000)	1,890	11,890	(86,650)	(90,650)	(52,170)	34,480
Other Financing Sources (Uses):								
Transfers In								
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(10,000)	(10,000)	1,890	11,890	(86,650)	(90,650)	(52,170)	34,480
Fund Balances, beginning	23,683	23,683	23,683		313,096	313,096	313,096	
Fund Balances, ending	\$ 13,683	\$ 13,683	\$ 25,573	\$ 11,890	\$ 226,446	\$ 222,446	\$ 260,926	\$ 34,480

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>Health District Fund</u>				<u>Election Consolidation Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 97,705	\$ 97,705	\$ 99,723	\$ 2,018	\$ -	\$ -	\$ -	\$ -
Other	10,295	10,295	9,960	(335)	77,600	77,600	78,620	1,020
Total Revenues	108,000	108,000	109,683	1,683	77,600	77,600	78,620	1,020
Expenditures								
Salaries					32,300	32,300	26,343	5,957
Other	108,000	108,000	107,095	905	92,000	92,000	38,303	53,697
Total Expenditures	108,000	108,000	107,095	905	124,300	124,300	64,646	59,654
Excess (Deficiency) of Revenues over Expenditures			2,588	2,588	(46,700)	(46,700)	13,974	60,674
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			2,588	2,588	(46,700)	(46,700)	13,974	60,674
Fund Balances, beginning	29,417	29,417	29,417		161,748	161,748	161,748	
Fund Balances, ending	\$ 29,417	\$ 29,417	\$ 32,005	\$ 2,588	\$ 115,048	\$ 115,048	\$ 175,722	\$ 60,674

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>Junior College Fund</u>				<u>Parks & Recreation Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 130,825	\$ 130,825	\$ 133,287	\$ 2,462	\$ 42,410	\$ 42,410	\$ 43,254	\$ 844
Other	124,175	124,175	166,507	42,332	53,690	53,690	3,521	(50,169)
Total Revenues	255,000	255,000	299,794	44,794	96,100	96,100	46,775	(49,325)
Expenditures								
Salaries								
Other	310,000	310,000	235,900	74,100	97,100	97,100	34,184	62,916
Total Expenditures	310,000	310,000	235,900	74,100	97,100	97,100	34,184	62,916
Excess (Deficiency) of Revenues over Expenditures	(55,000)	(55,000)	63,894	118,894	(1,000)	(1,000)	12,592	13,592
Other Financing Sources (Uses):								
Transfers In								
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(55,000)	(55,000)	63,894	118,894	(1,000)	(1,000)	12,592	13,592
Fund Balances, beginning	290,215	290,215	290,215		25,991	25,991	25,991	
Fund Balances, ending	\$ 235,215	\$ 235,215	\$ 354,109	\$ 118,894	\$ 24,991	\$ 24,991	\$ 38,583	\$ 13,592

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>Pest Control Fund</u>				<u>Revaluation Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 1,972	\$ 1,972	\$ 2,023	\$ 51	\$ 365,563	\$ 365,563	\$ 373,086	\$ 7,523
Other	28	28	20	(8)	23,862	23,862	22,151	(1,711)
Total Revenues	2,000	2,000	2,042	42	389,425	389,425	395,238	5,813
Expenditures								
Salaries					216,000	216,000	191,454	24,546
Other	2,000	2,000	2,000		187,375	187,375	157,132	30,243
Total Expenditures	2,000	2,000	2,000		403,375	403,375	348,586	54,789
Excess (Deficiency) of Revenues over Expenditures			42	42	(13,950)	(13,950)	46,652	60,602
Other Financing Sources (Uses):								
Transfers In								
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			42	42	(13,950)	(13,950)	46,652	60,602
Fund Balances, beginning	1,841	1,841	1,841		180,225	180,225	180,225	
Fund Balances, ending	\$ 1,841	\$ 1,841	\$ 1,883	\$ 42	\$ 166,275	\$ 166,275	\$ 226,878	\$ 60,602

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>Noxious Weed Fund</u>				<u>Waterways Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 55,668	\$ 55,668	\$ 56,771	\$ 1,103	\$ -	\$ -		\$ -
Other	31,211	31,211	34,658	3,447	100,000	100,000	25,363	(74,637)
Total Revenues	86,879	86,879	91,428	4,549	100,000	100,000	25,363	(74,637)
Expenditures								
Salaries	61,900	61,900	46,836	15,064	31,000	31,000	4,472	26,528
Other	60,979	60,979	37,379	23,600	85,350	111,504	35,368	76,136
Total Expenditures	122,879	122,879	84,216	38,663	116,350	142,504	39,841	102,663
Excess (Deficiency) of Revenues over Expenditures	(36,000)	(36,000)	7,213	43,213	(16,350)	(42,504)	(14,478)	28,026
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(36,000)	(36,000)	7,213	43,213	(16,350)	(42,504)	(14,478)	28,026
Fund Balances, beginning	126,597	126,597	126,597		26,505	26,505	26,505	
Fund Balances, ending	\$ 90,597	\$ 90,597	\$ 133,810	\$ 43,213	\$ 10,155	\$ (15,999)	\$ 12,027	\$ 28,026

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>Hospital Fund</u>				<u>Judgement HB470 Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 101,689	\$ 101,689	\$ 103,843	\$ 2,154	\$ -	\$ -	\$ 113	\$ 113
Other	62,311	62,311	62,291	(20)				
Total Revenues	164,000	164,000	166,135	2,135			113	113
Expenditures								
Salaries								
Other	164,000	164,000	164,000					
Total Expenditures	164,000	164,000	164,000					
Excess (Deficiency) of Revenues over Expenditures			2,135	2,135			113	113
Other Financing Sources (Uses):								
Transfers In								
Transfers Out							121	(121)
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			2,135	2,135			(8)	(8)
Fund Balances, beginning	10,628	10,628	10,628		21	21	21	
Fund Balances, ending	\$ 10,628	\$ 10,628	\$ 12,763	\$ 2,135	\$ -	\$ -	\$ 13	\$ (8)

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2017

	<u>Court Facility Fund</u>				<u>Total</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 999,355	\$ 999,355	\$ 1,020,026	\$ 20,671
Other			8,820	8,820	1,462,899	1,462,899	841,594	(621,305)
Total Revenues			8,820	8,820	2,462,254	2,462,254	1,861,620	(600,634)
Expenditures								
Salaries					657,050	657,050	554,383	102,667
Other			19,845	(19,845)	2,130,854	2,164,008	1,205,468	958,540
Total Expenditures			19,845	(19,845)	2,383,254	2,821,058	1,759,851	1,061,207
Excess (Deficiency) of Revenues over Expenditures			(11,025)	(11,025)	(262,600)	(269,600)	101,769	371,369
Other Financing Sources (Uses):								
Transfers In								
Transfers Out							121	(121)
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			(11,025)	(11,025)	(309,300)	(316,300)	101,648	417,948
Fund Balances, beginning	16,562	16,562	16,562		1,332,449	1,332,449	1,504,825	172,376
Fund Balances, ending			\$ 5,537	\$ (11,025)	\$ 1,023,149	\$ 1,016,149	\$ 1,606,473	\$ 590,324

Minidoka County
Rupert, Idaho

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETED AND ACTUAL
For the year ended September 30, 2017

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Other				
Total Revenues				
Expenditures:				
Salaries				
Other				
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures				
Other Financing Sources (Uses):				
Transfers In				
Transfers Out				
Total other financing sources (uses)				
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)				
Fund Balances, beginning				
Fund Balances, ending	\$ -	\$ -	\$ -	\$ -

COMPLIANCE SECTION



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Certified Public Accountants

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"Making life less taxing since 1978"

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

To the County Commissioners
Minidoka County, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Minidoka County, Idaho, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise Minidoka County, Idaho's basic financial statements and have issued our report thereon dated March 8, 2018.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. (2017-1).

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. We consider the deficiencies described in the accompany schedule of findings and questioned costs to be significant deficiencies. (2017-1).

Compliance and Other Matters

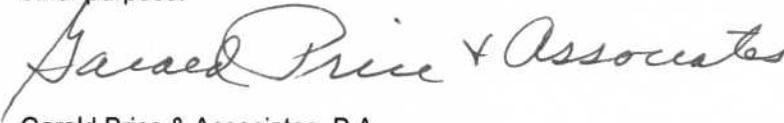
As part of obtaining reasonable assurance about whether the Minidoka County, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Minidoka County's Response to Findings

Minidoka County, Idaho's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Minidoka County, Idaho's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

A handwritten signature in cursive script that reads "Gerald Price & Associates".

Garald Price & Associates, P.A.

Burley, Idaho

March 8, 2018

Minidoka County
Rupert, Idaho
SCHEDULE OF FINDING AND RESPONSE
For the year ended September 30, 2017

Finding 2017-1:

Condition: The County does not have the skills and competencies necessary to prepare their financial statement in accordance with generally accepted accounting principles or to prevent, detect, and correct material misstatements in a financial statement prepared for them.

Criteria: The County issues an annual financial statement and therefore the management is responsible for the financial statement.

Effect: The County's management would be unable to prevent, detect and correct material misstatements in a financial statement prepared for them.

Recommendation: Minidoka County retain the services of someone who is competent in these matters or elevate the skill of a current employee to level needed.

Response: Minidoka County has traditionally engaged an associate of Garald Price & Associates to prepare the annual financial statement. Garald Price & Associates has consciously not allowed the preparer of the financial statement to be on the audit team. Although this is not the perfect solution it is most likely the most economical. Also, through experience management is becoming more competent in these matters.

FINANCIAL SECTION

Minidoka County
Rupert, Idaho
Statement of 2016 Tax Assessment - Minidoka County
September 30, 2017

County Taxes

<u>County Funds</u>	<u>Amount</u>
Current Expense	\$ 1,482,307
Indigent	543,962
Hospital	101,689
District Court	203,523
Pest	1,972
Weed	55,668
Fair Board	136,750
Historical Society	41,771
Jr. College Tuition	130,825
Revaluation	365,563
Justice	2,191,274
Health	97,705
Parks & Recreation	<u>42,410</u>
Total	<u><u>\$ 5,395,419</u></u>

Minidoka County
Rupert, Idaho
Statement of 2016 Tax Rolls
September 30, 2017

Category	Quantity	Abstract Value	Market
1 Irrigated Agriculture Land	191,071	209,401,776	867,097,351
2 Irrigated Pasture Land	1,448	613,182	1,563,616
3 Non-Irrigated Agricultural Land	1,235	114,702	401,458
5 Dry Grazing Land	4,346	146,265	585,060
10 Homesite Value/Rural Invest. Land		4,610,151	759
12 Rural Residential Tracts		20,035,326	5,003
13 Rural Commercial Tracts			600
14 Rural Industrial Tracts			679
15 Rural Subdivision - Residential Lots/Acreages		5,588,516	807
16 Rural Subdivision - Commercial Lots/Acreages			46
17 Rural Subdivision - Industrial Lots/Acreages			23
18 Other Land		3,638	11,459
19 Waste			5,798
20 Residential Lots/Acreages (Inside City)		17,651,635	1,284
21 Commercial Lots/Acreages (Inside City)		596,387	581
22 Industrial Lots/Acreages (Inside City)		467,099	64
25 Common Areas			1
30 Non-Residential Bldg.		57,577	57,577
31 Rural residential buildings		41,022,927	59,382,468
32 Rural improvements on ag.		8,141,411	8,141,411
34 Building residential tracts		121,063,130	196,178,455
35 Building commercial tracts		23,809,808	23,809,808
36 Building industrial tracts		13,655,155	13,655,155
37 Building residential subdivision		50,265,384	75,592,004
38 Building commercial subdivision		1,796,213	1,796,213
39 Ind imp on 17		592,430	592,430
40 Other rural buildings		33,613,521	33,613,521
41 Residential improvements		158,771,924	256,506,673
42 Commercial improvements		71,346,483	76,497,571
43 Industrial improvements		22,227,326	30,634,549
45 Utility Systems		4,117,669	4,706,430
46 Manufactured Housing		6,192,516	8,815,061
47 Improvements - Manufactured Housing		1,460,895	2,278,027
48 Manufactured Housing with SID		15,590,974	27,572,269
50 Residential improvements/leased land		40,212	80,425
51 Commercial improvements/leased land		10,892,726	13,901,609
Exempt land	166		7,252,310
Total Real Property		843,886,958	1,710,738,554
Airplanes/Boats		3,625	3,625
56 Const. Machinery, Tools and Equipment			3,983
59 Furniture & Fixtures		2,001,296	3,798,304
Logging equipment			199,385,041
68 Other Misc. Machinery, Tools, and Equipment		179,868,458	8,265
69 Recreational Vehicles			857,694
70 Reservations & Easements		8,265	953,276
71 Signs & Signboards		344,261	
72 Tanks, Cylinders, and Vessels		318,776	
Total Personal Property		182,544,681	205,010,188
Total Assessed Market Value		\$1,026,431,639	\$1,915,748,742