

**MINIDOKA COUNTY
RUPERT, IDAHO**

**BASIC FINANCIAL STATEMENTS
With Supplemental Information**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

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FINANCIAL SECTION

**MANAGEMENT’S DISCUSSION AND ANALYSIS
MINIDOKA COUNTY
Fiscal Year Ended September 30, 2018**

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 103 full time employees (which includes six fellow elected officials and five appointed department heads), 42 part time employees, and provide the necessary services to the public without placing an unbearable burden on the property tax payer. Hopefully, this report will illustrate the many demands impacting the County’s financial condition and what the County is doing to provide the best service to the public within the confines of a restricted budget.

OVERVIEW OF THE FINANCIAL ACTIVITIES

The Comparison of Expenditures, which follows, gives a detailed picture of activities for the three basic categories of the County’s funds: Current Expense (General) Fund, Justice Fund, and Other Special Revenue Funds. While the Board approves each department’s budget annually, their control of actual expenditures during the year is limited to an approval process only. Each elected official and department head have 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
2017-2018
Comparison of Expenditures

	Actual Expenditures 2017	Actual Expenditures 2018	Difference Between 2017-2018
AUDITOR	210,342.70	221,589.42	11,246.72
ASSESSOR	221,098.91	231,271.11	10,172.20
TREASURER	212,843.11	223,220.41	10,377.30
COMMISSIONERS	116,239.49	122,205.01	5,965.52
CORONER	32,979.85	40,096.67	7,116.82
BUILDING & GROUNDS	233,113.85	259,021.13	25,907.28
EMERGENCY MANAGEMENT	21,708.36	5,000.00	(16,708.36)
COUNTY AGENT	119,931.06	128,316.15	8,385.09
INFORMATION TECHNOLOGY	140,178.73	169,770.08	29,591.35
ELECTIONS	33,916.58	97,167.11	63,250.53
GENERAL ITEMS	299,577.74	674,656.62	375,078.88
ZONING & BUILDING	229,942.03	226,365.85	(3,576.18)
GENERAL RESERVE	-	17,583.19	17,583.19
VETERANS	12,359.40	14,067.70	1,708.30
JANITOR	72,496.88	71,709.75	(787.13)
TOTAL CURRENT EXPENSE	<u>1,956,728.69</u>	<u>2,502,040.20</u>	<u>545,311.51</u>
DISTRICT COURT SALARIES	327,893.46	347,427.56	19,534.10
SHERIFF	1,461,851.28	1,590,115.96	128,264.68
PROSECUTING ATTORNEY	516,115.30	581,166.14	65,050.84
PUBLIC DEFENDER	-	-	-
JUVENILE DETENTION	877,741.82	943,989.12	66,247.30
MISD PROBATION	9,200.50	81,913.56	72,713.06
JAIL	888,927.00	753,886.00	(135,041.00)
JUVENILE PROBATION	651,068.68	658,465.91	7,397.23
LAW ENF-COMMUNICATIONS	315,020.99	323,667.58	8,646.59
JOINT COUNTY OPERATIONS	-	-	-
GENERAL RESERVE	9,940.17	9,891.44	(48.73)
TOTAL JUSTICE FUND	<u>5,057,759.20</u>	<u>5,290,523.27</u>	<u>232,764.07</u>
DISTRICT COURT	369,622.55	422,092.98	52,470.43
CID FUND	300.00	-	(300.00)
E911 SYSTEM	289,796.08	211,794.73	(78,001.35)
HEALTH	107,095.09	110,663.03	3,567.94
ELECTION CONSOLIDATION	64,893.62	120,794.93	55,901.31
PUBLIC ASSISTANCE	592,335.62	646,519.98	54,184.36
JR COLLEGE	235,900.00	259,900.00	24,000.00
PARKS & RECREATION	34,183.67	28,742.81	(5,440.86)
PEST	2,000.00	2,000.00	-
REVALUATION	349,018.40	322,639.43	(26,378.97)
SANITARY LANDFILL	694,070.40	758,804.40	64,734.00
WATERWAY FUND	39,782.20	50,862.48	11,080.28
WEEDS	84,222.26	74,634.86	(9,587.40)
HOSPITAL	164,000.00	164,000.00	-
TOTAL	<u>3,027,219.89</u>	<u>3,173,449.63</u>	<u>146,229.74</u>
TOTAL OPERATING BUDGET	<u>10,041,707.78</u>	<u>10,966,013.10</u>	<u>924,305.32</u>

The Board of Commissioners approved a \$ 1.00 per hour raise for all hourly employees in FY2018. Elected Officials were given a raise equivalent to the lesser of \$1.00 per hour or a 3% increase. There were 26 payroll periods in FY2018. The contribution rates to PERSI, the State retirement program that the County belongs to, increased to 11.94% for general members and 12.28% for police officers.

AUDITOR, ASSESSOR, TREASURER, COMMISSIONERS, CORONER, COUNTY AGENT, PROSECUTING ATTORNEY, LAW ENFORCEMENT COMMUNICATIONS, and VETERANS – The increase in the FY2018 budget is mostly due to the increase in salaries, as stated above. In addition to salary increase the Coroner had an increase in the number of autopsies and/or inquests that almost doubled what was budgeted for. The Prosecutor also moved a part time attorney to a full-time position with benefits.

INFORMATION TECHNOLOGY – In April of 2018, Minidoka County took advantage of an opportunity to hire a second information technology employee, considering this ever-growing technological based era, thereby doubling the salary charged to this fund.

DISTRICT COURT SALARIES –In FY2017, Magistrate Court was down an average of one clerk throughout the year thus creating a decrease in expenditures. Costs were expected to increase for FY2018 and did by about \$20,000.

ELECTIONS and ELECTION CONSOLIDATION – The County is responsible for all elections that are held as outlined in statute. Every other year the County is responsible for holding the elections of the cities within the County. The increase in the election costs from 2017 to 2018 was due to the purchase of 12 DS200 machines and 12 Express Vote machines with a cost of almost \$5,000 each.

EMERGENCY MANAGEMENT – In FY2017, the balance of Emergency Management funds was transferred to a Trust Fund, as the revenue and expenses are managed jointly by the different emergency factions within the County. It is not the “County’s” money, but rather that of the joint board. The County does contribute \$5,000 annually towards the program to help obtain grant funding for the program. Unforeseen expenses did arise due to the February 2017 flooding that occurred throughout the County. \$12,047.91 was reimbursed by FEMA during FY2018 and FY2019.

BUILDINGS & GROUNDS – Due to our older buildings and landscape, the cost of maintenance is ever increasing. This, along with the long cold hard winter that we endured prior to our county wide flooding, caused a need for some sidewalk upgrades, part of which was paid out of FY2017 and part of which will be paid out of FY2018’s budget. During FY2018 this account saw a drastic increase in repairs and maintenance, mostly of our juvenile probation building, of \$41,000 and another \$22,000 increase in remodeling. It seems that we are band-aiding the building that the Assessor’s department is housed in and may spend approximately \$40,000 as we did with the juvenile building to repair it. We will need to build a new assessor building to house our increased employee population soon.

GENERAL ITEMS - The major difference in increase of expenditures is that West End Fire Dept. applied for a fire truck grant, which was expected to fund during FY2017, but instead funded in FY2018. Also, Minidoka County donated \$30,000 to help fund the senior center renovation project in FY2017 instead of the requested FY2018.

ZONING & BUILDING actually decreased their overall expenditures by a little over \$3,000 in their ‘B’ budget.

GENERAL RESERVE – The 2020 Census had required someone to be available to gather information and therefore the Board of County Commissioners chose to pay for such out of this fund. County did purchase an anti-malware program after being hit with a computer virus.

DISTRICT COURT – Two of our three court rooms had 44-year-old ceilings that were replaced with a new hanging ceiling allowing ease of access for wiring, lighting, and HVAC with an associated cost of almost \$40,000. The remaining \$12,470 increase in expense is due to two new courts in FY2018 to our judicial system: Drug Court and DUI Court.

PUBLIC ASSISTANCE and PUBLIC DEFENDER– Due to the Justice Fund being very close to its maximum levy, the Public Defense fund was moved into the Indigent Fund in FY2016. The \$54,184 increase is not due to public

assistance but rather our increase in need for public defenders by \$51,886 (approx.) and the remainder was due to the increase in protective holds.

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 bulk of the increase is due to pre-paying for half of a new roof and for a new HVAC system. The new roof is estimated to last twenty or more years. The remainder of the roof cost will be paid out of FY2019.

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

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 decrease in the budget this year was due to the good management and renting out vacant bed space to paying agencies. For FY2018, we did expect an increase in building maintenance costs such a new door lock system but due to the jails increase in revenue – the jail was able to absorb the expense on its own.

E911 – The installation of GEN 7 dispatch equipment was responsible for an increase of expenses in the E911 fund for FY2016 and FY2017. This fund does not use taxpayers' dollars but is funded by an additional charge on telephone and cell phone lines that is remitted to the County, along with grant funding. Though wages were increased, the overall salary expenditure decreased due to employment changes within the department and a logging upgrade was purchased in FY2016, not FY2017, therefore causing an overall decrease in expense for FY2017. For FY2018 there was an expected dramatic decrease due to the GEN 7 dispatch equipment being paid out of FY2016 and FY2017, which held true. For FY2019 we should see a slight increase in expense compared to that of FY2018 due to a change in the type of maintenance plan we intend to use for the GEN 7 equipment.

MISD PROBATION – Due to the increase in probationers, Misdemeanor Probation did not do so well at collecting revenue to help fund itself. However, this partial self-funded department depends upon cost of supervision revenue which will indefinitely fluctuate with the economy as well as a changeup in the laws and programs instituted by legislation, which was and is expected to happen anytime between FY2018 and FY2019.

SHERIFF – With the increase in wage and receiving a \$59,000 grant this fund had had actually underspent its budget by \$80,000 by controlling costs in the expenditure accounts including the use of general reserve funds. Within capital assets, due to the rotation of vehicles, purchase costs were less in FY2017 than FY2018, also causing an overall increase in expense.

JUSTICE GENERAL RESERVE – Whereas this fund did not have a need to be tapped into in FY2016, FY2017 was utilized due to unforeseen costs of \$7,601.60 for prosecution of one case, along with expenditures of \$1,604.90 and a salary calculation shortage of \$683.67 within the Sheriff's department. FY2018 was utilized by the Sheriff for purchase of needed officer equipment.

PARKS & RECREATION – The decrease in FY2018 is due not receiving an invoice from the City of Rupert for the recreational fund. I assume once this is corrected there will be an increase in FY2019.

WATERWAY FUND – The increase in this fund was due to grant funds received and spent on upgrading the dock system at Lake Walcott.

WEED – This fund decreased due to a capital asset purchase in FY2017 and not in FY2018.

REVALUATION – A decrease occurred due to a continued vacant position that is expected to be filled for FY2020.

SANITARY LANDFILL – The continued increase in the expenses for the Sanitary Landfill was seen once again in FY2018 due to an increase in the landfill’s budget request along with the pass through of dumping fees. The County is just one of the seven (7) members of the Regional Solid Waste District.

JUNIOR COLLEGE – For FY2017 seeing the Jr. College fund expenditures increase is absolutely wonderful. This means that more of our county students are attending college via pre-graduate or post-graduate high school. It is a good feeling that we as a community are financially helping to allow our children a higher education. Each student, pre-high school graduate (dual credit), is allotted \$ 4,125, reimbursed to the county by the State Dept. of Education. Each post-high school graduate student, that has resided in our county for a consecutive twelve months prior to the first day of the community college semester, is allotted a \$ 3,000 lifetime maximum. Currently, each student of this county could potentially receive \$ 7,125 towards the payment of community college credits. For FY2019, the SDE had implemented that they will pay pre-high school graduate credits directly to the college, bypassing the county. This means that the county will not longer spend nor be reimbursed for funds spent on pre-graduate credits for high school students that are taking college courses.

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. FY2018 saw an amended budget due to a variety of factors that did touch carryover by \$18,693 as well as accessed unexpected grant revenue funds in the amount of \$3,536.

The Statement of Revenues, Expenditures, and Changes in Fund Balances, shows increases in revenue negated the need to use the carryover funds budgeted, except in Sanitary Landfill as carryover was not budgeted. In the Justice Fund \$377,749 was budgeted as carryover but was not needed as the expenses were less than budgeted and revenue more than budgeted. The Current Expense Fund also did not use the full budgeted carryover of \$268,370 but rather \$41,330 of carryover. The department heads within the County are very mindful of their budgets and the costs to taxpayers. The increase of Sales Tax revenue and additional amount of PILT (Payment in Lieu of Taxes) payments from what was budgeted, accounts for the some of the increase in fund balances.

The Indigent Fund did not use the \$190,700 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 46.33% of the total revenue. Another 23.27% came from the state and federal governments (Intergovernmental) with state sales tax, being the largest single component of that amount. PILT (Payment in Lieu of Taxes) is received from the federal government for federally owned lands within Minidoka County. Although the County received \$ 500,008 in FY2016, \$ 474,546 in FY2017, and \$ 484,472 in FY2018, we believe the FY2019 payments will be paid; however, it is unclear for how much and for how long the County will continue to receive this payment. It is an ongoing concern during the budget process.

Even with the increase of revenue from Interest on Investments from \$35,819 for FY2017 to \$ 100,981 for FY2018, it is closer to the highest interest earned which was back in 2008 of \$138,000. As you can see, economic factors (some local, some statewide, and some federal) as well as legislative influences, play a big part in shaping the County’s financial picture. Contending with a reduction in revenues that are beyond our control is even more challenging. The current law limits the budget to a 3% increase in property tax dollars levied. There are also limits on the levy for each fund. The counties and other taxing districts are allowed to increase budgets based on new construction within the county each year, except in urban renewal revenue allocation areas. Any new construction in an urban renewal revenue allocation area is not included in any allowable budget increase. The County and other taxing districts will absorb the cost of providing

county services to the area but will not be allowed to increase the budget due to new construction. The departmental requests along with the Budget Officer's recommendations are presented to the Board. It is then up to the Board to decide which requests they can afford to include in the budget and which ones are to be considered in another year.

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

At the end of the current fiscal year, Minidoka County is able to report at the government wide level an increase in Net Position for FY2018. The same situation held true for the prior fiscal year as is shown in the statement below. Please note that for prior to FY2018 sales tax and PILT were combined in with ag tax replacement monies, liquor allocation, gross earnings tax, and some other revenue for a total under Program revenue not restricted to specific purposes.

Minidoka County's Change in Net Position General Government

	2016	2017	2018
Revenues:			
Charges for Services	\$ 1,682,299	\$ 1,621,568	\$ 1,883,457
Operating Grant & Contributions	1,501,143	1,625,577	2,015,756
General Revenues:			
Property Tax	5,131,138	5,317,248	5,552,279
Sales Tax	combined below	combined below	1,431,330
PILT (Payment in lieu of taxes)	combined below	combined below	484,472
Program revenue not restricted to specific purposes	2,179,068	2,149,559	468,681
Other	73,213	81,398	147,523
Total Revenue	\$ 10,566,861	\$ 10,795,350	\$ 11,983,498
Expenses:			
General Government	3,557,940	3,427,304	4,085,971
Public Safety	5,591,954	5,299,475	5,537,201
Agricultural	90,988	83,722	75,890
Health & Welfare	502,347	862,670	917,495
Education	198,269	237,213	260,661
Culture and Recreation	47,437	39,643	33,673
Total Expenses	\$ 9,988,935	\$ 9,950,027	\$ 10,910,891
Change in Net Position	577,926	845,323	1,072,607
Net Position – Beginning as restated	5,434,067	6,006,599	6,762,530
Net Position Ending	\$ 6,011,993	\$ 6,851,922	\$ 7,835,137

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

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

Net position must be maintained by the County to insure against the unexpected. Not wanting to incur long-term debt, the Board has slowly started courthouse remodeling and is aware of the need to maintain and upgrade the facility that has

been neglected for too long. This concern is ongoing and at some point, may require the building of new facilities to allow for the needed office space due to both growth and obsolescence of the current facilities. The Board has also taken great financial strides to address the need for ADA compliance by repairing sidewalks, adding curb cuts and more accessible parking spots during the FY2017, but we still have a long way to go to make all of our doorways accessible. It has been decided that with the layout of our 1974 Judicial building that trying to become ADA compliant in our courtrooms is at a standstill.

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

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

ASSETS	2015 - 2016	2016 -2017	2017-2018
Current and Other Assets	\$ 6,672,190	\$ 7,553,595	\$ 8,737,693
Capital Assets	<u>1,904,670</u>	<u>1,802,039</u>	<u>1,720,422</u>
Total Assets	<u>\$ 8,576,860</u>	<u>\$ 9,355,634</u>	<u>\$ 10,458,115</u>
 Deferred Outflow of Resources	 <u>\$ 1,226,863</u>	 <u>\$ 416,922</u>	 <u>\$ 441,217</u>
 LIABILITIES			
Long-term Liabilities	\$ 2,517,803	\$ 2,159,523	\$ 2,202,996
Other Liabilities	<u>403,736</u>	<u>475,365</u>	<u>521,149</u>
Total Liabilities	\$ 2,921,539	\$ 2,634,888	\$ 2,724,145
 Deferred Inflows of Resources	 \$ 870,192	 \$ 285,748	 \$ 340,048
 NET POSITION			
Invested in Capital Assets, Net of Debt	\$ 1,904,670	\$ 1,802,039	\$ 1,720,422
Restricted for Debt Service	-	-	-
Unrestricted	<u>4,107,323</u>	<u>5,049,882</u>	<u>6,114,718</u>
Total Net Position	<u>\$ 6,011,993</u>	<u>\$ 6,851,921</u>	<u>\$ 7,835,140</u>

<u>GOVERNMENTAL FUND</u>	<u>FY2018</u>	<u>STATUTORY MAXIMUM</u>
General (Current Expense)	0.001438288	0.00200
Justice Fund	0.001581189	0.00200
District Court	0.000170448	0.00040
Health	0.000067637	0.00040
Indigent	0.000405271	0.00100
Junior College	0.000025939	0.00060
Parks & Recreation	0.000024908	0.00010
Revaluation	0.000264038	0.00040
Weeds	0.000043432	0.00060
Fair Bldgs.	0.000043182	0.00020
Fair Exhibits	0.000053584	0.00010
Historical	0.000031522	0.00012
Hospital	0.000059801	0.00060
Pest	0.000001418	0.00010

ANALYSIS OF INDIVIDUAL FUNDS

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

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

	<u>BEGINNING FUND BALANCE</u>	<u>ENDING FUND BALANCE</u>	<u>ESTIMATED EXPENSES OF FOLLOWING QUARTER</u>
General Fund	\$ 1,714,666	\$ 1,932,190	\$ 550,000
Justice Fund	\$ 2,018,272	\$ 2,313,268	\$ 1,050,000
All Other Funds	\$ 2,728,005	\$ 3,243,838	\$ 600,000

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

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

ECONOMIC FACTS AND NEXT YEAR'S BUDGET

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

Compared to that of last fiscal year, the County experienced no reduction in tax collections for the first half payments due December 20, 2018.

The FY 2019 Budget will continue to be impacted by the sales tax and liquor revenue from the State. Medicaid Expansion was voted upon and passed and has a good possibility of becoming effective as of January 1, 2020. There is a possibility that Sales Tax Revenue will be used to fund Medicaid Expansion – shorting the County of normally anticipated revenue.

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

The County budgeting process provides for departmental requests, which are based on needs/wants to be submitted to the County Auditor who then prepares a budget recommendation to the Board based on available revenues. As stated above, the need to upgrade the facilities along with needed upgrades to the technological systems are paramount. Increases in expenses for employee wages is also a concern the Board has in order to retain a qualified staff. The role and rules that govern the County are not learned overnight. A knowledgeable staff is paramount in the success of the County.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you should have questions about this report or desire additional information, please contact Tonya Page, Minidoka County Clerk, P.O. Box 368, Rupert, ID 83350. She may also be reached at 208-436-7180 x110 or by email at tpage@co.minidoka.id.us.

BASIC FINANCIAL STATEMENTS



Gerald Price & Associates, PLLP

Certified Public Accountants

2058 Overland Avenue

Burley, ID 83318

Phone: (208) 878-9000 Fax: (208) 878-7804

"Making life less taxing since 1978"

INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
Minidoka County, State of Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Minidoka County, Idaho (the County) as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of The Minidoka County Fair Board, as of and for the year ended September 30, 2018, which represent 100% of the assets, net position, and revenues of the 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 discretely presented 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 the standards applicable to financial audits contained in *Government 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2018, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of employer's share of Net Pension Liability, Schedule of Employers Contributions, and budgetary comparison information on pages 45 and 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Minidoka County's internal control over financial reporting and compliance.



Garald Price & Associates, PLLP

Burley, ID
March 1, 2019

Minidoka County
Rupert, Idaho

Statement of Net Position
September 30, 2018

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Component Unit Fair Board</u>
ASSETS:		
Cash and cash equivalents	\$ 5,437,249	\$ 238,826
Investments	2,639,222	
Taxes receivable	146,502	3,443
Intergovernmental receivables	475,873	350
Assessment receivable	38,848	
Capital assets:		
Nondepreciable	116,531	40,861
Depreciable, Net	1,603,891	164,046
Total assets	<u>10,458,115</u>	<u>447,526</u>
DEFERRED OUTFLOW OF RESOURCES:		
Deferred outflows - pensions	441,216	
Total deferred outflows of resources	<u>441,216</u>	
	<u>\$ 10,899,331</u>	<u>\$ 447,526</u>
LIABILITIES:		
Warrants payable	\$ 214,979	\$
Accounts payable	225,845	1,832
Accrued payroll	80,325	
Long term liabilities:		
Portion due within one year:		
Compensated Absences	185,516	
Portion due or payable after one year:		
Other Post Employment Benefits liability	195,439	
Net pension liability	1,822,041	
Total liabilities	<u>2,724,147</u>	<u>1,832</u>
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows - pensions	340,047	
Total deferred inflows of resources	<u>340,047</u>	
NET POSITION:		
Net investment in capital assets	1,720,422	204,907
Restricted		200,000
Unrestricted	<u>6,114,715</u>	<u>40,787</u>
TOTAL NET POSITION	<u>\$ 7,835,137</u>	<u>\$ 445,694</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, 2018

Functions/Programs	PROGRAM REVENUES			Net (Expense)Revenue and Changes in Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Component Unit Fair Board
Primary Government					
Governmental activities:					
General Government	\$ 4,085,971	\$ 566,976	\$ 1,176,611	\$ (2,342,384)	
Public Safety	5,537,201	1,201,477	628,234	(3,707,490)	
Agricultural	75,890	594	20,000	(55,297)	
Health and Welfare	917,495	114,410	96,111	(706,974)	
Education	260,661		94,800	(165,861)	
Culture Recreation	33,673			(33,673)	
Total governmental activities	<u>10,910,891</u>	<u>1,883,457</u>	<u>2,015,756</u>	<u>(7,011,678)</u>	
Total primary government	<u>\$ 10,910,891</u>	<u>\$ 1,883,457</u>	<u>\$ 2,015,756</u>	<u>(7,011,678)</u>	
Component unit					
Fair Board	<u>\$ 244,984</u>	<u>\$ 77,331</u>	<u>\$</u>		<u>\$ (167,653)</u>
General Revenue:					
Taxes:					
Property tax				5,552,279	141,139
Sales tax				1,431,330	
Payment in lieu of taxes				484,472	
Program revenue not restricted to specific purposes				468,681	
Investment earnings				100,980	
Gain or (Loss) on disposal of Capital Assets				43,532	
Miscellaneous				3,009	19,655
Total general revenues				<u>8,084,283</u>	<u>160,794</u>
Change in Net position				1,072,604	(6,859)
Net position beginning - Restated (See note 15)				6,762,530	452,553
Net position ending				<u>\$ 7,835,137</u>	<u>\$ 445,694</u>

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

Minidoka County
Rupert, Idaho

Balance Sheet
Governmental Funds
September 30, 2018

	Major				Non-Major	Total Governmental Funds
	General Fund	Justice Fund	Sanitary Landfill Fund	Indigent Fund	Other Government Funds	
ASSETS:						
Cash and cash equivalents	\$ 704,472	\$ 1,474,591	\$ 327,861	\$ 1,071,339	\$ 1,858,987	\$ 5,437,249
Investments	1,239,222	1,400,000				2,639,222
Property tax receivable	42,510	62,847		13,611	27,534	146,502
Intergovernmental receivables	11,240	414,807		4,350	45,476	475,873
Special assessment receivable			38,536		311	38,848
TOTAL ASSETS	\$ 1,997,444	\$ 3,352,245	\$ 366,397	\$ 1,089,300	\$ 1,932,309	\$ 8,737,693
LIABILITIES:						
Warrants payable	\$ 49,679	\$ 120,802	\$ -	\$ 13,981	\$ 30,516	\$ 214,979
Accounts payable	98,978	89,437		6,530	30,900	225,845
Accrued payroll	16,425	52,624		546	10,730	80,325
Total Liabilities	165,082	262,863		21,057	72,147	521,149
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue-property tax	35,030	51,681		11,301	22,649	120,660
Unavailable revenue-special assessment			33,337			33,337
Total deferred inflows of resources	35,030	51,681	33,337	11,301	22,649	153,997
FUND BALANCES:						
Committed for:						
Budgeted use of funds in FY19	200,000	300,000	36,280	185,000	379,516	1,100,796
Assigned for:						
General Government			296,780		633,183	929,963
Public Safety		2,737,701			27,943	2,765,644
Agricultural					112,023	112,023
Health and Welfare				871,942	366,141	1,238,083
Education					271,401	271,401
Culture and Recreation					47,306	47,306
Unassigned	1,597,332					1,597,332
Total Fund Balances	1,797,332	3,037,701	333,060	1,056,942	1,837,514	8,062,548
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,997,444	\$ 3,352,245	\$ 366,397	\$ 1,089,300	\$ 1,932,309	
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						1,720,422
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:						
Property taxes and special assessments						153,997
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds						
Other Post Employment Benefit Liability						(195,439)
Net Pension Liability						(1,822,041)
Accrued Compensated Absences						(185,516)
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						323,413
Deferred outflows of 2018 employer contributions related to pensions						117,804
Deferred inflows of resources related to pensions						(340,048)
Net Position of Governmental Activities						\$ 7,835,140

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, 2018

	Major				Non-Major	Total Governmental Funds
	General Fund	Justice Fund	Sanitary Landfill Fund	Indigent Fund	Other Government Funds	
Revenues:						
Taxes	\$ 1,657,718	\$ 2,340,060	\$	\$ 551,574	\$ 1,002,195	\$ 5,551,548
Intergovernmental	107,165	2,021,283		175,952	483,885	2,788,285
Charges for Services		1,033,113			127,710	1,160,823
Special Assessments			733,729			733,729
Other	965,701	281,109		114,410	385,951	1,747,171
Total Revenues	2,730,583	5,675,565	733,729	841,937	1,999,741	11,981,556
Expenditures:						
General Government	2,503,544		631,534		866,021	4,001,099
Public Safety		5,296,370			262,660	5,559,030
Agricultural					76,635	76,635
Health and Welfare				643,205	274,663	917,868
Education					259,900	259,900
Culture Recreation					28,743	28,743
Total Expenditures	2,503,544	5,296,370	631,534	643,205	1,768,622	10,843,275
Excess (Deficiency) of Revenues over Expenditures	227,040	379,194	102,197	198,733	231,120	1,138,282
Other Financing Sources (Uses):						
Transfers In	79					79
Transfers Out					79	79
Net Change in Fund Balances	227,119	379,194	102,197	198,733	231,040	1,138,282
Fund Balances, beginning	1,570,212	2,658,507	230,864	858,209	1,606,473	6,924,264
Fund Balances, ending	\$ 1,797,331	\$ 3,037,701	\$ 333,061	\$ 1,056,942	\$ 1,837,513	\$ 8,062,547

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, 2018

Net Change in Fund Balances - Governmental Funds		\$	1,138,282
<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		\$	64,625
Depreciation expense			<u>(189,560)</u>
			(124,935)
<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>			
			43,317
<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			34
<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			(21,326)
<p>Other Post Employment Benefits (OPEB) are not recorded in the fund balance but are included the government-wide change in net position due to governmental activities.</p>			
			(15,631)
<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 a reported as pension expense.</p>			
			<u>52,864</u>
Change in Net Position - Governmental Activities		\$	<u>1,072,604</u>

Minidoka County
Rupert, Idaho

Statement of Fiduciary Net Position
September 30, 2018

	Claims Administration Trust Fund	Agency Funds
	<u> </u>	<u> </u>
ASSETS:		
Cash and cash equivalents	\$ 150,462	\$ 471,348
Investments		
Taxes receivable		223,449
Interest receivable		
Intergovernmental receivables		
Assessment receivable		22,740
Capital assets:		
Nondepreciable		
Depreciable, Net		
 TOTAL ASSETS	 <u>\$ 150,462</u>	 <u>\$ 717,537</u>
 LIABILITIES, EQUITY AND OTHER CREDITS		
LIABILITIES:		
Warrants payable	\$ -	\$ 21,445
Account payable	32,009	61,922
Due to other Governments		634,170
Noncurrent liabilities		
Total liabilities	<u>32,009</u>	<u>717,537</u>
 NET POSITION		
Restricted	<u>118,452</u>	<u> </u>
Total net position	<u>\$ 118,452</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, 2018

	Claims Administration Trust Fund
Additions:	
Employee contributions	\$ 186,918
Employer contributions	945,651
Other additions	15,532
	<hr/>
Total Revenues	1,148,101
	<hr/>
Deductions:	
Insurance premiums	1,099,081
Insurance buy down	105,977
Employee refund/misc.	457
	<hr/>
Total Deductions	1,205,515
	<hr/>
Change in Net Position	(57,414)
	<hr/>
Net Position, beginning	175,866
	<hr/>
Net Position, ending	\$ 118,452
	<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, 2018

Revenues:		
Employee contributions	\$	186,918
Employer contributions		945,651
Other revenues		15,532
		<hr/>
Total Revenues		1,148,101
		<hr/>
Expenses:		
Insurance premiums		1,099,081
Insurance buy down		105,977
Employee refund/misc.		457
		<hr/>
Total Expenses		1,205,515
		<hr/>
Excess (Deficiency) of Revenues over Expenses		(57,414)
		<hr/>
Other Financing Sources (Uses):		
Transfers In		
Transfers Out		
		<hr/>
Total other financing sources (uses)		
		<hr/>
Excess (Deficiency) of Revenues Over Expenses After Other Financing Sources (Uses)		(57,414)
		<hr/>
Fund Balances, October 1		175,866
		<hr/>
Fund Balances, September 30	\$	118,452
		<hr/> <hr/>

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, 2018

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

Minidoka County is governed by a three-member Board of County Commissioners (BOCC) elected by the voters of Minidoka County. The BOCC serves as the taxing authority, the contracting body, and the chief administrators of public services for the County. Other elected officials are the Assessor, Clerk, Coroner, Prosecuting Attorney, Sherriff and Treasurer. In evaluating the County as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the County may be financially accountable and, as such, should be included in the County's financial statements. The County (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific burdens on the County. Organizations for which the County is not financially accountable are also included when doing so is necessary in order to prevent the County's financial statements from being misleading. The County has one discretely presented component unit and no blended component units.

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

Discretely Presented Component Unit

Minidoka County Fair Board

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

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

B. Basis of Presentation, Basis of Accounting

Government-Wide Financial Statements

The County uses government-wide financial statements to report its financial position and the results of operations. The County's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities. The County has no Business Type Activities. Fiduciary activities of the County are not included in these statements.

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

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

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Fund Financial Statements

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

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

Fiduciary Fund Financial Statements

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

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

The County reports the following major governmental funds:

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

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

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

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

The County reports the following fiduciary fund types:

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

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

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

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deposits and Investments

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

Investments are monies deposited with a original maturity date of 3 months or more. The monies invested in debt securities or certificates of deposits are stated at cost and fair value is disclosed in the notes. The County invests in the Idaho Local Government Investment Pool (LGIP) which consists of highly liquid, short-term investments with the availability to withdraw funds up to \$10 million overnight. LGIP funds are valued at cost plus accrued interest.

Interest income is recorded in the general fund of the County unless otherwise specified by law or Commission agreement.

Receivables

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

Property Tax Calendar

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

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

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

Due To and Due From Other Funds

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

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, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. On the government-wide level financial statements, 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.

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 nonspendable, restricted (committed, assigned or unassigned). When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the County's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications-committed and then assigned fund balances before using unassigned 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.

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.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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, 2018, the carrying amount of the County's deposits was \$8,694,316 (not including petty cash of \$3,965) and the bank balance was \$8,758,481. The difference in the amounts was attributable to transactions in transit not yet recorded at the bank.

	<u>Amount</u>
Petty Cash	\$ 3,965
Cash held by bank	5,433,284
Balance Sheet Cash Balance	<u>5,437,249</u>
Held for Fiduciary, Agency & Taxing District	621,810
Investments	<u>2,639,222</u>
Total Government's Cash and Investment Balance	<u>\$ 8,698,281</u>

Legal Provisions Governing Cash Deposits with Financial Institutions

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

Custodial Credit Risk-Deposits

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

As of September 30, 2018 the County's cash bank balance of \$8,694,316 of which \$1,939,247 subject to custodial credit risk.

Deposits insured by FDIC or NCUSIF	\$ 1,498,990
Deposits collateralized by a Letter of Credit	3,011,721
Deposits in by Repurchase Agreement	2,244,358
Uninsured & Uncollateralized Investments	<u>1,939,247</u>
Bank Value of Deposits	<u>\$ 8,694,316</u>

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

2. CASH AND INVESTMENTS (continued)

Investments

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

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

Investment Type	Investment Maturities			Cost	Rating
	Fair Value	Less than 1 year	1 Year to 10 Years		
Certificates of Deposit	\$ 693,905	\$ 100,000	\$ 593,905	\$ 700,000	Federally Insured
Federal Farm Cr. Bonds	286,584		286,584	299,619	AAA & AA+
Federal Farm Cr. Bonds Construction	218,904	218,904		218,524	AAA & AA+
Federal Home Loan Bonds	198,023		198,023	200,000	AAA & AA+
Federal Home Loan BKS Bonds	98,500		98,500	100,000	AAA & AA+
Federal National Mortgage Bonds	194,953		194,953	197,918	AAA & AA+
Idaho Investment Pool	923,161	923,161		923,161	Unrated
	<u>\$ 2,614,030</u>	<u>\$ 1,242,065</u>	<u>\$ 1,371,965</u>	<u>\$ 2,639,222</u>	

Custodial Credit Risk-Investments

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

Investment Pool

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

Interest Rate Risk

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

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

2. CASH AND INVESTMENTS - (continued)

Concentration of Credit Risk

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

Investment Type	Fair Value	Percent of Portfolio Investment
Certificates of Deposit	\$ 693,905	27%
Federal Farm Cr. Bonds	505,488	19%
Federal Home Loan Bonds	198,023	8%
Federal Home Loan BKS	98,500	4%
Federal National Mortgage	194,953	7%
Idaho Investment Pool	923,161	35%
	\$ 2,614,030	100%

Fair Value Measurement

Fair value is determined based on the valuation inputs used to measure an asset's fair value and classified into 3 categories: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable valuation measures; Level 3 inputs are significant unobservable inputs. Minidoka County's investments' fair value measurements are as follows at September 30, 2018:

Investments	Fair Value Measurements Using				Valuation Method
	Fair Value at 9/30/2018	Level 1	Level 2	Level 3	
Certificates of Deposit	443,905	443,905			Market Rate
Certificates of Deposit	250,000		250,000		Cost
Debt Securities	996,964	996,964			Market Rate
Idaho Investment Pool	923,161		923,161		Cost + Interest
Total	2,614,030	1,440,869	1,173,161		

3. TAXES RECEIVABLE

Property taxes levied for fiscal year 2017 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 Distraint 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 Distraint 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 2017 levy was based on was \$1,260,033,662.

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.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

4. INTERGOVERNMENTAL RECEIVABLES

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

State of Idaho		
Liquor Apportionment	\$	11,640
Sales Tax Base		130,406
Sales Tax Excess		68,087
Sales Tax-Revenue Sharing		201,043
Ag Exempt Property Tax Replacement Revenue		64,697
Total due from the State of Idaho	<u>\$</u>	<u>475,873</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 Position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

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

A summary of changes in capital assets is as follows:

	Balance 9/30/17	Increases	Decreases	Balance 9/30/18
Capital assets nondepreciable				
Land	\$ 116,531			\$ 116,531
Total nondepreciable assets	116,531			116,531
Capital assets being depreciated:				
Buildings	5,931,670			5,931,670
Other improvements	530,024			530,024
Equipment	622,588			622,588
Vehicles	996,504	124,125	99,794	1,020,835
Total depreciable capital assets	8,080,786	124,125	99,794	8,105,117
Less accumulated depreciation for:				
Buildings	4,726,876	46,021		4,772,897
Other improvements	476,380	9,724		486,104
Equipment	576,986	8,871		585,857
Vehicles	615,036	124,942	83,611	656,367
Total accumulated depreciation	6,395,278	\$ 189,559	\$ 83,611	6,501,226
Total capital assets being depreciated, net	1,685,508			1,603,891
Governmental activity capital assets, net	\$ 1,802,039			\$ 1,720,422

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

General government	\$ 54,119
Agriculture	-
Public safety	130,510
Culture & recreational	4,930
Total depreciation expense	\$ 189,559

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

6. LONG-TERM DEBT

During the year ended September 30, 2018, the following changes occurred in liabilities reported in long-term debt:

	Restated Balance 10/1/2017	Additions	Reductions	Balance 9/30/2018	Due Within One Year
Net Pension Liability	\$ 1,822,042			1,822,042	\$
Other Post-Employment Benefit Obligations	179,807	22,032	6,401	195,438	
Compensated Absences	164,190	393,689	372,363	185,516	185,516
Totals	<u>\$ 2,166,039</u>	<u>415,721</u>	<u>378,764</u>	<u>2,202,996</u>	<u>\$ 185,516</u>

The amount of long-term debt that is considered the current portion (due within the next fiscal year) is \$185,516. 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.

7. DEFINED BENEFIT PENSION PLAN

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2018 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 \$454,732 for the year ended September 30, 2018.

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

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, 2018, Minidoka County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Minidoka County's proportion of the net pension liability was based on the Minidoka County's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2018, the Minidoka County proportion was .001211910 percent.

For the year ended September 30, the Minidoka County recognized pension expense (revenue) of \$73,988. At June 30, 2018 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	\$ 200,008	\$ 137,608
Changes in assumptions or other inputs	118,560	
Net difference between projected and actual earnings on pension plan investments		202,439
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions		
Employer contributions subsequent to the measurement date	122,648	
Total	\$ 441,216	\$ 340,047

The \$122,648 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, 2018.

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, 2017 the beginning of the measurement period ended June 30, 2018 is 4.9 years and 5.5 for the measurement period June 30, 2018.

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, 2018:	
2018	(105,554)
2019	182,417
2020	51,760
2021	(114,995)

Actuarial Assumptions

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

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

7. DEFINED BENEFIT PENSION PLAN (continued)

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

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

An experience study was performed for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The Total Pension Liability as of June 30, 2018 is based on the results of an actuarial valuation date of July 1, 2018.

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2017.

Capital Market Assumptions

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

* Expected arithmetic return net of fees and expenses

Actuarial Assumptions

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

Minidoka County
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NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

7. DEFINED BENEFIT PENSION PLAN (continued)

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)	\$ 4,560,983	\$ 1,822,042	\$ (445,914)

Pension plan fiduciary net position

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

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

Payables to the pension plan

At September 30, 2018, Minidoka County reported no payables to the defined benefit pension plan of for legally required employer contributions and nothing for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

8. CONTINGENT LIABILITIES

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

9. LANDFILL

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

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

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

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

9. LANDFILL (continued)

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, 2018, 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.

10. RISK MANAGEMENT/INSURANCE COVERAGE

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

The County's insurance coverage is as follows:

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

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

11. DEFERRED COMPENSATION PLAN

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

12. FUND EQUITY

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

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

12. FUND EQUITY (continued)

Committed- The amount of current fund balance that has been re-budgeted as a funding source for the County's FY2019 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.

13. INTERFUND TRANSFERS

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

Fund	Transfers In	Transfers Out
General	\$ 79	
Judgement HB470 Fund		\$ 79

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

14. POST RETIREMENT BENEFITS

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

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

Minidoka County's total OPEB liability of \$195,438 was measured as of September 30, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the September 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5 percent
Salary increases	3.0 percent
Healthcare cost trend rate	6.50% decreasing to 5.00% over 6 years
Discount rate	3.5 percent

This discount rate is equal to the 20-Year Municipal Bond Yield.

Mortality rates were based on the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel).

Minidoka County
Rupert, Idaho

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2018

14. POST RETIREMENT BENEFITS (continued)

The actuarial assumptions used in the September 30, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2016 - October 31, 2018.

Changes in the Total OPEB Liability	Total OPEB Liability
Balance at 10/1/17	<u>\$ 179,801</u>
Changes for the year:	
Service Cost	15,314
Interest	6,718
Changes of benefit terms	
Differences between expected and actual experience	
Change sin assumptions or other inputs	
Benefit Payments	<u>(6,401)</u>
Net Changes	<u>15,631</u>
Balance at 9/30/18	<u>\$ 195,432</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of Minidoka County as of September 30, 2018, as well as what Minidoka County's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5 percent) or 1-percentage-point higher (4.5 percent) than the current discount rate:

	1% Decrease (2.5%)	Discount Rate (3.5%)	1% Increase (4.5%)
Total OPEB liability	<u>213,487</u>	<u>195,438</u>	<u>178,886</u>

Sensitivity of the total OPEB liability to changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of Minidoka County as of September 30, 2018, as well as what Minidoka County's OPEB liability would be if it were calculated using a healthcare cost trend rates 1-percentage-point lower (5.50% decreasing to 4.00% over 6 years) or 1-percentage-point higher (7.50% decreasing to 6.00% over 6 years) than the current healthcare trend rate:

	1% Decrease (5.50% decreasing to 4.00%)	Current Healthcare Cost Trend Rates (6.5%decreas ing to 5.00%)	1% Increase (7.50% decreasing to 6.00%)
Total OPEB liability	<u>172,315</u>	<u>195,438</u>	<u>223,353</u>

15. PRIOR PERIOD ADJUSTMENT

The County implemented GASB 75 as of 10/1/17. To implement GASB 75 the previous OPEB liability, of \$90,419 was removed decreasing liabilities by \$90,419 and increasing net position by \$90,419. The next implementation step was to record the GASB 75 liability of \$179,807 increasing liabilities and decreasing net position by the \$179,807.

16. SUBSEQUENT EVENTS

For these financial statements, the County evaluated subsequent events through March 4, 2019, the date which the financial statements were issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Minidoka, County
Rupert, Idaho
Major Government Funds
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2018

GENERAL FUND				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 1,629,459	\$ 1,629,459	\$ 1,657,718	\$ 28,259
Other	875,581	875,581	1,072,866	197,285
TOTAL REVENUES	2,505,040	2,505,040	2,730,583	225,543
EXPENDITURES:				
Salaries	859,815	878,508	846,627	31,881
Other	1,913,595	1,913,595	1,656,917	256,678
TOTAL EXPENDITURES	2,773,410	2,792,103	2,503,544	288,559
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(268,370)	(287,063)	227,040	514,103
OTHER FINANCING SOURCES (USES):				
Transfers in			79	79
Transfers out				
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(268,370)	(287,063)	227,119	514,182
FUND BALANCE - beginning	1,570,212	1,570,212	1,570,212	
FUND BALANCE - ending	\$ 1,301,842	\$ 1,283,149	\$ 1,797,332	\$ 514,183

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, 2018

JUSTICE FUND				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 2,296,779	\$ 2,296,779	\$ 2,340,060	\$ 43,281
Other	3,116,080	3,119,616	3,335,504	215,888
	<hr/>			
TOTAL REVENUES	5,412,859	5,416,395	5,675,565	259,170
	<hr/>			
EXPENDITURES:				
Salaries	2,884,013	2,864,013	2,712,304	151,709
Other	2,906,595	2,930,131	2,584,067	346,064
	<hr/>			
TOTAL EXPENDITURES	5,790,608	5,794,144	5,296,370	497,774
	<hr/>			
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(377,749)	(377,749)	379,195	756,943
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out				
	<hr/>			
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(377,749)	(377,749)	379,195	756,943
FUND BALANCE - beginning	2,658,507	2,658,507	2,658,507	-
	<hr/>			
FUND BALANCE - ending	\$ 2,280,758	\$ 2,280,758	\$ 3,037,702	\$ 756,943
	<hr/>			

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, 2018

SANITARY LANDFILL FUND				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ -	\$ -	\$ -	-
Other	769,194	769,194	733,729	(35,465)
TOTAL REVENUES	769,194	769,194	733,729	(35,465)
EXPENDITURES:				
Salaries				
Other	769,194	769,194	631,534	137,660
TOTAL EXPENDITURES	769,194	769,194	631,534	137,660
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES			102,197	102,196
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out				
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)			102,197	102,196
FUND BALANCE - beginning	230,864	230,864	230,864	-
FUND BALANCE - ending	\$ 230,864	\$ 230,864	\$ 333,061	\$ 102,196

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, 2018

	INDIGENT			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 543,230	\$ 543,230	\$ 551,574	\$ 8,344
Other	168,320	168,320	290,363	122,043
	<hr/>			
TOTAL REVENUES	711,550	711,550	841,937	130,387
	<hr/>			
EXPENDITURES:				
Salaries	39,000	39,000	30,056	8,944
Other	863,250	863,250	613,148	250,102
	<hr/>			
TOTAL EXPENDITURES	902,250	902,250	643,205	259,045
	<hr/>			
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	(190,700)	(190,700)	198,732	389,432
	<hr/>			
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out			-	
	<hr/>			
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	(190,700)	(190,700)	198,732	389,432
	<hr/>			
FUND BALANCE - beginning	858,209	858,209	858,209	-
	<hr/>			
FUND BALANCE - ending	\$ 667,509	\$ 667,509	\$ 1,056,941	\$ 389,432
	<hr/> <hr/>			

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, 2018
PERSI-Base Plan
Last 10 - Fiscal Years*

	2018	2017	2016	2015
Employer's portion of the net pension liability	0.1235268%	0.1211910%	0.1203773%	0.1240710%
Employer's proportionate share of the net pension liability	\$ 1,822,042	\$ 1,904,914	\$ 1,585,173	\$ 1,633,813
Employer's covered-employee payroll	\$ 3,800,363	\$ 3,799,070	\$ 3,655,363	\$ 3,190,676
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	47.94%	50.14%	43.37%	51.21%
Plan fiduciary net position as a percentage of the total pension liability	91.69%	90.68%	87.26%	91.38%

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

Data reported is measured as of June 30, 2018 (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, 2018
PERSI - Base Plan
Last 10 - Fiscal Years*

	2018	2017	2016	2015
Statutorily required contribution	\$ 454,732	\$ 435,239	\$ 417,850	\$ 392,910
Contributions in relation to the statutorily required contribution	\$ 454,732	\$ 435,239	\$ 417,850	\$ 392,910
Contributions (deficiency) excess				
Employer's covered- employee payroll	\$ 3,800,363	\$ 3,799,070	\$ 3,655,363	\$ 3,190,677
Contributions as a percentage of the covered-employee payroll	11.97%	11.46%	11.43%	12.31%

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

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

Minidoka County
Rupert, Idaho

Schedule of changes in total OPEB liability by source
For the Year Ended September 30, 2018
Last 10 - Fiscal Years*

	2018
Balance at 10/1/17	\$ 179,807
Changes for the year:	
Service cost	15,314
Interest	6,718
Changes in benefit terms	-
Difference between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	(6,401)
Net changes	15,631
Balance at 10/31/18	\$ 195,438

Schedule of total OPEB liability as a percentage of covered employee payroll
For the Year Ended September 30, 2018
Last 10 - Fiscal Years*

Covered employee payroll	\$ 4,062,254
Total OPEB liability as % of payroll	5%

*GASB Statement No. 75 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, 2018

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)	\$	2,792,103
Special Revenue:		
District Court		502,400
Preventive Health		111,000
E911 System		835,790
Junior College		300,000
Parks & Recreation		96,250
Pest Control		2,000
Indigent		902,250
Revaluation		420,110
Sanitary Landfill		769,194
Noxious Weed		119,290
Justice		5,794,144
CID		12,000
Waterways		128,500
Election Consolidation		176,640
Judgement HB 470		-
Hospital		164,000
Total	\$	13,125,671

Minidoka County

Rupert, Idaho

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended September 30, 2018

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, 2018

	District Court Fund	Court Interlock Device	E-911 Fund	Health District Fund	Election Consolidation Fund
ASSETS:					
Cash	\$ 391,918	\$ 27,496	\$ 355,221	\$ 31,156	\$ 136,389
Investments					
Taxes receivable	6,211			2,735	
Intergovernmental receivables	2,295			2,175	
Special assessment receivable					
TOTAL ASSETS	\$ 400,423	\$ 27,496	\$ 355,221	\$ 36,066	\$ 136,389
LIABILITIES:					
Warrants payable	\$ 7,928	\$ -	\$ 3,910	\$ -	\$ 1,467
Account payable	23,913		2,655		228
Accrued payroll	3,497		1,204		555
Total Liabilities	35,338		7,769		2,251
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-property tax	5,099			2,252	
Total deferred inflows of resources	5,099			2,252	
FUND BALANCES:					
Committed for:					
Budgeted use of funds in FY19	80,000	10,000	39,640		82,048
Assigned for:					
General Government	279,987				52,091
Public Safety		17,496			
Agricultural Health and Welfare			307,812	33,814	
Education Culture and Recreation					
Unassigned					
Total Fund Balances	359,987	27,496	347,452	33,814	134,139
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 400,423	\$ 27,496	\$ 355,221	\$ 36,066	\$ 136,389

Minidoka County
Rupert, Idaho

COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2018

	Debt Service Fund	Junior College Fund	Parks & Recreation Fund	Pest Control Fund	Revaluation Fund
ASSETS:					
Cash	\$ -	\$ 339,864	\$ 54,114	\$ 1,901	\$ 324,870
Investments					
Taxes receivable		2,947	1,051	57	10,338
Intergovernmental receivables		21,005	725		3,988
Special assessment receivable					
TOTAL ASSETS	\$ -	\$ 363,816	\$ 55,890	\$ 1,958	\$ 339,196
LIABILITIES:					
Warrants payable	\$ -	\$ -	\$ 2,800	\$ -	\$ 10,107
Account payable			411		2,421
Accrued payroll					4,525
Total Liabilities			3,211		17,053
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-property tax		2,415	873	49	8,510
Total deferred inflows of resources		2,415	873	49	8,510
FUND BALANCES:					
Committed for:					
Budgeted use of funds in FY19		90,000	4,500		12,528
Assigned for:					
General Government					301,105
Public Safety					
Agricultural Health and Welfare				1,909	
Education		271,401			
Culture and Recreation			47,306		
Unassigned					
Total Fund Balances		361,401	51,806	1,909	313,633
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ -	\$ 363,816	\$ 55,890	\$ 1,958	\$ 339,196

Minidoka County
Rupert, Idaho

COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2018

	Noxious Weeds Fund	Waterways Fund	Judgement Hb470 Fund	Hospital Fund	Court Facility Fund	Nonmajor Governmental Funds
ASSETS:						
Cash	\$ 148,041	\$ 24,027	\$ -	\$ 10,001	\$ 13,987	\$ 1,858,987
Investments						-
Taxes receivable	1,379			2,816		27,534
Intergovernmental receivables	1,274			14,015		45,476
Special assessment receivable	311					311
TOTAL ASSETS	\$ 151,005	\$ 24,027	\$ -	\$ 26,832	\$ 13,987	\$ 1,932,309
LIABILITIES:						
Warrants payable	\$ 4,304	\$ -	\$ -	\$ -	\$ -	\$ 30,516
Account payable	622	650				30,900
Accrued payroll	832	117				10,730
Total Liabilities	5,758	767				72,147
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue-property tax	1,134			2,318		22,649
Total deferred inflows of resources	1,134		-	2,318		22,649
FUND BALANCES:						
Committed for:						
Budgeted use of funds in FY19	34,000	26,800				379,516
Assigned for:						
General Government			-			633,183
Public Safety		(3,541)			13,987	27,943
Agricultural	110,114					112,023
Health and Welfare				24,514		366,141
Education						271,401
Culture and Recreation						47,306
Unassigned						
Total Fund Balances	144,114	23,259	-	24,514	13,987	1,837,514
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 151,005	\$ 24,027	-	\$ 26,832	\$ 13,987	\$ 1,932,309

Minidoka County
Rupert, Idaho
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the year ended September 30, 2018

	Court Interlock Device	District Court Fund	E911 Fund	Health District Fund	Election Consolidation Fund
Revenues:					
Taxes	\$ -	\$ 234,696	\$ -	\$ 102,525	\$ -
Intergovernmental		81,232			79,268
Charges for Services	1,924	120,262			
Special Assessments					
Other		18,393	298,266	9,948	
Total Revenues	1,924	454,583	298,266	112,473	79,268
Expenditures:					
General Government		421,245			120,851
Public Safety			211,740		
Agricultural					
Health and Welfare				110,663	
Education					
Culture Recreation					
Total Expenditures		421,245	211,740	110,663	120,851
Excess (Deficiency) of Revenues over Expenditures	1,924	33,339	86,526	1,810	(41,583)
Other Financing Sources (Uses):					
Transfers In					
Transfers Out					
Net Change in Fund Balances	1,924	33,339	86,526	1,810	(41,583)
Fund Balances, beginning	25,573	326,647	260,926	32,005	175,722
Fund Balances, ending	\$ 27,496	\$ 359,985	\$ 347,452	\$ 33,814	\$ 134,139

Minidoka County
Rupert, Idaho
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the year ended September 30, 2018

	Junior College Fund	Parks & Recreation Fund	Pest Control Fund	Revaluation Fund	Noxious Weeds Fund
Revenues:					
Taxes	\$ 73,178	\$ 38,442	\$ 2,007	\$ 388,822	\$ 49,076
Intergovernmental	152,666			21,860	29,268
Charges for Services					594
Special Assessments					
Other	41,348	3,525	19		6,001
Total Revenues	267,192	41,967	2,026	410,682	84,939
Expenditures:					
General Government				323,926	
Public Safety					
Agricultural			2,000		74,635
Health and Welfare					
Education	259,900				
Culture Recreation		28,743			
Total Expenditures	259,900	28,743	2,000	323,926	74,635
Excess (Deficiency) of Revenues over Expenditures	7,292	13,224	26	86,756	10,304
Other Financing Sources (Uses):					
Transfers In					
Transfers Out					
Net Change in Fund Balances	7,292	13,224	26	86,756	10,304
Fund Balances, beginning	354,109	38,582	1,883	226,877	133,810
Fund Balances, ending	\$ 361,401	\$ 51,806	\$ 1,909	\$ 313,633	\$ 144,114

Minidoka County
Rupert, Idaho
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the year ended September 30, 2018

	Waterways Fund	Debt Service Fund	Judgement Hb470 Fund	Hospital Fund	Court Facility Fund	Total Nonmajor Governmental Funds
Revenues:						
Taxes	\$ -	\$ -	\$ 66	\$ 113,383	\$ -	\$ 1,002,195
Intergovernmental	62,154			57,437		483,885
Charges for Services				4,931		127,710
Special Assessments						
Other					8,451	385,951
Total Revenues	62,154		66	175,752	8,451	1,999,742
Expenditures:						
General Government						866,021
Public Safety	50,921					262,660
Agricultural						76,635
Health and Welfare				164,000		274,663
Education						259,900
Culture Recreation						28,743
Total Expenditures	50,921			164,000		1,768,622
Excess (Deficiency) of Revenues over Expenditures	11,233		66	11,752	8,451	231,118
Other Financing Sources (Uses):						
Transfers In						
Transfers Out			79			79
Net Change in Fund Balances	11,233		(13)	11,752	8,451	231,038
Fund Balances, beginning	12,027		13	12,763	5,537	1,606,473
Fund Balances, ending	\$ 23,259	\$ -	\$ -	\$ 24,514	\$ 13,987	\$ 1,837,513

Minidoka County
Rupert, Idaho

Combining Balance Sheet
Agency Funds
September 30, 2018

	Assessor Trust Fund	Trial Court Administrative Trust	Tax Anticipation Trust Fund	Court Trust Fund	Sales Tax Trust Fund
ASSETS:					
Cash	\$ 51,679	\$ 9,155	\$ 55,262	\$ 53,968	\$ 82
Investments					
Taxes receivable					
Intergovernmental receivables					
Special assessment receivable					
TOTAL ASSETS	\$ 51,679	\$ 9,155	\$ 55,262	\$ 53,968	\$ 82
LIABILITIES:					
Warrants payable				14,687	
Account payable	51,679				
Intergovernmental payable		9,155	55,262	39,281	82
TOTAL LIABILITIES	\$ 51,679	\$ 9,155	\$ 55,262	\$ 53,968	\$ 82

Minidoka County
Rupert, Idaho

Combining Balance Sheet
Agency Funds
September 30, 2018

	Sheriff's Civil Trust Fund	Sheriff Youth Plates	Unclaimed Property Fund	State Fund	Sheriff Forfeiture Fund	Extension Educator Fund	Emergency Management Trust	Drug Restitution Prosecutor
ASSETS:								
Cash	\$ 7,710	\$ 555	\$ -	\$ 158,778	\$ 14,245	\$ 18,359	\$ 16,631	\$ 7,706
Investments								
Taxes receivable								
Intergovernmental receivables								
Special assessment receivable								
TOTAL ASSETS	\$ 7,710	\$ 555	\$ -	\$ 158,778	\$ 14,245	\$ 18,359	\$ 16,631	\$ 7,706
LIABILITIES:								
Warrants payable	5,410				1,037	311		
Account payable	2,181					666		
Intergovernmental payable	119	555		158,778	13,209	17,381	16,631	7,706
TOTAL LIABILITIES	\$ 7,710	\$ 555	\$ -	\$ 158,778	\$ 14,245	\$ 18,359	\$ 16,631	\$ 7,706

Minidoka County
Rupert, Idaho

Combining Balance Sheet
Agency Funds
September 30, 2018

	K-9 Training Fund	Prosecuting Attorney Forfeiture Fund	Catastrophic Insurance Trust Fund	Distribution Trust Fund	Taxing Districts	Total Agency Funds
ASSETS:						
Cash	\$ 1,526	\$ 16,793	\$ 9,401	\$ 14,591	\$ 34,907	\$ 471,348
Investments						
Taxes receivable					223,449	223,449
Intergovernmental receivables						
Special assessment receivable					22,740	22,740
TOTAL ASSETS	\$ 1,526	\$ 16,793	\$ 9,401	\$ 14,591	\$ 281,096	\$ 717,537
LIABILITIES:						
Warrants payable						21,445
Account payable			7,396			61,922
Intergovernmental payable	1,526	16,793	2,005	14,591	281,096	634,170
TOTAL LIABILITIES	\$ 1,526	\$ 16,793	\$ 9,401	\$ 14,591	\$ 281,096	\$ 717,537

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2018

	Minidoka Historical Society Fund	Wayside Sewer District Fund	Minidoka County Hospital Fund	West End Fire District Fund	Minidoka Fire District Fund
ASSETS:					
Cash	\$ 87	\$ 4	\$ -	\$ 134	\$ 1,651
Taxes receivable	986	32		5,204	16,459
Intergovernmental receivables					
Interfund receivable					
Assessment receivable					
TOTAL ASSETS	<u>\$ 1,074</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ 5,338</u>	<u>\$ 18,110</u>
LIABILITIES:					
Warrants payable					
Intergovernmental payable	1,074	36		5,338	18,110
TOTAL LIABILITIES	<u>\$ 1,074</u>	<u>\$ 36</u>	<u>\$ -</u>	<u>\$ 5,338</u>	<u>\$ 18,110</u>

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2018

	City of Rupert Fund	City of Heyburn Fund	City of Paul Fund	City of Acequia Fund	City of Burley Fund	City of Minidoka Fund
ASSETS:						
Cash	\$ 6,406	\$ 10,589	\$ 5,702	\$ -	\$ -	\$ -
Taxes receivable	30,517	24,838	6,712		18,778	1,870
Intergovernmental receivables						
Interfund receivable						
Assessment receivable						
TOTAL ASSETS	\$ 36,923	\$ 35,426	\$ 12,415	\$ -	\$ 18,778	\$ 1,870
LIABILITIES:						
Warrants payable						
Intergovernmental payable	36,923	35,426	12,415		18,778	1,870
TOTAL LIABILITIES	\$ 36,923	\$ 35,426	\$ 12,415	\$ -	\$ 18,778	\$ 1,870

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2018

	Minidoka Highway District Fund	Cemetery District No. 1 Fund	Cemetery District No. 2 Fund	Cemetery District No. 3 Fund	Minidoka County Fair Board Fund
ASSETS:					
Cash	\$ 2,712	\$ 285	\$ 58	\$ 182	\$ 280
Taxes receivable	32,802	4,592	1,433	1,190	3,198
Intergovernmental receivables					
Interfund receivable					
Assessment receivable					
TOTAL ASSETS	\$ 35,514	\$ 4,877	\$ 1,491	\$ 1,372	\$ 3,478
LIABILITIES:					
Warrants payable					
Intergovernmental payable	35,514	4,877	1,491	1,372	3,478
TOTAL LIABILITIES	\$ 35,514	\$ 4,877	\$ 1,491	\$ 1,372	\$ 3,478

Minidoka, County
Rupert, Idaho

Special Taxing Districts Combining Balance Sheet
September 30, 2018

	School District #331 Fund	M V Groundwater District Fund	Total Special Taxing Districts
ASSETS:			
Cash	\$ 6,558	\$ 259	\$ 34,907
Taxes receivable	74,838		223,449
Intergovernmental receivables			
Interfund receivable			
Assessment receivable		22,739	22,740
TOTAL ASSETS	<u>\$ 81,396</u>	<u>\$ 22,998</u>	<u>\$ 281,096</u>
LIABILITIES:			
Warrants payable			
Intergovernmental payable	81,396	22,998	281,096
TOTAL LIABILITIES	<u>\$ 81,396</u>	<u>\$ 22,998</u>	<u>\$ 281,096</u>

Minidoka County
Rupert, Idaho

SPECIAL REVENUE FUNDS COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGETED ACTUAL - ALL SPECIAL REVENUE FUNDS
For the year ended September 30, 2018

	<u>District Court Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 230,544	\$ 230,544	\$ 234,696	\$ 4,152
Other	186,856	186,856	219,887	33,031
Total Revenues	417,400	417,400	454,583	37,183
Expenditures				
Salaries	246,500	246,500	219,350	27,150
Other	255,900	255,900	201,894	54,006
Total Expenditures	502,400	502,400	421,245	81,155
Excess (Deficiency) of Revenues over Expenditures	(85,000)	(85,000)	33,339	118,339
Other Financing Sources (Uses): Transfers In Transfers Out				
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(85,000)	(85,000)	33,339	118,339
Fund Balances, beginning	326,647	326,647	326,647	
Fund Balances, ending	\$ 241,647	\$ 241,647	\$ 359,986	\$ 118,339

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, 2018

	<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	2,400	2,400	1,924	(477)	785,000	785,000	298,266	(486,734)
Total Revenues	2,400	2,400	1,924	(477)	785,000	785,000	298,266	(486,734)
Expenditures								
Salaries					76,500	76,500	65,770	10,730
Other	12,000	12,000		12,000	759,290	759,290	145,970	613,320
Total Expenditures	12,000	12,000		12,000	835,790	835,790	211,740	624,050
Excess (Deficiency) of Revenues over Expenditures	(9,600)	(9,600)	1,924	11,524	(50,790)	(50,790)	86,526	137,316
Other Financing Sources (Uses):								
Transfers In								
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(9,600)	(9,600)	1,924	11,524	(50,790)	(50,790)	86,526	137,316
Fund Balances, beginning	25,573	25,573	25,573		260,926	260,926	260,926	
Fund Balances, ending	\$ 15,973	\$ 15,973	\$ 27,496	\$ 11,524	\$ 210,136	\$ 210,136	\$ 347,452	\$ 137,316

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, 2018

	<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	\$ 100,655	\$ 100,655	\$ 102,525	\$ 1,870	\$ -	\$ -	\$ -	\$ -
Other	10,345	10,345	9,948	(397)	78,484	78,484	79,268	784
Total Revenues	111,000	111,000	112,473	1,473	78,484	78,484	79,268	784
Expenditures								
Salaries					33,000	33,000	28,300	4,700
Other	111,000	111,000	110,663	337	143,640	143,640	92,552	51,088
Total Expenditures	111,000	111,000	110,663	337	176,640	176,640	120,851	55,789
Excess (Deficiency) of Revenues over Expenditures			1,810	1,810	(98,156)	(98,156)	(41,583)	56,573
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			1,810	1,810	(98,156)	(98,156)	(41,583)	56,573
Fund Balances, beginning	32,005	32,005	32,005		175,722	175,722	175,722	
Fund Balances, ending	\$ 32,005	\$ 32,005	\$ 33,814	\$ 1,810	\$ 77,566	\$ 77,566	\$ 134,139	\$ 56,573

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, 2018

	<u>Junior College Fund</u>				<u>Parks & Recreation Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 71,375	\$ 71,375	\$ 73,178	\$ 1,803	\$ 37,680	\$ 37,680	\$ 38,442	\$ 762
Other	133,625	133,625	194,014	60,389	53,570	53,570	3,525	(50,045)
Total Revenues	205,000	205,000	267,192	62,192	91,250	91,250	41,967	(49,283)
Expenditures								
Salaries								
Other	300,000	300,000	259,900	40,100	96,250	96,250	28,743	67,507
Total Expenditures	300,000	300,000	259,900	40,100	96,250	96,250	28,743	67,507
Excess (Deficiency) of Revenues over Expenditures	(95,000)	(95,000)	7,292	102,292	(5,000)	(5,000)	13,224	18,224
Other Financing Sources (Uses):								
Transfers In								
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(95,000)	(95,000)	7,292	102,292	(5,000)	(5,000)	13,224	18,224
Fund Balances, beginning	354,109	354,109	354,109		38,582	38,582	38,582	
Fund Balances, ending	\$ 259,109	\$ 259,109	\$ 361,401	\$ 102,292	\$ 33,582	\$ 33,582	\$ 51,807	\$ 18,224

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, 2018

	<u>Pest Control Fund</u>				<u>Revaluation Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 1,972	\$ 1,972	\$ 2,007	\$ 35	\$ 381,798	\$ 381,798	\$ 388,822	\$ 7,024
Other	28	28	19	(9)	23,312	23,312	21,860	(1,452)
Total Revenues	2,000	2,000	2,026	26	405,110	405,110	410,682	5,572
Expenditures								
Salaries					227,500	227,500	184,907	42,593
Other	2,000	2,000	2,000		192,610	192,610	139,018	53,592
Total Expenditures	2,000	2,000	2,000		420,110	420,110	323,926	96,184
Excess (Deficiency) of Revenues over Expenditures			26	26	(15,000)	(15,000)	86,756	101,756
Other Financing Sources (Uses):								
Transfers In								
Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			26	26	(15,000)	(15,000)	86,756	101,756
Fund Balances, beginning	1,883	1,883	1,883		226,877	226,877	226,877	
Fund Balances, ending	\$ 1,883	\$ 1,883	\$ 1,909	\$ 26	\$ 211,877	\$ 211,877	\$ 313,634	\$ 101,756

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, 2018

	<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	\$ 48,079	\$ 48,079	\$ 49,076	\$ 997	\$ -	\$ -		\$ -
Other	36,211	36,211	35,863	(348)	85,000	85,000	62,154	(22,846)
Total Revenues	84,290	84,290	84,939	649	85,000	85,000	62,154	(22,846)
Expenditures								
Salaries	63,250	63,250	44,625	18,625	31,000	31,000	7,060	23,940
Other	56,040	56,040	30,010	26,030	97,500	97,500	43,861	53,639
Total Expenditures	119,290	119,290	74,635	44,655	128,500	128,500	50,921	77,579
Excess (Deficiency) of Revenues over Expenditures	(35,000)	(35,000)	10,304	45,304	(43,500)	(43,500)	11,233	54,733
Other Financing Sources (Uses): Transfers In Transfers Out								
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)	(35,000)	(35,000)	10,304	45,304	(43,500)	(43,500)	11,233	54,733
Fund Balances, beginning	133,810	133,810	133,810		12,027	12,027	12,027	
Fund Balances, ending	\$ 98,810	\$ 98,810	\$ 144,114	\$ 45,304	\$ (31,473)	\$ (31,473)	\$ 23,259	\$ 54,733

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, 2018

	<u>Hospital Fund</u>				<u>Judgement HB470 Fund</u>			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:								
Taxes	\$ 101,689	\$ 101,689	\$ 113,383	\$ 11,694	\$ -	\$ -	\$ 66	\$ 66
Other	62,311	62,311	62,369	58				
Total Revenues	164,000	164,000	175,752	11,752			66	66
Expenditures								
Salaries								
Other	164,000	164,000	164,000					
Total Expenditures	164,000	164,000	164,000					
Excess (Deficiency) of Revenues over Expenditures			11,752	11,752			66	66
Other Financing Sources (Uses):								
Transfers In								
Transfers Out							79	(79)
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			11,752	11,752			(13)	(13)
Fund Balances, beginning	12,763	12,763	12,763		13	13	13	
Fund Balances, ending	\$ 12,763	\$ 12,763	\$ 24,514	\$ 11,752	\$ -	\$ -	\$ -	(13)

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, 2018

	<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	\$ -	\$ -	\$ -	\$ -	\$ 973,792	\$ 973,792	\$ 1,002,195	\$ 28,403
Other			8,451	8,451	1,457,142	1,457,142	997,546	(459,596)
Total Revenues			8,451	8,451	2,430,934	2,430,934	1,999,741	(431,193)
Expenditures								
Salaries					677,750	677,750	550,011	127,739
Other					2,190,230	2,190,230	1,218,612	971,618
Total Expenditures					2,398,840	2,867,980	1,768,623	1,099,357
Excess (Deficiency) of Revenues over Expenditures			8,451	8,451	(295,390)	(295,390)	231,118	526,508
Other Financing Sources (Uses):								
Transfers In								
Transfers Out							79	(79)
Excess (Deficiency) of Revenues Over Expenditures After Other Financing Sources (Uses)			8,451	8,451	(393,546)	(393,546)	231,038	624,584
Fund Balances, beginning	5,537	5,537	5,537		1,417,989	1,417,989	1,606,473	188,485
Fund Balances, ending			\$ 13,987	\$ 8,451	\$ 1,024,443	\$ 1,024,443	\$ 1,837,512	\$ 813,069

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, 2018

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

STATISTICAL SECTION

Minidoka County
Rupert, Idaho
Statement of 2017 Tax Assessment - Minidoka County
September 30, 2018

County Taxes

<u>County Funds</u>	<u>Amount</u>
Current Expense	\$ 1,629,459
Indigent	543,230
Hospital	101,689
District Court	230,544
Pest	1,972
Weed	48,079
Fair Board	136,750
Historical Society	43,024
Jr. College Tuition	71,375
Revaluation	381,798
Justice	2,296,779
Health	100,655
Parks & Recreation	<u>37,680</u>
Total	<u><u>\$ 5,623,034</u></u>

Minidoka County
Rupert, Idaho
Statement of 2017 Tax Rolls
September 30, 2018

Category	Quantity	Abstract Value	Market
1 Irrigated Agriculture Land	190,970	221,968,427	943,635,475
2 Irrigated Pasture Land	1,407	553,170	1,410,585
3 Non-Irrigated Agricultural Land	1,235	114,702	401,458
5 Dry Grazing Land	4,323	145,553	582,212
10 Homesite Value/Rural Invest. Land		15,117,189	19,570,919
11 Recreational	1,033	47,977	47,977
12 Rural Residential Tracts		60,961,839	80,972,877
13 Rural Commercial Tracts		7,239,619	7,239,619
14 Rural Industrial Tracts		5,831,364	5,831,364
15 Rural Subdivision - Residential Lots/Acreages		19,544,764	25,216,199
16 Rural Subdivision - Commercial Lots/Acreages		686,828	686,828
17 Rural Subdivision - Industrial Lots/Acreages		544,045	544,045
18 Other Land		15,916,122	15,920,128
19 Waste			0
20 Residential Lots/Acreages (Inside City)		37,633,595	55,203,626
21 Commercial Lots/Acreages (Inside City)		31,974,691	32,872,166
22 Industrial Lots/Acreages (Inside City)		1,739,540	2,215,562
25 Common Areas			
30 Non-Residential Bldg.		65,820	65,820
31 Rural residential buildings		47,385,092	68,335,159
32 Rural improvements on ag.		7,788,641	7,788,641
34 Building residential tracts		141,177,134	226,517,688
35 Building commercial tracts		23,248,853	23,248,853
36 Building industrial tracts		14,512,852	17,838,347
37 Building residential subdivision		56,250,246	84,825,374
38 Building commercial subdivision		1,818,547	1,818,547
39 Ind imp on 17		596,442	596,442
40 Other rural buildings		30,400,885	30,400,885
41 Residential improvements		188,211,328	301,274,856
42 Commercial improvements		73,412,510	79,948,289
43 Industrial improvements		13,404,470	18,995,108
45 Utility Systems		4,346,153	4,884,335
46 Manufactured Housing		5,848,791	8,229,368
47 Improvements - Manufactured Housing		1,180,106	1,760,363
48 Manufactured Housing with SID		14,931,781	26,352,920
50 Residential improvements/leased land		46,050	92,100
51 Commercial improvements/leased land		27,203,852	27,280,834
Exempt land	7,353		
Total Real Property		<u>1,071,848,978</u>	<u>2,122,604,969</u>
Airplanes/Boats		3,625	3,625
56 Const. Machinery, Tools and Equipment			3,983
59 Furniture & Fixtures		2,020,950	3,922,866
Logging equipment			
68 Other Misc. Machinery, Tools, and Equipment		185,122,506	212,012,648
69 Recreational Vehicles			
70 Reservations & Easements		8,265	8,265
71 Signs & Signboards		519,067	1,165,385
72 Tanks, Cylinders, and Vessels		510,271	1,243,461
Total Personal Property		<u>188,184,684</u>	<u>218,360,233</u>
Total Assessed Market Value		<u>\$1,260,033,662</u>	<u>\$2,340,965,202</u>

SINGLE AUDIT SECTION

Minidoka County
Rupert, Idaho

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ending September 30, 2018

Federal Grantor/Pass Through Grantor Program Title	Federal Federal CFDA Number	Pass-Through Entity Identifying Number	Disbursements/ Expenditures	Total
Department of the Interior:				
Payment in Lieu of Taxes -PILT	15.226	*	\$ 484,472	\$ 484,472
Department of Agriculture:				
Passed through the				
Idaho Department of Education:				
School Breakfast Program	10.553	201818N109947	5,966	
National School Lunch Program	10.555	201818N109947	9,341	
				15,307
Department of Commerce:				
Community Development Block Grant	14.228	* B16DC160001	355,100	355,100
Office of Drug Policy				
			972	972
Department of Transportation:				
Passed through the				
Idaho Department of Transportation:				
	20.616		31,147	31,147
Department of Parks & Recreation:				
Boating Safety Financial Assistance	97.012	14.01.16	7,183	7,183
Department of Homeland Security:				
Passed through the				
Idaho Bureau of Homeland Security:				
Emergency Management Performance Grants	97.042	EMS2017EP0003	23,853	
Diaster Grants Public Assistance	97.036	FEMA-4310-DR-ID	11,798	
Homeland Security Grant Program	97.067	EMW2016SS00028	39,596	
				75,247
				<u>\$ 969,428</u>

*Indicates audited major program

Supplemental information only.

Minidoka County
Rupert, Idaho

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2018

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "schedule") includes the federal award activity of Minidoka County, Idaho under programs of the federal government for the year ended September 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Minidoka County, Idaho, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Minidoka County, Idaho.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting as described in Note I to the County's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. DE MINIMIS INDIRECT COST RATE

Minidoka County, Idaho has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. PASS-THROUGH SUBRECIPIENTS

Minidoka County, Idaho has elected to pass-through \$355,100 of federal funds to the West End Fire Department.



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

To the County Commissioners
Minidoka County, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Minidoka County, Idaho, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Minidoka County, Idaho's basic financial statements and have issued our report thereon dated March 1, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. (2018-1)

Compliance and Other Matters

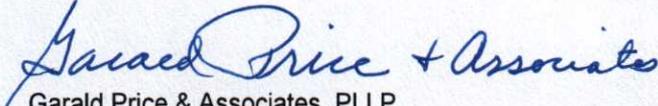
As part of obtaining reasonable assurance about whether the Minidoka County, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Minidoka County's Response to Findings

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

Purpose of this Report

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



Gerald Price + Associates

Gerald Price & Associates, PLLP

Burley, Idaho

March 1, 2019



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Certified Public Accountants

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

To the Board of County Commissioners
Minidoka Count, Idaho

Report on Compliance for Each Major Federal Program

We have audited Minidoka County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Minidoka County's major federal programs for the year ended September 30, 2018. Minidoka County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Minidoka County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Minidoka County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Minidoka County's compliance.

Opinion on Each Major Federal Program

In our opinion, Minidoka County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

Report on Internal Control over Compliance

Management of Minidoka County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Minidoka County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Minidoka County's internal control over compliance.

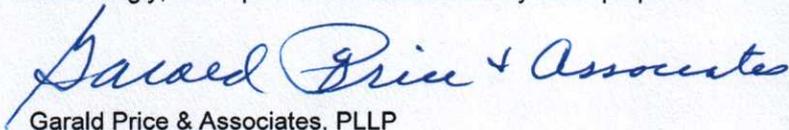
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Minidoka County's response to the internal control over compliance 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 compliance and, accordingly, we express no opinion on the response.

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



Handwritten signature in blue ink: *Gerald Price & Associates*

Garald Price & Associates, PLLP

Burley, Idaho

March 1, 2019

Minidoka County
Rupert, Idaho
SCHEDULE OF FINDINGS AND QUESTIONED COST
For the year ended September 30, 2018

Findings Financial Statement Audit

Finding 2018-1:

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.

Findings and Questioned Costs – Major Federal Award Programs Audit

No findings noted.