ELMORE COUNTY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
SEPTEMBER 30, 2019

ELMORE COUNTY
FINANCIAL STATEMENTS

TABLE OF CONTENTS

MH&CO Mahlke Hunsaker & Company PLLC
Certified Public Accountants

February 28, 2020

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Elmore County
Mountain Home, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Elmore County as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise Elmore County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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.

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Opinions

Basis for Qualified Opinion on Governmental Activities

Management has not performed the actuarial calculations for other post-employment benefits for the governmental activities and, accordingly, has not considered Elmore County's other post-employment benefit liability. Accounting principles generally accepted in the United States of America require a liability be recorded for other post-employment benefits, which would decrease net assets, increase liabilities, and increase expenses in the governmental activities. The amount by which this departure would affect net assets, liabilities, and expenses in the governmental activities is not reasonable determinable.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of Elmore County as of September 30, 2019, and the changes in financial position thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of Elmore County as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in conformity 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 budgetary comparison schedules, schedule of employer's share of net pension liability, and schedule of employer contributions listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 28, 2020, on our consideration of Elmore County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Elmore County's internal control over financial reporting and compliance.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, pllc
Twin Falls, Idaho

Mahlke Hunsaker & Company pllc
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GOVERNMENT-WIDE FINANCIAL STATEMENTS

ELMORE COUNTY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Governmental Activities	Total	Component Unit Ambulance District	Component Unit Pest Abatement District
Assets				
Cash and Investments	$ 21,009,751	$ 21,009,751	$ 348,916	$672,682
Property Taxes Receivable	267,238	267,238	19,222	4,557
Accounts and Other Receivables	33,096	33,096	-	-
Due from Other Governments	638,104	638,104	-	
Capital Assets:				
Construction Work in Process	274,170	274,170	-	-
Land	1,005,441	1,005,441	-	-
Other Capital Assets, Net of Depreciation	11,274,295	11,274,295	444,728	70,907
Total Assets	34,502,095	34,502,095	812,866	748,146
Deferred Outflows of Resources				
Pension Obligation	478,360	478,360	-	-
Total Deferred Outflows of Resources	478,360	478,360	-	-
Total Assets and Deferred Outflows of Resources	$ 34,980,455	$ 34,980,455	$ 812,866	$ 748,146
Liabilities				
Warrants Payable	$ 976,577	$ 976,577	$ -	$ -
Vouchers Payable	92,936	92,936	392,894	-
Tax Receipts Payable	147,782	147,782	-	-
Accrued Interest	4,156	4,156	-	-
Developer Deposits	63,096	63,096	-	-
Compensated Absences	316,648	316,648	-	-
General Obligation Bonds-Due within one year	668,640	668,640	-	-
General Obligation Bonds	-	-	-	-
Net Pension Liability	1,979,435	1,979,435	-	-
Total Liabilities	4,249,270	4,249,270	392,894	-
Deferred Inflows of Resources				
Employer Pension Assumption	986,858	986,858	-	-
Total Deferred Inflows of Resources	986,858	986,858	-	-
Net Position				
Net Investment in Capital Assets	12,553,906	12,553,906	-	-
Unrestricted	17,190,421	17,190,421	419,972	748,146
Total Fund Equity	29,744,327	29,744,327	419,972	748,146
Total Liabilities, Deferred Inflows and Net Position	$ 34,980,455	$ 34,980,455	$ 812,866	$ 748,146

See Accompanying Notes to the Financial Statements.

ELMORE COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Primary Government: Governmental Activities	Primary Government: Total	Component Unit Ambulance District	Component Unit Pest Abatement District
Primary Government:								
Governmental Activities:								
General Government	$ 5,618,130	$ 509,860	$ 133,532	$ -	$ (4,974,738)	$ (4,974,738)		
Public Protection	8,264,251	1,755,284	9,516	-	(6,499,451)	(6,499,451)		
Public Facilities	698,143	28,229	-	-	(669,914)	(669,914)		
Health and Sanitation	1,040,949	86,882	11,188	-	(942,879)	(942,879)		
Public Assistance	2,002,181	271,731	-	-	(1,730,450)	(1,730,450)		
Recreation & Cultural Services	355,396	165,555	462	-	(189,379)	(189,379)		
Education	76,950	-	-	-	(76,950)	(76,950)		
Interest on Long-Term Debt	57,391	-	-	-	(57,391)	(57,391)		
Total Government Activities	18,113,391	2,817,541	154,698	-	(15,141,152)	(15,141,152)		
Component Units:								
Ambulance District	$ 598,803						$ (598,803)	
Pest Abatement District	129,225							$ (129,225)
General Revenues:								
Property Taxes, Levied for General Purposes					8,140,105	8,140,105	588,752	170,506
Licenses and Permits					310,708	310,708	-	-
Intergovernmental					4,609,848	4,609,848	100,000	
Interest					876,524	876,524	61	191
Fines, Forfeitures, and Penalties					150,637	150,637	-	-
Other Revenue					1,113,315	1,113,315	24,421	-
Transfers					(494,974)	(494,974)	-	-
Total General Revenues, Special Items, and Transfers					14,706,163	14,706,163	713,234	170,697
Change in Net Position					(434,989)	(434,989)	114,431	41,472
Net Position - Beginning					30,179,316	30,179,316	305,541	706,674
Net Position - Ending					$ 29,744,327	$ 29,744,327	$ 419,972	$ 748,146

See Accompanying Notes to the Financial Statements.

FUND FINANCIAL STATEMENTS

ELMORE COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	General	Justice	Other Governmental	Total Governmental
Assets				
Cash and Investments	$ 13,364,081	$ 323,406	$ 7,322,263	$ 21,009,751
Property Taxes Receivable	71,258	80,177	115,804	267,239
Accounts and Other Receivables	-	-	33,096	33,096
Due from Other Governments	478,985	55,120	103,999	638,104
Total Assets	$ 13,914,325	$ 458,704	$ 7,575,161	$ 21,948,190
Liabilities				
Warrants Payable	$ 432,193	$ 312,746	$ 231,638	$ 976,577
Vouchers Payable	12,140	-	80,796	92,936
Tax Receipts Payable	147,782	-	-	147,782
Developer Deposits	63,096	-	-	63,096
Accrued Vacation/Comp Time Payable	84,546	169,222	62,880	316,648
Total Liabilities	739,756	481,969	375,314	1,597,039
Deferred Inflows of Resources				
Unavailable Revenue-Property Taxes	62,639	70,534	101,734	234,907
Fund Balance				
Nonspendable Fund Balance	-	-	-	-
Restricted Fund Balance	-	-	-	-
Committed Fund Balance	-	-	7,098,113	7,098,113
Assigned Fund Balance	-	-	-	-
Unassigned Fund Balance	13,111,929	(93,799)	-	13,018,130
Total Fund Balance	13,111,929	(93,799)	7,098,113	20,116,243
Total Liabilities, Deferred Inflows of Resources and and Fund Balance	$ 13,914,325	$ 458,704	$ 7,575,161	$ 21,948,190

See Accompanying Notes to the Financial Statements.

ELMORE COUNTY
RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

TOTAL GOVERNMENTAL FUND BALANCES	$	20,116,243
Amounts reported for governmental activities in the statement of net position are difference because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds.		12,553,906
Other long-term assets are not available to pay for current period expenditures, and therefore, are deferred in the governmental funds.		234,907
Net pension liability and related pension obligation deferred outflow and employer pension assumption deferred inflow of resources are not due and payable in the current period and therefore are not reported in the funds.		(2,487,933)
Long-term liabilities, including bonds payable and accrued interest are not due and payable in the current period and therefore are not reported in the funds.		(672,796)
NET POSITION	$	29,744,327

See Accompanying Notes to the Financial Statements.

ELMORE COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General	Justice	Other Governmental	Total Governmental
Revenues				
Taxes	$ 2,475,435	$ 2,519,851	$ 3,143,975	$ 8,139,261
Licenses and Permits	245,394	65,314	-	310,708
Intergovernmental	4,307,050	164,368	314,739	4,786,157
Interest	834,747	-	41,777	876,524
Charges for Services	422,408	1,055,203	1,178,267	2,655,879
Fines, Forfeitures, and Penalties	5,266	161,617	145,371	312,254
Other Revenue	874,989	2,023	236,270	1,113,282
Total Revenue	9,165,289	3,968,377	5,060,400	18,194,066
Expenditures				
Current				
General Government	3,925,190	-	1,665,741	5,590,931
Public Protection	1,071,203	5,996,874	757,867	7,825,944
Public Facilities	465,031	-	103,117	568,148
Health and Sanitation	494,974	-	914,403	1,409,377
Public Assistance	1,128,116	-	871,203	1,999,319
Recreation & Cultural Services	-	-	334,740	334,740
Education	-	-	76,950	76,950
Debt Service	-	-	700,000	700,000
Capital Outlay	83,211	110,437	586,639	780,287
Total Expenditures	7,167,724	6,107,311	6,010,660	19,285,695
Excess of Revenues Over (Under) Expenditures	1,997,565	(2,138,934)	(950,260)	(1,091,628)
Other Financing Sources and (Uses)				
Transfers In	-	1,311,000	713,482	2,024,482
Transfers Out	(1,957,739)	-	(66,743)	(2,024,482)
Net Transfers	(1,957,739)	1,311,000	646,739	-
Net Change in Fund Balance	39,826	(827,934)	(303,521)	(1,091,628)
Fund Balance October 1, 2018	13,072,103	734,134	7,401,634	21,207,871
Fund Balance September 30, 2019	$ 13,111,929	$ (93,799)	$ 7,098,113	$ 20,116,243

See Accompanying Notes to the Financial Statements.

ELMORE COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ (1,091,628)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for general capital assets, infrastructure, and other related capital assets adjustment	$ 936,794	
Less current year depreciation	(869,763)	67,031
Revenues that will not be collected for several months after the County's fiscal year end are not considered "available" revenues and are deferred in the governmental funds. Unavailable tax revenues increased by this amount this year.		(1,964)
Interest expense accrued on the bonds reported in the statement of activities does not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		3,969
Changes in net pension liability and related pension obligations deferred outflow and employer pension assumption deferred inflow of resources do not provide required current financial resources and therefore are not reflected in the funds.		(51,040)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Repayment amounts have been adjusted for any applicable amortization of bond discounts or premiums.		638,643
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ (434,989)

ELMORE COUNTY
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2019

		Agency Funds
Assets		
Cash and Investments	$	996,555
Property Taxes Receivable		543,381
Due from Other Governments		-
Total Assets	$	1,539,937
Liabilities		
Warrants Payable	$	9,066
Vouchers Payable		-
Fiduciary Liabilities		1,530,871
Total Liabilities	$	1,539,937

See Accompanying Notes to the Financial Statements.

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

The County of Elmore was chartered in 1889 under the laws of the State of Idaho. The County operates under a commission form of government and provides a wide range of services to its residents, including: public safety (police, fire, and judicial), planning and zoning, building inspection, property assessment, elections, health and social services, culture-recreation, education, public works, human services, and general administrative services.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Elmore County have been prepared in conformity with generally accepted accounting principles, (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County's more significant accounting policies are described below.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The component unit column included on the government-wide financial statements identifies the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the discretely presented component units follow:

Blended Component Units-The County has no blended component units.

Discretely Presented Component Units-Elmore County Ambulance District and Elmore County Pest Abatement District- Discretely presented component units are legally separate from the County but are financially accountable to the County, or their relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. These component units are reported in a separate column to emphasize that they are legally separate from the primary government.

The Ambulance District is responsible for transportation, pre-hospital emergency care and first aid education. It operates continuously within Elmore County. It also provides courtesy services to neighboring counties when they are unable to meet their service needs. The County Commissioners and County Clerk serve as the County's Board of Directors.

The Pest Abatement District was established to abate mosquitoes and other vermin of public health and welfare importance. A joint resolution was adopted that transfers the administration of the Elmore County Pest Abatement District the Elmore County Board of Commissioners.

The Ambulance District and the Pest Abatement District do not prepare separate financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Basis of Presentation
The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements
The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The fiduciary funds of the primary government are not included in the government-wide financial statements.

The statement of net position presents the financial position of the governmental activities of the County and it's discretely presented component unit at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements
During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns. Currently the County does not have any proprietary funds.

Fund Accounting
The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses two categories of funds: governmental and fiduciary.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Governmental Funds

Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between its governmental fund assets and its liabilities and deferred inflows of resources as fund balance. The County's reports the following major governmental funds:

General Fund - The general fund is the principal fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Justice Fund - The justice fund is used to account for those county services related to law enforcement and justice responsibilities.

Additionally, the County reports the following fund types:

Fiduciary Funds - Fiduciary Funds include Expendable Trust Funds, Non-Expendable Trust Funds and Agency Funds. The measurement focus of the Expendable Trust Funds is the same as Governmental Funds and maintained on the modified accrual basis of accounting. The Non-Expendable Trust Funds are maintained on the accrual basis of accounting as the measurement focus is similar to Proprietary Funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Three Fiduciary Fund Accounts were reestablished under the General Fund due to the County having control of these funds.

Measurement Focus

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis at the fund reporting level. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues-Non-exchange Transactions

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized in the governmental funds.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: Property taxes, franchise taxes, licenses, interest, federal and state grants and special assessments. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Assets, Liabilities, Deferred Inflows of Resources, and Fund Equity

Cash, Cash Equivalents and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The County Treasurer invests all temporary cash surpluses. No entry is made to reduce the cash balance in each fund and the cash balances on these financial statements include investments.

Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

Inter-fund transactions

During the course of its operations, the County has numerous transactions between funds to finance operations and to provide services. To the extent that certain transactions between funds had not been paid or received as of September 30, 2019, balances due from and due to other funds were recorded. These are eliminated in the government-wide statement.

Capital Asset

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their acquisition value. In the event that donated capital assets are received under a service concession agreement those assets would be recorded at acquisition value. 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. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building Improvements	20–40
Vehicles	5
Office and Computer Equipment	5

Deferred Outflows/Inflows of Resources

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

In addition to liabilities, the statement of financial 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualifies for reporting in this category: the employer pension assumption and unavailable revenue. The employer pension assumption results from differences between 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. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences
County employees are entitled to varying amounts of paid vacation depending upon length of service. Sick leave does not vest with the employee. Accrued vacation payable and comp time payable represents amounts due County employees for vacation and comp time that has accumulated and will carry over to future periods.

Accrued Liabilities and Long-Term Obligations
All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year.

Debt Premiums, Discounts and Issuance Costs
On the government-wide statement of net position and the proprietary fund type statement of net position, debt premiums and discounts are netted against debt payable and debt issuance costs are recognized as an outflow of resources in the period incurred. On the government-wide and proprietary fund type statement of activities, unamortized debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. At the government fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued. Debt issuance costs are reported as debt service expenditures.

Fund Equity
Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Governmental Fund Balances
Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those resources can be spent.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Financial Policies

The County Commissioners meet on a weekly basis to manage and review cash financial activities and to insure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services. The County's unassigned General Fund balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The County has implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions for its governmental funds. Under GASB Statement No. 54, fund balances are required to be reported according to the following classifications:

Nonspendable fund balance-Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted fund balance-Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Governmental Fund Balances-continued

Committed fund balance-Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the County's highest level of decision-making authority, the County Commission.

Assigned fund balance-Amounts that are constrained by the County's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the County Commissioners, or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned fund balance-This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

The County Commissioners are authorized to assign amounts for specific purposes. The Governmental Funds Balance Sheet provides details of the amounts that have been assigned for specific purposes. The County Commissioners are also authorized to commit amounts for purposes.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 (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 payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting
Annual budgets are adopted for the general, special revenue and debt service fund. The budget is prepared in accordance with the basis of accounting utilized by that fund. The County follows these procedures in establishing budgetary data reflected in the financial statements:

1. Prior to the third Monday in May, each department head submits to the Auditor's Office a proposed operating budget for the fiscal year commencing the following October 1. The operating budget summary includes proposed expenditures and the means of financing them.

2. A public hearing is conducted to obtain taxpayer comments.

3. Prior to October 1, the Elmore County Commissioners legally enact the budget.

4. The Commissioners must approve any revisions that alter the total expenditures of any fund.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund.

6. All appropriations lapse at the end of every fiscal year. Expenditures cannot exceed the annual appropriation according to Idaho State law. Budgeted amounts are as originally adopted or properly amended by the Commissioners. The Commissioners during the fiscal year amended the budgets by the appropriate measures.

Stewardship, Compliance and Accountability

Excess of Expenditures Over Appropriations
For the year ended September 30, 2019, expenditures did not exceed appropriation in any of the funds.

Deficit Fund Balance
For the year ended September 30, 2019, the Justice Fund, Indigent Fund, Emergency Services Fund, County Fair and Industrial Revenue Fund had deficit fund balances of $93,799, $29,294, $$1,078, $3,604 and $4,431 respectively.

NOTE 2 – CASH AND INVESTMENTS

At September 30, 2019 the County's cash and investments consisted of the following:

		Carrying Amount
Bank Checking Accounts – Insured or Collateralized	$	4,918,638
Petty Cash – Uninsured or Uncollateralized		5,041
State of Idaho Local Government Investment Pool		8,602,081
Multi Bank Securities-Certificates of Deposit		747,000
Multi Bank Securities-Investments		7,728,546
Total		22,001,306
Agency Funds		(996,555)
Total	$	21,004,751

At September 30, 2019, the bank checking accounts for the County's component units are as follows:

Ambulance District – Insured and Collateralized	$ 250,000
Ambulance District – Uninsured and Uncollateralized	98,916
Pest Abatement District – Insured or Collateralized	250,000
Pest Abatement District – Uninsured and Uncollateralized	422,682
Total	$ 1,021,598

Investments Authorized by the State of Idaho and Elmore County Investment Policy

State statutes authorize the County to invest any available funds in obligations issued or guaranteed by the U.S. Treasury, the State of Idaho, local Idaho municipalities and taxing Districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements.

Investments are stated at fair market value, as determined by quoted market prices, except for certificates of deposits, which are non-participating contracts, and are therefore carried at amortized cost. Idaho Code provided authorization for investment of funds as well as to what constitutes an allowable investment. The County allows for investment of idle funds consistent with the Idaho State Code 67-1210 and 67-1210A.

The County is a voluntary participant in the State of Idaho Local Government Investment Pool (LPIG) and was a participant in the State of Idaho Diversified Bond Fund (DBF). Both the LPIG and DBF are regulated by State of Idaho Code under the oversight of the Treasurer of the State of Idaho. The Pools are not registered with the Securities and Exchange Commission or any other regulatory body. The State Treasurer does not provide any legally binding guarantees to support the value of the shares to participants.

The LGIP is a low risk investment pool with highly liquidity. Therefore the County's investment in the pool is reported as a cash equivalent in the accompanying financial statements. The LGIP is not currently rated by a nationally recognized rating agency. The funds are invested in short term investments in the priority order of safety, liquidity, and yield.

NOTE 2 – CASH AND INVESTMENTS – Continued

Investments – The County held the following investments at September 30, 2019. These investments are included in the total cash and investments above.

U.S. Governments and Agency Obligations:	
Federal Home Loan Mortgage	$ 1,010,198
Federal Home Loan Bank	1,848,850
Federal Farm Credit Bank	2,930,714
Federal National Mortgage Association	849,277
Mortgage/Asset Backed Securities	
Federal National Mortgage Association Pool	1,089,507
Total	$ 7,728,546

All investments are guaranteed by the U.S. Government. All investments were held in trust for the County in the Agents name. The County or Agency has no investments in foreign currency and no exposure to foreign currency risk.

Fair Value Hierarchy
Investments are measured on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted price for identical investments in active markets;
Level 2: Observable inputs other than quoted market prices; and
Level 3: Unobservable inputs.

The County's investment fair value measurements are as follows at September 30, 2019:

Investment	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt Securities				
U.S. Government Bonds	$ 6,639,039	$ -	$ 6,639,039	$ -
Mortgage/Asset Back Securities	1,089,507	-	1,089,507	-
Total Investments by Fair Value Level	$ 7,728,546	$ -	$ 7,728,546	$ -

NOTE 2 – CASH AND INVESTMENTS – Continued

Level 2 inputs for the investments above are based on a matrix pricing model.

All investments are guaranteed by the U.S. Government. All investments were held in trust for the County in the Agents name. The County or Agency has no investments in foreign currency and no exposure to foreign currency risk.

Disclosures Relating to Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. This risk can be managed using a calculation called duration that uses various inputs such as yield and years until maturity to estimate interest rate risk. Generally the higher the duration number the higher the risk. The County manages exposure to interest rate risk by purchasing a combination of long and short-term investments.

Disclosures Relating to Credit Risk
Credit risk is the risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poor's and Fitch's. The County's investment policy restricts them to a credit rating of A or higher when purchased by Standard and Poor's Corporation or an equivalent nationally recognized statistical rating organization. The ratings of investments subject to credit risk are as follows:

Investments subject to credit risk:	Fair Value	Rating
State of Idaho Local Government Investment Pool	$ 8,602,081	Not rated
Federal Home Loan Mortgage	1,010,198	AAA
Federal Home Loan Bank	1,848,850	AAA
Federal Farm Credit Bank	2,930,714	AAA
Federal National Mortgage Association	749,270	AAA
Federal National Mortgage Association	100,007	AA
Federal National Mortgage Association Pool	1,089,507	Not rated

Concentration of Credit Risk
When investments are concentrated in one issuer this concentration represents increased risk of potential loss. The GASB has adopted a principle that governments should provide note disclosure when five percent of the entity's total investments are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. Government, mutual funds, and other pooled investments are exempt from disclosure. The County's investment policy requires diversity where possible. The policy states that the County should not have more than 50 % of their cash and investment in any one issuer or in a specific class of security. Investments in any one issuer (other than State investment pools) that represent 5% or more of total County investments are as follows:

Issuer	Investment Type	Reported Amount	Percentage
Federal Home Loan Mortgage	U.S. Govt. Bonds	$1,010,198	13.07%
Federal Home Loan Bank	U.S. Govt. Bonds	1,848,850	23.92%
Federal Farm Credit Bank	U.S. Govt. Bonds	2,930,714	37.92%
Federal National Mortgage Association	U.S. Govt. Bonds	849,277	10.99%
Federal National Mortgage Association Pool	Asset Backed Securities	1,089,507	14.10%

NOTE 2 – CASH AND INVESTMENTS – Continued

Custodial Credit Risk – For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. The County does not have a policy for custodial credit risk outside of the deposit and investment agreements. The County is allowed to invest in the State of Idaho Local Government Investment Pool. This is part of Joint Powers Investment Pool managed by the State of Idaho Treasurer's Office and are established as a cooperative endeavor to enable public entities of the State of Idaho to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield.

NOTE 3 - TAXES RECEIVABLE

Taxes Receivable is equal to amounts levied by Elmore County prior to September 30, 2019 and not collected. Unavailable tax revenues represent those receivables expected to be collected beyond sixty days after the fiscal year end. Those amounts at September 30, 2019 are as follows:

	Taxes Receivable	Unavailable Revenues
General Fund	$ 71,258	$ 62,639
Justice	80,177	70,534
Indigent and Pension	14,416	12,692
Noxious Weed	2,055	1,809
Health and Sanitation	3,531	3,104
Revaluation	10,577	9,310
Solid Waste Disposal	41,912	36,702
County Court	11,093	9,758
County Fair	2,915	2,563
Veterans' Memorial	1,393	1,225
Tort Liability	5,429	4,776
Pest Control	1	-
Debt Service	22,482	19,795
Totals	$ 267,239	$ 234,907

Property taxes receivable for the Pest Abatement District at September 30, 2019 was $4,557 and $19,222 for the Ambulance District.

All property taxes outstanding at September 30, 2019 are delinquent.

The property tax calendar is as follows:

Date Property is Valued	Second Monday in July
Date Tax is Levied	Second Monday in September
Dates Taxes are Collected	One Half December 20, and One Half June 20
Date Taxes Become a Lien	First Day of January of the Succeeding Year

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts Receivable consists of the following major categories:

Other Accounts Receivable:	
E-911	$ 33,096
Due From Other Governments:	
Sales Tax Base	$ 60,015
Sales Tax Excess	98,353
Ag Replacement Tax	20,671
Liquor Dispensary	32,401
State Revenue Sharing	273,447
Other	131,101
Cigarette Tax Revenue	14,060
Jail & Justice Fund	8,056
Total	$ 638,104

NOTE 5 – CAPITAL ASSETS

A summary of activity in the Capital Assets is as follows:

Remaining lives were established and depreciation was recorded using the straight line method of depreciation. Accumulated depreciation and depreciation expense included in governmental activities and business type activities are as follows:

	Beginning Balance	Additions/ Transfers	Deductions	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated				
Land	$ 1,005,441	$ -	$ -	$ 1,005,441
Total Capital Assets not being Depreciated	1,005,441	-	-	1,005,441
Other Capital Assets				
Building & Improvements	14,200,163	51,238	-	14,251,401
Landfills	183,546	-	-	183,546
Equipment	2,567,959	619,095	-	3,187,054
Vehicles	3,320,410	150,655	(17,605)	3,453,460
Total Other Capital Assets	20,272,078	820,988	(17,605)	21,075,461
Less Accumulated Depreciation for:				
Building & Improvements	4,581,310	368,440	-	4,949,750
Landfills	36,816	-	-	36,816
Equipment	1,749,822	225,741	-	1,975,563
Vehicles	2,581,059	275,583	(17,605)	2,839,037
Total Accumulated Depreciation	8,949,007	869,764	(17,605)	9,801,166
Other Capital Assets, net	11,323,071	(48,776)	-	11,274,295
Governmental Activities Capital Assets, net	$ 12,328,512	$ (48,776)	$ -	$ 12,279,736

Depreciation expense was charged to functions as follows:

Governmental Activities:

General Government	$	37,960
Public Protection		562,989
Public Facilities		128,180
Public Assistance		1,931
Health & Safety		119,207
Recreation & Culture		19,497
Total	$	869,764

NOTE 5 – CAPITAL ASSETS – Continued

Changes in capital assets for the Ambulance District and the Pest Abatement District for the year ended September 30, 2019 was as follows:

Ambulance District

	Beginning Balance	Additions	Dispositions	Ending Balance
Buildings	$ 162,607	$ -	$ -	$ 162,607
Equipment	56,461	128,336	-	184,797
Transportation Equipment	884,921	-	-	884,921
Accumulated Depreciation	(704,601)	(82,996)	-	(787,597)
Total Capital Assets, Net	$ 399,388	$ 45,340	$ -	$ 444,728

Pest Abatement District

	Beginning Balance	Additions	Dispositions	Ending Balance
Buildings & Improvements	$ 34,900	$ -	$ -	$ 34,900
Equipment	54,762	-	-	54,762
Transportation Equipment	76,296	-	-	76,296
Accumulated Depreciation	(81,545)	(13,506)	-	(95,051)
Total Capital Assets, Net	$ 84,413	$ (13,506)	$ -	$ 70,907

NOTE 6 – LONG-TERM DEBT

A summary of activity in the Long-Term Debt is as follows:

	Balance at 10/1/2018	Additions	Principal Reduction	Balance at 9/30/2019	Amount Due In One Year
General Obligation Bonds Payable	$ 1,300,000	$ -	$ 635,000	$665,000	$ 665,000

Changes in accrued vacation/comp time are as follows:

	Beginning of Year	Increases (Decreases)	End of Year
Compensated Absences	$295,152	$21,496	$316,648

NOTE 7 – GENERAL OBLIGATION BONDS PAYABLE

General obligation bonds payable as of September 30, 2019 consist of the following:

Series 2005 General Obligation Bonds in the original principal amount of $7,500,000 maturing through August 15, 2020. Principal payments are due annually on August 15, and interest is payable semiannually on February 15 and August 15 of each year. Interest rates range from 3% to 5% on the outstanding bonds.	$ 665,000
Premium received on 2005 General Obligation Bonds, net	15,484
Bond Issuance Costs, net	(11,844)
	$ 668,640

The annual requirements to pay principal and interest are as follows as of September 30, 2019:

Year Ending September 30,	Principal	Interest
2019	$ 665,000	$ 33,250

NOTE 8 - PENSION PLAN

Plan Description

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

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

NOTE 8 - PENSION PLAN-Continued

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, 2019, 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 County's contributions were $776,332 for the year ended June 30, 2019.

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

At September 30, 2019, the County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2019, the County's proportion was 0.002019211 percent.

For the year ended September 30, 2019, the County recognized pension expense (revenue) of $51,040. At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 8 - PENSION PLAN-Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 214,202	$ 271,641
Changes in assumptions or other inputs	128,210	
Net difference between projected and actual earnings on pension plan investments	-	785,203
Changes in the County's proportion and differences between the County's contributions and the County's proportionate contributions	(68,942)	(69,986)
The County's contributions subsequent to the measurement date	204,890	
Total	$ 478,360	$ 986,858

$204,890 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2019.

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, 2018 the beginning of the measurement period ended June 30, 2018 is 4.8 and 4.8 for the measurement period June 30, 2019.

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 September 30,

2020	$	(82,996)
2021	$	(354,536)
2022	$	(173,208)
2023	$	(102,649)

NOTE 8 - PENSION PLAN-Continued

Actuarial Assumptions

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

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of-living adjustments	1%

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

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

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions including 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, 2019 is based on the results of an actuarial valuation date July 1, 2019.

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.

NOTE 8 - PENSION PLAN-Continued

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

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 Return	Expected Inflation	Expected Real Return	Expected Risk
Total Fund				
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

Actuarial Assumptions

Assumed Inflation - Mean	3.25%
Assumed Inflation - Standard Deviation	2.00%
Portfolio Arithmetic Mean Return	8.42%
Portfolio Long-Term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.40%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	**7.05%**

NOTE 8 - PENSION PLAN-Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. 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 County's proportionate share of the net pension liability to changes in the discount rate.

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
County's proportionate share of the net pension liability (asset)	$ 6,636,167	$ 1,979,435	$ (1,871,533)

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.

NOTE 9 - CONTINGENCIES

The County is a party to various legal proceedings, which involve claims against the County. In those cases where a loss is probable and measurable, a liability has been recognized. It is the opinion of County's management that the ultimate resolution of remaining litigation will not have a material effect on the financial position of the County.

NOTE 10 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. The County defends itself through local law firms and its insurance company, if coverage is acknowledged, when claims arise. No claims for which the County may become liable are known or measurable at this time.

NOTE 11 – SUBSEQUENT EVENTS

The County has evaluated subsequent events through February 24, 2020, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

ELMORE COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual Amount	Variance With Final Budget Positive (Negative)
Charges to Appropriations (Outflows)			
Auditor/Recorder Clerk			
Salaries and Wages	$ 434,759	$ 421,440	$ 13,319
Other Expenses	18,000	16,764	1,236
Total	452,759	438,204	14,555
Assessor			
Salaries and Wages	527,114	503,396	23,718
Other Expenses	47,647	39,693	7,954
Total	574,761	543,089	31,672
Treasurer/Tax Collector			
Salaries and Wages	223,293	219,435	3,858
Other Expenses	17,900	16,999	901
Total	241,193	236,434	4,759
Commissioners			
Salaries and Wages	198,867	198,349	518
Other Expenses	560,500	538,776	21,724
Total	759,367	737,125	22,242
Disaster Services			
Salaries and Wages	27,755	19,094	8,661
Other Expenses	61,000	12,847	48,153
Total	88,755	31,941	56,814
Veterans Service Officer			
Salaries and Wages	52,949	44,322	8,627
Other Expenses	6,400	2,771	3,629
Total	59,349	47,093	12,256
Resource Officer			
Salaries and Wages	80,127	71,810	8,317
Other Expenses	22,700	19,210	3,490
Total	102,827	91,020	11,807
Coroner			
Salaries and Wages	26,997	17,277	9,720
Other Expenses	29,250	19,452	9,798
Total	56,247	36,729	19,518
Extension Agent			
Salaries and Wages	110,657	103,367	7,290
Other Expenses	31,100	34,837	(3,737)
Total	141,757	138,204	3,553
Growth and Development			
Salaries and Wages	299,994	294,803	5,191
Other Expenses	119,500	78,213	41,287
Total	419,494	373,016	46,478

ELMORE COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual Amount	Variance With Final Budget Positive (Negative)
Plant Facilities			
Salaries and Wages	$ 355,910	$ 357,844	$ (1,934)
Other Expenses	173,600	124,662	48,938
Total	529,510	482,506	47,004
General Expense			
Salaries and Wages	270,000	297,222	(27,222)
Other Expenses	358,400	312,858	45,542
Total	628,400	610,080	18,320
Election			
Salaries and Wages	119,299	100,930	18,369
Other Expenses	206,000	129,507	76,493
Total	325,299	230,437	94,862
Prosecuting Attorney			
Salaries and Wages	691,592	686,044	5,548
Other Expenses	192,202	178,294	13,908
Total	883,794	864,338	19,456
Public Defender			
Salaries and Wages	-	-	-
Other Expenses	1,116,789	1,037,095	79,694
Total	1,116,789	1,037,095	79,694
Contingency			
Salaries and Wages	-	-	-
Other Expenses	209,135	209,135	-
Component Units	-	494,974	(494,974)
Total	209,135	704,109	(494,974)
County Fuel			
Salaries and Wages	-	-	-
Other Expenses	171,958	171,958	-
Total	171,958	171,958	-
Data Processing			
Salaries and Wages	75,768	77,058	(1,290)
Other Expenses	239,008	141,257	97,751
Total	314,776	218,315	96,461
Security Operations			
Salaries and Wages	223,947	174,477	49,470
Other Expenses	11,400	1,554	9,846
Total	235,347	176,031	59,316
Total Charges to Appropriations	$ 7,311,517	$ 7,167,724	$ 131,986

ELMORE COUNTY
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - BASE PLAN
LAST 10 FISCAL YEARS*

	2019	2018	2017	2016	2015
County's portion of the net pension liability	.001932407	.001932407	.001816862	.001783519	.001770865
County's proportionate share of the net pension liability	$ 1,979,435	$ 2,594,866	$ 2,760,202	$ 3,577,685	$ 2,307,491
County's covered-employee payroll	$ 6,869,680	$ 6,320,804	$ 5,711,622	$ 5,435,758	$ 5,130,498
County's proportional share of the net pension liability as a percentage of its covered-employee payroll	28.81%	41.05%	48.33%	65.82%	44.98%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%	90.68%	87.26%	94.95%

*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 years for which information is available.

Data reported is measured as of June 30

ELMORE COUNTY
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
PERSI - BASE PLAN
LAST 10 FISCAL YEARS*

	2019	2018	2017	2016	2015
Statutorily required contribution	$ 793,731	$ 723,273	$ 653,587	$ 615,328	$ 580,772
Contribution in relation to the statutorily required contribution	793,731	723,273	653,587	615,328	580,772
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
County's covered -employee payroll	$ 6,869,680	$ 6,320,804	$ 5,711,622	$ 5,435,758	$ 5,130,498
Contributions as a percentage of covered-employee payroll	11.55%	11.44%	11.44%	11.32%	11.32%

*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 years for which information is available.

Data reported is measured as of September 30

ELMORE COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR BUDGETING

The County prepares it budgets using the modified accrual basis of accounting.

SUPPLEMENTARY INFORMATION

ELMORE COUNTY
COMBINING STATEMENT - OTHER GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2019

	Indigent	Capital Improvement	Debt Service	Noxious Weed	Health District	Re-Valuation	District Court
Assets							
Cash and Investments	$ 32,663	$ 1,777,179	$ 123,913	$ 38,045	$ 45,145	$ 104,237	$ 164,279
Property Taxes Receivable	14,416	-	22,482	2,055	3,531	10,577	11,093
Accounts and Other Receivables	-	-	-	-	-	-	-
Due from Other Governments	26,420	-	-	-	-	-	-
Total Assets	$ 73,499	$ 1,777,179	$ 146,395	$ 40,101	$ 48,677	$ 114,814	$ 175,371
Liabilities							
Warrants Payable	$ 36,330	$ 238	$ -	$ 6,762	$ -	$ 9,332	$ 59,274
Vouchers Payable	52,585	-	-	8,411	-	-	-
Accrued Vacation/Comp Time Payable	1,186	-	-	3,679	-	7,070	22,492
Total Liabilities	90,101	238	-	18,852	-	16,401	81,766
Deferred Inflows of Resources							
Unavailable Revenue-Property Taxes	12,692	-	19,795	1,809	3,104	9,310	9,758
Fund Balance							
Nonspendable Fund Balance	-	-	-	-	-	-	-
Restricted Fund Balance	-	-	-	-	-	-	-
Committed Fund Balance	(29,294)	1,776,942	126,599	19,439	45,573	89,102	83,848
Assigned Fund Balance							
Unassigned Fund Balance	-	-	-	-	-	-	-
Total Fund Equity	(29,294)	1,776,942	126,599	19,439	45,573	89,102	83,848
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 73,499	$ 1,777,179	$ 146,395	$ 40,101	$ 48,677	$ 114,814	$ 175,371

ELMORE COUNTY
COMBINING STATEMENT - OTHER GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2019

	Pest Control	Jr. College	Tort Liability	Emergency Services	Juvenile Justice	Veterans Memorial	County Fair	Snow Mobile
Assets								
Cash and Investments	$ 2,727	$ 580,325	$ 133,476	$ 3,220	$ 388,068	$ 68	$ 15,481	$ 29,040
Property Taxes Receivable	1	-	5,429	-	-	1,393	2,915	-
Accounts and Other Receivables	-	-	-	-	-	-	-	-
Due from Other Governments	-	32,401	-	-	27,157	-	-	-
Total Assets	$ 2,728	$ 612,726	$ 138,905	$ 3,220	$ 415,225	$ 1,461	$ 18,397	$ 29,040
Liabilities								
Warrants Payable	$ 2,727	$ 2,100	$ -	$ 3,220	$ 20,386	$ -	$ 10,917	$ -
Vouchers Payable	-	-	-	-	-	-	-	-
Accrued Vacation/Comp Time Payable	-	-	-	1,078	6,467	-	8,521	-
Total Liabilities	2,727	2,100	-	4,297	26,854	-	19,438	-
Deferred Inflows of Resources								
Unavailable Revenue-Property Taxes	-	-	4,776	-	-	1,225	2,563	-
Fund Balance								
Nonspendable Fund Balance	-	-	-	-	-	-	-	-
Restricted Fund Balance	-	-	-	-	-	-	-	-
Committed Fund Balance	1	610,626	134,129	(1,078)	388,372	236	(3,604)	29,040
Assigned Fund Balance								
Unassigned Fund Balance	-	-	-	-	-	-	-	-
Total Fund Equity	1	610,626	134,129	(1,078)	388,372	236	(3,604)	29,040
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 2,728	$ 612,726	$ 138,905	$ 3,220	$ 415,225	$ 1,461	$ 18,397	$ 29,040

ELMORE COUNTY
COMBINING STATEMENT - OTHER GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2019

	Vessel	Extrication	Enhanced 911	Court Facility	Other	Solid Waste	Industrial Revenue	Total Other Governmental Funds
Assets								
Cash and Investments	$ 191,042	$ 5,384	$ 1,517,852	$ 21,996	$ 8,079	$ 2,139,224	$ 819	$ 7,322,263
Property Taxes Receivable	-	-	-	-	-	41,912	-	115,804
Accounts and Other Receivables	-	-	33,096	-	-	-	-	33,096
Due from Other Governments	18,020	-	-	-	-	-	-	103,999
Total Assets	$ 209,062	$ 5,384	$ 1,550,948	$ 21,996	$ 8,079	$ 2,181,136	$ 819	$ 7,575,161
Liabilities								
Warrants Payable	$ 4,139	$ 2,064	$ 14,501	$ -	$ -	$ 54,400	$ 5,250	$ 231,638
Vouchers Payable	-	-	19,800	-	-	-	-	80,796
Accrued Vacation/Comp Time Payable	-	-	5,318	-	-	7,069	-	62,880
Total Liabilities	4,139	2,064	39,618	-	-	61,468	5,250	$ 375,314
Deferred Inflows of Resources								
Unavailable Revenue-Property Taxes	-	-	-	-	-	36,702	-	101,734
Fund Balance								
Nonspendable Fund Balance	-	-	-	-	-	-	-	-
Restricted Fund Balance	-	-	-	-	-	-	-	-
Committed Fund Balance	204,923	3,320	1,511,329	21,996	8,079	2,082,966	(4,431)	7,098,113
Assigned Fund Balance								-
Unassigned Fund Balance	-	-	-	-	-	-	-	-
Total Fund Equity	204,923	3,320	1,511,329	21,996	8,079	2,082,966	(4,431)	7,098,113
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 209,062	$ 5,384	$ 1,550,948	$ 21,996	$ 8,079	$ 2,181,136	$ 819	$ 7,575,161

ELMORE COUNTY
COMBINING STATEMENTS - OTHER GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Indigent	Capital Improvement	Debt Service	Noxious Weed	Health District	Re-Valuation	District Court
Revenues							
Taxes	$ 454,079	$ -	$ 706,516	$ 60,561	$ 112,180	$ 344,195	$ 352,791
Intergovernmental	-	-	-	11,188	-	-	64,780
Interest	-	-	-	-	-	-	-
Charges for Services	245,217	-	-	2,242	-	-	106,217
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	145,371
Other Revenue	-	9,901	(35)	(868)	-	-	151,390
Total Revenue	699,296	9,901	706,482	73,123	112,180	344,195	820,549
Expenditures							
Current							
General Government	-	-	-	-	-	288,012	1,068,365
Public Protection	-	-	-	-	-	-	-
Public Facilities	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	79,079	111,216	-	-
Public Assistance	837,704	-	-	-	-	-	-
Recreation & Cultural Services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital Outlay	-	148,003	-	9,275	-	-	-
Debt Service	-	-	700,000	-	-	-	-
Total Expenditures	837,704	148,003	700,000	88,353	111,216	288,012	1,068,365
Excess of Revenues Over (Under) Expenditures	(138,408)	(138,102)	6,482	(15,230)	964	56,183	(247,816)
Transfers							
Transfers In	-	-	-	-	-	-	280,226
Transfers Out	-	-	-	-	-	-	-
Net Transfers	-	-	-	-	-	-	280,226
Net Change in Fund Balance	(138,408)	(138,102)	6,482	(15,230)	964	56,183	32,410
Fund Balance October 1, 2018	109,114	1,915,044	120,118	34,670	44,608	32,920	51,438
Fund Balance September 30, 2019	$ (29,294)	$ 1,776,942	$ 126,599	$ 19,439	$ 45,573	$ 89,102	$ 83,848

ELMORE COUNTY
COMBINING STATEMENTS - OTHER GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Pest Control	Jr. College	Tort Liability	Emergency Services	Juvenile Justice	Veterans Memorial	County Fair	Snow Mobile
Revenues								
Taxes	$ -	$ -	$ 173,375	$ -	$ -	$ 45,064	$ 91,828	$ -
Intergovernmental	-	132,342	-	-	66,450	-	-	462
Interest	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	26,514	5,868	-	142,989	22,565
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	-	-
Other Revenue	67,485	-	-	-	4,795	-	-	-
Total Revenue	67,485	132,342	173,375	26,514	77,113	45,064	234,817	23,027
Expenditures								
Current								
General Government	-	-	171,370	-	-	-	-	-
Public Protection	-	-	-	-	330,571	-	-	-
Public Facilities	-	-	-	-	-	45,077	-	-
Health and Sanitation	75,865	-	-	-	-	-	-	-
Public Assistance	-	-	-	33,499	-	-	-	-
Recreation & Cultural Services	-	-	-	-	-	-	316,418	18,321
Education	-	76,950	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	19,954	-
Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	75,865	76,950	171,370	33,499	330,571	45,077	336,373	18,321
Excess of Revenues Over (Under) Expenditures	(8,380)	55,392	2,005	(6,985)	(253,459)	(14)	(101,556)	4,706
Transfers								
Transfers In	6,159	-	-	5,908	230,918	-	90,528	-
Transfers Out	-	-	-	-	-	-	-	-
Net Transfers	6,159	-	-	5,908	230,918	-	90,528	-
Net Change in Fund Balance	(2,221)	55,392	2,005	(1,078)	(22,541)	(14)	(11,028)	4,706
Fund Balance October 1, 2018	2,222	555,234	132,123	-	410,912	250	7,424	24,334
Fund Balance September 30, 2019	$ 1	$ 610,626	$ 134,129	$ (1,078)	$ 388,372	$ 236	$ (3,604)	$ 29,040

ELMORE COUNTY
COMBINING STATEMENTS - OTHER GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Vessel	Extrication	Enhanced 911	Court Facility	Other	Solid Waste	Industrial Revenue	Total Other Governmental Funds
Revenues								
Taxes	$ -	$ -	$ -	$ -	$ -	$ 803,387	$ -	$ 3,143,975
Intergovernmental	-	-	9,517	-	-	-	30,000	314,739
Interest	3,608	-	38,169	-	-	-	-	41,777
Charges for Services	141,302	43,372	372,485	28,229	-	41,268	-	1,178,267
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	-	145,371
Other Revenue	-	3,386	-	-	215	-	-	236,270
Total Revenue	144,911	46,758	420,171	28,229	215	844,655	30,000	5,060,400
Expenditures								
Current								
General Government	-	-	-	-	-	-	137,994	1,665,741
Public Protection	37,260	-	390,035	-	-	-	-	757,867
Public Facilities	-	-	-	58,040	-	-	-	103,117
Health and Sanitation	-	37,671	-	-	-	610,572	-	914,403
Public Assistance	-	-	-	-	-	-	-	871,203
Recreation & Cultural Services	-	-	-	-	-	-	-	334,740
Education	-	-	-	-	-	-	-	76,950
Capital Outlay	6,025	44,061	350,369	-	-	8,951	-	586,639
Debt Service	-	-	-	-	-	-	-	700,000
Total Expenditures	43,285	81,733	740,405	58,040	-	619,524	137,994	6,010,660
Excess of Revenues Over (Under) Expenditures	101,625	(34,975)	(320,234)	(29,811)	215	225,132	(107,994)	(950,260)
Transfers								
Transfers In	-	30,000	-	-	-	-	69,743	713,482
Transfers Out	-	-	-	-	-	(66,743)	-	(66,743)
Net Transfers	-	30,000	-	-	-	(66,743)	69,743	646,739
Net Change in Fund Balance	101,625	(4,975)	(320,234)	(29,811)	215	158,388	(38,250)	(303,521)
Fund Balance October 1, 2018	103,298	8,295	1,831,563	51,807	7,864	1,924,578	33,819	7,401,634
Fund Balance September 30, 2019	$ 204,923	$ 3,320	$ 1,511,329	$ 21,996	$ 8,079	$ 2,082,966	$ (4,431)	$ 7,098,113

GOVERNMENTAL AUDITING STANDARDS REPORT

MH&CO Mahlke Hunsaker & Company PLLC
Certified Public Accountants

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 Board of County Commissioners
Elmore County
Mountain Home, 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 units, each major fund, and the aggregate remaining fund information of Elmore County, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise Elmore County's basic financial statements, and have issued our report thereon dated February 28, 2020.

Internal Control over Financial Reporting

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

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

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

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Compliance and Other Matters

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

Purpose of this Report

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

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, PLLC
TWIN FALLS, IDAHO

February 28, 2020