

ADAMS COUNTY, IDAHO

AUDITED FINANCIAL STATEMENTS

Year Ended September 30, 2018

ADAMS COUNTY, IDAHO

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FINANCIAL SECTION

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Independent Auditor's Report

Board of County Commissioners
Adams County, 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 Adams 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 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 of 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 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 budgetary comparison schedules, schedule of employer's share of net pension liability, schedule of employer contributions, and schedule of changes in the net OPEB liability and related ratios listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such information, although not required to be 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, and 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 not included the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such information, although not 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, and historical context. Our opinion on the basic financial statements is not affected by not including this information.

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 accompanying comparative, 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 comparative, 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 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 comparative, 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 March 7, 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Quest CPAs PLLC

Payette, Idaho
March 7, 2019

BASIC FINANCIAL STATEMENTS

ADAMS COUNTY, IDAHO

Statement of Net Position

September 30, 2018

	Governmental Activities	Component Units
	Primary Government	Units
Assets		
Current Assets		
Cash & Investments	\$5,780,260	\$60,368
Receivables:		
Taxes	134,782	12,373
Accounts		12,000
Total Current Assets	5,915,042	84,741
Noncurrent Assets		
Cash & Investments	549,292	
Nondepreciable Capital Assets	374,140	
Depreciable Net Capital Assets	4,620,349	411,654
Total Noncurrent Assets	5,543,781	411,654
Total Assets	11,458,823	496,395
Deferred Outflows of Resources		
OPEB Sources	108	
Pension Sources	290,505	
Total Deferred Outflows of Resources	290,613	0
Total Assets and Deferred Outflows of Resources	\$11,749,436	\$496,395
Liabilities		
Current Liabilities		
Accounts Payable & Accrued Expenses	\$350,871	\$3,654
Accrued Interest	3,048	
Long-Term Debt & Obligations, Current	282,947	14,807
Total Current Liabilities	636,866	18,461
Noncurrent Liabilities		
Long-Term Debt & Obligations, Noncurrent		32,720
Net OPEB Liability	32,471	
Net Pension Liability	1,223,605	
Total Noncurrent Liabilities	1,256,076	32,720
Total Liabilities	1,892,942	51,181
Deferred Inflows of Resources		
Pension Sources	228,361	
Total Deferred Inflows of Resources	228,361	0
Total Liabilities and Deferred Inflows of Resources	2,121,303	51,181
Net Position		
Net Investment in Capital Assets	4,802,538	364,127
Restricted - Special Programs	2,539,712	
Restricted - Debt Service	1,186	
Restricted - Capital Projects	2,301,899	
Unrestricted	(17,202)	81,087
Total Net Position	9,628,133	445,214
Total Liabilities and Deferred Inflows of Resources and Net Position	\$11,749,436	\$496,395

See Accompanying Notes

ADAMS COUNTY, IDAHO
Statement of Activities
Year Ended September 30, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue</u>
		<u>Charges For Services</u>	<u>Operating Grants And Contributions</u>	
Governmental Activities -				
Primary Government				
Current Expenditures				
Assessor	\$153,930	\$23,412		(\$130,518)
Buildings & Grounds	40,755	17,606	\$148,198	125,049
Capital Projects	172,609	26,253		(146,356)
Clerk / Auditor	114,684	17,443		(97,241)
Commissioners	91,886	13,976		(77,910)
Indigent	264,829	40,280		(224,549)
Prosecuting Attorney	149,890	22,798		(127,092)
Road & Bridge	664,076	185,863		(478,213)
Sheriff & Jail	1,172,597	208,155	295,209	(669,233)
Solid Waste	489,273	74,417		(414,856)
Treasurer / Tax Collector	108,819	16,551		(92,268)
Other General Fund Functions	427,704	68,964		(358,740)
Other Justice Fund Functions	557,686	84,823		(472,863)
Other Nonmajor Fund Functions	725,117	162,069		(563,048)
Capital Assets	607,781			(166,213)
Total Primary Government	\$5,741,636	\$962,610	\$443,407	(\$441,568)
Component Unit				
Council Valley Ambulance District	\$213,517	\$67,462	\$9,070	(136,985)
Meadows Valley Ambulance District	100,088			(100,088)
Total Component Unit	\$313,605	\$67,462	\$9,070	(\$237,073)
		Changes in Net Position		
		Net (Expense) Revenue		Primary Government
				Component Units
		General Revenues		
		Property Taxes		2,825,716
		Intergovernmental Revenue		1,909,417
		Investment Return		72,417
		Other Revenue		395,315
		Pension Revenue (Expense)		(235,152)
		OPEB Revenue (Expense)		(6,954)
		Total		4,960,759
		Change in Net Position		1,066,708
		Net Position - Beginning		8,561,425
		Net Position - Ending		\$9,628,133

ADAMS COUNTY, IDAHO
 Balance Sheet - Governmental Funds
 September 30, 2018

	General (Current Expense) Fund	Road & Bridge Fund	Justice Fund	Indigent Fund
Assets				
Cash & Investments	\$1,192,591	\$590,039	\$463,640	\$275,485
Receivables:				
Taxes	39,281		41,958	4,414
Due From Other Funds				
Total Assets	<u>\$1,231,872</u>	<u>\$590,039</u>	<u>\$505,598</u>	<u>\$279,899</u>
Liabilities				
Accounts Payable & Accrued Expenses	\$47,158	\$152,766	\$63,648	\$31,909
Due To Other Funds				
Total Liabilities	<u>47,158</u>	<u>152,766</u>	<u>63,648</u>	<u>31,909</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues	35,353		37,762	3,973
Total Deferred Inflows of Resources	<u>35,353</u>	<u>0</u>	<u>37,762</u>	<u>3,973</u>
Fund Balances				
Restricted - Special Programs		437,273	404,188	244,017
Restricted - Debt Service				
Restricted - Capital Projects				
Unassigned	1,149,361			
Total Fund Balances	<u>1,149,361</u>	<u>437,273</u>	<u>404,188</u>	<u>244,017</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$1,231,872</u>	<u>\$590,039</u>	<u>\$505,598</u>	<u>\$279,899</u>

ADAMS COUNTY, IDAHO
 Balance Sheet - Governmental Funds
 September 30, 2018

	Solid Waste Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash & Investments	\$279,881	\$2,302,697	\$1,225,219	\$6,329,552
Receivables:				
Taxes	28,240		20,889	134,782
Due From Other Funds			0	0
Total Assets	<u>\$308,121</u>	<u>\$2,302,697</u>	<u>\$1,246,108</u>	<u>\$6,464,334</u>
Liabilities				
Accounts Payable & Accrued Expenses	\$25,916	\$798	\$28,676	\$350,871
Due To Other Funds			0	0
Total Liabilities	<u>25,916</u>	<u>798</u>	<u>28,676</u>	<u>350,871</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues	25,416		18,801	121,305
Total Deferred Inflows of Resources	<u>25,416</u>	<u>0</u>	<u>18,801</u>	<u>121,305</u>
Fund Balances				
Restricted - Special Programs	256,789		1,197,445	2,539,712
Restricted - Debt Service			1,186	1,186
Restricted - Capital Projects		2,301,899	0	2,301,899
Unassigned			0	1,149,361
Total Fund Balances	<u>256,789</u>	<u>2,301,899</u>	<u>1,198,631</u>	<u>5,992,158</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$308,121</u>	<u>\$2,302,697</u>	<u>\$1,246,108</u>	<u>\$6,464,334</u>

ADAMS COUNTY, IDAHO
Balance Sheet - Governmental Funds
September 30, 2018

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

Total Governmental Fund Balances \$5,992,158

Amounts 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. 4,994,489

Certain receivables are not available to pay for current period expenditures and therefore are deferred in the funds. 121,305

Certain liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds. (285,995)

Net OPEB liability and related OPEB source deferred outflow of resources, are not due and payable in the current period and therefore are not reported in the funds. (32,363)

Net pension liability and related pension source deferred outflow and deferred inflow of resources, are not due and payable in the current period and therefore are not reported in the funds. (1,161,461)

Net Position of Governmental Activities \$9,628,133

ADAMS COUNTY, IDAHO

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2018

	General (Current Expense) Fund	Road & Bridge Fund	Justice Fund	Indigent Fund
Revenues				
Property Taxes	\$889,774		\$985,960	\$152,996
Intergovernmental Revenue	70,673	\$1,252,769	428,357	
Investment Return	36,406			
Charges for Services	163,500		472,653	
Grants & Other	871	245,887	318,974	34,513
Total Revenues	<u>1,161,224</u>	<u>1,498,656</u>	<u>2,205,944</u>	<u>187,509</u>
Expenditures				
Current Expenditures				
Assessor	161,283			
Buildings & Grounds	121,284			
Capital Projects				
Clerk / Auditor	120,162			
Commissioners	96,275			
Indigent				277,479
Prosecuting Attorney			157,050	
Road & Bridge		1,280,367		
Sheriff & Jail			1,433,929	
Solid Waste				
Treasurer / Tax Collector	114,017			
Other General Fund Functions	475,078			
Other Justice Fund Functions			584,325	
Other Nonmajor Fund Functions				
Total Expenditures	<u>1,088,099</u>	<u>1,280,367</u>	<u>2,175,304</u>	<u>277,479</u>
Excess (Deficiency) of Revenues Over Expenditures	73,125	218,289	30,640	(89,970)
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	73,125	218,289	30,640	(89,970)
Fund Balances - Beginning	<u>1,076,236</u>	<u>218,984</u>	<u>373,548</u>	<u>333,987</u>
Fund Balances - Ending	<u><u>\$1,149,361</u></u>	<u><u>\$437,273</u></u>	<u><u>\$404,188</u></u>	<u><u>\$244,017</u></u>

ADAMS COUNTY, IDAHO

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2018

	Solid Waste Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$379,617		\$400,383	\$2,808,730
Intergovernmental Revenue			157,618	1,909,417
Investment Return		\$35,849	162	72,417
Charges for Services	231,810		94,647	962,610
Grants & Other	8,895	430,718	240,432	1,280,290
Total Revenues	<u>620,322</u>	<u>466,567</u>	<u>893,242</u>	<u>7,033,464</u>
Expenditures				
Current Expenditures				
Assessor			0	161,283
Buildings & Grounds			0	121,284
Capital Projects		180,854	0	180,854
Clerk / Auditor			0	120,162
Commissioners			0	96,275
Indigent			0	277,479
Prosecuting Attorney			0	157,050
Road & Bridge			0	1,280,367
Sheriff & Jail			0	1,433,929
Solid Waste	512,644		0	512,644
Treasurer / Tax Collector			0	114,017
Other General Fund Functions			0	475,078
Other Justice Fund Functions			0	584,325
Other Nonmajor Fund Functions			1,116,453	1,116,453
Total Expenditures	<u>512,644</u>	<u>180,854</u>	<u>1,116,453</u>	<u>6,631,200</u>
Excess (Deficiency) of Revenues Over Expenditures	107,678	285,713	(223,211)	402,264
Other Financing Sources (Uses)				
Transfers In		17,604	3,000	20,604
Transfers Out	(3,000)		(17,604)	(20,604)
Total Other Financing Sources (Uses)	<u>(3,000)</u>	<u>17,604</u>	<u>(14,604)</u>	<u>0</u>
Net Change in Fund Balances	104,678	303,317	(237,815)	402,264
Fund Balances - Beginning	<u>152,111</u>	<u>1,998,582</u>	<u>1,436,446</u>	<u>5,589,894</u>
Fund Balances - Ending	<u>\$256,789</u>	<u>\$2,301,899</u>	<u>\$1,198,631</u>	<u>\$5,992,158</u>

ADAMS COUNTY, IDAHO
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Year Ended September 30, 2018

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities

Net Change in Fund Balances - Total Governmental Funds \$402,264

Amounts reported for governmental activities in the statement of activities are different because:

Government 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 excess of capital outlays over (under) depreciation expense in the current period as well as any gains and losses on dispositions of assets. 560,674

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds. 16,986

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position. 26,153

In the statement of activities, interest is accrued on long-term debt, but the expenditure is reported when due in the governmental funds. 422

In the statement of activities, compensated absences are accrued when earned, but the expenditure is reported when due in the governmental funds. 4,070

Changes in net OPEB liability and related OPEB source deferred outflow of resources do not provide or require current financial resources and therefore are not reflected in the funds. (11,873)

Changes in net pension liability and related pension source deferred outflow and deferred inflow of resources do not provide or require current financial resources and therefore are not reflected in the funds. 68,012

Change in Net Position of Governmental Activities \$1,066,708

ADAMS COUNTY, IDAHO
Statement of Fiduciary Net Position
September 30, 2018

	Agency Funds
Assets	
Cash & Investments	\$2,390,678
Taxes Receivable	96,384
Total Assets	\$2,487,062
 Liabilities	
Accounts Payable & Accrued Expenses	\$116,605
Due to Agency Groups	2,370,457
Total Liabilities	2,487,062
 Net Position	
Total Net Position	0
Total Liabilities and Net Position	\$2,487,062

ADAMS COUNTY, IDAHO

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Adams County, Idaho (the County) provides basic county services and operates under a board of county commissioners form of government. These financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to counties. The governmental accounting standards board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

As required by GAAP, these financial statements present the County and its two component units, entities for which the County is considered to be financial accountable. A component unit is included in the County's reporting entity if it is both fiscally dependent on the County (the primary government) and there is the potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on the primary government. Aggregate discretely presented component units include the Council Valley Ambulance District (CVAD) and the Meadows Valley Ambulance District (MVAD). CVAD and MVAD were established under state law which designate the County commissioners as the governing authority. Separate financial statements for CVAD and MVAD are issued and available from the County.

Basic Financial Statements - Government-Wide Statements – The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business-type. Currently, all the County's activities are categorized as governmental activities.

In the government-wide statement of net position, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the County's functions. The functions are also supported by general government revenues as reported in the statement of activities. The statement of activities reduces gross expenses (including depreciation when recorded) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function. Internal activity between funds (when two or more funds are involved) is eliminated in the government-wide statement of activities. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function) are normally covered by general revenues.

The County's sole activity is providing basic county services, and substantially all expenses are directly related to this activity. Accordingly, there is no allocation of indirect costs.

ADAMS COUNTY, IDAHO
Notes to Financial Statements

The government-wide focus is more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

Basic Financial Statements - Fund Financial Statements – The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the funds) for the determination of major funds.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Major governmental funds of the County include:

General Fund – The general (current expense) fund is the County's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Major special revenue funds include the road & bridge fund, which accounts for maintenance and construction of roads and bridges, the justice fund, which accounts for basic public safety and related functions, the indigent fund, which accounts for the indigent services and programs, and the solid waste fund, which accounts for waste disposal activities.

Capital Projects Funds – Capital projects funds are used to account for the acquisition of capital assets. Major capital project funds include the capital projects fund, used to account for major capital additions and improvements.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County's programs. The County's fiduciary funds are presented in the fiduciary financial statements by type (agency). Because by definition these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Basis of Accounting – Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

ADAMS COUNTY, IDAHO
Notes to Financial Statements

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are reported on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within thirty days after year end. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which, if any, are recognized when due and payable.

Cash and Investments – Nearly all the cash and investment balances of the County's funds are pooled for investment purposes. The individual funds' portions of the pooled cash and investments are reported in each fund as cash and investments. The individual funds' portions of the pooled cash and investments are reported in each fund as cash and investments. Investments are measured using the market approach and include the local government investment pool, reported and measured at amortized cost following the provisions of GASB 79 which provide for consistent measurement of investment value amongst pool participants. Investments also include the fixed income securities and are stated at fair value using Level 2 inputs (inputs other than quoted prices included in Level 1 that are observable for an asset, liability, either directly or indirectly).

Receivables – Receivables are reported net of any estimated uncollectible amounts.

Inventories – Material supplies on hand at year end are stated at the lower of cost or net realizable value using the first-in, first-out method.

Capital Assets and Depreciation – Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation over the estimated useful lives of all depreciable assets is recorded using the straight line method.

Compensated Absences – The County provides certain compensated absences to its employees. The estimated amount of compensation for future amounts is recorded as a liability in the accompanying financial statements.

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 (the 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.

ADAMS COUNTY, IDAHO
Notes to Financial Statements

Other Post-Employment Benefits (OPEB) – For purposes of measuring the net OPEB liability, deferred outflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County’s Other Post-Employment Benefit Plan (the County’s OPEB Plan) and additions to/deductions from the County’s OPEB Plan fiduciary net position have been determined on the same basis as they are reported by the County’s OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Outflows/Inflows of Resources – The County’s financial statements may report deferred outflows/inflows of resources. Deferred outflows of resources represent a consumption of net assets that apply to a future period. Deferred inflows of resources represent an acquisition of net assets that apply to a future period. Deferred outflows/inflows of resources generally represent amounts that are not available in the current period.

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

Fund Balance Classifications – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity’s governing body. Assigned portions represent amounts that are constrained by the government’s intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the County first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the County first utilizes committed resources then assigned resources before using unassigned resources.

Property Taxes – The County is responsible for levying property taxes. Taxes are levied by the second Monday in September for each calendar year. Taxes are due in two installments – December 20th and June 20th. A lien is filed on real property three years from the date of delinquency.

Contingent Liabilities – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. 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.

ADAMS COUNTY, IDAHO

Notes to Financial Statements

Interfund Activity – Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

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

Custodial Credit Risk – The County maintains its cash at insured financial institutions. Periodically, balances may exceed federally insured limits. The County does not have a formal policy concerning custodial credit risk.

Risk Management – The County is exposed to various risks related to its operations. Insurance is utilized to the extent practical to minimize these risks.

Subsequent Events – Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.

B. CASH AND INVESTMENTS

Cash and investments consist of the following at year end:

	Governmental Funds	Fiduciary Funds	Total
Cash - Deposits	\$1,988,880	\$2,390,678	\$4,379,558
Investments - Local Gov't Investment Pool	3,791,380		3,791,380
Fixed Income Securities	549,292		549,292
Total	\$6,329,552	\$2,390,678	\$8,720,230

Deposits – At year end, the carrying amounts of the County's deposits were \$4,379,558 and the bank balances were \$4,199,042. Of the bank balances, \$555,192 was insured, \$3,501,470 was collateralized, and the remainder was uninsured and uncollateralized.

ADAMS COUNTY, IDAHO
Notes to Financial Statements

Considerations for interest rate risk and credit rate risk relating to investments are shown below.

Interest rate risk:

Investment Type	Investment Maturity Schedule (In Years)			
	Less Than 1	1 - 5	11- 15	Total
US Gov't Agency Oblig		\$450,000	\$99,292	\$549,292
Local Gov't Invest Pool	\$3,791,380			3,791,380
Total	\$3,791,380	\$450,000	\$99,292	\$4,340,672

Credit rate risk (Moody's rating scale):

Investment Type	Investment Rating Schedule		
	AAA	Not Rated	Total
US Gov't Agency Oblig	\$549,292		\$549,292
Local Gov't Invest Pool		\$3,791,380	3,791,380
Total	\$549,292	\$3,791,380	\$4,340,672

Investments – State statutes authorize government entities to invest in certain bonds, notes, accounts, investment pools, and other obligations of the state, U.S. Treasury, and U.S. corporations pursuant to Idaho Code 67-1210 and 67-1210A. These statutes are designed to help minimize the custodial risk that deposits may not be returned in the event of the failure of the issuer or other counterparty, interest rate risk resulting from fair value losses arising from rising interest rates, or credit risks that an issuer or other counterparty will not fulfill its obligations. The County's investment policy complies with state statutes.

The local government investment pool is managed by the state treasurer's office and is invested in accordance with state statutes and regulations. More information on the local governmental investment pool including regulatory information, restriction on withdrawals, and rating and risk information can be found at sto.idaho.gov.

ADAMS COUNTY, IDAHO
Notes to Financial Statements

C. CAPITAL ASSETS

A summary of capital assets for the year is as follows:

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets				
Land	\$374,140			\$374,140
Total	<u>374,140</u>	<u>\$0</u>	<u>\$0</u>	<u>374,140</u>
Depreciable Capital Assets				
Buildings	4,205,586	524,971		4,730,557
Equipment	3,440,418	643,484	483,107	3,600,795
Infrastructure	14,853,514			14,853,514
Subtotal	<u>22,499,518</u>	<u>1,168,455</u>	<u>483,107</u>	<u>23,184,866</u>
Accumulated Depreciation				
Buildings	1,877,324	151,768		2,029,092
Equipment	2,757,263	158,943	483,107	2,433,099
Infrastructure	13,805,256	297,070		14,102,326
Subtotal	<u>18,439,843</u>	<u>607,781</u>	<u>483,107</u>	<u>18,564,517</u>
Total	<u>4,059,675</u>	<u>560,674</u>	<u>0</u>	<u>4,620,349</u>
Net Capital Assets	<u>\$4,433,815</u>	<u>\$560,674</u>	<u>\$0</u>	<u>\$4,994,489</u>

Depreciation expense of \$607,781 was charged to the capital assets program.

D. LONG-TERM DEBT & OBLIGATIONS

Capital Lease – The County leases equipment that qualifies as a capital lease obligation. The equipment cost \$321,803 and at year end, related accumulated depreciation was \$206,869.

Capital lease due in annual installments of \$33,093 - \$195,000 with interest at 3.23% through 2018/19, secured by equipment, paid through the road and bridge fund

	<u>\$188,903</u>
Total	<u><u>\$188,903</u></u>

ADAMS COUNTY, IDAHO
Notes to Financial Statements

Maturities on the capital lease are estimated as follows:

<u>Year Ended</u>	<u>Governmental Activities</u>
9/30/19	\$195,000
Total Future Minimum Lease Payments	195,000
Amount Representing Interest	(6,097)
Present Value of Future Minimum Lease Payments	<u><u>\$188,903</u></u>

Changes in long-term debt are as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Capital Lease	\$215,056		\$26,153	\$188,903	\$188,903
Comp. Absences	98,114	\$130,638	134,708	94,044	94,044
Total	<u><u>\$313,170</u></u>	<u><u>\$130,638</u></u>	<u><u>\$160,861</u></u>	<u><u>\$282,947</u></u>	<u><u>\$282,947</u></u>

Interest and related costs during the year amounted to \$6,518 and were charged to the road & bridge program. Compensated absences are normally paid through the general, justice, road & bridge, solid waste, indigent, and other governmental funds.

E. OPERATING LEASE

The County has an operating lease for equipment. The lease has a six-year term, calls for annual payments, and it is anticipated that the County will return the equipment at the end of the lease term. Total operating lease payments for the year amounted to \$33,093 and were paid through the road & bridge fund.

Future minimum lease payments are estimated as follows:

<u>Year Ended</u>	<u>Governmental Activities</u>
9/30/19	\$33,093
9/30/20	33,093
9/30/21	33,093
9/30/22	201,132
Total	<u><u>\$300,411</u></u>

F. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is funded with employee contributions only.

ADAMS COUNTY, IDAHO
Notes to Financial Statements

G. 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.

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

ADAMS COUNTY, IDAHO
Notes to Financial Statements

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% for general employees and 11.66% for police and firefighters. The County's contributions were \$306,271 for the year ended September 30, 2018.

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

At September 30, 2018, the 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. 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, 2018, the County's proportion was 0.0829553 percent.

For the year ended September 30, 2018, the County recognized pension revenue (expense) of (\$235,152). At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$134,317	\$92,412
Changes in assumptions or other inputs	79,620	
Net difference between projected and actual earnings on pension plan investments		135,949
Employer contributions subsequent to the measurement date	76,568	
Total	\$290,505	\$228,361

\$76,568 reported as deferred outflows of resources related to pensions resulting from County contributions made subsequent to the measurement date will be recognized as an addition to the pension expense or reduction of the pension revenue 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, 2017 the beginning of the measurement period ended June 30, 2018 is 4.9 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:

ADAMS COUNTY, IDAHO
Notes to Financial Statements

Year Ended	
9/30/19	\$99,464
9/30/20	11,720
9/30/21	(100,266)
9/30/22	(25,342)
Total	<u><u>(\$14,424)</u></u>

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, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

An experience study was performed for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The total pension liability as of June 30, 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

ADAMS COUNTY, IDAHO
Notes to Financial Statements

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%	66% - 77%
Broad Domestic Equities	9.15%	19.00%	55%	50% - 65%
International	9.25%	20.20%	15%	10% - 20%
Fixed Income	3.05%	3.75%	30%	23% - 33%
Cash	2.25%	0.90%	0%	0% - 5%
			Expected Real	Expected
Total Fund	Expected Return*	Expected Inflation	Return	Risk
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

*Expected arithmetic return net of fees and expenses

Actuarial Assumptions

Assumed Inflation - 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	<u>7.10%</u>

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

ADAMS COUNTY, IDAHO
Notes to Financial Statements

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 7.10 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 (6.10 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%)
County's proportionate share of the net pension liability (asset)	\$3,062,961	\$1,223,605	(\$299,457)

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.

H. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The County's Other Post-Employment Benefit Plan (the County's OPEB Plan) is a single-employer defined benefit healthcare plan administered by GemPlan. The County's OPEB plan does not include the PERSI pension benefits otherwise discussed in these financial statements and does not issue a publicly available financial report.

Benefits Provided

GemPlan, as administrator of the County's OPEB Plan, contracts with Blue Cross/Blue Shield of Idaho to provide health insurance benefits to eligible retirees and their eligible dependents. A retiree who retires while participating in the Public Employee Retirement System of Idaho (PERSI)

ADAMS COUNTY, IDAHO
Notes to Financial Statements

is eligible to keep the County's health insurance until age 65 or until the retiree is eligible for coverage under Medicare. Eligibility for the County's OPEB Plan is further determined by employees having obtained a minimum age of 55 with at least 20 years of service with the County for general employees and obtaining a minimum 5 years of service with the County for elected officials. Retirees are on the same medical plan as the County's active employees.

Contributions & Implicit Rate Subsidy

OPEB benefits have historically been funded on a pay-as-you-go basis. Under government accounting standards, plan sponsors may set up a trust and pre-fund the benefits. There is no requirement to pre-fund benefits under government accounting standards. However, if benefits are not pre-funded, OPEB liabilities are created and will grow over time. The County has not pre-funded these benefits.

Government accounting standards require employers recognize the implicit rate subsidy that exists in most post-employment benefit plans. The implicit rate subsidy refers to the concept that retirees under the age of 65 (those not Medicare eligible) generate higher claims on average than active participants.

When a medical plan is self-insured through a third-party administrator or fully insured, a premium is usually determined by analyzing the claims of the entire population in that plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower. Therefore, the retirees' premiums are being subsidized by the active group. The difference between the expected claims for the retiree group and the blended premium is called the implicit rate subsidy. Accordingly, the County's implicit subsidy contributions were \$108 for the year ended September 30, 2018.

Net OPEB Liability of the County

The components of the net OPEB liability of the County at yearend were as follows:

Total OPEB Liability	\$32,471
OPEB Plan Fiduciary Net Position	0
Net OPEB Liability	<u>\$32,471</u>
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 0.00%

ADAMS COUNTY, IDAHO
Notes to Financial Statements

OPEB Revenue (Expense) and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2018, the County recognized OPEB revenue (expense) of (\$6,954). At September 30, 2018, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
County implicit subsidy contributions subsequent to the measurement date	\$108
Total	\$108

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of October 1, 2017 which was also the measurement date. The following actuarial assumptions applied to all periods included in the measurement:

Actuarial cost method	Entry age, level percentage of pay
Inflation	2.50%
Salary increases	3.00%
Medical trend rate	6.50% as of October 1, 2017 grading to 5.00% over 6 years
Mortality	RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel)

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. Since the County's OPEB plan is not pre-funded, the discount rate is equal to the 20-Year Municipal Bond Yield of 3.50%.

ADAMS COUNTY, IDAHO
Notes to Financial Statements

Changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Beginning of Year	\$25,625	\$0	\$25,625
Changes for Year			
Service Cost	5,854		5,854
Interest Cost	1,100		1,100
Benefit Payments	(108)		(108)
Net Change in Total OPEB Liability	6,846	0	6,846
End of Year	<u>\$32,471</u>	<u>\$0</u>	<u>\$32,471</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Current		
	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB Liability	<u>\$36,389</u>	<u>\$32,471</u>	<u>\$28,965</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	Current Healthcare		
	1% Decrease (5.50% Decreasing to 4.00%)	Cost Trend Rate (6.50% Decreasing to 5.00%)	1% Increase (7.50% Decreasing to 6.00%)
Net OPEB Liability	<u>\$27,503</u>	<u>\$32,471</u>	<u>\$38,600</u>

ADAMS COUNTY, IDAHO
Notes to Financial Statements

I. LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site after closure. Based upon the portion of the landfill used, closure and post-closure costs are estimated at \$790,200 as of the end of the fiscal year. The County does not assure this obligation through a financial test, but instead, follows 40 CRF 258.74(f)(4)(i) which allows the County to provide this assurance by confirming these costs do not exceed 43% of the County's total revenue.

J. INTERFUND TRANSFERS

Interfund transfers during the year consist of the following:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>
Solid Waste		\$3,000	Support
Capital Projects	\$17,604		Balance Transfer
Nonmajor Governmental	3,000	17,604	Support, Balance Transfer
Total	<u>\$20,604</u>	<u>\$20,604</u>	

REQUIRED SUPPLEMENTARY INFORMATION

ADAMS COUNTY, IDAHO
 Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended September 30, 2018

<u>General (Current Expense) Fund</u>	<u>Budgeted Amounts</u> <u>(GAAP Basis)</u>		<u>Actual</u> <u>Amounts</u>	<u>Final Budget</u> <u>Variance</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$907,928	\$907,928	\$889,774	(\$18,154)
Intergovernmental Revenue	41,270	41,270	70,673	29,403
Investment Return	15,000	15,000	36,406	21,406
Charges for Services	59,108	59,108	163,500	104,392
Grants & Other	550	550	871	321
Total Revenues	<u>1,023,856</u>	<u>1,023,856</u>	<u>1,161,224</u>	<u>137,368</u>
Expenditures				
Current Expenditures				
Assessor	174,360	174,360	161,283	13,077
Buildings & Grounds	221,106	221,106	121,284	99,822
Capital Projects	0	0	0	0
Clerk / Auditor	139,750	139,750	120,162	19,588
Commissioners	101,500	101,500	96,275	5,225
Indigent	0	0	0	0
Prosecuting Attorney	0	0	0	0
Road & Bridge	0	0	0	0
Sheriff & Jail	0	0	0	0
Solid Waste	0	0	0	0
Treasurer / Tax Collector	125,370	125,370	114,017	11,353
Other General Fund Functions	561,770	561,770	475,078	86,692
Other Justice Fund Functions	0	0	0	0
Other Nonmajor Fund Functions	0	0	0	0
Total Expenditures	<u>1,323,856</u>	<u>1,323,856</u>	<u>1,088,099</u>	<u>235,757</u> *
Excess (Deficiency) of Revenues				
Over Expenditures	(300,000)	(300,000)	73,125	373,125
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(300,000)	(300,000)	73,125	373,125
Fund Balances - Beginning	<u>300,000</u>	<u>300,000</u>	<u>1,076,236</u>	<u>776,236</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$1,149,361</u>	<u>\$1,149,361</u>

*Total expenditures (over) under appropriations are: \$235,757

ADAMS COUNTY, IDAHO
 Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended September 30, 2018

Road & Bridge Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenue	1,228,000	1,228,000	1,252,769	24,769
Investment Return	0	0	0	0
Charges for Services	0	0	0	0
Grants & Other	234,298	234,298	245,887	11,589
Total Revenues	<u>1,462,298</u>	<u>1,462,298</u>	<u>1,498,656</u>	<u>36,358</u>
Expenditures				
Current Expenditures				
Assessor	0	0	0	0
Buildings & Grounds	0	0	0	0
Capital Projects	0	0	0	0
Clerk / Auditor	0	0	0	0
Commissioners	0	0	0	0
Indigent	0	0	0	0
Prosecuting Attorney	0	0	0	0
Road & Bridge	1,537,298	1,537,298	1,280,367	256,931
Sheriff & Jail	0	0	0	0
Solid Waste	0	0	0	0
Treasurer / Tax Collector	0	0	0	0
Other General Fund Functions	0	0	0	0
Other Justice Fund Functions	0	0	0	0
Other Nonmajor Fund Functions	0	0	0	0
Total Expenditures	<u>1,537,298</u>	<u>1,537,298</u>	<u>1,280,367</u>	<u>256,931</u> *
Excess (Deficiency) of Revenues Over Expenditures				
	(75,000)	(75,000)	218,289	293,289
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(75,000)	(75,000)	218,289	293,289
Fund Balances - Beginning	<u>75,000</u>	<u>75,000</u>	<u>218,984</u>	<u>143,984</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$437,273</u>	<u>\$437,273</u>

*Total expenditures (over) under appropriations are: \$256,931

ADAMS COUNTY, IDAHO
 Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended September 30, 2018

Justice Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$978,254	\$978,254	\$985,960	\$7,706
Intergovernmental Revenue	397,000	397,000	428,357	31,357
Investment Return	0	0	0	0
Charges for Services	512,205	512,205	472,653	(39,552)
Grants & Other	297,060	297,060	318,974	21,914
Total Revenues	<u>2,184,519</u>	<u>2,184,519</u>	<u>2,205,944</u>	<u>21,425</u>
Expenditures				
Current Expenditures				
Assessor	0	0	0	0
Buildings & Grounds	0	0	0	0
Capital Projects	0	0	0	0
Clerk / Auditor	0	0	0	0
Commissioners	0	0	0	0
Indigent	0	0	0	0
Prosecuting Attorney	147,049	147,049	157,050	(10,001)
Road & Bridge	0	0	0	0
Sheriff & Jail	1,539,430	1,539,430	1,433,929	105,501
Solid Waste	0	0	0	0
Treasurer / Tax Collector	0	0	0	0
Other General Fund Functions	0	0	0	0
Other Justice Fund Functions	678,040	678,040	584,325	93,715
Other Nonmajor Fund Functions	0	0	0	0
Total Expenditures	<u>2,364,519</u>	<u>2,364,519</u>	<u>2,175,304</u>	<u>189,215</u> *
Excess (Deficiency) of Revenues Over Expenditures				
	(180,000)	(180,000)	30,640	210,640
Other Financing Sources (Uses)				
Transfers In	0		0	0
Transfers Out	0		0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(180,000)	(180,000)	30,640	210,640
Fund Balances - Beginning	<u>180,000</u>	<u>180,000</u>	<u>373,548</u>	<u>193,548</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$404,188</u>	<u>\$404,188</u>

*Total expenditures (over) under appropriations are: \$189,215

ADAMS COUNTY, IDAHO
 Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended September 30, 2018

Indigent Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$153,670	\$153,670	\$152,996	(\$674)
Intergovernmental Revenue	0	0	0	0
Investment Return	0	0	0	0
Charges for Services	0	0	0	0
Grants & Other	10,110	10,110	34,513	24,403
Total Revenues	<u>163,780</u>	<u>163,780</u>	<u>187,509</u>	<u>23,729</u>
Expenditures				
Current Expenditures				
Assessor	0	0	0	0
Buildings & Grounds	0	0	0	0
Capital Projects	0	0	0	0
Clerk / Auditor	0	0	0	0
Commissioners	0	0	0	0
Indigent	427,780	427,780	277,479	150,301
Prosecuting Attorney	0	0	0	0
Road & Bridge	0	0	0	0
Sheriff & Jail	0	0	0	0
Solid Waste	0	0	0	0
Treasurer / Tax Collector	0	0	0	0
Other General Fund Functions	0	0	0	0
Other Justice Fund Functions	0	0	0	0
Other Nonmajor Fund Functions	0	0	0	0
Total Expenditures	<u>427,780</u>	<u>427,780</u>	<u>277,479</u>	<u>150,301</u> *
Excess (Deficiency) of Revenues Over Expenditures				
	(264,000)	(264,000)	(89,970)	174,030
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(264,000)	(264,000)	(89,970)	174,030
Fund Balances - Beginning	<u>264,000</u>	<u>264,000</u>	<u>333,987</u>	<u>69,987</u>
Fund Balances - Ending	<u>\$0</u>	<u>\$0</u>	<u>\$244,017</u>	<u>\$244,017</u>

*Total expenditures (over) under appropriations are: \$150,301

ADAMS COUNTY, IDAHO
 Budgetary Comparison Schedule -
 General and Major Special Revenue Funds
 Year Ended September 30, 2018

Solid Waste Fund	Budgeted Amounts (GAAP Basis)		Actual Amounts	Final Budget Variance Positive Negative
	Original	Final		(Negative)
Revenues				
Property Taxes	\$360,000	\$360,000	\$379,617	\$19,617
Intergovernmental Revenue	0	0	0	0
Investment Return	0	0	0	0
Charges for Services	167,500	167,500	231,810	64,310
Grants & Other	15,249	15,249	8,895	(6,354)
Total Revenues	<u>542,749</u>	<u>542,749</u>	<u>620,322</u>	<u>77,573</u>
Expenditures				
Current Expenditures				
Assessor	0	0	0	0
Buildings & Grounds	0	0	0	0
Capital Projects	0	0	0	0
Clerk / Auditor	0	0	0	0
Commissioners	0	0	0	0
Indigent	0	0	0	0
Prosecuting Attorney	0	0	0	0
Road & Bridge	0	0	0	0
Sheriff & Jail	0	0	0	0
Solid Waste	609,749	609,749	512,644	97,105
Treasurer / Tax Collector	0	0	0	0
Other General Fund Functions	0	0	0	0
Other Justice Fund Functions	0	0	0	0
Other Nonmajor Fund Functions	0	0	0	0
Total Expenditures	<u>609,749</u>	<u>609,749</u>	<u>512,644</u>	<u>97,105</u> *
Excess (Deficiency) of Revenues Over Expenditures				
	(67,000)	(67,000)	107,678	174,678
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	(3,000)	(3,000)	(3,000)	0 *
Total Other Financing Sources (Uses)	<u>(3,000)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>0</u>
Net Change in Fund Balances				
	(70,000)	(70,000)	104,678	174,678
Fund Balances - Beginning				
	70,000	70,000	152,111	82,111
Fund Balances - Ending				
	<u>\$0</u>	<u>\$0</u>	<u>\$256,789</u>	<u>\$256,789</u>
<i>*Total expenditures (over) under appropriations are:</i>				<u>\$97,105</u>

ADAMS COUNTY, IDAHO
Schedule of Employer's Share of Net Pension Liability
PERSI - Base Plan
Last 10 - Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's portion of the net pension liability	0.0829553%	0.0835606%	0.0837672%	0.0779868%
County's proportionate share of the net pension liability	\$1,223,605	\$1,313,429	\$1,698,090	\$1,026,959
County's covered payroll	\$2,668,975	\$2,595,336	\$2,574,717	\$2,210,848
County's proportional share of the net pension liability as a percentage of its covered payroll	45.85%	50.61%	65.95%	46.45%
Plan fiduciary net position as a percentage of the total pension liability	91.69%	90.68%	87.26%	91.38%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of June 30.

ADAMS COUNTY, IDAHO
Schedule of Employer Contributions
PERSI - Base Plan
Last 10 - Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$306,271	\$298,952	\$291,458	\$250,268
Contributions in relation to the statutorily required contribution	\$306,271	\$298,952	\$291,458	\$250,268
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County's covered payroll	<u>\$2,705,574</u>	<u>\$2,640,919</u>	<u>\$2,574,717</u>	<u>\$2,210,848</u>
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.32%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of each year's fiscal year end.

ADAMS COUNTY, IDAHO
Schedule of Changes in Net OPEB Liability and Related Ratios
Other Post-Employment Benefit Plan
Last 10 - Fiscal Years*

Fiscal Year	2018
Total OPEB Liability	
Service Cost	\$5,854
Interest Cost	1,100
Benefit Payments	(108)
Net Change in Total OPEB Liability	<u>6,846</u>
Total OPEB Liability - Beginning	<u>25,625</u>
Total OPEB Liability - Ending (a)	<u><u>\$32,471</u></u>
Plan Fiduciary Net Position - Beginning	<u>0</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$0</u></u>
County's Net OPEB Liability - Ending (a) - (b)	<u><u>\$32,471</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%
Covered Employee Payroll	\$2,385,664
Net OPEB Liability as a Percentage of Covered Employee Payroll	1.36%

*GASB 75 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

NOTES:

A. The net OPEB liability amount presented for each fiscal year was determined as of the fiscal year end.

B. The County has not presented a schedule of employer contributions or schedule of investment returns since the County does not prefund the County's OPEB Plan with contributions, and accordingly, actuarially determined contributions have not been calculated and there are no contractually or statutorily determined contributions applicable to the employer.

SUPPLEMENTARY INFORMATION

ADAMS COUNTY, IDAHO

Comparative Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Years Ended September 30, 2018, 2017, and 2016

General (Current Expense) Fund	Year Ended September 30,		
	2018	2017	2016
Revenues			
Property Taxes	\$889,774	\$966,538	\$910,573
Intergovernmental Revenue	70,673	67,163	34,006
Investment Return	36,406	25,997	25,053
Charges for Services	163,500	120,825	123,367
Grants & Other	871	1,884	10,316
Total Revenues	1,161,224	1,182,407	1,103,315
Expenditures			
Current Expenditures			
Assessor	161,283	162,650	160,240
Buildings & Grounds	121,284	130,597	127,595
Capital Projects			
Clerk / Auditor	120,162	139,926	143,683
Commissioners	96,275	93,242	97,932
Indigent			
Prosecuting Attorney			
Road & Bridge			
Sheriff & Jail			
Solid Waste			
Treasurer / Tax Collector	114,017	116,104	113,853
Other General Fund Functions	475,078	373,842	366,430
Other Justice Fund Functions			
Other Nonmajor Fund Functions			
Total Expenditures	1,088,099	1,016,361	1,009,733
Excess (Deficiency) of Revenues Over Expenditures	73,125	166,046	93,582
Other Financing Sources (Uses)			
Transfers In			
Transfers Out			
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balances	73,125	166,046	93,582
Fund Balances - Beginning	1,076,236	910,190	816,608
Fund Balances - Ending	\$1,149,361	\$1,076,236	\$910,190

ADAMS COUNTY, IDAHO

Comparative Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Years Ended September 30, 2018, 2017, and 2016

Road & Bridge Fund	Year Ended September 30,		
	2018	2017	2016
Revenues			
Property Taxes			
Intergovernmental Revenue	\$1,252,769	\$1,205,805	\$1,136,556
Investment Return			
Charges for Services			
Grants & Other	245,887	23,193	483,509
Total Revenues	<u>1,498,656</u>	<u>1,228,998</u>	<u>1,620,065</u>
Expenditures			
Current Expenditures			
Assessor			
Buildings & Grounds			
Capital Projects			
Clerk / Auditor			
Commissioners			
Indigent			
Prosecuting Attorney			
Road & Bridge	1,280,367	1,410,507	1,419,379
Sheriff & Jail			
Solid Waste			
Treasurer / Tax Collector			
Other General Fund Functions			
Other Justice Fund Functions			
Other Nonmajor Fund Functions			
Total Expenditures	<u>1,280,367</u>	<u>1,410,507</u>	<u>1,419,379</u>
Excess (Deficiency) of Revenues Over Expenditures	218,289	(181,509)	200,686
Other Financing Sources (Uses)			
Transfers In	0	0	0
Transfers Out	0	0	0
Capital Lease Proceeds	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	218,289	(181,509)	200,686
Fund Balances - Beginning	218,984	400,493	199,807
Fund Balances - Ending	<u>\$437,273</u>	<u>\$218,984</u>	<u>\$400,493</u>

ADAMS COUNTY, IDAHO

Comparative Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Years Ended September 30, 2018, 2017, and 2016

Justice Fund	Year Ended September 30,		
	2018	2017	2016
Revenues			
Property Taxes	\$985,960	\$983,990	\$886,479
Intergovernmental Revenue	428,357	409,655	401,527
Investment Return			
Charges for Services	472,653	488,379	536,184
Grants & Other	318,974	108,576	156,318
Total Revenues	2,205,944	1,990,600	1,980,508
Expenditures			
Current Expenditures			
Assessor			
Buildings & Grounds			
Capital Projects			
Clerk / Auditor			
Commissioners			
Indigent			
Prosecuting Attorney	157,050	114,015	90,578
Road & Bridge			
Sheriff & Jail	1,433,929	1,285,751	1,274,105
Solid Waste			
Treasurer / Tax Collector			
Other General Fund Functions			
Other Justice Fund Functions	584,325	543,997	530,390
Other Nonmajor Fund Functions			
Total Expenditures	2,175,304	1,943,763	1,895,073
Excess (Deficiency) of Revenues Over Expenditures	30,640	46,837	85,435
Other Financing Sources (Uses)			
Transfers In			
Transfers Out			
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balances	30,640	46,837	85,435
Fund Balances - Beginning	373,548	326,711	241,276
Fund Balances - Ending	\$404,188	\$373,548	\$326,711

ADAMS COUNTY, IDAHO

Comparative Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Years Ended September 30, 2018, 2017, and 2016

Indigent Fund	Year Ended September 30,		
	2018	2017	2016
Revenues			
Property Taxes	\$152,996	\$7,410	\$5,304
Intergovernmental Revenue			
Investment Return			
Charges for Services			
Grants & Other	34,513	51,668	42,768
Total Revenues	187,509	59,078	48,072
Expenditures			
Current Expenditures			
Assessor			
Buildings & Grounds			
Capital Projects			
Clerk / Auditor			
Commissioners			
Indigent	277,479	256,164	186,066
Prosecuting Attorney			
Road & Bridge			
Sheriff & Jail			
Solid Waste			
Treasurer / Tax Collector			
Other General Fund Functions			
Other Justice Fund Functions			
Other Nonmajor Fund Functions			
Total Expenditures	277,479	256,164	186,066
Excess (Deficiency) of Revenues Over Expenditures	(89,970)	(197,086)	(137,994)
Other Financing Sources (Uses)			
Transfers In			
Transfers Out			
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balances	(89,970)	(197,086)	(137,994)
Fund Balances - Beginning	333,987	531,073	669,067
Fund Balances - Ending	\$244,017	\$333,987	\$531,073

ADAMS COUNTY, IDAHO

Comparative Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Years Ended September 30, 2018, 2017, and 2016

Solid Waste Fund	Year Ended September 30,		
	2018	2017	2016
Revenues			
Property Taxes	\$379,617	\$372,541	\$332,516
Intergovernmental Revenue			
Investment Return			
Charges for Services	231,810	179,924	89,689
Grants & Other	8,895	1,380	15,878
Total Revenues	620,322	553,845	438,083
Expenditures			
Current Expenditures			
Assessor			
Buildings & Grounds			
Capital Projects			
Clerk / Auditor			
Commissioners			
Indigent			
Prosecuting Attorney			
Road & Bridge			
Sheriff & Jail			
Solid Waste	512,644	513,091	466,787
Treasurer / Tax Collector			
Other General Fund Functions			
Other Justice Fund Functions			
Other Nonmajor Fund Functions			
Total Expenditures	512,644	513,091	466,787
Excess (Deficiency) of Revenues Over Expenditures	107,678	40,754	(28,704)
Other Financing Sources (Uses)			
Transfers In			44,290
Transfers Out	(3,000)	(3,000)	(3,000)
Total Other Financing Sources (Uses)	(3,000)	(3,000)	41,290
Net Change in Fund Balances	104,678	37,754	12,586
Fund Balances - Beginning	152,111	114,357	101,771
Fund Balances - Ending	\$256,789	\$152,111	\$114,357

ADAMS COUNTY, IDAHO

Comparative Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
Years Ended September 30, 2018, 2017, and 2016

Capital Projects Fund	Year Ended September 30,		
	2018	2017	2016
Revenues			
Property Taxes			
Intergovernmental Revenue			
Investment Return	\$35,849	\$18,171	\$9,825
Charges for Services			
Grants & Other	430,718	730	0
Total Revenues	466,567	18,901	9,825
Expenditures			
Current Expenditures			
Assessor			
Buildings & Grounds			
Capital Projects	180,854	165,020	393,090
Clerk / Auditor			
Commissioners			
Indigent			
Prosecuting Attorney			
Road & Bridge			
Sheriff & Jail			
Solid Waste			
Treasurer / Tax Collector			
Other General Fund Functions			
Other Justice Fund Functions			
Other Nonmajor Fund Functions			
Total Expenditures	180,854	165,020	393,090
Excess (Deficiency) of Revenues Over Expenditures	285,713	(146,119)	(383,265)
Other Financing Sources (Uses)			
Transfers In	17,604	0	0
Transfers Out	0	0	(44,290)
Total Other Financing Sources (Uses)	17,604	0	(44,290)
Net Change in Fund Balances	303,317	(146,119)	(427,555)
Fund Balances - Beginning	1,998,582	2,144,701	2,572,256
Fund Balances - Ending	\$2,301,899	\$1,998,582	\$2,144,701

ADAMS COUNTY, IDAHO
 Combining Balance Sheet - Nonmajor Governmental Funds
 September 30, 2018

	Special Revenue Funds		
	District Court	County Fair	Emergency Comm. 911
Assets			
Cash & Investments	\$243,748	\$8,340	\$72,177
Receivables:			
Taxes	1,451	1,017	
Due From Other Funds			
Total Assets	<u>\$245,199</u>	<u>\$9,357</u>	<u>\$72,177</u>
Liabilities			
Accounts Payable & Accrued Expenses	\$9,506		\$1,280
Due To Other Funds			
Total Liabilities	<u>9,506</u>	<u>\$0</u>	<u>1,280</u>
Deferred Inflows of Resources			
Unavailable Tax Revenues	1,306	915	
Total Deferred Inflows of Resources	<u>1,306</u>	<u>915</u>	<u>0</u>
Fund Balances			
Restricted - Special Programs	234,387	8,442	70,897
Restricted - Debt Service			
Restricted - Capital Projects			
Unassigned			
Total Fund Balances	<u>234,387</u>	<u>8,442</u>	<u>70,897</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$245,199</u>	<u>\$9,357</u>	<u>\$72,177</u>

ADAMS COUNTY, IDAHO
 Combining Balance Sheet - Nonmajor Governmental Funds
 September 30, 2018

	Special Revenue Funds			
	Health District	Junior College	Parks & Recreation	Pest
Assets				
Cash & Investments	\$4,964	\$21,463	\$150,884	\$2,795
Receivables:				
Taxes	981	58	168	82
Due From Other Funds				
Total Assets	<u>\$5,945</u>	<u>\$21,521</u>	<u>\$151,052</u>	<u>\$2,877</u>
Liabilities				
Accounts Payable & Accrued Expenses		\$1,650	\$7	
Due To Other Funds				
Total Liabilities	<u>\$0</u>	<u>1,650</u>	<u>7</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues	883	53	151	74
Total Deferred Inflows of Resources	<u>883</u>	<u>53</u>	<u>151</u>	<u>74</u>
Fund Balances				
Restricted - Special Programs	5,062	19,818	150,894	2,803
Restricted - Debt Service				
Restricted - Capital Projects				
Unassigned				
Total Fund Balances	<u>5,062</u>	<u>19,818</u>	<u>150,894</u>	<u>2,803</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$5,945</u>	<u>\$21,521</u>	<u>\$151,052</u>	<u>\$2,877</u>

ADAMS COUNTY, IDAHO
 Combining Balance Sheet - Nonmajor Governmental Funds
 September 30, 2018

	Special Revenue Funds			
	Revaluation	Tort	Veterans Memorial	Noxious Weed
Assets				
Cash & Investments	\$75,850	\$71,243	\$7,132	\$58,246
Receivables:				
Taxes	7,788	3,719	362	2,376
Due From Other Funds				
Total Assets	<u>\$83,638</u>	<u>\$74,962</u>	<u>\$7,494</u>	<u>\$60,622</u>
Liabilities				
Accounts Payable & Accrued Expenses	\$5,289			\$2,821
Due To Other Funds				
Total Liabilities	<u>5,289</u>	<u>\$0</u>	<u>\$0</u>	<u>2,821</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues	7,009	3,347	326	2,138
Total Deferred Inflows of Resources	<u>7,009</u>	<u>3,347</u>	<u>326</u>	<u>2,138</u>
Fund Balances				
Restricted - Special Programs	71,340	71,615	7,168	55,663
Restricted - Debt Service				
Restricted - Capital Projects				
Unassigned				
Total Fund Balances	<u>71,340</u>	<u>71,615</u>	<u>7,168</u>	<u>55,663</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$83,638</u>	<u>\$74,962</u>	<u>\$7,494</u>	<u>\$60,622</u>

ADAMS COUNTY, IDAHO
 Combining Balance Sheet - Nonmajor Governmental Funds
 September 30, 2018

	Special Revenue Funds			Consolidated Election
	Snowmobile	County Boat	Grants	
Assets				
Cash & Investments	\$18,040	\$24,451	\$166,114	\$298,874
Receivables:				
Taxes				
Due From Other Funds				
Total Assets	<u>\$18,040</u>	<u>\$24,451</u>	<u>\$166,114</u>	<u>\$298,874</u>
Liabilities				
Accounts Payable & Accrued Expenses		\$874	\$7,249	
Due To Other Funds				
Total Liabilities	<u>\$0</u>	<u>874</u>	<u>7,249</u>	<u>\$0</u>
Deferred Inflows of Resources				
Unavailable Tax Revenues				
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Restricted - Special Programs	18,040	23,577	158,865	298,874
Restricted - Debt Service				
Restricted - Capital Projects				
Unassigned				
Total Fund Balances	<u>18,040</u>	<u>23,577</u>	<u>158,865</u>	<u>298,874</u>
Total Liabilities and Deferred Inflows of Resources and Fund Balances	<u>\$18,040</u>	<u>\$24,451</u>	<u>\$166,114</u>	<u>\$298,874</u>

ADAMS COUNTY, IDAHO
 Combining Balance Sheet - Nonmajor Governmental Funds
 September 30, 2018

	Debt Service		Bond		Total
	Redemption				Total
Assets					
Cash & Investments	\$898				\$1,225,219
Receivables:					0
Taxes	2,887				20,889
Due From Other Funds					0
Total Assets	\$3,785				\$1,246,108
Liabilities					
Accounts Payable & Accrued Expenses					\$28,676
Due To Other Funds					0
Total Liabilities	\$0				28,676
Deferred Inflows of Resources					
Unavailable Tax Revenues	2,599				18,801
Total Deferred Inflows of Resources	2,599				18,801
Fund Balances					
Restricted - Special Programs					1,197,445
Restricted - Debt Service	1,186				1,186
Restricted - Capital Projects					0
Unassigned					0
Total Fund Balances	1,186				1,198,631
Total Liabilities and Deferred Inflows of Resources and Fund Balances	\$3,785				\$1,246,108

ADAMS COUNTY, IDAHO

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended September 30, 2018

	Special Revenue Funds		
	District Court	County Fair	Emergency Comm. 911
Revenues			
Property Taxes	\$30,536	\$12,737	
Intergovernmental Revenue	92,890		
Investment Return			
Charges for Services	22,173		\$49,873
Grants & Other	4,153	3,466	5,370
Total Revenues	<u>149,752</u>	<u>16,203</u>	<u>55,243</u>
Expenditures			
Current Expenditures			
Assessor			
Buildings & Grounds			
Capital Projects			
Clerk / Auditor			
Commissioners			
Indigent			
Prosecuting Attorney			
Road & Bridge			
Sheriff & Jail			
Solid Waste			
Treasurer / Tax Collector			
Other General Fund Functions			
Other Justice Fund Functions			
Other Nonmajor Fund Functions	216,477	12,000	37,552
Total Expenditures	<u>216,477</u>	<u>12,000</u>	<u>37,552</u>
Excess (Deficiency) of Revenues Over Expenditures	(66,725)	4,203	17,691
Other Financing Sources (Uses)			
Transfers In			
Transfers Out			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(66,725)	4,203	17,691
Fund Balances - Beginning	<u>301,112</u>	<u>4,239</u>	<u>53,206</u>
Fund Balances - Ending	<u><u>\$234,387</u></u>	<u><u>\$8,442</u></u>	<u><u>\$70,897</u></u>

ADAMS COUNTY, IDAHO

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended September 30, 2018

	Special Revenue Funds			
	Health District	Junior College	Parks & Recreation	Pest
Revenues				
Property Taxes	\$22,221	\$108		\$2,023
Intergovernmental Revenue				
Investment Return				
Charges for Services			\$2,057	
Grants & Other	5	1,950		
Total Revenues	<u>22,226</u>	<u>2,058</u>	<u>2,057</u>	<u>2,023</u>
Expenditures				
Current Expenditures				
Assessor				
Buildings & Grounds				
Capital Projects				
Clerk / Auditor				
Commissioners				
Indigent				
Prosecuting Attorney				
Road & Bridge				
Sheriff & Jail				
Solid Waste				
Treasurer / Tax Collector				
Other General Fund Functions				
Other Justice Fund Functions				
Other Nonmajor Fund Functions	25,741	6,350	98	4,000
Total Expenditures	<u>25,741</u>	<u>6,350</u>	<u>98</u>	<u>4,000</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,515)	(4,292)	1,959	(1,977)
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(3,515)	(4,292)	1,959	(1,977)
Fund Balances - Beginning	<u>8,577</u>	<u>24,110</u>	<u>148,935</u>	<u>4,780</u>
Fund Balances - Ending	<u><u>\$5,062</u></u>	<u><u>\$19,818</u></u>	<u><u>\$150,894</u></u>	<u><u>\$2,803</u></u>

ADAMS COUNTY, IDAHO

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended September 30, 2018

	Special Revenue Funds			
	Revaluation	Tort	Veterans Memorial	Noxious Weed
Revenues				
Property Taxes	\$179,037	\$82,726	\$9,941	\$53,382
Intergovernmental Revenue	5,033			
Investment Return				
Charges for Services				
Grants & Other	945	17	2	74,889
Total Revenues	<u>185,015</u>	<u>82,743</u>	<u>9,943</u>	<u>128,271</u>
Expenditures				
Current Expenditures				
Assessor				
Buildings & Grounds				
Capital Projects				
Clerk / Auditor				
Commissioners				
Indigent				
Prosecuting Attorney				
Road & Bridge				
Sheriff & Jail				
Solid Waste				
Treasurer / Tax Collector				
Other General Fund Functions				
Other Justice Fund Functions				
Other Nonmajor Fund Functions	187,895	114,754	10,000	120,516
Total Expenditures	<u>187,895</u>	<u>114,754</u>	<u>10,000</u>	<u>120,516</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,880)	(32,011)	(57)	7,755
Other Financing Sources (Uses)				
Transfers In	3,000			
Transfers Out				
Total Other Financing Sources (Uses)	<u>3,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	120	(32,011)	(57)	7,755
Fund Balances - Beginning	<u>71,220</u>	<u>103,626</u>	<u>7,225</u>	<u>47,908</u>
Fund Balances - Ending	<u><u>\$71,340</u></u>	<u><u>\$71,615</u></u>	<u><u>\$7,168</u></u>	<u><u>\$55,663</u></u>

ADAMS COUNTY, IDAHO

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended September 30, 2018

	Special Revenue Funds			Consolidated Election
	Snowmobile	County Boat	Grants	
Revenues				
Property Taxes				
Intergovernmental Revenue			\$4,000	\$55,695
Investment Return				
Charges for Services	\$6,393	\$14,151		
Grants & Other		20,886	128,749	
Total Revenues	<u>6,393</u>	<u>35,037</u>	<u>132,749</u>	<u>55,695</u>
Expenditures				
Current Expenditures				
Assessor				
Buildings & Grounds				
Capital Projects				
Clerk / Auditor				
Commissioners				
Indigent				
Prosecuting Attorney				
Road & Bridge				
Sheriff & Jail				
Solid Waste				
Treasurer / Tax Collector				
Other General Fund Functions				
Other Justice Fund Functions				
Other Nonmajor Fund Functions	7,500	36,470	306,270	30,830
Total Expenditures	<u>7,500</u>	<u>36,470</u>	<u>306,270</u>	<u>30,830</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,107)	(1,433)	(173,521)	24,865
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(1,107)	(1,433)	(173,521)	24,865
Fund Balances - Beginning	19,147	25,010	332,386	274,009
Fund Balances - Ending	<u><u>\$18,040</u></u>	<u><u>\$23,577</u></u>	<u><u>\$158,865</u></u>	<u><u>\$298,874</u></u>

ADAMS COUNTY, IDAHO

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended September 30, 2018

	<u>Debt Service</u>	
	<u>Bond</u>	
	<u>Redemption</u>	<u>Total</u>
Revenues		
Property Taxes	\$7,672	\$400,383
Intergovernmental Revenue		157,618
Investment Return	162	162
Charges for Services		94,647
Grants & Other		240,432
Total Revenues	<u>7,834</u>	<u>893,242</u>
Expenditures		
Current Expenditures		
Assessor		0
Buildings & Grounds		0
Capital Projects		0
Clerk / Auditor		0
Commissioners		0
Indigent		0
Prosecuting Attorney		0
Road & Bridge		0
Sheriff & Jail		0
Solid Waste		0
Treasurer / Tax Collector		0
Other General Fund Functions		0
Other Justice Fund Functions		0
Other Nonmajor Fund Functions		1,116,453
Total Expenditures	<u>0</u>	<u>1,116,453</u>
Excess (Deficiency) of Revenues		
Over Expenditures	7,834	(223,211)
Other Financing Sources (Uses)		
Transfers In		3,000
Transfers Out	(17,604)	(17,604)
Total Other Financing Sources (Uses)	<u>(17,604)</u>	<u>(14,604)</u>
Net Change in Fund Balances	(9,770)	(237,815)
Fund Balances - Beginning	<u>10,956</u>	<u>1,436,446</u>
Fund Balances - Ending	<u>\$1,186</u>	<u>\$1,198,631</u>

OTHER REPORTS

**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***

Board of County Commissioners
Adams 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 units, each major fund, and the aggregate remaining fund information of the Adams 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, and have issued our report thereon dated March 7, 2019.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 County's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

Quest CPAs PLLC

Payette, Idaho
March 7, 2019