

**MINIDOKA COUNTY  
RUPERT, IDAHO**

**BASIC FINANCIAL STATEMENTS  
With Supplemental Information**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**TABLE OF CONTENTS**

Title Page.....	1
Table of Contents.....	2
<b>FINANCIAL SECTION</b>	4
Management's Discussion and Analysis.....	5
<b>BASIC FINANCIAL STATEMENTS</b>	13
Independent Auditor's Report.....	14
Statement of Net Position.....	16
Statement of Activities.....	17
Balance Sheet - Governmental Funds.....	18
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	20
Statement of Fiduciary Net Position.....	21
Statement of Changes in Fiduciary Net Position.....	22
Claims Administration Trust Fund Statement of Revenues, Expenses and Changes in Fund Balance.....	23
Notes to the Financial Statements.....	24
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	40
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual: Major Government Funds .....	41
Schedule of Employers Share of Net Pension Liability.....	45
Schedule of Employers Contribution.....	46
Notes to Required Supplementary Information.....	47
<b>COMBINING &amp; INDIVIDUAL NON-MAJOR FUND FINANCIAL STATEMENTS</b>	49
Combining Balance Sheet – Non-major Governmental Funds.....	50

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-major Governmental Funds.....	54
Combining Balance Sheet – Agency Funds.....	57
Combining Balance Sheet – Special Taxing Districts.....	60
Combining Schedules of Revenues, Expenditures, and Changes in Fund Balance – Special Revenue Funds – Budget to Actual.....	64
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Debt Service Fund – Budget to Actual.....	72
<b>COMPLIANCE SECTION</b>	73
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.....	74
Schedule of Finding and Response.....	76
<b>STATISTICAL SECTION</b>	77
Statement of 2014 Tax Assessment.....	78
Statement of 2014 Tax Rolls (Full Market Value).....	79

**FINANCIAL SECTION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**MINIDOKA COUNTY**  
**Fiscal Year Ended September 30, 2015**

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 99 employees (which includes six fellow elected officials and five appointed department heads) 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  
2014-2015  
Comparison of  
Expenditures

	Actual Expenditures 2014	Actual Expenditures 2015	Difference Between 2014-2015
ASSESSOR	\$ 210,597.43	\$ 205,238.23	\$ (5,359.20)
AUDITOR	197,321.84	207,626.11	10,304.27
BUILDING & GROUNDS	133,548.62	207,602.15	74,053.53
COMMISSIONERS	109,634.27	110,659.67	1,025.40
CORONER	25,040.00	27,940.00	2,900.00
COUNTY AGENT	104,508.29	106,553.56	2,045.27
ELECTIONS	41,310.07	12,876.18	(28,433.89)
EMERGENCY MANAGEMENT	19,677.51	17,112.52	(2,564.99)
GENERAL ITEMS	204,223.21	575,258.63	371,035.42
JANITOR	70,550.00	72,318.57	1,768.57
TREASURER	199,584.12	202,018.22	2,434.10
VETERANS	10,841.52	11,649.96	808.44
ZONING & BUILDING	209,956.59	196,692.98	(13,263.61)
INFORMATION TECHNOLOGY	146,743.80	136,916.48	(9,827.32)
GENERAL RESERVE	<u>3,279.83</u>	<u>21,449.05</u>	<u>18,169.22</u>
TOTAL CURRENT EXPENSE	<u>1,686,817.10</u>	<u>2,111,912.31</u>	<u>425,095.21</u>
DISTRICT COURT SALARIES	368,126.95	335,017.13	(33,109.82)
JAIL	619,654.00	667,778.00	48,124.00
LAW ENF-COMMUNICATIONS	235,788.59	266,172.49	30,383.90
PROSECUTING ATTORNEY	454,933.88	470,299.44	15,365.56
SHERIFF	1,345,462.98	1,361,425.01	15,962.03
PUBLIC DEFENDER	318,905.00	326,535.06	7,630.06
JUVENILE DETENTION	811,443.08	840,340.56	28,897.48
JUVENILE PROBATION	574,313.67	604,885.34	30,571.67
MISD PROBATION	-	57,976.00	57,976.00
GENERAL RESERVE	16,789.97	20,415.02	3,625.05
JOINT COUNTY OPERATIONS	<u>20,000.00</u>	<u>-</u>	<u>(20,000.00)</u>
TOTAL JUSTICE FUND	<u>4,765,418.12</u>	<u>4,950,844.05</u>	<u>185,425.93</u>
HOSPITAL	164,000.00	164,000.00	-
DISTRICT COURT	339,146.90	356,439.89	17,292.99
E911 SYSTEM	227,714.41	220,879.03	(6,835.38)
HEALTH	99,154.01	103,292.04	4,138.03
JR COLLEGE	238,600.00	186,482.50	(52,117.50)
PARKS & RECREATION	47,040.14	48,429.16	1,389.02
PEST	2,000.00	2,000.00	-
ELECTION CONSOLIDATION	44,197.41	51,962.06	7,764.65
PUBLIC ASSISTANCE	258,778.33	316,213.06	57,434.73
REVALUATION	338,189.47	350,081.20	11,891.73
SANITARY LANDFILL	597,575.28	622,244.84	24,669.56
WEEDS	87,733.77	82,267.14	(5,466.63)
GID FUND	6,000.00	2,422.99	(3,577.01)
WATERWAY FUND	<u>33,362.86</u>	<u>16,015.70</u>	<u>(17,347.16)</u>
TOTAL	<u>2,483,492.58</u>	<u>2,522,729.61</u>	<u>39,237.03</u>
TOTAL OPERATING BUDGET	<u>\$ 8,935,727.80</u>	<u>\$ 9,585,485.97</u>	<u>\$ 649,758.17</u>

The Board of Commissioners once again approved a \$.50 an hour raise for all hourly employees in FY2015. Elected officials and department heads were given a raise equivalent to the \$.50 an hour or \$975 per year. PERSI, the State retirement program that the County belongs to, their rates remained at 11.32% for general members and 11.66% for police officers.

**BUILDING & GROUNDS** – After 50+ years of neglect, the foyer of the Courthouse was plastered, painted, and tiled both in FY14 and overlapping into FY15. This is an ongoing project in an effort to update the Courthouse. In addition to this, the building that houses the Assessor's office experienced major problems that required immediate attention to make the building safe due to microbial growth that was found.

**ELECTIONS** – In FY15, elections for the various taxing districts, i.e. cities, fire districts, and the highway district, were held. These elections are funded by the Election Consolidation monies received from the State thereby reducing the amount needed from the County's general election fund.

**GENERAL ITEMS** - The Minidoka County Fire Protection District was awarded a grant to construct a new fire station for the East End Fire Department with the expenses, so far, for this endeavor totaling \$315,818. The remaining increase in this fund was due to a restructuring of the budget; the Workman's Compensation Insurance for every department, except those that are joint budgets, was taken out of the General Items line to stay within the maximum budget levy limits in other funds.

**DISTRICT COURT SALARIES** –In FY2015 the Clerk of the District Courts' salary was removed from this line item ( ½ of the salary was previously paid in this fund) and moved totally into the Current Expense Fund. This was necessary to help in the budgeting process of the District Court Fund.

**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 increased budgetary needs.

**LAW ENFORCEMENT COMMUNICATIONS** –In FY15 the ILETS (Idaho Law Enforcement Telecommunication System) user fee increased by 33% causing the increase in expenditures over FY14.

**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. The increase in expenses from the Juvenile Detention facility is due to the need of replacing the showers and other plumbing issues within the aging facility.

**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. Last year the office was understaffed by one employee for most of the year. The increase of being fully staffed along with the increase to salaries and benefits accounted for the majority of the increase for FY15.

**MISD** – The Adult Misdemeanor Probation Department is a Joint Powers Agreement budget with Cassia County. The department has been self-funded until this year. With the increase of individuals on parole, along with a decrease in available funding, it was determined by the joint boards that the department was no longer able to fund itself and provide the necessary services. The expenses are split equally between each county.

JOINT COUNTY OPERATIONS – For FY2014 a decision was made by the clerk, with guidance of the outside auditors, to reclassify the way we account for income for the joint county operations. The budget no longer has an expense under the Joint County Operations line.

PUBLIC ASSISTANCE – With ever-changing legislation and the Affordable Health Care Act, the Public Assistance (Indigent) fund saw an increase in expenses for FY2015. The PCIP program that was implemented in FY2012 was no longer an option for the County. Without the capability to provide insurance payments for applicants, there was an increase of expenses for health costs, mainly hospital expenses.

JUNIOR COLLEGE – The County, as required by Idaho Code, pays a portion of the tuition fees of residents that attend junior colleges in the state. The reduction, this year, is due to the number of eligible residents that attended CSI and also a more due diligence on the part of the county to assure that the fees are paid for Minidoka County residents. A program implemented by the State for dual credit and fast forward high school students also resulted in a lower cost to the County. The County is reimbursed by the State Department of Education for high school students taking eligible classes.

SANITARY LANDFILL – The increase in the expenses for FY15 for the Sanitary Landfill was 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.

### 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, on page 20, shows that the slight increase in revenue negated the need to use the carryover funds budgeted. In the Justice Fund \$165,000 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 \$175,000. The department heads within the County are very mindful of their budgets and the costs to taxpayers.

The Indigent Fund and the Sanitary Landfill Fund did not use the \$125,000 and \$24,100 respectively 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 45.02% of the total revenue. Another 22.59% came from the state and federal governments with state sales tax, being the largest single component of that amount. A total of \$1,217,763 was received from sales tax distributions. The excess amount and revenue sharing portion of the sales tax has increased slightly this year with \$735,124 received in FY15 compared with \$681,942 received in FY14. 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 FY14 for PILT payments, FY15 saw a payment of \$420,036, a reduction of \$41,142. We believe the FY16 payments will be paid, however it is unclear for how much and for how long the counties will continue to receive the payment. It is an ongoing concern during the budget process.

Even with the increase of revenue from Interest on Investments from \$11,258 in FY14 to \$17,482 for FY15, 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 using a long-range plan to address the building needs that have not received enough attention in the past. We have been able to modify the office space, at a minimal expense, for the use of the: County Coroner; Mini-Cassia Veterans' Service Officer; and the Juvenile Probation Department.

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

ASSETS	<b>RESTATED**</b> <u>2013-2014</u>	<u>2014-2015</u>
Current and Other Assets	5,082,496	5,755,318
Capital Assets	<u>2,031,436</u>	<u>1,966,361</u>
Total Assets	<u>7,113,932</u>	<u>7,721,679</u>
 Deferred Outflow of Resources	 174,740	 750,160
 <b>LIABILITIES</b>		
Long-term Liabilities	1,062,927	1,789,349
Other Liabilities	<u>222,119</u>	<u>133,747</u>
Total Liabilities	<u>1,285,046</u>	<u>1,923,096</u>
 Deferred Inflows of Resources	 1,263,352	 1,053,833
 <b>NET ASSETS</b>		
Invested in Capital Assets, Net of Debt	2,031,436	1,966,361
Restricted for Debt Service	0	0
Unrestricted	<u>2,708,838</u>	<u>3,528,551</u>
Total Net Assets	<u>4,740,274</u>	<u>5,494,912</u>

\*\*The 2014 net position, liabilities and deferred outflows are restated in the chart above to report the effect of the implementation of GASB/ 68 on the prior year.

This brief comparison of the County's assets and liabilities reflects several points. Compensated absences are the only long term debt that the County has at this time.

This year as a result of GASB/68 reporting, the County's pension liabilities with PERSI must be addressed. The deferred inflows of resources and the deferred outflow of resources reflect the liability of the County for PERSI retirement.

Net assets must be maintained by the County to insure against the unexpected. Not wanting to incur long term debt, the Board has slowed courthouse remodeling but 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. 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. The threat of further reduction of the personal property taxes, that the state cannot afford to replace, looms over the County's budget process again this year as there are rumors of new legislation exempting the first \$250,000 of personal property value, if not exempting it totally. 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.

<u>GOVERNMENTAL FUND</u>	<u>FY 2014-2015</u>	<u>STATUTORY MAXIMUM</u>
General (Current Expense)	0.001151	0.00200
Justice	0.001941	0.00200
Hospital	0.000088	0.00020
District Court	0.000165	0.00040
Health	0.000083	0.00040
Parks & Recreation	0.000041	0.00010
Community College	0.000172	0.00060
Pest	0.000002	0.00020
Indigent	0.000224	0.00100
Revaluation	0.000301	0.00040
Noxious Weeds	0.000043	0.00060
Historical Society	0.000027	0.00012
Fair Operations	0.000021	0.00010
Fair Buildings	0.000099	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:

	<u>BEGINNING FUND BALANCE</u>	<u>ENDING FUND BALANCE</u>	<u>ESTIMATED EXPENSES OF FOLLOWING QUARTER</u>
General Fund	\$ 1,171,778	\$ 1,356,481	\$ 550,000
Justice Fund	\$ 1,612,549	\$ 1,918,243	\$ 950,000
All Other Funds	\$ 1,849,992	\$ 2,158,550	\$ 400,000

The above figures show that the year-end fund balance in the Justice Fund is improving, and all other fund balances are very healthy. The General Fund and the Justice Fund have enough cushions 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 concern.

## 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.

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, 2015.

The FY 2016 Budget will continue to be impacted by the sales tax revenue from the State, as well as a continued reduction 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 recent 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. The costs associated for public defenders with the ACLU lawsuit, 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 County was recently made aware of pending litigation with Amalgamated Sugar on the valuation of their property. This could have an effect on the County's revenue from property taxes. 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. With the addition of a Domestic Violence Coordinator, the need to improve court security will be high on the list of needs in the immediate future.

#### **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 Patty Temple, Minidoka County Clerk, P.O. Box 368, Rupert, ID 83350. She may also be reached at 208-436-7111 or by email at [ptemple@co.minidoka.id.us](mailto:ptemple@co.minidoka.id.us).

# **BASIC FINANCIAL STATEMENTS**



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"Making life less taxing since 1978"

## INDEPENDENT AUDITOR'S REPORT

Minidoka County Commissioners  
Minidoka County  
Rupert, ID 83350

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Minidoka County (the County), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of Minidoka County Fair Board, a discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Minidoka County Fair Board, a component unit, is based solely on the report of the other auditors.

### **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 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 did not audit the financial statements of Minidoka County Fair Board, a discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Minidoka County Fair Board, a component unit, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' 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, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2015 for the year ended in accordance with accounting principles generally accepted in the United States of America.

### Change in Accounting Principle

As discussed in notes 7 and 16 to the financial statements, the County has adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which has resulted in a restatement of the net position as of October 1, 2014. Our opinions are not modified with respect to this matter.

### Other matters

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of employer's share of net pension liability and of employer contributions, and budgetary comparison information as listed in the table of contents 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 Minidoka County's basic financial statements. The financial section, combining and individual non-major fund financial statements section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

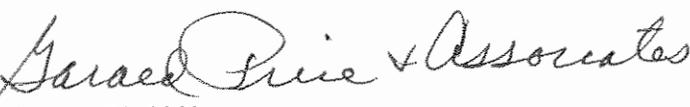
The combining and individual non-major fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied 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 financial statements referred to above 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 assurance on them.

#### Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2016 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.

Gerald Price & Associates



January 20, 2016

Minidoka County  
Rupert, Idaho

Statement of Net Position  
September 30, 2015

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Component Unit Fair Board</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 3,796,502	\$ 264,614
Investments	1,405,658	
Taxes receivable	166,731	4,346
Intergovernmental receivables	344,916	100
Assessment receivable	41,511	
Capital assets:		
Nondepreciable	86,801	40,861
Depreciable, Net	1,879,560	186,720
Total assets	<u>7,721,678</u>	<u>496,641</u>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>		
Deferred outflows - pensions	750,160	
Total deferred outflows of resources	<u>750,160</u>	
	<u>\$ 8,471,838</u>	<u>\$ 496,641</u>
<b>LIABILITIES:</b>		
Warrants payable	\$ 47,272	\$
Accounts payable	86,475	2,464
Long term liabilities:		
Portion due within one year:		
Compensated Absences	155,533	
Portion due or payable after one year:		
Net pension liability	1,633,813	
Total liabilities	<u>1,923,093</u>	<u>2,464</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Deferred inflows - pensions	1,053,833	
Total deferred inflows of resources	<u>1,053,833</u>	
<b>NET POSITION:</b>		
Net investment in capital assets	1,966,361	227,581
Restricted		200,000
Unrestricted	<u>3,528,551</u>	<u>66,596</u>
<b>TOTAL NET POSITION</b>	<u>\$ 5,494,912</u>	<u>\$ 494,177</u>

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

Minidoka County  
Rupert, Idaho

STATEMENT OF ACTIVITIES  
For the year ended September 30, 2015

Functions/Programs	PROGRAM REVENUES			Net (Expense)Revenue and Changes in Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary	Component
				Governmental Activities	Unit Fair Board
Primary Government					
Governmental activities:					
General Government	\$ 3,521,198	\$ 505,950	\$ 1,096,033	\$ (1,919,215)	
Public Safety	5,229,553	1,096,465	585,038	(3,548,050)	
Agricultural	87,489	67,266	6,753	(13,470)	
Health and Welfare	562,759	60,697	93,289	(408,772)	
Education	188,326			(188,326)	
Culture Recreation	31,512			(31,512)	
Total governmental activities	<u>9,620,837</u>	<u>1,730,378</u>	<u>1,781,114</u>	<u>(6,109,345)</u>	
Total primary government	<u>\$ 9,620,837</u>	<u>\$ 1,730,378</u>	<u>\$ 1,781,114</u>	<u>(6,109,345)</u>	
Component unit					
Fair Board	<u>\$ 237,912</u>	<u>\$ 66,974</u>	<u>\$</u>		<u>\$ (170,938)</u>
General Revenue:					
Taxes:					
Property tax				4,962,742	142,896
Program revenue not restricted to specific purposes				1,852,443	
Investment earnings				17,482	
Gain or (Loss) on disposal of Capital Assets				27,400	
Miscellaneous				3,910	26,034
Total general revenues				<u>6,863,976</u>	<u>168,930</u>
Change in Net position				754,631	(2,008)
Net position beginning - Restated (See note 16 )				4,740,281	496,165
Net position ending				<u>\$ 5,494,912</u>	<u>\$ 494,177</u>

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

Minidoka County  
Rupert, Idaho

Balance Sheet  
Governmental Funds  
September 30, 2015

	Major				Non-Major	Total Governmental Funds
	General Fund	Justice Fund	Sanitary Landfill Fund	Indigent Fund	Other Government Funds	
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 372,818	\$ 1,218,585	\$ 183,898	\$ 587,125	\$ 1,434,077	\$ 3,796,502
Investments	1,000,000	405,658				1,405,658
Property tax receivable	44,179	75,895		10,417	36,240	166,731
Intergovernmental receivables	5,778	333,360			5,778	344,916
Special assessment receivable			41,511			41,511
<b>TOTAL ASSETS</b>	<b>\$ 1,422,774</b>	<b>\$ 2,033,498</b>	<b>\$ 225,409</b>	<b>\$ 597,543</b>	<b>\$ 1,476,094</b>	<b>\$ 5,755,318</b>
<b>LIABILITIES:</b>						
Warrants payable	\$ 7,870	\$ 14,163	\$ -	\$ 7,401	\$ 17,839	\$ 47,272
Accounts payable	18,253	31,988		20,308	15,926	86,475
<b>Total Liabilities</b>	<b>26,123</b>	<b>46,151</b>		<b>27,709</b>	<b>33,765</b>	<b>133,747</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Unavailable revenue-proper ty tax	40,169	69,104		9,445	32,941	151,659
Unavailable revenue-spec ial assessment			36,640			36,640
<b>Total deferred inflows of resources</b>	<b>40,169</b>	<b>69,104</b>	<b>36,640</b>	<b>9,445</b>	<b>32,941</b>	<b>188,299</b>
<b>FUND BALANCES:</b>						
Committed for:						
Budgeted use of funds in FY16	176,000	213,000	72,325	150,000	192,220	803,545
Assigned for:						
General Government			116,444		519,804	636,248
Public Safety		1,705,243			35,858	1,741,101
Agricultural					98,532	98,532
Health and Welfare				410,390	394,285	804,675
Education					154,035	154,035
Culture and Recreation					14,655	14,655
Unassigned	1,180,482					1,180,482
<b>Total Fund Balances</b>	<b>1,356,482</b>	<b>1,918,243</b>	<b>188,769</b>	<b>560,390</b>	<b>1,409,389</b>	<b>5,433,273</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,422,774</b>	<b>\$ 2,033,498</b>	<b>\$ 225,409</b>	<b>\$ 597,543</b>	<b>\$ 1,476,094</b>	

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	1,966,361
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	188,298
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	
Net Pension Liability	(1,633,813)
Accrued Compensated Absences	(155,533)
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	660,430
Deferred outflows of 2015 employer contributions related to pensions	89,730
Deferred inflows of resources related to pensions	(1,053,833)
<b>Net Position of Governmental Activities</b>	<b>\$ 5,494,912</b>

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

Minidoka County  
Rupert, Idaho

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Governmental Funds  
September 30, 2015

	Major				Non-Major	Total Governmental Funds
	General Fund	Justice Fund	Sanitary Landfill Fund	Indigent Fund	Other Government Funds	
<b>Revenues:</b>						
Taxes	\$ 1,348,868	\$ 2,277,701	\$ -	\$ 262,497	\$ 1,063,719	\$ 4,952,786
Intergovernmental	52,534	1,753,757		25,333	289,387	2,121,011
Charges for Services		937,649			74,518	1,012,166
Special Assessments			576,240			576,240
Other	879,821	287,470	48,784	60,697	430,122	1,706,895
<b>Total Revenues</b>	<b>2,281,222</b>	<b>5,256,577</b>	<b>625,024</b>	<b>348,528</b>	<b>1,857,746</b>	<b>10,369,098</b>
<b>Expenditures:</b>						
General Government	2,116,186		622,245		758,319	3,496,750
Public Safety		4,950,883			240,617	5,191,500
Agricultural					84,224	84,224
Health and Welfare				305,213	257,546	562,759
Education					186,483	186,483
Culture Recreation					48,429	48,429
<b>Total Expenditures</b>	<b>2,116,186</b>	<b>4,950,883</b>	<b>622,245</b>	<b>305,213</b>	<b>1,575,617</b>	<b>9,570,144</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>165,037</b>	<b>305,694</b>	<b>2,780</b>	<b>43,316</b>	<b>282,130</b>	<b>798,954</b>
<b>Other Financing Sources (Uses):</b>						
Transfers In	19,667					19,668
Transfers Out					19,667	19,668
<b>Net Change in Fund Balances</b>	<b>184,703</b>	<b>305,694</b>	<b>2,780</b>	<b>43,316</b>	<b>262,463</b>	<b>798,954</b>
<b>Fund Balances, beginning</b>	<b>1,171,778</b>	<b>1,612,549</b>	<b>185,990</b>	<b>517,074</b>	<b>1,146,928</b>	<b>4,634,319</b>
<b>Fund Balances, ending</b>	<b>\$ 1,356,481</b>	<b>\$ 1,918,243</b>	<b>\$ 188,770</b>	<b>\$ 560,390</b>	<b>\$ 1,409,390</b>	<b>\$ 5,433,274</b>

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, 2015

Net Change in Fund Balances - Governmental Funds	\$	798,954
<p>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</p>		
Capital Outlay	\$	141,979
Depreciation expense		<u>(234,228)</u>
		(92,249)
<p>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</p>		
		27,171
<p>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.</p>		
Property taxes		(37,767)
<p>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 :</p>		
Increase in compensated absences		(10,325)
<p>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 reported as pension expense.</p>		
County pension contributions		384,414
In Governmental Funds, benefits earned net of employee contributions is not recognized as revenue.		<u>(315,567)</u>
Change in Net Position - Governmental Activities	\$	<u>754,631</u>

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

Minidoka County  
Rupert, Idaho

Statement of Fiduciary Net Position  
September 30, 2015

	Claims Administration Trust Fund	Agency Funds
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 252,669	\$ 441,319
Investments		
Taxes receivable		256,236
Interest receivable		
Intergovernmental receivables		
Assessment receivable		27,042
Capital assets:		
Nondepreciable		
Depreciable, Net		
<b>TOTAL ASSETS</b>	<u>\$ 252,669</u>	<u>\$ 724,597</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>		
<b>LIABILITIES:</b>		
Warrants payable	\$ 87,499	\$ 8,480
Account payable		52,609
Due to other Governments		663,507
Noncurrent liabilities		
Total liabilities	<u>87,499</u>	<u>724,596</u>
<b>NET POSITION</b>		
Restricted	<u>165,170</u>	
Total net position	<u>\$ 165,170</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, 2015

	Claims Administration Trust Fund
Additions:	
Employee contributions	\$ 164,222
Employer contributions	926,474
Other additions	8,952
	<hr/>
Total Revenues	1,099,648
	<hr/>
Deductions:	
Insurance premiums	1,034,557
Insurance buy down	61,754
Employee refund/misc.	435
	<hr/>
Total Deductions	1,096,746
	<hr/>
Change in Net Position	2,902
	<hr/>
Net Position, beginning	162,268
	<hr/>
Net Position, ending	\$ 165,170
	<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, 2015

Revenues:		
Employee contributions	\$	164,222
Employer contributions		926,474
Other revenues		<u>8,952</u>
Total Revenues		<u>1,099,648</u>
Expenses:		
Insurance premiums		1,034,557
Insurance buy down		61,754
Employee refund/misc.		<u>435</u>
Total Expenses		<u>1,096,746</u>
Excess (Deficiency) of Revenues over Expenses		<u>2,902</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)		2,902
Fund Balances, October 1		<u>162,268</u>
Fund Balances, September 30	\$	<u><u>165,170</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, 2015

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.

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.

Minidoka County  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements except for agency funds which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Governmental fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these financial statements to the net position and changes in net position presented in the Government-Wide financial statements. The County has presented all major funds that met those qualifications.

Minidoka County  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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. 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.

Minidoka County  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

Minidoka County  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, unrestricted fund balances are spent before restricted 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.

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 fair value.

2. CASH AND INVESTMENTS

Deposits

On September 30, 2015, the carrying amount of the County's deposits was \$5,892,183 (not including petty cash of \$3,965) and the bank balance was \$5,865,673. 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	3,792,537
Balance Sheet Cash Balance	<u>3,796,502</u>
Held for Fiduciary, Agency & Taxing District	693,989
Investments	<u>1,405,658</u>
Total Government's Cash and Investment Balance	<u>\$ 5,896,149</u>

**Minidoka County**  
Rupert, Idaho

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2015

2. CASH AND INVESTMENTS (continued)

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, 2015 the county's cash bank balance of \$5,865,673 of which \$953,296 subject to custodial credit risk.

Deposits insured by FDIC	\$ 1,506,737
Deposits collateralized by a Letter of Credit	849,801
Deposits collateralized by a Depository Pledge Agreement	2,555,839
Uninsured & Uncollateralized Investments	<u>953,296</u>
Bank Value of Deposits	<u>\$ 5,865,673</u>

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	<u>Investment Maturities</u>			Cost	Rating
	Fair Value	Less than 1 year	1 Year to 10 Years		
Certificates of Deposit	\$ 507,095	\$ 301,729	\$ 205,366	\$ 500,000	FDIC Insured
Federal Mort. Assn. Bonds	97,072		97,072	99,400	AAA & AA+
Federal Home Loan Bonds	299,277	40,172	259,105	299,987	AAA & AA+
Idaho Investment Pool	506,271	506,271		506,271	Unrated
	<u>\$ 1,409,715</u>	<u>\$ 848,172</u>	<u>\$ 561,543</u>	<u>\$ 1,405,658</u>	

**Minidoka County**  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

2. CASH AND INVESTMENTS - (continued)

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 rated in the highest tier by a nationally recognized rating agency.

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.

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.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Portfolio Investment</u>
Certificates of Deposit	\$ 507,095	36%
Federal Mort. Assn. Bonds	97,072	7%
Federal Home Loan Bonds	299,277	21%
Idaho Investment Pool	506,271	36%
	<u>\$ 1,409,715</u>	<u>100%</u>

**Minidoka County**  
Rupert, Idaho

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2015

**3. TAXES RECEIVABLE**

Property taxes levied for fiscal year 2014 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 Distrain 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 Distrain 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 2014 levy was based on was \$1,155,850,236.

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	45,135
Sales Tax-Revenue Sharing	167,565
Total due from the State of Idaho	<u>\$ 344,916</u>

**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.

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 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

**Minidoka County**  
Rupert, Idaho

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2015

5. CAPITAL ASSETS (continued)

A summary of changes in capital assets is as follows:

	Balance 9/30/14	Increases	Decreases	Balance 9/30/15
<b>Capital assets not being depreciated:</b>				
Land	\$ 116,531			\$ 116,531
Total capital assets not being	116,531			116,531
<b>Capital assets being depreciated:</b>				
Buildings	5,948,618			5,948,618
Other improvements	530,024			530,024
Equipment	662,104	32,499		694,603
Vehicles	789,384	145,398	71,725	863,057
Total capital assets being depreciated	7,930,130	177,897	71,725	8,036,302
<b>Less accumulated depreciation for:</b>				
Buildings	4,601,537	46,301		4,647,838
Other improvements	423,246	21,440		444,686
Equipment	456,365	72,333		528,698
Vehicles	534,077	94,154	62,980	565,251
Total accumulated depreciation	6,015,225	\$ 234,228	\$ 62,980	6,186,473
Total capital assets being depreciated, net	1,914,905			1,849,829
Governmental activity capital assets, net	\$ 2,031,436			\$ 1,966,360

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

General government	\$ 72,379
Agriculture	3,222
Public safety	143,045
Culture & recreational	15,582
Total depreciation expense	\$ 234,228

6. LONG-TERM DEBT

During the year ended September 30, 2015, the following changes occurred in liabilities reported in long-term debt:

	Balance 10/1/2014	Additions	Reductions	Balance 9/30/2015
Compensated Absences	\$ 145,206	346,564	336,237	\$ 155,533
Totals	\$ 145,206	346,564	336,237	\$ 155,533

The amount of long-term debt that is considered the current portion (due within the next fiscal year) is \$155,533. 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, 2015

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](http://www.persi.idaho.gov).

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

Employee membership data related to the PERSI Base Plan, as of June 30, 2015 was as follows:

Members:	
Active plan	67,008
Terminated and vested	11,859
Retirees and beneficiaries	42,657

*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, 2015 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 \$392,910 for the year ended September 30, 2015.

**Minidoka County**  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

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, 2015, Minidoka County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2015, 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 July 1, 2015, the Minidoka County proportion was .001240710 percent.

For the year ended September 30, the Minidoka County recognized pension expense (revenue) of \$58,837. At June 30, 2015 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		
Changes in assumptions or other inputs	\$ 660,790	
Net difference between projected and actual earnings on pension plan investments		\$ 857,974
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions		195,859
Employer contributions subsequent to the measurement date	<u>89,370</u>	
Total	<u>750,160</u>	<u>1,053,833</u>

\$89,370 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, 2015.

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, 2014 the beginning of the measurement period ended June 30, 2015 is 5.5 years.

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, 2015:	
2016	\$ (167,595)
2017	(167,595)
2018	(167,595)
2019	121,644
2020	(11,903)

Minidoka County  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

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, 2015 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 in 2012 for the period July 1, 2007 through June 30, 2011 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, 2015 is based on the results of an actuarial valuation date of July 1, 2015.

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**  
Rupert, Idaho

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2015

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, 2014.

Asset Class	Index	Target Allocation	Long-Term Expected Real Rate of Return*
Core Fixed Income	Barclays Aggregate	30.00%	0.80%
Broad US Equities	Russell 3000	55.00%	6.90%
Developed Foreign Equities	MSCI ACWI ex USA	15.00%	7.55%

\*Arithmetic return

**Actuarial Assumptions**

Assumed Inflation – Mean	3.25%
Assumed Inflation – Standard Deviation	2.00%
Portfolio Arithmetic Mean Return	8.42%
Portfolio Long-Term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.40%
<b>Long-Term Expected Geometric Rate of Return, Net of Investment Expenses</b>	<b>7.10%</b>

*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:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Employer's proportionate share of the net pension liability (asset)	\$ 3,979,375	\$ 1,633,813	\$ (316,211)

*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](http://www.persi.idaho.gov).

*Payables to the pension plan*

At September 30, 2015, 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.

Minidoka County  
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended September 30, 2015

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. INDUSTRIAL DEVELOPMENT BONDS

On June 8, 1998, the Board of County Commissioners of Minidoka County, Idaho approved an ordinance authorizing and providing for the establishment of the Industrial Development Corporation of the Board of County Commissioners, Minidoka County, Idaho pursuant to Chapter 27, Title 50, Idaho Code for opportunities through financing of the project costs of industrial development facilities.

On October 1, 1998, the Corporation issued \$5,000,000 of Industrial Development Revenue Bonds, Series 1999 for the purpose of loaning the proceeds to Nature's Best Produce, Inc. to pay for costs associated with the acquisition, construction and equipping of a potato processing facility. The bond was paid in full on October 20, 2014

The County assumes no financial responsibility for these bonds. Provisions precluding the assumption of any such responsibility are provided at Idaho Code Section 50-2706.

10. 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, 2015, 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, 2015

11. 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	2,000,000
Automobile medical (per person)	5,000
Automobile medical (per accident)	100,000
Uninsured motorist (per person)	100,000
Uninsured motorist (per accident)	300,000
Errors & Omissions	3,000,000
Crime	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
Utility interruption	2,500,000
Newly acquired premises	5,000,000
Ordinance or law	5,000,000
Errors and omissions	10,000,000
Overall aggregate equipment breakdown limit	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.

12. DEFERRED COMPENSATION PLAN

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

**Minidoka County**  
Rupert, Idaho

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended September 30, 2015

**13. 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 FY2015 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.

**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.

**14. SUBSEQUENT EVENTS**

For these financial statements, the County evaluated subsequent events through January 20, 2016 the date which the financial statements were issued.

During January of 2016 a large Taxpayer filed a Petition for Judicial Review of the decision made by the Minidoka County Board of Equalization on an appeal filed by the Taxpayer regarding the tax value of property owned by the Taxpayer. Minidoka County feels they will be successful in this litigation and that there will be no tax value consequences regarding the amount of taxes paid by the Taxpayer.

**15 INTERFUND TRANSFERS**

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

Fund	Transfers In	Transfers Out
General	19,667	
Judgement HB470 Fund		19,667

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.

**16. CHANGE IN ACCOUNTING PRINCIPLE**

Net positions as of September 30, 2014, has been restated as follows for the implementation of GASB Statement No. 68, as amended by GASB Statement No 71. PERSI has not completed actuarial studies to determine the balances for years prior to June 30, 2014, so comparative information has not been disclosed for the year ended June 30, 2014.

Net Position as previously reported at June 30, 2014	\$ 6,746,617
Change in accounting principle:	
Net Pension liability (measurement date as of June 30, 2014)	(2,104,681)
Deferred outflows:	
District contributions made during fiscal year 2014	98,348
Total change in accounting principle	<u>(2,006,333)</u>
Net position as restated September 30, 2014	<u>\$ 4,740,284</u>

**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, 2015

GENERAL FUND				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 1,317,118	\$ 1,317,118	\$ 1,348,868	\$ 31,750
Other	881,797	881,797	932,355	50,558
TOTAL REVENUES	<u>2,198,915</u>	<u>2,198,915</u>	<u>2,281,222</u>	<u>82,307</u>
EXPENDITURES:				
Salaries	720,500	720,500	694,911	25,589
Other	1,653,415	1,653,415	1,421,275	232,140
TOTAL EXPENDITURES	<u>2,373,915</u>	<u>2,373,915</u>	<u>2,116,186</u>	<u>257,729</u>
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(175,000)	(175,000)	165,037	340,037
OTHER FINANCING SOURCES (USES):				
Transfers in			19,667	19,667
Transfers out				
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(175,000)	(175,000)	184,703	359,703
FUND BALANCE - beginning	<u>1,171,778</u>	<u>1,171,778</u>	<u>1,171,778</u>	
FUND BALANCE - ending	<u>\$ 996,778</u>	<u>\$ 996,778</u>	<u>\$ 1,356,482</u>	<u>\$ 359,704</u>

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, 2015

JUSTICE FUND				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 2,222,418	\$ 2,222,418	\$ 2,277,701	\$ 55,283
Other	2,848,239	2,848,239	2,978,876	130,637
TOTAL REVENUES	5,070,657	5,070,657	5,256,577	185,920
EXPENDITURES:				
Salaries	2,385,017	2,385,017	2,269,269	115,748
Other	2,850,640	2,850,640	2,681,615	169,025
TOTAL EXPENDITURES	5,235,657	5,235,657	4,950,883	284,774
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(165,000)	(165,000)	305,695	470,694
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out				
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(165,000)	(165,000)	305,695	470,694
FUND BALANCE - beginning	1,612,549	1,612,549	1,612,549	-
FUND BALANCE - ending	\$ 1,447,549	\$ 1,447,549	\$ 1,918,244	\$ 470,694

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, 2015

SANITARY LANDFILL FUND

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	-
Other	609,200	609,200	625,024	15,824
<b>TOTAL REVENUES</b>	<b>609,200</b>	<b>609,200</b>	<b>625,024</b>	<b>15,824</b>
<b>EXPENDITURES:</b>				
Salaries				
Other	633,300	633,300	622,245	11,055
<b>TOTAL EXPENDITURES</b>	<b>633,300</b>	<b>633,300</b>	<b>622,245</b>	<b>11,055</b>
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</b>	<b>(24,100)</b>	<b>(24,100)</b>	<b>2,780</b>	<b>26,879</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in				
Transfers out				
<b>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)</b>	<b>(24,100)</b>	<b>(24,100)</b>	<b>2,780</b>	<b>26,879</b>
<b>FUND BALANCE - beginning</b>	<b>185,990</b>	<b>185,990</b>	<b>185,990</b>	<b>-</b>
<b>FUND BALANCE - ending</b>	<b>\$ 161,890</b>	<b>\$ 161,890</b>	<b>\$ 188,770</b>	<b>\$ 26,879</b>

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, 2015

	INDIGENT			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 256,039	\$ 256,039	\$ 262,497	\$ 6,458
Other	123,201	123,201	86,030	(37,171)
TOTAL REVENUES	<u>379,240</u>	<u>379,240</u>	<u>348,528</u>	<u>(37,171)</u>
EXPENDITURES:				
Salaries	38,900	38,900	30,842	8,058
Other	465,340	465,340	274,371	190,969
TOTAL EXPENDITURES	<u>504,240</u>	<u>504,240</u>	<u>305,213</u>	<u>199,027</u>
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(125,000)	(125,000)	43,315	161,856
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out			-	
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(125,000)	(125,000)	43,315	161,856
FUND BALANCE - beginning	517,074	517,074	517,074	-
FUND BALANCE - ending	<u>\$ 392,074</u>	<u>\$ 392,074</u>	<u>\$ 560,389</u>	<u>\$ 168,315</u>

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, 2015  
PERSI-Base Plan  
Last 10 - Fiscal Years\*

	<u>2015</u>
Employer's portion of the net pension liability	0.1240710%
Employee's proportionate share of the net pension liability	1,633,813
Employer's covered-employee payroll	3,190,676
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	51.21%
Plan fiduciary net position as a percentage of the total pension liability	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, 2015 (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, 2015  
PERSI - Base Plan  
Last 10 - Fiscal Years\*

	<u>2015</u>
Statutorily required contribution	392,910
Contributions in relation to the statutorily required contribution	392,910
Contributions (deficiency) excess	-
Employer's covered- employee payroll	3,190,677
Contributions as a percentage of the covered-employee payroll	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, 2015

**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)	\$	2,373,915
Special Revenue:		
District Court		394,100
Preventive Health		105,000
E911 System		324,000
Junior College		310,000
Parks & Recreation		100,940
Pest Control		2,500
Indigent		504,240
Revaluation		367,470
Sanitary Landfill		633,300
Noxious Weed		113,910
Justice		5,235,657
CID		12,000
Waterways		90,480
Election Consolidation		114,240
Judgement HB 470		19,700
Hospital		164,000
Total	\$	<u>10,865,452</u>

**Minidoka County**  
Rupert, Idaho

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
For the Year Ended September 30, 2015

**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, 2015

	District Court Fund	Court Interlock Device	E-911 Fund	Health District Fund	Election Consolidation Fund
<b>ASSETS:</b>					
Cash	\$ 272,940	\$ 21,199	\$ 398,767	\$ 24,961	\$ 167,508
Investments					
Taxes receivable	6,294			3,228	
Intergovernmental receivables					
Special assessment receivable					
<b>TOTAL ASSETS</b>	<b>\$ 279,234</b>	<b>\$ 21,199</b>	<b>\$ 398,767</b>	<b>\$ 28,189</b>	<b>\$ 167,508</b>
<b>LIABILITIES:</b>					
Warrants payable	\$ 2,214	\$ -	\$ 11,333	\$ -	\$ 767
Account payable	2,323		2,441		1,660
<b>Total Liabilities</b>	<b>4,537</b>		<b>13,774</b>		<b>2,427</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenue-property tax	5,704			2,938	
<b>Total deferred inflows of resources</b>	<b>5,704</b>			<b>2,938</b>	
<b>FUND BALANCES:</b>					
Committed for:					
Budgeted use of funds in FY16	23,000	10,000	20,260		37,110
Assigned for:					
General Government	245,994				127,971
Public Safety		11,199			
Agricultural					
Health and Welfare			364,732	25,251	
Education					
Culture and Recreation					
Unassigned					
<b>Total Fund Balances</b>	<b>268,994</b>	<b>21,199</b>	<b>384,992</b>	<b>25,251</b>	<b>165,081</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 279,234</b>	<b>\$ 21,199</b>	<b>\$ 398,767</b>	<b>\$ 28,189</b>	<b>\$ 167,508</b>

Minidoka County  
Rupert, Idaho

COMBINING BALANCE SHEET  
Nonmajor Governmental Funds  
September 30, 2015

	Debt Service Fund	Junior College Fund	Parks & Recreation Fund	Pest Control Fund	Revaluation Fund
<b>ASSETS:</b>					
Cash	\$ -	\$ 197,572	\$ 23,226	\$ 1,707	\$ 163,057
Investments					
Taxes receivable		7,409	1,585	72	11,914
Intergovernmental receivables		5,778			
Special assessment receivable					
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 210,759</b>	<b>\$ 24,811</b>	<b>\$ 1,779</b>	<b>\$ 174,971</b>
<b>LIABILITIES:</b>					
Warrants payable	\$ -	\$ -	\$ 2,800	\$ -	\$ 628
Account payable			413		7,698
<b>Total Liabilities</b>			<b>3,213</b>		<b>8,326</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenue-property tax		6,724	1,443	65	10,840
<b>Total deferred inflows of resources</b>		<b>6,724</b>	<b>1,443</b>	<b>65</b>	<b>10,840</b>
<b>FUND BALANCES:</b>					
Committed for:					
Budgeted use of funds in FY16		50,000	5,500		10,000
Assigned for:					
General Government					145,804
Public Safety					
Agricultural				1,714	
Health and Welfare					
Education		154,035			
Culture and Recreation			14,655		
Unassigned					
<b>Total Fund Balances</b>		<b>204,035</b>	<b>20,155</b>	<b>1,714</b>	<b>155,804</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 210,759</b>	<b>\$ 24,811</b>	<b>\$ 1,779</b>	<b>\$ 174,971</b>

Minidoka County  
Rupert, Idaho

COMBINING BALANCE SHEET  
Nonmajor Governmental Funds  
September 30, 2015

	Noxious Weeds Fund	Waterways Fund	Judgement Hb470 Fund	Hospital Fund	Court Facility Fund
<b>ASSETS:</b>					
Cash	\$ 116,934	\$ 28,118	\$ -	\$ 3,980	\$ 14,108
Investments					
Taxes receivable	1,857		342	3,538	
Intergovernmental receivables					
Special assessment receivable					
<b>TOTAL ASSETS</b>	<b>\$ 118,792</b>	<b>\$ 28,118</b>	<b>\$ 342</b>	<b>\$ 7,518</b>	<b>\$ 14,108</b>
<b>LIABILITIES:</b>					
Warrants payable	\$ 50	\$ 47	\$ -	\$ -	\$ -
Account payable	221	1,170			
<b>Total Liabilities</b>	<b>271</b>	<b>1,217</b>			
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenue-property tax	1,702		307	3,217	
<b>Total deferred inflows of resources</b>	<b>1,702</b>		<b>307</b>	<b>3,217</b>	
<b>FUND BALANCES:</b>					
Committed for:					
Budgeted use of funds in FY16	20,000	16,350			
Assigned for:					
General Government			35		
Public Safety		10,552			14,108
Agricultural	96,818				
Health and Welfare				4,301	
Education					
Culture and Recreation					
Unassigned					
<b>Total Fund Balances</b>	<b>116,818</b>	<b>26,902</b>	<b>35</b>	<b>4,301</b>	<b>14,108</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 118,792</b>	<b>\$ 28,118</b>	<b>\$ 342</b>	<b>\$ 7,518</b>	<b>\$ 14,108</b>

Minidoka County  
Rupert, Idaho

COMBINING BALANCE SHEET  
Nonmajor Governmental Funds  
September 30, 2015

	Nonmajor Governmental Funds
<b>ASSETS:</b>	
Cash	\$ 1,434,077
Investments	-
Taxes receivable	36,240
Intergovernmental receivables	5,778
Special assessment receivable	
<b>TOTAL ASSETS</b>	<b>\$ 1,476,094</b>
<b>LIABILITIES:</b>	
Warrants payable	\$ 17,839
Account payable	15,926
<b>Total Liabilities</b>	<b>33,765</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Unavailable revenue-property tax	32,941
<b>Total deferred inflows of resources</b>	<b>32,941</b>
<b>FUND BALANCES:</b>	
Committed for:	
Budgeted use of funds in FY16	192,220
Assigned for:	
General Government	519,804
Public Safety	35,858
Agricultural	98,532
Health and Welfare	394,285
Education	154,035
Culture and Recreation	14,655
Unassigned	
<b>Total Fund Balances</b>	<b>1,409,389</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,476,094</b>

Minidoka County  
Rupert, Idaho  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Nonmajor Governmental Funds  
For the year ended September 30, 2015

	Court Interlock Device	District Court Fund	E911 Fund	Health District Fund	Election Consolidation Fund
Revenues:					
Taxes	\$ -	\$ 192,862	\$ -	\$ 95,965	\$ -
Intergovernmental		77,547			78,532
Charges for Services	2,455				
Special Assessments					
Other		120,641	239,293	10,945	
<b>Total Revenues</b>	<b>2,455</b>	<b>391,050</b>	<b>239,293</b>	<b>106,910</b>	<b>78,532</b>
Expenditures:					
General Government		356,276			51,962
Public Safety	2,423		220,879		
Agricultural					
Health and Welfare				103,292	
Education					
Culture Recreation					
<b>Total Expenditures</b>	<b>2,423</b>	<b>356,276</b>	<b>220,879</b>	<b>103,292</b>	<b>51,962</b>
Excess (Deficiency) of Revenues over Expenditures	32	34,774	18,414	3,618	26,570
Other Financing Sources (Uses):					
Transfers In					
Transfers Out					
<b>Net Change in Fund Balances</b>	<b>32</b>	<b>34,774</b>	<b>18,414</b>	<b>3,618</b>	<b>26,570</b>
Fund Balances, beginning	21,167	234,220	366,579	21,633	138,512
<b>Fund Balances, ending</b>	<b>\$ 21,199</b>	<b>\$ 268,994</b>	<b>\$ 384,992</b>	<b>\$ 25,251</b>	<b>\$ 165,081</b>

Minidoka County  
Rupert, Idaho  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Nonmajor Governmental Funds  
For the year ended September 30, 2015

	Junior College Fund	Parks & Recreation Fund	Pest Control Fund	Revaluation Fund	Noxious Weeds Fund
Revenues:					
Taxes	\$ 201,365	\$ 48,028	\$ 2,497	\$ 350,341	\$ 50,160
Intergovernmental Charges for Services	28,891			24,515	7,729
Special Assessments					67,266
Other	42,465	4,007			5,536
<b>Total Revenues</b>	<b>272,721</b>	<b>52,035</b>	<b>2,497</b>	<b>374,855</b>	<b>130,691</b>
Expenditures:					
General Government				350,081	
Public Safety					
Agricultural			1,957		82,267
Health and Welfare					
Education	186,483				
Culture Recreation		48,429			
<b>Total Expenditures</b>	<b>186,483</b>	<b>48,429</b>	<b>1,957</b>	<b>350,081</b>	<b>82,267</b>
Excess (Deficiency) of Revenues over Expenditures	86,239	3,606	540	24,774	48,424
Other Financing Sources (Uses):					
Transfers In					
Transfers Out					
<b>Net Change in Fund Balances</b>	<b>86,239</b>	<b>3,606</b>	<b>540</b>	<b>24,774</b>	<b>48,424</b>
Fund Balances, beginning	117,796	16,549	1,174	131,030	68,395
<b>Fund Balances, ending</b>	<b>\$ 204,035</b>	<b>\$ 20,155</b>	<b>\$ 1,714</b>	<b>\$ 155,804</b>	<b>\$ 116,818</b>

Minidoka County  
Rupert, Idaho  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
Nonmajor Governmental Funds  
For the year ended September 30, 2015

	Waterways Fund	Debt Service Fund	Judgement Hb470 Fund	Hospital Fund	Court Facility Fund	Total Nonmajor Governmental Funds
Revenues:						
Taxes	\$ -	\$ -	\$ 19,527	\$ 102,975	\$ -	\$ 1,063,719
Intergovernmental	23,425			48,749		289,387
Charges for Services				4,797		74,518
Special Assessments						
Other			175		7,060	430,122
<b>Total Revenues</b>	<b>23,425</b>		<b>19,702</b>	<b>156,522</b>	<b>7,060</b>	<b>1,857,747</b>
Expenditures:						
General Government						758,319
Public Safety	16,016				1,300	240,617
Agricultural						84,224
Health and Welfare				154,253		257,546
Education						186,483
Culture Recreation						48,429
<b>Total Expenditures</b>	<b>16,016</b>			<b>154,253</b>	<b>1,300</b>	<b>1,575,617</b>
Excess (Deficiency) of Revenues over Expenditures	7,409		19,702	2,268	5,760	282,128
Other Financing Sources (Uses):						
Transfers In						
Transfers Out			19,667			19,667
<b>Net Change in Fund Balances</b>	<b>7,409</b>		<b>35</b>	<b>2,268</b>	<b>5,760</b>	<b>262,461</b>
Fund Balances, beginning	19,493			2,033	8,348	1,146,928
<b>Fund Balances, ending</b>	<b>\$ 26,902</b>	<b>\$ -</b>	<b>\$ 35</b>	<b>\$ 4,301</b>	<b>\$ 14,108</b>	<b>\$ 1,409,390</b>

Minidoka County  
Rupert, Idaho

Combining Balance Sheet  
Agency Funds  
September 30, 2015

	Assessor Trust Fund	Trial Court Administrative Trust	Tax Anticipation Trust Fund	Court Trust Fund	Sales Tax Trust Fund
<b>ASSETS:</b>					
Cash	\$ 43,231	\$ 7,012	\$ 67,453	\$ 100,165	\$ 20
Investments					
Taxes receivable					
Intergovernmental receivables					
Special assessment receivable					
<b>TOTAL ASSETS</b>	<b>\$ 43,231</b>	<b>\$ 7,012</b>	<b>\$ 67,453</b>	<b>\$ 100,165</b>	<b>\$ 20</b>
<b>LIABILITIES:</b>					
Warrants payable				4,247	
Account payable	43,231	202		370	
Intergovernmental pay able		6,810	67,453	95,549	20
<b>TOTAL LIABILITIES</b>	<b>\$ 43,231</b>	<b>\$ 7,012</b>	<b>\$ 67,453</b>	<b>\$ 100,165</b>	<b>\$ 20</b>

Minidoka County  
Rupert, Idaho

Combining Balance Sheet  
Agency Funds  
September 30, 2015

	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
<b>ASSETS:</b>								
Cash	\$ 3,628	\$ 430	\$ -	\$ 145,448	\$ 2,748	\$ 17,279	\$ 3,530	\$ 1,298
Investments								
Taxes receivable								
Intergovernmental receivables								
Special assessment receivable								
<b>TOTAL ASSETS</b>	<b>\$ 3,628</b>	<b>\$ 430</b>	<b>\$ -</b>	<b>\$ 145,448</b>	<b>\$ 2,748</b>	<b>\$ 17,279</b>	<b>\$ 3,530</b>	<b>\$ 1,298</b>
<b>LIABILITIES:</b>								
Warrants payable	3,090				399	644	100	
Account payable	342				171	156	700	
Intergovernmental pay able	196	430		145,448	2,178	16,478	2,730	1,298
<b>TOTAL LIABILITIES</b>	<b>\$ 3,628</b>	<b>\$ 430</b>	<b>\$ -</b>	<b>\$ 145,448</b>	<b>\$ 2,748</b>	<b>\$ 17,279</b>	<b>\$ 3,530</b>	<b>\$ 1,298</b>

Minidoka County  
Rupert, Idaho

Combining Balance Sheet  
Agency Funds  
September 30, 2015

	K-9 Training Fund	Prosecuting Attorney Forfeiture Fund	Catastrophic Insurance Trust Fund	Distribution Trust Fund	Taxing Districts	Total Agency Funds
<b>ASSETS:</b>						
Cash	\$ 73	\$ 12,070	\$ 7,437	\$ 65	\$ 29,432	\$ 441,319
Investments						
Taxes receivable					256,236	256,236
Intergovernmental receivables						
Special assessment receivable					27,042	27,042
<b>TOTAL ASSETS</b>	<b>\$ 73</b>	<b>\$ 12,070</b>	<b>\$ 7,437</b>	<b>\$ 65</b>	<b>\$ 312,710</b>	<b>\$ 724,597</b>
<b>LIABILITIES:</b>						
Warrants payable						8,480
Account payable			7,437			52,609
Intergovernmental pay able	73	12,070		65	312,710	663,507
<b>TOTAL LIABILITIES</b>	<b>\$ 73</b>	<b>\$ 12,070</b>	<b>\$ 7,437</b>	<b>\$ 65</b>	<b>\$ 312,710</b>	<b>\$ 724,596</b>

Minidoka, County  
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet  
September 30, 2015

	Minidoka Historical Society Fund	Wayside Sewer District Fund	Minidoka County Hospital Fund	West End Fire District Fund	Minidoka Fire District Fund
<b>ASSETS:</b>					
Cash	\$ 60	\$ 3	\$ -	\$ 642	\$ 794
Taxes receivable	901	30	-	5,714	16,046
Intergovernmental receivables					
Interfund receivable					
Assessment receivable					
<b>TOTAL ASSETS</b>	<b>\$ 962</b>	<b>\$ 33</b>	<b>\$ -</b>	<b>\$ 6,356</b>	<b>\$ 16,840</b>
<b>LIABILITIES:</b>					
Warrants payable					
Intergovernmental payable	962	33	-	6,356	16,840
<b>TOTAL LIABILITIES</b>	<b>\$ 962</b>	<b>\$ 33</b>	<b>\$ -</b>	<b>\$ 6,356</b>	<b>\$ 16,840</b>

Minidoka, County  
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet  
September 30, 2015

	City of Rupert Fund	City of Heyburn Fund	City of Paul Fund	City of Acequia Fund	City of Burley Fund	City of Minidoka Fund
<b>ASSETS:</b>						
Cash	\$ 5,890	\$ 4,460	\$ 675	\$ -	\$ 937.07	\$ 1,169
Taxes receivable	42,284	34,006	5,325	623	10,951	1,529
Intergovernmental receivables						
Interfund receivable						
Assessment receivable						
<b>TOTAL ASSETS</b>	<b>\$ 48,174</b>	<b>\$ 38,466</b>	<b>\$ 6,001</b>	<b>\$ 623</b>	<b>\$ 11,888</b>	<b>\$ 2,698</b>
<b>LIABILITIES:</b>						
Warrants payable						
Intergovernmental payable	48,174	38,466	6,001	623	11,888	2,698
<b>TOTAL LIABILITIES</b>	<b>\$ 48,174</b>	<b>\$ 38,466</b>	<b>\$ 6,001</b>	<b>\$ 623</b>	<b>\$ 11,888</b>	<b>\$ 2,698</b>

Minidoka, County  
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet  
September 30, 2015

	Minidoka Highway District Fund	Cemetery District No. 1 Fund	Cemetery District No. 2 Fund	Cemetery District No. 3 Fund	Minidoka County Fair Board Fund
<b>ASSETS:</b>					
Cash	\$ 2,355	\$ 252	\$ 93	\$ 136	\$ 274
Taxes receivable	37,123	4,705	1,538	1,567	4,109
Intergovernmental receivables					
Interfund receivable					
Assessment receivable					
<b>TOTAL ASSETS</b>	<u>\$ 39,478</u>	<u>\$ 4,957</u>	<u>\$ 1,631</u>	<u>\$ 1,702</u>	<u>\$ 4,383</u>
<b>LIABILITIES:</b>					
Warrants payable					
Intergovernmental payable	39,478	4,957	1,631	1,702	4,383
<b>TOTAL LIABILITIES</b>	<u>\$ 39,478</u>	<u>\$ 4,957</u>	<u>\$ 1,631</u>	<u>\$ 1,702</u>	<u>\$ 4,383</u>

Minidoka, County  
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet  
September 30, 2015

	School District #331 Fund	M V Groundwater District Fund	Total Special Taxing Districts
<b>ASSETS:</b>			
Cash	\$ 11,002	\$ 690	\$ 29,432
Taxes receivable	89,785		256,236
Intergovernmental receivables			
Interfund receivable			
Assessment receivable		27,041	27,042
<b>TOTAL ASSETS</b>	<b>\$ 100,787</b>	<b>\$ 27,731</b>	<b>\$ 312,710</b>
<b>LIABILITIES:</b>			
Warrants payable			
Intergovernmental payable	100,787	27,731	312,710
<b>TOTAL LIABILITIES</b>	<b>\$ 100,787</b>	<b>\$ 27,731</b>	<b>\$ 312,710</b>

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, 2015

	<u>District Court Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 188,805	\$ 188,805	\$ 192,862	\$ 4,057
Other	185,295	185,295	198,188	12,893
<b>Total Revenues</b>	<b>374,100</b>	<b>374,100</b>	<b>391,050</b>	<b>16,950</b>
Expenditures				
Salaries	187,650	187,650	183,802	3,848
Other	206,450	206,450	172,474	33,976
<b>Total Expenditures</b>	<b>394,100</b>	<b>394,100</b>	<b>356,276</b>	<b>37,824</b>
Excess (Deficiency) of Revenues over Expenditures	(20,000)	(20,000)	34,774	54,774
Other Financing Sources (Uses):				
Transfers In				
Transfers Out				
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(20,000)	(20,000)	34,774	54,774
Fund Balances, beginning	234,220	234,220	234,220	
Fund Balances, ending	\$ 214,220	\$ 214,220	\$ 268,995	\$ 54,774

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, 2015

	<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	2,455	455	233,000	233,000	239,293	6,293
Total Revenues	2,000	2,000	2,455	455	233,000	233,000	239,293	6,293
Expenditures								
Salaries					80,000	80,000	73,975	6,025
Other	12,000	12,000	2,423	9,577	244,000	244,000	146,904	97,096
Total Expenditures	12,000	12,000	2,423	9,577	324,000	324,000	220,879	103,121
Excess (Deficiency) of Revenues over Expenditures	(10,000)	(10,000)	32	10,032	(91,000)	(91,000)	18,414	109,414
Other Financing Sources (Uses):								
Transfers In								
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(10,000)	(10,000)	32	10,032	(91,000)	(91,000)	18,414	109,414
Fund Balances, beginning	21,167	21,167	21,167		366,579	366,579	366,579	
Fund Balances, ending	\$ 11,167	\$ 11,167	\$ 21,199	\$ 10,032	\$ 275,579	\$ 275,579	\$ 384,992	\$ 109,414

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, 2015

	<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	\$ 94,506	\$ 94,506	\$ 95,965	\$ 1,459	\$ -	\$ -	\$ -	\$ -
Other	10,494	10,494	10,945	451	77,607	77,607	78,532	925
Total Revenues	105,000	105,000	106,910	1,910	77,607	77,607	78,532	925
Expenditures								
Salaries					33,500	33,500	19,941	13,559
Other	105,000	105,000	103,292	1,708	80,740	80,740	32,021	48,719
Total Expenditures	105,000	105,000	103,292	1,708	114,240	114,240	51,962	62,278
Excess (Deficiency) of Revenues over Expenditures			3,618	3,618	(36,633)	(36,633)	26,570	63,203
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			3,618	3,618	(36,633)	(36,633)	26,570	63,203
Fund Balances, beginning	21,633	21,633	21,633		138,512	138,512	138,512	
Fund Balances, ending	\$ 21,633	\$ 21,633	\$ 25,251	\$ 3,618	\$ 101,879	\$ 101,879	\$ 165,081	\$ 63,203

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, 2015

	<u>Junior College Fund</u>				<u>Parks &amp; Recreation Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 197,417	\$ 197,417	\$ 201,365	\$ 3,948	\$ 47,360	\$ 47,360	\$ 48,028	\$ 668
Other	70,583	70,583	71,356	773	53,580	53,580	4,007	(49,573)
Total Revenues	268,000	268,000	272,721	4,721	100,940	100,940	52,035	(48,905)
Expenditures								
Salaries					15,150	3,105	3,103	2
Other	310,000	310,000	186,483	123,518	85,790	97,835	45,326	52,509
Total Expenditures	310,000	310,000	186,483	123,518	100,940	100,940	48,429	52,511
Excess (Deficiency) of Revenues over Expenditures	(42,000)	(42,000)	86,239	128,239			3,606	3,606
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(42,000)	(42,000)	86,239	128,239			3,606	3,606
Fund Balances, beginning	117,796	117,796	117,796		16,549	16,549	16,549	
Fund Balances, ending	\$ 75,796	\$ 75,796	\$ 204,035	\$ 128,239	\$ 16,549	\$ 16,549	\$ 20,156	\$ 3,606

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, 2015

	<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	\$ 2,478	\$ 2,478	\$ 2,497	\$ 19	\$ 344,758	\$ 344,758	\$ 350,341	\$ 5,583
Other	22	22		(22)	22,712	22,712	24,515	1,803
Total Revenues	2,500	2,500	2,497	(3)	367,470	367,470	374,855	7,385
Expenditures								
Salaries					190,500	190,500	190,413	87
Other	2,500	2,500	1,957	543	176,970	176,970	159,668	17,302
Total Expenditures	2,500	2,500	1,957	543	367,470	367,470	350,081	17,389
Excess (Deficiency) of Revenues over Expenditures			540	540			24,774	24,774
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			540	540			24,774	24,774
Fund Balances, beginning	1,174	1,174	1,174		131,030	131,030	131,030	
Fund Balances, ending	\$ 1,174	\$ 1,174	\$ 1,714	\$ 540	\$ 131,030	\$ 131,030	\$ 155,805	\$ 24,774

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, 2015

	<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	\$ 48,721	\$ 48,721	\$ 50,160	\$ 1,439	\$ -	\$ -	\$ -	\$ -
Other	32,031	32,031	80,531	48,500	84,000	84,000	23,425	(60,575)
Total Revenues	80,752	80,752	130,691	49,939	84,000	84,000	23,425	(60,575)
Expenditures								
Salaries	52,000	52,000	43,404	8,596	26,500	26,500	9,016	17,484
Other	43,910	61,910	38,864	23,046	63,980	63,980	7,000	56,980
Total Expenditures	95,910	113,910	82,267	31,643	90,480	90,480	16,016	74,464
Excess (Deficiency) of Revenues over Expenditures	(15,158)	(33,158)	48,424	81,582	(6,480)	(6,480)	7,409	13,889
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(15,158)	(33,158)	48,424	81,582	(6,480)	(6,480)	7,409	13,889
Fund Balances, beginning	68,395	68,395	68,395		19,493	19,493	19,493	
Fund Balances, ending	\$ 53,237	\$ 35,237	\$ 116,818	\$ 81,582	\$ 13,013	\$ 13,013	\$ 26,902	\$ 13,889

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, 2015

	<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)
<b>Revenues:</b>								
Taxes	\$ 101,015	\$ 101,015	\$ 102,975	\$ 1,960	\$ 19,700	\$ 19,700	\$ 19,527	\$ (173)
Other	62,985	62,985	53,546	(9,439)			175	175
<b>Total Revenues</b>	<b>164,000</b>	<b>164,000</b>	<b>156,522</b>	<b>(7,478)</b>			<b>19,702</b>	<b>2</b>
<b>Expenditures</b>								
Salaries					19,700	19,700		19,700
Other	164,000	164,000	154,253	9,747				
<b>Total Expenditures</b>	<b>164,000</b>	<b>164,000</b>	<b>154,253</b>	<b>9,747</b>				<b>19,700</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>			<b>2,268</b>	<b>2,268</b>			<b>19,702</b>	<b>19,702</b>
<b>Other Financing Sources (Uses):</b>								
Transfers In							19,667	(19,667)
Transfers Out								
<b>Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)</b>			<b>2,268</b>	<b>2,268</b>			<b>35</b>	<b>35</b>
<b>Fund Balances, beginning</b>	<b>2,033</b>	<b>2,033</b>	<b>2,033</b>					
<b>Fund Balances, ending</b>	<b>\$ 2,033</b>	<b>\$ 2,033</b>	<b>\$ 4,301</b>	<b>\$ 2,268</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35</b>	<b>\$ 35</b>

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, 2015

	<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	\$ -	\$ -	\$ -	\$ -	\$ 1,044,760	\$ 1,044,760	\$ 1,063,719	\$ 18,959
Other			7,060	7,060	834,309	834,309	794,027	(40,282)
Total Revenues			7,060	7,060	1,879,069	1,879,069	1,857,746	(21,323)
Expenditures								
Salaries					585,300	573,255	523,654	49,601
Other			1,300	(1,300)	1,515,040	1,545,085	1,051,964	493,121
Total Expenditures			1,300	(1,300)	1,729,920	2,118,340	1,575,618	542,722
Excess (Deficiency) of Revenues over Expenditures			5,760	5,760	(196,158)	(196,158)	282,128	478,286
Other Financing Sources (Uses):								
Transfers In							19,667	(19,667)
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			5,760	5,760	(214,791)	(232,791)	262,461	495,252
Fund Balances, beginning	8,348	8,348	8,348		1,006,383	1,006,383	1,146,928	140,545
Fund Balances, ending			\$ 14,108	\$ 5,760	\$ 791,592	\$ 773,592	\$ 1,409,389	\$ 635,797

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, 2015

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

**COMPLIANCE SECTION**



Garald Price & Associates, P.A.

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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Minidoka County, Idaho, as of and for the year ended September 30, 2015, 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 January 20, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered 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 Minidoka County, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 finding and response to be a material weakness (2015-1).

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 deficiency described in the accompanying schedule of finding and response to be a significant deficiency (2015-1).

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Minidoka County'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.



Garald Price & Associates

Burley, Idaho  
January 20, 2016

**Minidoka County**

Rupert, Idaho

**SCHEDULE OF FINDING AND RESPONSE**

For the year ended September 30, 2015

**Finding 2015-1:**

**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.

**STATISTICAL SECTION**

Minidoka County  
Rupert, Idaho  
Statement of 2014 Tax Assessment - Minidoka County  
September 30, 2015

County Taxes

<u>County Funds</u>	<u>Amount</u>
Current Expense	\$ 1,317,118
Indigent	256,039
Hospital	101,015
District Court	188,805
Pest	2,478
Weed	48,721
Fair Board	137,860
Historical Society	30,851
Jr. College Tuition	197,417
Revaluation	344,758
Justice	2,222,418
Health	94,506
Parks & Recreation	47,360
Judgement I. C. 63-1305	<u>19,700</u>
Total	<u>\$ 5,009,046</u>

Minidoka County  
Rupert, Idaho  
Statement of 2014 Tax Rolls  
September 30, 2015

Category	Quantity	Abstract Value	Market
1 Irrigated Agriculture Land	190,087	183,629,169	896,156,652
2 Irrigated Pasture Land	1,425	578,078	2,052,177
3 Non-Irrigated Agricultural Land	1,235	115,442	519,490
5 Dry Grazing Land	4,377	147,266	721,601
10 Homesite Value/Rural Invest. Land	771	14,384,993	18,767,900
12 Rural Residential Tracts	5,096	46,517,815	64,917,941
13 Rural Commercial Tracts	556	7,008,552	7,008,552
14 Rural Industrial Tracts	679	5,130,875	5,130,875
15 Rural Subdivision - Residential Lots/Acreages	824	15,939,739	20,719,241
16 Rural Subdivision - Commercial Lots/Acreages	46	668,628	668,628
17 Rural Subdivision - Industrial Lots/Acreages	22	516,377	516,377
18 Other Land	11,730	9,505,578	9,507,453
19 Waste	5,793		
20 Residential Lots/Acreages (Inside City)	1,289	35,823,626	53,032,694
21 Commercial Lots/Acreages (Inside City)	556	31,369,253	31,713,977
22 Industrial Lots/Acreages (Inside City)	65	1,954,348	2,149,381
25 Common Areas			
30 Non-Residential Bldg.		36,584	36,584
31 Rural residential buildings		40,459,370	58,303,118
32 Rural improvements on ag.		8,715,611	8,715,611
34 Building residential tracts		114,333,627	183,373,490
35 Building commercial tracts		25,647,962	25,647,962
36 Building industrial tracts		13,062,957	13,062,957
37 Building residential subdivision		43,533,883	65,407,507
38 Building commercial subdivision		2,197,248	2,197,248
40 Other rural buildings		41,239,920	41,239,920
41 Residential improvements		153,894,353	244,994,687
42 Commercial improvements		72,515,253	76,514,683
43 Industrial improvements		30,910,165	42,778,893
45 Utility Systems		2,771,247	3,425,100
46 Manufactured Housing		6,406,557	9,256,655
47 Improvements - Manufactured Housing		1,374,464	2,140,301
48 Manufactured Housing with SID		13,533,934	23,876,957
50 Residential improvements/leased land		38,432	76,865
51 Commercial improvements/leased land		4,337,001	4,344,827
Exempt land	166		
Total Real Property		<u>928,298,307</u>	<u>1,918,976,304</u>
Airplanes/Boats		13,953	13,953
56 Const. Machinery, Tools and Equipment		0	4,077
59 Furniture & Fixtures		2,102,760	4,061,864
Logging equipment		0	3,041
68 Other Misc. Machinery, Tools, and Equipment		153,321,449	181,783,806
69 Recreational Vehicles			
70 Reservations & Easements		8,264	8,264
71 Signs & Signboards		377,219	933,103
72 Tanks, Cylinders, and Vessels		255,537	858,818
Total Personal Property		<u>156,079,182</u>	<u>187,666,926</u>
Total Assessed Market Value		<u>\$1,084,377,489</u>	<u>\$2,106,643,230</u>