

CASSIA COUNTY, IDAHO

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2021

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Office of the Clerk of the District Court

Cassia County, Idaho

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June 21, 2022

TO: BOARD OF COUNTY COMMISSIONERS
CITIZENS OF CASSIA COUNTY

Idaho statute requires that all general-purpose local governments with annual expenditures that exceed two hundred fifty thousand dollars (\$250,000.00) submit a complete set of financial statements to the legislative council. The financial statements presented must conform to Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the attached Basic Financial Statements with Management's Discussion and Analysis of Cassia County, Idaho, for the fiscal year ended September 30, 2021. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Zwygart John and Associates, an accounting firm of licensed certified public accountants, has audited the county's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the county for the fiscal year ended September 30, 2021, are free of material misstatements. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the county's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with General Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A is designed to complement the letter of transmittal and should be read in conjunction with it. The county's MD&A can be found immediately following the report of the independent auditors.

Cassia County Government Profile

Cassia County is located, geographically, in the south central plain of the Snake River, bordered to the south by the State of Utah and surrounded by Oneida, Power, Blaine, Minidoka, Jerome, and Twin Falls Counties. It is comprised of 2,565.08 square miles of land. The estimated

Cassia County population base of 22,952 on April 1, 2010 increased to 24,655 on April 1, 2020, which represented a 7.42% increase. The U.S. Census Bureau estimated report for July 1, 2021 was 25,164.

A three-member elected County Commission with overlapping terms governs the county. Responsibilities of the County Commissioners include passing ordinances and resolutions, adopting the budget, and appointing the heads of various departments. Six other elected officials in Cassia County include the Clerk of the District Court who serves as ex-officio Auditor and ex-officio Recorder, Assessor, Coroner, Prosecutor, Sheriff, and Treasurer.

The county provides a full range of services under its general governmental functions. These services include public safety and protection, sanitation services, health and social services, culture and recreation, road and bridge construction and maintenance, planning and zoning, and general administrative services. Also included are services related to property assessment, budget development and administration, financial management, tax collection, investment of county assets, court and jury service management, indigent public defense, public records maintenance, conducting and directing of elections, directing indigent medical and non-medical services, noxious weed and invasive species control, and educational extension services in conjunction with the University of Idaho. In addition, landfill sanitation and emergency 9-1-1 communications services are provided under an enterprise fund concept, with user charges to provide revenue to meet operating expenses.

Of note during FY2021, the Idaho Public Defense Commission continues to be charged with the statutory duty of adopting rules and grant funding for the defense of indigent citizens. Those rules have been updated by action of the legislature to assure adequate legal services that include funding by state and county government. This is in part in response to litigation from the ACLU for inadequate indigent defense in certain Idaho counties, all necessitating additional costs to the State of Idaho and to all counties. Recruitment of qualified attorneys to perform indigent legal services continues to be difficult as the alternatives for attorneys at comparable pay is a challenge at best. Cassia County increased yet again indigent attorney compensation during FY2021 to assist in the recruiting and retention effort. There continues to be growing needs due to increased caseload and to stay within case workload standards for each indigent attorney.

The County Commission is required to annually adopt a final budget by no later than the first Tuesday following the first Monday in September. This annual budget serves as the foundation for Cassia County's financial planning and control. The budget is prepared by fund, department, activity, and object. Each elected official and department head are required to submit a budget request to the County Auditor which is to include a projection of operating and capital expenditures and identified revenues from which to allocate for those expenditures. The Clerk submits to the Board of County Commissioners such department requests including their recommendations, which follow directions of the Board of what is deemed appropriate. Funding must fall within the constraints of available and estimated revenue and income funding sources. The final governing authority, the Board of County Commissioners then considers and contrasts or modifies such budget recommendations to present at public hearing before approval. In addition, the County Auditor maintains ongoing internal budgetary controls throughout the fiscal year to ensure compliance with legal provisions embodied in the annual adopted budget process, adhering to Idaho budget statutes, and to comply with federal regulations. The adopted budget is then integrated with the county's accounting system to

ensure reasonable and timely management control over County expenditures throughout the year. Final budget amounts are as originally adopted or as amended either by judicial order or by action of the Commissioners through scheduled budget hearing procedures. The necessity of budget amendments is appropriate and legal for receipt of unscheduled revenues and to meet unexpected expenses above appropriated amounts that would be approved following a public hearing and in compliance with Idaho statute.

During the fiscal year, the Board of County Commissioners may amend the annual appropriated budget by unanimous resolution in case of an emergency, through the courts, or by the budget hearing process. The appropriated budget can only be increased by an amount equal to unscheduled revenues and available reserves. In no event can property taxes be increased. Management at the departmental level does not have authority to amend the budget but only to request such to the governing Board of County Commissioners and when statutorily appropriate.

Local Economy

Cassia County's Comprehensive Plan reflects the preservation of an agriculture-based economy. Included are dairy and dry farm operations as well as waterway and deep well irrigation crop farms. Production crops include potatoes, sugar beets, beans, alfalfa, wheat, barley, and seed crop production. Some industrial development has occurred with many having a direct relationship to agricultural production. Ethanol production and wind power generation are part of the local economy as well.

Cassia County, as well as the rest of Idaho has seen considerable increases with both domestic and international industrial development. Recreation activities in Cassia County include those associated with the Snake River, a ski resort, mountain streams and lakes, the City of Rocks National Reserve, camping, hiking, hunting, and recreational vehicle exploration. The federal government continues to close miles of roads on BLM and US Forest Service ground previously used for that recreation and exploration, much to the dismay of most county officials and numerous recreationists.

Ongoing discussions and considerations surround the relocation of the current City of Burley-sponsored municipal airport from its current landlocked location adjacent to concentrated business and population to a more rural location. The amount of land needed to adequately facilitate a new airport in nearly all prospective locations identified, will include the purchase of at least some private agriculture property and the possible consideration of the use of eminent domain to secure some portions of the needed real estate. Those dynamics leave the decision of such a move to the City of Burley who sponsors the Burley Municipal Airport. Actions by the City of Burley Administrator following two decades of efforts and no airport relocation were to request the assistance of both Minidoka County and Cassia County Commissioners to help effectuate statutory changes to allow an airport authority with less than three counties to carry that project forward. At present, it appears certain that the current City of Burley Airport will not receive further Federal Aviation Administration funding and continues to be under the threat of the City of Burley abandoning it. In the absence of recent visible efforts of the City of Burley and no legislative appetite to facilitate both counties to pursue an airport authority, it appears abandonment of the present airport is a strong possibility. Unfortunately, a real prospect includes that the Mini-Cassia area could eventually be without an airport which would

clearly elicit negative results to economic recruitment of industry and business to the Mini-Cassia area. Agricultural crop spraying, air freight, mail, emergency medical, and commerce activities could be adversely affected with the abandonment by the City of Burley of the Burley Municipal Airport.

Financial Planning

Cassia County's 9-1-1/Emergency Communication services continues to evolve with telephone use funding to maintain and enhance communication ability to difficult and remote areas of the county. The cost to the county property taxpayer is very minimal to accomplish those needs.

The old 9-1-1 system was upgraded to include reverse 9-1-1 and eventually it is anticipated may include other advanced functionality. The FCC-mandated narrow banding and all licenses and repeaters continue to be updated to be compatible with that mandate. Preparations are ongoing for a national implementation in the future of enhancements, improvements, and multi-agency and multi-geographical integration of 9-1-1 communications.

The County Road and Bridge department continues to work with roads within their jurisdiction to assist with the repair and maintenance needs of rural county roads that are within the boundaries of this district. Culvert and bridge maintenance repair in the Elba and Almo areas continue to be necessary. Work continues with grading roads and application of magnesium chloride for dust control and road preservation in the areas most traveled. Following the Idaho Transportation Department (ITD) taking control over the road from Connor Creek to Elba and Almo, a cooperative agreement continues between ITD and the County Road and Bridge, where plowing of snow by the County is provided in exchange for road sand and salt from the State.

The Auditor's Office continues recommendations for prudent placement of funds in reserve each fiscal year for future capital needs. Some budgeted expenditures continue to merit scrutinization of the Board of Commissioners to minimize optional or non-statutory services and other expenditures that may affect the building of or depletion of critical reserve funds.

The ongoing and clear concern of this budget officer is the reality of potential adverse results for continual reliance on Federally funded Payment in Lieu of Taxes (PILT) as an ongoing expected funding mechanism for day to day services in Cassia County. Federal appropriations for ongoing full funding of PILT, though supported by all of Idaho's federal legislative delegates, continues to be in the balance year to year. Actions of federal legislative and administrative branches could present a scenario where there would be a loss of portions or all of PILT funding. The end result to Cassia County would be the potential loss of nearly 8% of Cassia County's annual budget or up to \$2.3 million of the current full funding of PILT, which would be devastating to essential County services.

The continued dedication of Auditor's Office Director Heather Evans as well as Deputy Auditors Sharene Ahlin and Michelle Wallace are once again worthy of commendation amidst the complexities of current accounting and reporting requirements. Those requirements include changes in Government Accounting Standards Board (GASB) publication compliance, PERSI retirement plan monitoring and oversight, American Rescue Plan Act (ARPA) accounting and reporting, daily and annual record-keeping and reporting to the IRS, Affordable federal Department of Labor compliance for compensation of county employees and unemployment

processing, county taxing district levy oversight, public defense grant processing and tracking, grant funds auditing, and oversight and universal reporting to the Idaho State Controller's Office. This office continues to require appropriate accountability with adopted best practices for safeguarding of the financial resources of Cassia County. That ongoing commitment and effort will include in-house auditing in areas where the need arises and where quality control and efficiency can be improved. The Board of County Commissioners' engaged outside auditor, Zwygart John and Associates have been instrumental and extremely valuable in our migration from our previous financial accounting software to our new system of accounting. Their experience with numerous other counties in Idaho and Oregon and in particular with our CAI accounting and programming professionals and financial accounting software has been invaluable. Moreover, the additional advice and counsel in establishing best practices and internal auditor control has been very helpful. Findings and recommendations for appropriate accounting processes as identified by Zwygart John and Associates will prove helpful for improvement and fulfilling of the Auditor's Office stewardship to maintain sound financial management and accounting. The ongoing goal of the Cassia County Auditor's Office is to mitigate any and all adverse findings and implement all recommendations of the outside auditor.

The submission of this annual financial report for Cassia County is, hereby, offered for consideration and review of the Board of County Commissioners, interested parties, and the citizens of Cassia County.

Respectfully,

A handwritten signature in black ink that reads "Joseph W. Larsen". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Joseph W. Larsen
Clerk of the District Court
ex-officio Auditor/Recorder



ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Board of Commissioners
Cassia County, Idaho
Burley, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Cassia County, Idaho (the County) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Qualified Opinion on Governmental Activities

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Governmental Activities: paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of Cassia County, Idaho as of September 30, 2021, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Discretely Presented Component Unit, Each Major Fund, and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the the discretely presented component units, each major fund, and the aggregate remaining fund information of Cassia County, Idaho, as of September 30, 2021, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cassia County, Idaho, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinion on Governmental Activities

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

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cassia County, Idaho's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Cassia County, Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cassia County, Idaho's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 9 to 28, budgetary comparison information, schedule of the County's proportionate share of the net pension liability, and schedule of County contributions on pages 60 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

The introductory section (Transmittal Letter) has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2022 on our consideration of Cassia County, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cassia County, Idaho's internal control over financial reporting and compliance.

Zwygart John & Associates CPAS, PLLC

Nampa, Idaho
June 21, 2022

***Cassia County
Management's Discussion and Analysis
Fiscal Year Ended September 30, 2021***

I, Joseph W. Larsen, am the ex-officio auditor of Cassia County, Idaho. As such I function as budget officer and financial manager pursuant Idaho Statute § 31-160. My duties thereunder are to oversee financial accountability and to ensure that provisions of the budget are complied with by each elected official, department head, and their appointees or designees. This narrative overview, analysis, and accompanying financial statements for the fiscal year ended September 30, 2021, is presented. Included are financial performance and activities of the governmental services of Cassia County for the Fiscal Year beginning October 1, 2020, through September 30, 2021.

The Cassia County accounting system for reporting is required to meet the criteria and model of Generally Accepted Accounting Principles or the Government Accounting Standards Board (GASB) as outlined in Idaho Statute § 31-1509. Most recently, that includes the following that apply, along with previous GASB Pronouncements, to Fiscal Year ended September 30, 2021, and thereafter:

- Implementation Guide No. 2021-1, Implementation Guidance Update – 2021
- Technical Bulletin No. 2020-1, Accounting and Financial Reporting Issues Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES) and Coronavirus Diseases (Issued and made effective 06/20)

Most new GASB Statements and Implementations Guides serve as clarifications of previous statements and have little or no significant impact on accounting and financial statements for Cassia County for fiscal year 2021 (FY2021).

Elected Officials

A political subdivision of the State of Idaho, Cassia County has nine elected officials; three county commissioners, sheriff, prosecuting attorney, clerk, treasurer, assessor, and coroner. Every two years, two county commissioner terms are up for election; one for a two-year term and one for a four-year term. FY2021 included no changes in these nine elected officials.

Elected officials at fiscal year ending on September 30, 2021, included the following:

Board of County Commissioners:

District 1 – Leonard M. Beck, Chair

District 2 – Bob Kunau

District 3 – Kent R. Searle

Leonard M. Beck was re-elected to a four-year term for Commissioner District 1 and Bob Kunau was re-elected to a two-year term for Commissioner District 2 on November 3, 2020. They both took the oath of office on January 11, 2021. Kent R. Searle is the incumbent Commissioner for District 3 and is mid-way through his elected four-year term.

The Board of County Commissioners is “the chief executive authority of the county government” under Idaho Statute § 31-828. As such, they manage, preside over and are responsible for statutory compliance and adherence, more particularly relative to financial accounting and fiscal responsibility as follows:

- “...supervise the official conduct of all county officers, and appointed boards or commissions of the county charged with assessing, collecting, safekeeping, management of disbursement of the public moneys and revenues; see that they faithfully perform their duties...and when necessary, require them to make reports, and to present their books and accounts for inspection.” Idaho Code § 31-802
- “...lay out, maintain, control and manage public roads...and bridges within the county, and levy such tax therefor as authorized by law...” Idaho Code § 31-805
- “...preserve, take care of, manage and control the county property...” Idaho Code § 31-807
- “...examine and audit the accounts of all officers having the care, management, collection or disbursement of moneys belonging to the county, or appropriated by law, or otherwise, for its use and benefit.” Idaho Code § 31-809
- “...funds deposited in the county election fund...shall be used to pay for all costs in conducting political subdivision elections.” Idaho Code § 31-809A
- “...examine, settle, and allow all accounts legally chargeable against the county...” Idaho Code § 31-810
- “...levy such taxes annually on the taxable property of the county as may be necessary not exceeding the amount authorized by law...” Idaho Code § 31-811
- “...fix the compensation of all county officers and employees, and provide for the payment of the same.” Idaho Code § 31-816
- “...hold public fairs or exhibitions, to care for and maintain the same, regulate the use thereof...” Idaho Code § 31-822
- “...levy a tax...for the purpose of creating a fund to be used for collecting, preparing and maintaining an exhibition of the products and industries of the county...for the purpose of encouraging immigration and increasing trade in the products of the State of Idaho, to pay premiums or prizes for, and any costs or expenses of collecting, preparing, maintaining, exhibiting and advertising of like exhibitions, exhibited by others than the county at any such domestic or foreign exposition.” Idaho Code § 31-823
- “...employ inmates of the county jail upon public road work or other county work in the county...” Idaho Code § 31-824
- “...contract to purchase and to purchase and provide for care by clerk of district court of such law books and pamphlets...as necessary...” Idaho Code § 31-825
- “...appropriate funds for demonstration work in agriculture and home economics...for the employment of a county agent or county agents in cooperation with the University of Idaho...” Idaho Code § 31-826
- “...authority and power to enter into contracts...to promote, maintain, and administer projects and programs...of public benefit, and the purpose of which is to carry on programs concerning the aged.” Idaho Code § 31-866
- “...may impose and collect fees for those services provided by the county...” Idaho Code § 31-870
- “...shall provide misdemeanor probation services...shall not be obligated beyond the funds generated by the fees collected...and any additional funds that may be annually appropriated...” Idaho Code § 31-878
- “...shall cause to be made, annually, a full and complete audit of the financial transactions of the county.” Idaho Code § 31-1701
- “...shall...evaluate the need and provide to indigent person(s) nonmedical assistance in a temporary situation only when no alternative exists.” Idaho Code § 31-3401

- “...shall...pay for necessary medical services for the medically indigent residents...” Idaho Code § 31-3503 (1)
- “...estimate of expenditures...required...as finally fixed and adopted as the county budget...shall constitute the appropriations for the county for the ensuing fiscal year. Each and every county official or employee shall be limited in making expenditures or the incurring of liabilities to the respective amounts of such appropriations.” Idaho Code § 31-1606
- “...shall cause to be made, annually, a full and complete audit of financial transactions of the county. Such audit shall be made by and under the direction of the board of county commissioners...” Idaho Code § 31-1707
- “...Audits...are to be performed by independent auditors in accordance with generally accepted governmental auditing standards, as defined by the United States general accountability office.” Idaho Code § 67-450B

Clerk of the District Court:

Joseph W. Larsen

The Clerk of the District Court serves also as ex-officio Auditor, ex-officio Recorder, Chief Elections Officer, Social Services Officer, and Clerk of the Board of Commissioners.

Assessor:

Dwight Davis

The Assessor determines property valuations, administers the property taxation system, and provides vehicle registration through the Idaho Department of Transportation.

Treasurer:

Laura Greener

The Treasurer is the County Tax Collector and ex-officio Public Administrator.

Prosecuting Attorney:

McCord Larsen

The Prosecuting Attorney prosecutes crimes and is counsel to County government. McCord Larsen was elected as Cassia County Prosecuting Attorney on November 3, 2020. He was appointed to this position following the resignation of Douglas Abenroth, who was appointed as a Magistrate Judge in Minidoka County. Larsen took the oath of office as Cassia County Prosecutor on January 11, 2021.

Sheriff:

George Warrell

The Sheriff is the Chief Law Enforcement Officer of the County with supervisory oversight of the Mini-Cassia Criminal Justice Center. George Warrell was elected as Cassia County Sheriff on November 3, 2020. He was appointed Sheriff following the resignation of Sheriff Jay Heward effective December 31, 2020. Warrell subsequently took the oath of office as Cassia County Sheriff on January 11, 2021.

Coroner:

Craig Rinehart

The Coroner determines and certifies the manner and cause of death.

Statutory Budget Requirements

The common requirement of each elected official, each department head, and every employee of Cassia County is to provide the best possible service with available resources to every member of the public, in a courteous, equitable, efficient, and cost-effective way as prescribed in the constitution and laws of the State of Idaho. Objectives of department heads and elected officials should be to utilize any sensible means possible to prudently collect any and all available revenues as allowed by law, including proceeds from property and sales tax, grants, and fines and fees for services rendered. Those resources are to be used for goods and services rendered on behalf of the citizens and taxpayers of Cassia County. The County's elected officials and department heads have the fiduciary responsibility and are accountable to the taxpayers and citizens of Cassia County and to all members of the public to sensibly and ethically:

- Promote any revenue generating functions of their respective departments with all due diligence and in compliance with the Constitution of the State of Idaho, all Idaho Statutes, and any applicable and required rules and regulations. Further, each must provide an accurate and honest accounting of such.
- Request, explain, and appropriately account for all requirements of funding in carrying out the duties of each office and elected position to the County Auditor during the budgeting process and account for and remain within the parameters of the approved budget throughout the fiscal year.
- Preserve all budgeted amounts that are not required to conduct the legitimate duties of each office and elected position during the current fiscal year to maintain positive beginning fund balances for the ensuing fiscal year.

The **Budget or Financial Officer** of Cassia County has the fiduciary responsibility for and is accountable to the Board of County Commissioners, the taxpayers and citizens of Cassia County, and to all members of the public to sensibly and ethically:

- Prepare a preliminary budget for consideration of the Board of County Commissioners. Idaho Code § 31-1602
- See that the provisions of the adopted budget are complied with. *Id.*
- Notify each county official in writing to file with the budget officer an itemized estimate of probable revenues from sources other than taxation that will accrue to each county official's office and all expenditures required and a brief explanatory statement of the request for the fiscal year being budgeted for. *Id.*
- Prepare and file with the Board of County Commissioners a suggested budget for Cassia County for the ensuing fiscal year showing all contemplated expenditures and the source of revenues with which to pay the same. Idaho Code § 31-1603
- Submit to the Board of County Commissioners a statement showing the expenditures and liabilities against each separate budget appropriation before the last day of each quarter of the fiscal year. That must include any and all facts indicating any possible deficit or excessive expenditure from any appropriation. Idaho Code § 31-1611

The **Board of County Commissioners** of Cassia County has the fiduciary responsibility for and is accountable to the taxpayers and citizens of Cassia County and to all members of the public to sensibly and ethically:

- Convene to consider the proposed budget of the Budget Officer in detail and make any alterations allowable by law and which they deem advisable to agree upon a tentative budget to be allowed and appropriated for each office of Cassia County for the ensuing fiscal year. *Idaho Statute § 31-1604*

- Following establishment of tentative appropriations, to cause the Budget Officer to make notice to be published in the county-designated newspaper setting forth statutorily-required financial information regarding the ensuing fiscal year's proposed budget. *Idaho Statute § 31-1604*
- Fixing a time and place for a hearing to allow any taxpayer to appear and be heard upon any part or parts of the budget. Idaho Code §§ 31-1604-5.
- Fix and determine a final budget and make appropriations to each county entity for the ensuing fiscal year. *Id.*
- Fix the levies for the ensuing fiscal year to raise the amount for expenditures prescribed by the adopted budget. Idaho Statute § 31-1605.
- Amend an adopted budget during the fiscal year to reflect unscheduled revenues, grants, or donations only after the annual budget procedure is complied with as nearly as practicable prior to such adjustment. *Id.*

Each **County Official and Employee** of Cassia County has the fiduciary responsibility for and is accountable to the Cassia County Board of Commissioners, the taxpayers and citizens of Cassia County, and to all members of the public to sensibly and ethically:

- Limit expenditures or the incurring of liabilities to the respective amounts of such appropriations. Idaho Code § 31-1606
- Be aware that expenditures made, liabilities incurred, or warrants issued in excess of any budget appropriations shall not be the liability of the county, but the official incurring such shall be liable. Idaho Code § 31-1607

Financial Actions of the Board of Commissioners and Items of Fiscal Note for FY2021

The Board of County Commissioners have regularly-scheduled meetings each Monday and at other times as planned and posted for the public during the fiscal year. All of their meetings, actions, and resolutions are public information obtainable from the Clerk of the Board of County Commissioners who is the custodian of records of the Board. Board of Commissioner actions with noted impact to the operations of Cassia County, financial or otherwise, during FY2021 included, but are not limited to, the following:

- **October 5, 2020** – The Board of Commissioners (BoCC) approved an amount of \$2,896.77 to be expended for plexiglass installations in the Cassia County Judicial Center District Courtroom to facilitate safety and social distancing. Funding came from The Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- **October 5, 2020** – The BoCC rescinded motions previously made at the recommendation of the Auditor's Office for law enforcement vehicles and equipment in the amount of \$51,107.95 that were budgeted for FY2020. The recommendation was to amend the FY2021 budget if needed to reflect those expenditures from available unspent funds from a previous fiscal year.
- **October 19, 2020** – The BoCC approved audio/visual updates for the Commission Chambers through Phase IV in the amount of \$66,731.00 approved and funded by the CARES Act to accommodate remote attendance to BoCC and other meetings.
- **October 26, 2020** – The BoCC approved the purchase of a Search and Rescue vehicle to replace one that was wrecked. The total cost was \$46,280. The ICRMP insurance settlement was \$33,180, and amount of \$1,500 deductible was paid by Cassia County, and the balance was paid by Search and Rescue.

- **October 26, 2021** – The BoCC approved Resolution No. 2020-028 establishing administrative fees recommended by Planning and Zoning Administrator Kerry McMurray for land divisions and lot line adjustments.
- **November 16, 2020** – The BoCC approved the second amendment of the City of Burley Law Enforcement Agreement to include receiving an additional \$30,000 from the City of Burley to help facilitate the purchase of two law enforcement vehicles.
- **November 16, 2020** – The BoCC approved the purchase of five law enforcement vehicles not to exceed \$169,660.00.
- **November 16, 2020** – The BoCC approved Resolution No. 2020-029 for the amendment of the FY2020 Budget to recognize unscheduled revenue to meet extraordinary expenses.
 - Current Expense revenues from the Secretary of State in the amount of \$49,800.00 was received to meet expenditures related to conducting the 2020 General Election.
 - Additional amounts for contracted Ambulance Services totaling \$650.00 were funded by unbudgeted property taxes received.
 - K-9 expenses for a K-9 cage for a law enforcement patrol vehicle in the amount of \$3,265.00 was funded by unbudgeted donations and existing fund balances in that dedicated fund.
 - Purchase of Election Polling and Tabulation Equipment in the amount of \$34,400.00 funded by unscheduled revenue from the Secretary of State's Office and the use of existing fund balances from that dedicated fund.
 - Funding of unbudgeted extraordinary litigation expenses for 2nd level and above conflict public defense and guardian ad litem expenses in the amount of \$174,300.00 funded by unscheduled sales tax base, State of Idaho Public Defense Commission assistance, gross earnings taxes, and 2019 property tax receipts.
 - Unscheduled Historical Society unemployment claims funded by a reserve transfer authorized by the BoCC.
 - Physical facilities unbudgeted obligations funded by unscheduled Geothermal Lease payments and other unscheduled revenues.
- **November 16, 2020** – Award of the 2020 Idaho State Homeland Security Program Grant in the amount of \$43,762.00 with performance period from 9/1/2020 through 6/30/2023.
- **November 23, 2020** – BoCC approved the purchase of a walk-in cooler for the Coroner's Office in the amount of \$9,950.00
- **November 30, 2020** – BoCC approved amendment of the City of Burley Law Enforcement Agreement to cover increases in patrolman compensation in the amount of \$30,000.00.
- **November 30, 2020** – BoCC approved The Sheriff's Office expending \$170,309.94 of unscheduled revenue.
 - \$117,000.00 from the FY2021 vehicle budget.
 - \$47,051.94 from insurance proceeds from Deputy Emery's wrecked patrol vehicle.
 - \$6,258.00 from insurance proceeds from Deputy Holcomb's wrecked patrol vehicle.
- **December 7, 2020** – BoCC approved the purchase of two Sheriff's Office City of Burley vehicles in the amount of \$85,213.00.
- **December 7, 2020** – Tax assessments sent out by the Assessor's Office to Gavilon Grain, LLC and NewCold Burley, LLC were in error due to issues with the newly-implemented State Tax Commission software. Both had approved exemptions under Idaho Code § 63-602NN that were missed. The BoCC asked Prosecutor Larsen to address the matter with the entities.
- **December 10, 2020** – Funds were received from CARES to reimburse the Cassia County Fair for masks, sanitizing items, additional labor for sanitizing, and for barriers.

- **December 21, 2020** – BoCC approved the purchase of two County Law Enforcement vehicles in the amount of \$88,543.00 to be funded from County reserves and the purchase of one City of Burley Law Enforcement vehicle in the amount of \$46,227.00 to be funded by City of Burley carryover amounts.
- **January 4, 2021** – BoCC approved allocation of \$60 per County employee for Life Flight membership funded through the County's benefits allocations.
- **January 11, 2021** – Auditor Larsen presented potential concerns with revenues for the remainder of FY2021, in particular dealing with Medicaid expansion, reduction in jail inmates from other contracted facilities, probation fees from Adult Misdemeanor Probation, extended statutory time for applicants of Homeowner Exemptions, loss of revenue from legislative changes regarding property tax receipts for new construction, and the potential for legislation to reduce reserves to lessen property tax liability. Increases in the County Benefits Trust liability due to pandemic ramifications are also a potential concern.
- **January 25, 2021** – The total CARES Act allocation to the County was \$593,800.00.
 - E-poll Books were approved for purchase in the amount of \$59,844.00
 - An amount of \$13,070.00 was approved to be paid for doors at the Assessor's Office to create direction flow into that office.
 - Tech items for the Prosecutor's Office was approved in the amount of \$16,367.85
 - The County has received or has billed a total of \$581,244.63 which include safety payroll qualified expenses in the amount of \$327,333.70
- **February 1, 2021** – Sales tax base and excess experienced a slight drop from last quarter to this quarter in an amount of \$4,320.04. Revenue sharing also slightly dropped in the amount of \$12,178.62.
- **February 1, 2021** – The BoCC approved the purchase of Tenex electronic poll books for the Elections Department in the amount of \$11,200.00 to be paid from CARES funds.
- **February 1, 2021** – Previous BoCC pre-approved funding of CARES projects were approved for expenditure. Ten projects totaled \$201,197.87 in approved expenditures. An amount of \$64,554.58 of received public safety funds from CARES were requested by the Auditors Office to be set aside for FY2021 budget amendments to cover overtime costs resultant to COVID-19.
- **February 8, 2021** – The BoCC approved carpet replacement in the Assessors Office totaling \$6,831.85 in cost.
- **February 8, 2021** – The BoCC approved an Idaho Code § 63-602NN Property Tax Exemption for 4321 Occidental LLC in the amount of 100% for 2023 and 2024, 80% for 2025, 70% for 2026, and 60% for year 2027.
- **March 8, 2021** – The BoCC approved the purchase of five heat pumps for the Courthouse totaling \$17,985.00.
- **April 5, 2021** – The BoCC approved cancellation of taxes, interest, and fees for NewCold Burley, LLC as recommended by Prosecutor Larsen and supported by Auditor Larsen as remedy for errors in a tax notice not realizing previous BoCC approved Idaho Code § 63-602NN Property Tax Exemption.
- **April 5, 2021** – The BoCC began ongoing budget workshops with departments of the County and the Budget Officer for FY2022. Department's extraordinary requests were presented.
- **April 12, 2021** – The BoCC approved hiring of a previously unbudgeted additional building inspector for the County.
- **April 19, 2021** – The BoCC conducted a hearing to amend the FY2021 budget to recognize unscheduled CARES Act revenue to fund unbudgeted expenditures to meet needs resultant of the pandemic.

- **April 19, 2021** – The BoCC continued with FY2022 budget workshops.
- **April 26, 2021** – The BoCC approved Resolution No. 2021-2020 for the amendment of the FY2021 Budget to recognize unscheduled revenue to meet extraordinary expenses related to the pandemic.
 - A City of Burley contract, carry over City of Burley balances, and existing fund balances in the amount of \$79,060.00 were allocated as unscheduled revenue to purchase six additional law enforcement vehicles to replace aging and wrecked patrol vehicles.
 - Unscheduled donations to the K-9 fund in the amount of \$2,375.00 were allocated to the K-9 Fund to meet unbudgeted expenditures.
 - An unscheduled capital asset purchase of two Burley Highway District Buildings in Burley in the amount of \$614,300.00 was allocated from County reserves.
 - The creation of an Employee Benefit Fund to comply with GASB requirements was transferred from closing out the Employee Benefit Trust in the amount of \$1,525,760.00 to meet newly-budgeted expenditures for employee health benefits.
 - The creation of a Narcotics Seized Assets Fund to comply with GASB requirements was transferred from closing out the Narcotics Seized Assets Trust in the amount of \$22,992.00 to meet expenditures for narcotics enforcement and related auto expenses.
 - The creation of a Court Interlock Fund to comply with GASB requirements was transferred from closing out the Court Interlock Trust in the amount of \$3,205.00 to meet expenditure of Scram monitoring costs.
 - The creation of a Widow's Benefit Fund to comply with GASB requirements was transferred from the closing out the Widow's Benefit Trust in the amount of \$126.00 from trust balances and interest to pay towards an applicant's personal property taxes.
- **May 10, 2021** – The BoCC approved rescinding a motion approving the hiring of a Building Tech in the unbudgeted amount of \$55,000.00 in favor of approving unbudgeted amounts of \$75,000.00 to be expended for a second Building Inspector.
- **June 14, 2021** – The BoCC approved Intermountain Construction Abatement Company to conduct tests in the amount of \$2,500.00 to determine abatement necessary with the demolition of the former Misdemeanor Probation Office.
- **June 14, 2021** – The BoCC entered a public hearing for the purpose of approving of the purchase of property from the Burley Highway District in the amount of \$650,000.00.
- **June 14, 2021** – Contracted outside auditors, Zwygart John & Associates presented the FY2020 audit and financial statements noting no areas of concern that needed to be addressed fiscally.
- **June 14, 2021** – The BoCC tentatively approved joint budgets with Minidoka County for Cassia County's portion.
- **July 6, 2021** – The BoCC approved IT server room construction in the law enforcement building in the amount of \$8,588.00 for HVAC and \$6,174.00 for construction.
- **July 6, 2021** – The BoCC approved Public Defender HVAC units in the amount of \$12,707.00.
- **July 12, 2021** – The BoCC approved costs related to demolition of the former Adult Misdemeanor Office by Kloepfer's in the amount of \$32,000.00.
- **July 12, 2021** – The BoCC approved costs related to removal and disposal of hazardous materials from the former Adult Misdemeanor Office by Intermountain Construction and Abatement in the amount of \$5,900.00.
- **July 12, 2021** – The BoCC approved construction at the law enforcement building for the IT server room by contractor Chet Jackson in the amount of \$6,174.00.

- **July 12, 2021** – The Budget Office reported a tentative budget for FY2022 in the amount of \$25,450,222.00, a 19.26% increase or \$4,110,663.00 over FY2021. A large part of the increase was budgeting for County health benefits costs moved from a trust.
- **July 26, 2021** – The BoCC approved the FY2022 budget for publication in the amount of \$25,323,050.00.
- **August 9, 2021** – The BoCC approved Element Heating & Cooling’s bid of \$7,083.00 for HVAC equipment for the IT room in the law enforcement building.
- **August 9, 2021** – The BoCC approved contractor Chet Jackson’s bid of \$6,620.00 for repairs to the Public Defender’s Office.
- **August 23, 2021** – The BoCC approved the FY2022 Law Enforcement Agreement with the City of Burley, which was a 6.7% increase over FY2021 and included a provision of adding an amount equal to a COPS Grant, if received.
- **August 23, 2021** – The BoCC held a hearing to approve the FY2022 Road and Bridge budget in the amount of \$517,335.00.
- **August 23, 2021** – The BoCC held a hearing to approve the FY2022 Cassia County Budget in the amount of \$25,323,050.00. That budget includes the Road and Bridge budget as well.
- **August 30, 2021** – The BoCC approved signing a Subaward Agreement with Goose Creek Flood Control District #16, an obligation entered into on the flood district’s behalf following discussions between the flood district’s attorney David Shirley and Assistant to the Board Kerry McMurray. McMurray was appointed by the Board to work with Shirley on that agreement.
- **August 30, 2021** – The BoCC approved the presented L-2 forms for the Idaho State Tax Commission declaring levy rates for property taxation for 2022.
- **September 13, 2021** – The BoCC approved the purchase of seven AED units in the amount of \$7,798.00 and \$2,200.00 for the purchase of eleven EMT Trauma Kits. The AED units were installed in various areas of the County following the emergency use of one to revive County Assessor Dwight Davis following a critical heart stoppage in his office. Fortunately, his office was equipped with an AED.
- **September 20, 2021** – The BoCC approved expending \$19,180.00 for election equipment to include bar code scanners from Election Systems and Software, air ballot printers from Tenex, and poll stands.
- **September 20, 2021** – The BoCC approved a bid from ETS for a new VoIP phone system for the County in the amount of \$55,109.00.
- **September 27, 2021** – The BoCC approved distribution of \$25,000 from the Administrative Expense line of the 911 budget to the Current Expense Fund to offset payroll of a new IT Tech position.

Economic Conditions and Financial Outlook

Cassia County Demographics and Current Situations

Located in South Central Idaho on the Snake River Plain, Cassia County is driven not only by its commerce of agriculture, but also by increasing industrial development. Irrigation means include canal systems originating from the Snake River as well as deep wells relying significantly on the aquifer system which has been challenged due to drought conditions and increased urban renewal. County Planning and Zoning makes recommendations to the Board of County Commissioners for approval of livestock and dairy operations. Crop farming includes primarily potatoes, sugar beets, wheat, barley, peas, carrots, and beans. Increased retail businesses, service industry, and population base are a secondary source of employment and tax revenue to the County.

The U.S. economy continues to experience expected economic setbacks related to a global pandemic. Despite those impediments, State of Idaho tax revenue sharing continues without suppression despite the global economy slowing. Additionally, revenue was realized from unscheduled and unbudgeted County receipts from property taxation due to state and local growth despite the global pandemic as well as from revenue sharing from the State of Idaho through sales tax. Those revenues have assisted Cassia County in meeting ever increasing demands on our infrastructure and in the administration of justice. Additionally, it has served to bolster reserves for future identified capital improvement projects as well as to allay any unforeseen emergencies.

Consistent with the past several years, this Budget Officer has followed best practices in deferring current unrealized and unscheduled revenues to future years budgets to lessen the reliance year-to-year on federally-funded PILT (Payment in Lieu of Taxes) payments. Nearly 8% of our annual budgeted revenue historically has relied on PILT expectations that are not permanently funded nor appropriated during budget time. Looming even larger in these uncertain times is reliance on the majority of anticipated PILT receipts that are not even appropriated and received until nearly 75% of the fiscal year has concluded and that percentage of those budgeted funds are largely expended. A very difficult situation would arise if the Federal government didn't appropriate some or all of PILT funding. The expended amount would then have to be drawn from reserves to adequately fund the current fiscal year. The current push of Idaho's federal legislators, which include the commitment of our Idaho representatives, is to approve funding of PILT on a more permanent basis.

FY2021 has experienced the following:

- Lower than usual interest rates have decreased returns from invested idle County funds.
- Despite Medicaid Expansion, there continues to be a poverty gap that will require County funds to be used for indigent and worthy poor residents entitled to County assistance.
- There has been continued escalation of costs associated with health care providers and medical service facilities in caring for the indigent and worthy poor.
- The Affordable Care Act's requirement of individuals and families to have health insurance coverage still has many indigent and worthy poor residents who present to the County for medical assistance who either cannot afford or who have chosen not to purchase federally-mandated health insurance through the exchange with the Affordable Care Act.
- Healthcare costs are continually driven upward which adversely affects the indigent and worthy poor residents of the County who then require County assistance.
- Additional time and resources are required to maintain reporting compliance with the IRS as part of the Affordable Care Act. Reporting on the Federal 1095-C Form includes every employee and whether or not they have participated in County-provided healthcare.
- Federal and state-funded grant availability, which has been important historically, seem to be on a decline. That funding has been critical to supplement County programs for safety, enforcement of the law, prosecution of offenders of the law, court provisions for administering justice, specialty court implementations, and other increasing needs to fund county government.
- Additional implemented standards for attorneys providing indigent legal assistance from the Idaho Public Defense Commission has created additional financial responsibility. Additional requirements include continuing education, workload standards, and reporting have made it difficult to recruit attorneys and to retain those indigent defenders.
- Recruitment of attorneys for all aspects of county government is increasingly more difficult.
- Ongoing reduction of available financial resources to counties to accommodate the sustained and elevated mandates or requirements of the federal and state governments to counties makes it more difficult to sustain providing services and qualified employees.

- Our justice system continues to experience escalating crimes relating to drug trafficking, substance abuse and addictions, and sexual crimes.
- Inadequate mitigation for the scores of mentally ill in dire need of critical care, facilities, counseling, medications, financial resources, and suicide prevention programs, has reached a crisis point. During the pandemic, local suicide rates have dramatically increased.
- Ever-increasing incarceration, investigation, prosecution, indigent defense, jury trials, and court actions required for offenders of the law. Courtroom pandemic adjustments have delayed courtroom activity, including jury trials, and many cases have been resolved through mediation.
- Increased and costly court service security facilitation to afford protection of the officers of the court, legal counsel, the accused, and the public.

Urban Renewal and Personal Property Tax Relief

Economic development and construction have increased dramatically recently. Recruitment has included tax relief options as enticements through the Burley Development Authority by utilization of Urban Renewal and Revenue Allocation Areas. Cassia County Board of Commissioners have taken advantage of recruitment this fiscal year by utilizing Idaho Code § 63-602NN Property Tax Exemption for some business entities.

Idaho legislators continue their advocacy efforts to substantially reduce personal property taxation obligations. The consequential impact to county government is the reduction or elimination of personal property tax receipts to the Cassia County taxing district along with attendant increases in county services required. It has also spawned a tax shift to small business owners and homeowners.

Efforts of the Burley Development Authority to expand commerce and economic development, though positive in many aspects, does have an adverse effect with diverting of incremental property taxes away from Cassia County taxing districts, largely affecting the county, the cities, and others. The enigma created includes increased competition for the skills and services of county employees through higher wages and salaries, enhanced benefit packages, and higher starting compensation than entry level positions currently offered in the county. Current Urban Renewal and Revenue Allocation Area property tax relief is close to expiration, at which time there will be recovery of taxation funds diverted to the Burley Development Authority that will be critical for maintaining the costs of economic expansion. Those additional financial obligations whose gap would be filled by expiring Urban Renewal and Revenue Allocation Areas include additional criminal activity due to population increases, additional law enforcement personnel and equipment needs, juvenile and adult probation needs, trial court increases, jail population increases, and more demands of every department in county government.

PILT and SRS Funding

Concern is ongoing with potential reduction, sequestration, or even elimination of payments from the Federal Government with Payments in Lieu of Taxes (PILT) for federally-owned land with the Bureau of Land Management (BLM) and U.S. Forest Service. 31 U.S.C. 39-6901 *et seq.*

Payment for Entitlement Land was enacted to prescribe federal funding to a unit of local government to "...use the payment for any governmental purposes." 31 U.S.C. 39-6902(a). Determination of payment under federal code is based on a complex formula involving population, published Consumer Price Index, acquisition or dissolution of governmental property, and specific geographical regions of the U.S. For the range of years from 2008 to 2014, PILT was formulated with an index-based change and was authorized by appropriations. 31 U.S.C. 39-6906.

Since 2014, appropriations of PILT have been year by year, and only after protracted legislative negotiations to identify a funding source from which to appropriate this critical payment of non-taxed county properties.

The uncertainty year-to-year is particularly concerning to Cassia County in that most of the full funding of PILT has historically been budgeted and is expected to meet ongoing operational expenditures. As previously pointed out, much of that allocation is already expended before federal funding is authorized and subsequently paid.

PILT payments for FY2021 increases were driven by a decrease in prior-year reductions in Secure Rural School (SRS) payments for timber deductions and Mineral Leasing payments to states. Allocations to the State of Idaho totaled \$34,511,297.00, of which Cassia County received \$2,433,782.00, the second highest recipient county in the State of Idaho. That payment was received during the month of June of 2021.

In the event PILT appropriations are reduced or discontinued during the year when it is relied on during budgeting, we could realistically have already expended nearly \$1,000,000 in budgeted PILT allocations to operate Cassia County. Should that ever happen, it is important to reiterate that funding out of necessity would have to come directly from County reserves and fund balances. That difficult scenario would leave Cassia County dangerously close to the inability to function as usual even in the short run. Then, in just a few short months, financial exhaustion of fund balances and County reserves would change the way we comply with our statutory obligations and likely necessitate emergency measures under the statute to carry on with the administration of justice and providing of required County services.

The Secure Rural School (SRS) program was enacted in 2000 in response to the decline of revenue-generating activities curtailed by the enactment of federal policies. It was designed to allay lost revenues spawned by those policies in an effort to revive rural counties and school districts. In 2008, SRS was reauthorized to continue on a sliding payment scale. Most recently, SRS was reauthorized retroactive on April 16, 2015 for fiscal years 2014 and 2015. SRS expired at the end of 2015. For fiscal years 2021-2023, the U.S. Congress reauthorized SRS under HR 3684 – Infrastructure Investment and Jobs Act, Title XII, Section 41202, Extension of Secure Rural Schools and Community Self-Determination Act of 2000.

Under Title I and II funding, SRS payments were received by Cassia County. SRS is important to the funding of Cassia County Road and Bridge maintenance.

It is imperative to note that going forward, any lost federal allocations of PILT and SRS funds to Cassia County would create a revenue shortfall. A sustainable long-term federal solution for permanent funding would best facilitate the needs of rural counties with federal lands which are not taxable.

Other Revenue Source Reductions

Reduction of historical revenues have impacted available resources in funding Cassia County government. Those include, but are not limited to the following:

- Ever-diminishing sources of revenue by way of grant reimbursements and receipts.
- Continued emphasis of the Idaho legislature for the elimination of some personal property taxes that fund county government.
- Decreases in historical fees that come from fines and citations which are critical for funding law enforcement, the courts, and the jail.
- Uncollectable court and misdemeanor probation fees from offenders with less ability to satisfy their obligations.
- Increases in Mini-Cassia incarcerations and compliance with jail standards aimed at preventing overcrowding have consequently reduced income-producing inmates from other jurisdictions.
- Ongoing effects of the global pandemic in conducting business. Many functions of county government have had to adapt at additional expense to facilitate social distancing and safety protocols for many government functions.

Considering the aforementioned factors, recruiting efforts from business and industry growth have created a conundrum of competition for skilled employees for county government. That is further exacerbated by statutory caps with property tax levies.

In summary, reliance of other unscheduled revenues from the CARES Act and from ARPA can assist in lost revenue recovery, meeting needs to conduct business with safety protocols, and for short-term temporary assistance. However, additional revenues must be sought after and identified, expenditures must decrease or be eliminated, or taxation must be increased to cover funding shortfalls for the long term. The remaining solution is to use County reserve funds with the risk that capital projects may not occur or that those funds would eventually be exhausted.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

Taxation and Finance

Counties, as political subdivisions of the State of Idaho, but with closer relationships with the people, have a right and a responsibility to raise, within levy limitations, the necessary revenues in order to finance critical, basic public services of a wide variety, many of which are federally or state-mandated.

Property Taxes raise a substantial amount of money and are in fact, the largest single source of taxation revenue. The assessment of property valuations is required to be completed in a timely basis utilizing the most accurate procedures and in accordance with the standards of the International Association of Assessing Officers, as required under Idaho Statute and as promulgated by rule from the Idaho State Tax Commission. Property tax revenues continue to be insufficient to support all the functions of local government. The volatility of receipt of PILT funds is critical as they currently are appropriated late in the year at the will of the federal government rather than as an ongoing and permanent appropriation. As the enormous federal debt is accumulating with little relief in sight, reduction or discontinuance of those payments could happen without much advanced notice. Critical to Cassia County is the continual reliance on the majority of those annual proceeds to fund ongoing expenditures. Increases in Justice Fund expenditures year to year with decreasing ability to fund that is a valid and continual concern.

The collection of property taxes is administered and completed by the County Treasurer. Property tax drives occur two times a year with tax collection dates of December 20th and June 20th for the previous year's tax assessments. The seasonality of those proceeds emphasizes the critical nature of preserving carryover balances at the end of each fiscal year to conduct business until receipt of those collected taxes are realized.

Fund Financial Statements

Fund financial statements are accounting devices that the County uses to track sources of funding and spending for specific programs and to demonstrate compliance with various regulatory requirements. Fund financial statements generally report operation in more detail than the government-wide statements. This statement focuses on its most significant or "major" funds and not on the County as a whole.

County Funds

The taxing funds listed below have their own individual levy limits which are set by Idaho Statute and cannot exceed maximum levy rates nor can they be intermingled with other funds. Those levied

funds are derived from taxation of property which are calculated by a formula of assessed property values multiplied by the current calculated levy rates.

Fiscal Year 2021 received generated funds from the 2020 property tax levies at the rates for the following listed funds. All levied amounts were below their attendant maximum levy rates specified by statute. Collectively, all levied funds were below the maximum overall County levy limitations of increase as specified by statute.

TAX YEAR 2020 LEVY RATES

<u>Fund</u>	<u>Current Levy Rate</u>	<u>Maximum Levy Rate</u>
<i>Major Funds:</i>		
Current Expense	0.000943504	0.00260
Justice	0.001638948	0.00200
<i>Other Funds:</i>		
Indigent Defense/Social Services	0.000361070	0.00100
District Court	0.000000000	0.00040
Noxious Weeds	0.000000000	0.00060
Ambulance	0.000094434	0.00020
County Fair Operations	0.000071841	0.00010
County Fair Exhibits	0.000027464	0.00020
Historical Society/Museum	0.000014110	0.00012
Junior College Tuition	0.000000000	0.00060
Revaluation	0.000138873	0.00040

County department heads and elected officials submit their budget requests before levy rates are established. The budget officer sums projected remaining fiscal year end balances in each fund with other identifiable and available revenues other than property tax allocations. Any needed property tax funding is then calculated and reported to the Idaho State Tax Commission by way of L-1 and L-2 Forms to establish that needs fall at or below required levy limits. The total of current levy rates for each fund establishes the total County levy rate which cannot exceed 3% more than the highest of the previous three fiscal year levy rates.

Tax Year 2020 Total Cassia County Levy Rate:
.003259820

Cassia County Operations Revenue

Fee Collections

Collection of Solid Waste Fees	Drug Enforcement Seizures	911 Emergency Services
Parks & Recreation/Snowmobile	Waterways	Industrial Property Litigation
Domestic Abuse	Emergency Medical Services	Noxious Weed Enforcement
Optional Grants	Disaster Services Support	Misdemeanor Probation
Forest Service	Interlock Fund	Court Facilities
Juvenile Justice Lottery Proceeds		DMV Administrative Fee

Revenues for Major Funds

Remaining Cash Balance

(This is cash forward or carryover of fund balances critical to funding the first quarter of the ensuing budget year until the December property tax drive)

State Sales Tax Base and Excess Allocations

State Liquor Allocations

Federal Payment in Lieu of Taxes

State Licenses & Fees

County Licenses & Fees

Interest on Investments

Consolidated and Presidential Election Reimbursements

Federal Grants and Reimbursements

Agricultural Equipment Property Tax Replacement

Property Tax Levy

Other Miscellaneous Receipts

Federal and State Pandemic Relief Revenues

Coronavirus Aid, Relief, and Economic Security (CARES) Act

America Recovery Plan Act (ARPA)

Financial Information

Accounting System and Budgetary Control: In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal control is a process affected by the County's governing board, elected officials, administration, department heads, and staff. It is designed to provide reasonable, but not absolute, assurance regarding the achievements of objectives in the following categories:

- 1) the effectiveness and efficiency of operations
- 2) reliability of financial reporting
- 3) compliance with applicable laws and regulations.

The concept of reasonable assurance recognizes that the cost of control should not exceed the benefit likely to be derived and that the evaluation of costs and benefits require estimates and judgments by management.

Budgetary control is maintained by the issuance of monthly financial statements which reflect current and year to date expenditures and encumbrances, in comparison to budgeted amounts. The portion of the year gone is compared to the portion of the budget amount expended when presented to

the Board for authorization of payment. Anticipated expenditures are reviewed to determine that sufficient funds will be available prior to issuance of purchase approval or other commitments.

The financial statements meet requirements as set forth by the Governmental Accounting Standards Board (GASB) and with Generally Accepted Accounting Principles (GAAP) as applied to government units.

County Funds Financial Analysis

Major Funds – Cassia County’s two major established statutory funds are the following:

Current Expense Fund and **Justice Fund**.

The Current Expense, or General Fund of the County includes funds related to the general operational expenditures of the county political subdivision. The Justice Fund of the County includes funds related to the administration of justice in the county political subdivision.

Following is a comparative of beginning and ending balances from FY2020 and FY2021:

Remaining Cash Balance

	<u>Ending FY2020</u>	<u>Ending FY2021</u>	<u>Difference</u>	<u>Change</u>
Current Expense Fund:	\$1,042,965.60	\$1,340,876.65	\$297,911.05	+28.56%
Justice Fund:	\$1,098,597.00	\$1,175,144.13	\$76,547.13	+6.97%
<u>Payment in Lieu of Taxes</u>				
(reserve fund)	\$5,276,259.80	\$5,583,904.75	\$307,644.95	+5.83%
TOTAL FUND BALANCES	\$15,265,924.17	\$16,147,307.08	\$881,382.91	+5.77%

The Remaining Cash Balance is reflective of the overall receipts of revenues for the fiscal year less all Board of Commissioner approved expenditures. Of note, there was a significant increase in the fiscal year ending balance for both the major funds, the Current Expense Fund and the Justice Fund. Those increased balances reflect the conclusion of receipts by way of the Federal Coronavirus Act, Relief, and Economic Security (CARES) Act funding as an unbudgeted revenue source. Those federal funds facilitated retrofitting of various County offices to accommodate social distancing and public safety measures. Additionally, revenue sharing from the State of Idaho was actually enhanced from sales tax proceeds during the year.

Cassia County received notification from the federal government that the American Rescue Plan Act of 2021 will provide funding over the next two fiscal years in the amount of \$4,667,546.00.

Lastly, prudent spending practices, diminished travel for in-person training meetings, subdued business transactions, reduced contracted incarcerations at the jail, suppressed court functions, and a number of other factors accounted for an increase in operational and reserve fund balances.

City of Burley Law Enforcement Agreement

Cassia County was in the second year of a three-year contractual agreement with the City of Burley for providing law enforcement services for them. That arrangement at times has undeniably provided financial advantages to both entities. Mutual benefits come by the minimizing of duplicated service, reduction in costs of operating expenditures, and from the benefits derived from overall economy of scales.

However, increasing differences in opinion as to the appropriate cost for both sides of the agreement has been challenging and has clouded the inherent benefit realized by both parties. Waning trust and difference of opinions led the City of Burley to form a Law Enforcement Committee to explore and make proposed recommendations to both parties. That committee gathered information and made recommendations, though they fell short of including all financial implications. Specifically, those omissions include workers compensation costs, unforeseen and needed emergency allocations, sufficient allocations to cover costs for patrol vehicle fuel that is subject to volatile economic situations, insurance deductibles for patrol vehicle accident claims, costs relating to risk management and mitigation of liability and tort claims, reinstating appropriate allocations for dispatch costs related to services and service call requests within the City of Burley jurisdiction, appropriations for all costs related to service calls and emergency requests in North Burley within the boundaries of Minidoka County, vehicle insurance and accessories, law enforcement facility capital and maintenance costs, law enforcement facility fire and casualty insurance costs, services provided for grant application processing, and for statutorily-required independent auditing. Additionally, costs have not been factored into the Law Enforcement Agreement for the ever-increasing financial and personnel bookkeeping, accounting, internal auditing, payroll, employee benefits management, software maintenance costs, and human resource services for and behalf of patrol officers and management or staff designated to the City of Burley.

This budget officer's continued recommendation to the Board of Commissioners has been to include the above-enumerated costs of operation performed by the Cassia County Sheriff's Office as part of the Law Enforcement Agreement with the City of Burley to assure appropriate funding takes place and to avoid supplementing those services from taxpayer proceeds of residents outside of the City of Burley. When these recommendations are not part of the financial consideration, those outlined costs are unfairly shifted to Cassia County property taxpayers who reside outside the City of Burley and who bear no legal liability other than the decision of policy makers entering into that contractual agreement.

Adding an exclamation point to those financial concerns is the volatility experienced during the pandemic of inordinate increases in the cost of fuel for patrol vehicles and the extraordinary increases in the cost of patrol vehicles, the production of which was stymied for various reasons.

Budgeting each year is a fluid process for that agreement. It includes ongoing variables in calculations as per cost. Employees with seniority retire or quit and are replaced with entry level officers. POST training levels and frequency varies with each officer. Fluxuating fuel prices comprise a large part of overall costs. Levels of crime, patrol needs, infractions, costs of conducting business, and general law enforcement vary by need and by management style.

It is increasingly difficult to financially manage the fluid needs of law enforcement through the course of a year with all these variable factors in play. Accounting and expenditures are required to be differentiated by agreement of both parties between City of Burley costs and that required by County law enforcement. At best, accounting can be difficult in differentiating every cost that pertains to County-obligated services and that which is specific to city-related services. City resident property owners are already taxed for basic justice-related services of the County. Basic municipal services paid by city property taxpayers include the operations, support, and administering of all required court services, misdemeanor probation, the jail, public defense, and felony prosecution. The City of Burley agreement for law enforcement services is for enhanced services that are required and provided by a

municipal police service department. Questions are difficult to define regarding levels of cost pertaining to dispatch, 9-1-1, the buffer zone between the City of Burley and the rest of the County, crossover and differentiation of patrol officer services between the two entities, and the levels of service required.

This budget officer had always appreciated the inherent benefit financially and otherwise for keeping this unique contract in place so long as cost allocations are fair and reasonable to both parties. It has been perceived by some that it is a partnership. That is correct from the standpoint of cooperation and meeting the needs of both parties. However, in business structure, accounting, and legally, it is a contractual agreement. As such, for more predictability and to be fair to both parties, my recommendation for years has been that the Board of Commissioners and the County Sheriff, should examine all services provided to the City of Burley and compare that with detailed costs for each of those services. After determining the level of services requested from the City of Burley, costs for conducting all determined services should be offered by contract from the County to the City of Burley. If that is acceptable to the City of Burley, the agreement should continue. On the contrary, if it is not acceptable, neither party to the contract should be adversely affected financially. In that event, it clearly wouldn't be prudent for the City of Burley to be expected to carry forward. They then could conduct the level of law enforcement-related services as desired in the manner nearly all municipalities do in the State of Idaho to meet those needs.

In summary, our taxpayers outside the City of Burley boundaries should not be expected to subsidize the obligation of taxpayers within the City of Burley, both in Cassia County as well as in North Burley in Minidoka County. Conversely, the City of Burley should not be expected to pay more than the reasonable value of services provided by Cassia County. Any agreement that is not financially prudent and appropriately accounted for with both parties would be ill-advised and should result in the dissolution of a contractual agreement. This is addressed by this budget officer as it is clearly a financial concern and should always be a decision based on financial prudence and not just based on politics.

As such, if timeliness in the budgeting process and financial equity isn't improved in the final year of the three-year agreement during FY2022, financial obligations and risk to the County not stabilized, and services that are provided and not fairly compensated for as previously outlined, this budget officer will recommend termination of the agreement and return to operating law enforcement as most counties in Idaho performing law enforcement obligations as outlined under the statute.

Budget Officer Conclusions and Recommendations

It is the opinion of this budget officer that economic, financial, and extraordinary pandemic situations at the conclusion of FY2021 warrant continued prudent evaluation of actual individual departmental expenditures to identify what is needed in carrying out essential services of Cassia County.

The receipt of CARES Act funding clearly alleviated enhanced costs of operation by providing advanced meeting capabilities of the Board of Commissioners by Commission Chamber upgrades to facilitate remote virtual access to the public and participants. Additionally, laptop and tablet procurement facilitated remote work from home for employees to carry forward with work while quarantined, attending to personal health and preventative needs, and for caring for family members during a critical time. Finally, the retrofitting of many offices, workspaces, and points of interaction with the public allowed for most business to carry forward appropriately. Future ARPA proceeds will also allay lost revenue concerns and future capital improvements to work safely for and with the public.

Once again, actual revenues for FY2021 exceeded identified and allocated revenues as budgeted. Likely factors contributing to that positive outcome were the following:

- Overall revenue sharing projections exceeded what was expected during a time that the pandemic could have clearly been different.

- Considerable increases in the amount of new construction resulting in larger property tax revenues realized during FY2021.

It continues to be important that the Board of Commissioners carry forward with concentrated effort in establishing, as well as holding, to the confines of a realistic approved budget and conscientiously review actual revenues to make certain they are in line with what was budgeted. When revenues are not received as budgeted, attendant decreases in expenditures is advisable to accompany the shortfall. Without such, reserve funds or unanticipated revenues must bridge that gap. It is wise for department heads and the Board of Commissioners to monitor spending in direct relation to actual revenues received and to be certain those expenditures are operationally essential. Often lost in the consideration of fund balances at fiscal yearend is how imperative carryover balances are in being able to meet expenditures during the first quarter of the subsequent fiscal year when County revenues are typically scarce.

Personnel concerns this fiscal year included difficulty with recruitment and retention. During times of low unemployment as we have experienced, prospective and current employees can opt for other situations they perceive to be an improvement for themselves. As that happens, cost for training is lost, institutional knowledge is diminished, and costs for operating efficiency goes up. Cassia County must remain vigilant in creative recruitment and competitive rates of pay.

Cassia County does not have a fixed salary scale with grades and steps. This budget officer has continually recommended such and is pleased the Board of Commissioners has engaged Human Resource Consulting company, Ameriben to conduct a preliminary study for pay equalization by reviewing job descriptions and qualifications.

The County has a superior partially self-funded benefits package. Increased employee participation in funding continues to be this budget officer's recommendation due to the ever-increasing costs of healthcare service providers and facilities. That is also commensurate with other governmental entities and private businesses.

This budget officer continues to recommend^{ed} an enhanced willingness of the Board of Commissioners to place all options on the table with the services and workforce of the County to decrease costs and to maintain healthy fund and trust balances. This goal allows for appropriate accountability to the taxpayers of Cassia County who fund its operations.

Idaho Law allows counties to levy for 3% over the highest of the last 3 years non-exempt property tax budget; plus, new construction roll values times the previous year's non-exempt tax levy; plus, value of property newly annexed in the previous year times the previous year's non-exempt levy; plus, any recaptured foregone amount; minus agricultural equipment exemption replacement and property tax relief monies. Those levies are processed by the Auditor's Office in consultation with the Board of Commissioners.

The non-property tax portion of the budget has no percentage limit; however, it is limited to the reasonably anticipated amounts of all other revenue sources.

The Auditor's Office focus for FY2022 will be to formalize instructional policies and procedures for internal financial control and best practices. We also plan to continue conducting internal operational and funding auditing of certain functions of a few departments, verification of all contracted obligations of the County, required documentation of all expenditures relating to petty cash and credit cards, timely response from all department heads to accomplish this, and measures to improve inventory reporting and control. The Auditor's Office procedures will be for appropriately applying relevant accounting principles and standards, to ensure applicable tax rule compliance, and to recommend adoption of sound best practices of the Auditor's Office to accomplish such.

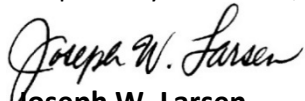
Cassia County has purchasing procedures enumerated by the Personnel Policy Handbook which is important to be followed for all procurements in the County. Additionally, this budget officer has

continually recommended adoption of a comprehensive procurement policy to follow for best practices. Accounting of inventory in Cassia County has been modeled after recommendations of our independent outside auditor to meet all reasonable General Accepted Accounting Principles and in compliance with the requirements of GASB 34.

The County relies considerably on the payment of property taxes and consistently receives in excess of a 90% tax collection. Cassia County has been required to resolve only a small number of Protests of Valuation of Property Tax Assessments during the annual Board of Equalization hearing period. Assessor's Office appraisers continue the challenge of revaluation of properties to a fair value relative to the market. The challenge continues to be that there are people who have occupied the same property for long periods of time, possibly on fixed incomes, who continue to experience property tax increases even with the homeowner's exemptions and circuit breaker benefits. Decreased personal property taxation will continue to be a major item of legislative discussion.

The provided financial report and analysis of management is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances. Any questions or request for additional information should be directed to the Cassia County Clerk.

Respectfully Submitted,



Joseph W. Larsen

Cassia County Clerk/Auditor/Recorder

BASIC FINANCIAL STATEMENTS

Cassia County, Idaho
Statement of Net Position
September 30, 2021

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>	<u>Component Unit</u> <u>Fair Board</u>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 16,736,432	\$ 275,994
Investments	-	-
Receivables		
Taxes	198,149	-
Intergovernmental	599,620	(550)
Interest	8,559	-
Prepaid Expenses	-	-
Total Current Assets	<u>17,542,760</u>	<u>275,444</u>
Net Pension Asset	159,123	-
Capital Assets		
Land	1,667,051	-
Building, Net	3,589,949	-
Improvements, Net	255,219	126,742
Infrastructure, Net	7,135	-
Equipment, Net	1,572,505	-
Total Capital Assets	<u>7,091,859</u>	<u>126,742</u>
Total Assets	<u>24,793,742</u>	<u>402,186</u>
Deferred Outflows		
Pension Related Items	<u>2,363,723</u>	-
Total Deferred Outflows	<u>2,363,723</u>	-
Liabilities		
Current Liabilities		
Vouchers Payable	866,145	2,083
Accrued Liabilities	<u>471,002</u>	-
Total Current Liabilities	<u>1,337,147</u>	<u>2,083</u>
Non-Current Liabilities		
Due Within One Year:		
Compensated Absences	<u>484,468</u>	-
Total Liabilities	<u>1,821,615</u>	<u>2,083</u>
Deferred Inflows		
Pension Related Items	<u>5,120,533</u>	-
Total Deferred Inflows	<u>5,120,533</u>	-
Net Position		
Invested in Capital Assets, Net of Related Debt	7,091,859	126,742
Restricted for:		
Special Revenue Purposes	13,463,456	-
Unrestricted	<u>(339,998)</u>	<u>273,361</u>
Total Net Position	<u>\$ 20,215,317</u>	<u>\$ 400,103</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Activities
For the Year Ended September 30, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit Fair Board
Primary Government:						
Governmental Activities:						
General Government	\$ 5,825,520	\$ 783,816	\$ -	\$ -	\$ (5,041,704)	
Indigent Assistance	636,253	-	-	-	(636,253)	
Highways and Roads	461,577	2,423	100,000	-	(359,154)	
Public Safety	13,587,042	4,142,929	229,348	-	(9,214,765)	
Other Public Services	1,114,692	127,772	30,000	-	(956,920)	
Culture and Recreation	302,941	80,269	14,145	-	(208,527)	
Interest	-	-	-	-	-	
Total Primary Government	<u>\$ 21,928,025</u>	<u>\$ 5,137,209</u>	<u>\$ 373,493</u>	<u>\$ -</u>	<u>(16,417,323)</u>	
Component Unit:						
Fair Board	<u>\$ 616,838</u>	<u>\$ 553,245</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ (63,593)</u>
General Revenues:						
Property Taxes					6,321,958	173,040
In Lieu of Taxes					2,433,782	-
Intergovernmental					6,989,747	-
Investment Earnings (Losses)					49,573	148
Other Income					2,735,287	-
Disposal of Assets					(35,600)	-
Total General Revenues					<u>18,494,747</u>	<u>173,188</u>
Special Items:						
Total General Revenues and Special Items					<u>18,233,468</u>	<u>173,188</u>
Change in Net Position					<u>1,816,145</u>	<u>109,595</u>
Net Position, Beginning of Year - Previously Stated					<u>18,475,268</u>	<u>290,508</u>
Prior Period Adjustment					<u>(76,096)</u>	<u>-</u>
Net Position, Beginning of Year					<u>18,399,172</u>	<u>290,508</u>
Net Position, End of Year					<u>\$ 20,215,317</u>	<u>\$ 400,103</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Balance Sheet -
Governmental Funds
September 30, 2021

	General Fund	Justice Fund	Fair Exhibit	DMV Trust Fund
Assets				
Cash and Cash Equivalents	\$ 1,365,130	\$ 1,320,348	\$ 17,913	\$ 352,386
Receivables				
Taxes	42,588	77,682	3,615	-
Intergovernmental	217,891	315,347	5,979	-
Interest	8,559	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 1,634,168</u>	<u>\$ 1,713,377</u>	<u>\$ 27,507</u>	<u>\$ 352,386</u>
Liabilities				
Vouchers Payable	\$ 61,512	\$ 145,203	\$ 126	\$ 350,379
Accrued Liabilities	119,234	283,948	3,923	-
Due to Other Funds	-	-	175,039	-
Total Liabilities	<u>180,746</u>	<u>429,151</u>	<u>179,088</u>	<u>350,379</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	38,476	69,898	3,235	-
Total Deferred Inflows	<u>38,476</u>	<u>69,898</u>	<u>3,235</u>	<u>-</u>
Fund Balances				
Assigned	-	1,214,328		2,007
Unassigned	1,414,946	-	(154,816)	-
Total Fund Balances	<u>1,414,946</u>	<u>1,214,328</u>	<u>(154,816)</u>	<u>2,007</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,634,168</u>	<u>\$ 1,713,377</u>	<u>\$ 27,507</u>	<u>\$ 352,386</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Balance Sheet -
Governmental Funds (continued)
September 30, 2021

	Jail Trust Fund	County Reserve	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 195,510	\$ 5,583,905	\$ 6,505,256	\$ 15,340,448
Receivables				
Taxes	-	-	74,264	198,149
Intergovernmental	7,583	-	52,820	599,620
Interest	-	-	-	8,559
Due from Other Funds	-	175,039	-	175,039
Total Assets	<u>\$ 203,093</u>	<u>\$ 5,758,944</u>	<u>\$ 6,632,340</u>	<u>\$ 16,321,815</u>
Liabilities				
Vouchers Payable	\$ -	\$ -	\$ 216,367	\$ 773,587
Accrued Liabilities	-	-	63,897	471,002
Due to Other Funds	-	-	-	175,039
Total Liabilities	<u>-</u>	<u>-</u>	<u>280,264</u>	<u>1,419,628</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	-	-	66,992	178,601
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>66,992</u>	<u>178,601</u>
Fund Balances				
Assigned	203,093	5,758,944	6,285,084	13,463,456
Unassigned	-	-	-	1,260,130
Total Fund Balances	<u>203,093</u>	<u>5,758,944</u>	<u>6,285,084</u>	<u>14,723,586</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 203,093</u>	<u>\$ 5,758,944</u>	<u>\$ 6,632,340</u>	<u>\$ 16,321,815</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Reconciliation of the Balance Sheet of the
Governmental Funds to the Statement of Net Position
September 30, 2021

Total Fund Balances - Governmental Funds \$ 14,723,586

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. Those assets consist of:

Land	\$ 1,667,051	
Infrastructure, Net of \$9,538,342 Accum. Depreciation	7,135	
Buildings, Net of \$2,700,245 Accum. Depreciation	3,589,949	
Improvements, Net of \$161,572 Accum. Depreciation	255,219	
Equipment, Net of \$3,563,167 Accum. Depreciation	1,572,505	
		7,091,859

Property taxes receivable will be collected this year, but are not available soon enough to pay for current period's expenditures and, therefore, are deferred in the funds. 178,601

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Position.

Compensated Absences	\$ (484,468)	
		(484,468)

Internal service funds are used by management to charge medical costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.

Internal service fund net assets are: 1,303,426

The District participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.

Net Pension Liability	\$ 159,123	
Pension Related Deferred Inflows	(5,120,533)	
Pension Related Deferred Outflows	2,363,723	
		(2,597,687)

Net Position of Governmental Activities		\$ 20,215,317
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The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds
For the Year Ended September 30, 2021

	General Fund	Justice Fund	Fair Exhibit	DMV Trust Fund
Revenues				
Property Taxes	\$ 1,674,958	\$ 2,918,078	\$ 123,270	\$ -
Intergovernmental	1,128,925	1,222,356	23,939	-
Payment in Lieu of Taxes	-	-	-	-
Grants	189,223	30,625	-	-
Charges for Services	1,537,429	1,978,617	-	(169)
Investment Earnings (Losses)	13,152	14,543	782	-
Other Income	275,440	223,534	23,884	-
Total Revenues	<u>4,819,127</u>	<u>6,387,753</u>	<u>171,875</u>	<u>(169)</u>
Expenditures				
Current:				
General Government	4,599,414	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	10,811,346	-	-
Other Public Services	-	-	-	-
Culture and Recreation	-	-	246,664	-
Total Expenditures	<u>4,599,414</u>	<u>10,811,346</u>	<u>246,664</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>219,713</u>	<u>(4,423,593)</u>	<u>(74,789)</u>	<u>(169)</u>
Other Financing Sources (Uses)				
Sale of Assets	142	37,000	-	-
Transfers In	-	4,441,379	103,671	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>142</u>	<u>4,478,379</u>	<u>103,671</u>	<u>-</u>
Net Change in Fund Balances	<u>219,855</u>	<u>54,786</u>	<u>28,882</u>	<u>(169)</u>
Fund Balances - Beginning - Previously Stated	1,212,376	1,214,309	(177,071)	2,176
Prior Period Adjustment	(17,285)	(54,767)	(6,627)	-
Fund Balance - Beginning	<u>1,195,091</u>	<u>1,159,542</u>	<u>(183,698)</u>	<u>2,176</u>
Fund Balances - Ending	<u>\$ 1,414,946</u>	<u>\$ 1,214,328</u>	<u>\$ (154,816)</u>	<u>\$ 2,007</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds (continued)
For the Year Ended September 30, 2021

	Jail Trust Fund	County Reserve	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$ -	\$ -	\$ 1,858,500	\$ 6,574,806
Intergovernmental	2,777,966	-	1,885,285	7,038,471
Payment in Lieu of Taxes	-	2,433,782	-	2,433,782
Grants	-	-	153,645	373,493
Charges for Services	735	-	1,620,597	5,137,209
Investment Earnings (Losses)	-	2,485	14,105	45,067
Other Income	-	26,272	744,402	1,293,532
Total Revenues	<u>2,778,701</u>	<u>2,462,539</u>	<u>6,276,534</u>	<u>22,896,360</u>
Expenditures				
Current:				
General Government	-	-	1,380,014	5,979,428
Indigent Assistance	-	-	636,253	636,253
Highways and Roads	-	-	442,583	442,583
Public Safety	-	-	2,628,527	13,439,873
Other Public Services	-	-	1,114,692	1,114,692
Culture and Recreation	-	-	45,677	292,341
Total Expenditures	<u>-</u>	<u>-</u>	<u>6,247,746</u>	<u>21,905,170</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,778,701</u>	<u>2,462,539</u>	<u>28,788</u>	<u>991,190</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	413	37,555
Transfers In	-	-	826,800	5,371,850
Transfers Out	(3,441,379)	(2,178,680)	-	(5,620,059)
Total Other Financing Sources (Uses)	<u>(3,441,379)</u>	<u>(2,178,680)</u>	<u>827,213</u>	<u>(210,654)</u>
Net Change in Fund Balances	<u>(662,678)</u>	<u>283,859</u>	<u>856,001</u>	<u>780,536</u>
Fund Balances - Beginning - Previously Stated	865,771	5,475,085	5,467,066	14,059,712
Prior Period Adjustment	-	-	(37,983)	(116,662)
Fund Balance - Beginning	<u>865,771</u>	<u>5,475,085</u>	<u>5,429,083</u>	<u>13,943,050</u>
Fund Balances - Ending	<u>\$ 203,093</u>	<u>\$ 5,758,944</u>	<u>\$ 6,285,084</u>	<u>\$ 14,723,586</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2021

Total Net Change in Fund Balance - Governmental Funds	\$ 780,536
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Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. Conversely, disposals of capital assets do not report a gain or loss in the governmental funds but in the Statement of Activities the remaining cost of the asset(s) is written off. In the current period these amounts are:

Capital Outlay	\$ 1,060,600	
Depreciation Expense	(563,711)	
Disposed Assets	<u>(73,155)</u>	
Net		423,734

Because some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities.	(252,848)
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Compensated absences and other post-employment benefits reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in compensated absences and other post-employment benefits.	(61,459)
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The net revenue of certain activities of internal service funds are reported with governmental activities.	(79,498)
--	----------

The County participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities.	<u>1,067,474</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 1,877,939</u></u>
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The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Net Position - Proprietary Funds
For the Year Ended September 30, 2021

	Governmental Activities - Internal Services
Assets	
Cash and Investments	\$ 1,395,984
Total Assets	<u>1,395,984</u>
Liabilities	
Vouchers Payable	<u>92,558</u>
Total Liabilities	<u>92,558</u>
Net Position	
Unrestricted	<u>1,303,426</u>
Total Net Position	<u><u>\$ 1,303,426</u></u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Proprietary Funds
For the Year Ended September 30, 2021

	Governmental Activities - Internal Services
Operating Revenues	
Other Income	\$ 1,441,755
Total Revenues	<u>1,441,755</u>
Operating Expenses	
Salaries and Benefits	<u>1,525,759</u>
Total Expenditures	<u>1,525,759</u>
Operating Income (Loss)	<u>(84,004)</u>
Nonoperating Revenues (Expenses)	
Interest Earned	<u>4,506</u>
Total Other Financing Sources (Uses)	<u>4,506</u>
Change in Net Position	<u>(79,498)</u>
Net Position - Beginning	<u>1,382,924</u>
Net Position - Ending	<u><u>\$ 1,303,426</u></u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Cash Flows -
Proprietary Funds
For the Year Ended September 30, 2021

	Governmental Activities - Internal Services
Cash Flows From Operating Activities	
Receipts from Customers	\$ 1,441,755
Payments to Suppliers for Goods and Services	(1,608,258)
Net Cash Provided (Used) by Operating Activities	<u>(166,503)</u>
Cash Flows From Noncapital Financing Activities	
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>
Cash Flows From Capital and Related Financing Activities	
Net Cash Used by Capital and Related Financing Activities	<u>-</u>
Cash Flows From Investing Activities	
Interest and Dividends	4,506
Net Cash Used by Investing Activities	<u>4,506</u>
Net Increase in Cash and Cash Equivalents	(161,997)
Cash and Cash Equivalents, Beginning	1,557,981
Cash and Cash Equivalents, Ending	<u><u>\$ 1,395,984</u></u>
Displayed As:	
Cash and Cash Equivalents	<u><u>\$ 1,395,984</u></u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Cash Flows -
Proprietary Funds (continued)
For the Year Ended September 30, 2021

Governmental
Activities - Internal
Services

Reconciliation of Operating Income (Loss) to Net
Cash Provided (Used) by Operating Activities:

Operating Income (Loss)	\$	(84,004)
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Adjustments to Reconcile Operating Income to Net
Cash Provided (Used) by Operating Activities:

Changes in Assets and Liabilities:

Increase (Decrease) in Accounts Payable		(82,499)
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Net Cash Provided by Operating Activities	\$	<u>(166,503)</u>
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The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Fiduciary Net Position
For the Year Ended September 30, 2021

	Custodial Funds	Private -Purpose Trust Funds	Total Fiduciary Funds
Assets			
Cash and Investments	\$ 278,155	\$ 353,240	\$ 631,395
Property Taxes Receivable	361,235	-	361,235
Total Assets	<u>639,390</u>	<u>353,240</u>	<u>992,630</u>
Liabilities			
Vouchers Payable	275,286	116,344	391,630
Total Liabilities	<u>275,286</u>	<u>116,344</u>	<u>391,630</u>
Net Position			
Restricted for:			
Individuals, Organizations, and other Governments	364,104	236,896	601,000
Total Net Position	<u>\$ 364,104</u>	<u>\$ 236,896</u>	<u>\$ 601,000</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2021

	Custodial Funds	Private -Purpose Trust Funds	Total Fiduciary Funds
Additions:			
Fees collected for other governments	\$ 3,036,974	\$ -	\$ 3,036,974
Property taxes collected for other governments	22,944,410	-	22,944,410
Contributions	-	285,133	285,133
Investment Income	-	-	-
Total Additions	<u>25,981,384</u>	<u>285,133</u>	<u>26,266,517</u>
Deductions			
Fees distributed to other governments	3,036,030	-	3,036,030
Taxes distributed to other governments	22,934,475	-	22,934,475
Distribution of Funds	-	58,678	58,678
Total Deductions	<u>25,970,505</u>	<u>58,678</u>	<u>26,029,183</u>
Change in Net Position	<u>10,879</u>	<u>226,455</u>	<u>237,334</u>
Net Position - Beginning	353,225	10,441	363,666
Net Position - Ending	<u>\$ 364,104</u>	<u>\$ 236,896</u>	<u>\$ 601,000</u>

The accompanying notes are an integral
part of the financial statements.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Cassia County, Idaho (the County) operates under the direction of a Board of Commissioners, who are responsible for the various operations of the County. The accompanying basic financial statements present the County (the primary government) and its component units. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governmental units.

Discretely Presented Component Units

Component units are legally separate organizations for which the County is financially accountable. Financial accountability exists if the County appoints a voting majority of the organization's governing board and either 1) is able to impose its will on the organization or 2) a potential exists for the organization to provide financial benefits to, or impose financial burdens on, the County. Based on the foregoing criteria, the following entities are considered component units of the County:

- Cassia County Fair Board was created for the purpose of conducting fair activities within the County. The Fair Board is governed by a board appointed by the county commissioners and the County is able to impose its will on the organization. The Fair Board was audited along with the County and its financial statements are presented as a discretely presented component unit.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall County, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses - expenses of the County related to the administration and support of the County's programs, such as personnel and accounting, are not allocated to programs.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category - *governmental and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- *General fund.* This is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.
- *Justice fund.* This fund accounts for the law enforcement activities of the County.
- *DMV Trust Fund.* This fund accounts for the daily fee collections from DMV and driver's licensing and corresponding distributions to Idaho Transportation Department, Idaho Department of Parks & Rec, and Cassia County.
- *Jail Trust Fund.* This fund accounts for maintaining and operating jail facilities with a joint venture with surrounding government entities.
- *County Reserve.* This fund accounts for all payments in lieu of taxes received from the federal government and their distribution to other funds for County expenditures.
- *Fair Exhibit.* This fund accounts for all capital improvements on the fair grounds and wages and benefits for department employees.

The County reports the following fiduciary fund types:

- *Custodial funds.* These funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds.
- *Private-Purpose Trust funds.* These funds report trust arrangements under which principal and income benefits individuals, private organizations, other governments, and/or other funds.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The County reports the following internal service fund types:

- *Employee Benefits fund.* This fund accounts for employee health insurance benefits.

Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Property Taxes

In accordance with Idaho law, ad-valorem property taxes are levied in September for each calendar year. Taxes are recorded by the County using the modified accrual basis of accounting. Levies are made on or before the 2nd Monday of September. All of the personal property taxes and one-half of the real property taxes are due on or before the 20th of December. The remaining one-half of the real property tax is due on or before June 20th of the following year. A lien is filed on property three years from the date of delinquency. The property tax calendar is as follows:

Date property is valued	Second Monday of July
Date tax is levied	Second Monday of September
Date taxes are billed	November 20
Date taxes are collected	One half on December 20 and one half on the following June 20
Date taxes become a lien	First day of January of the succeeding year

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet. The County uses the following fund balance categories in the governmental fund Balance Sheet:

- *Nonspendable*. Balances, for example, in permanent funds, prepaid expenses, and inventories that are permanently precluded from conversion to cash.
- *Restricted*. Balances constrained for a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Committed*. Balances that can only be used for specific purposes as a result of constraints imposed by the Board of Commissioners. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned*. Balances that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by: (a) the Board of Commissioners, or (b) an appointed body (e.g. a budget or finance committee) or an official to which the Board has delegated the authority to assign, modify, or rescind amounts to be used for specific purposes. Assigned fund balance includes: (a) all remaining amounts that are reported in government funds (other than the general fund) that are not classified as non-spendable, restricted, or committed, and (b) amounts in the general fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital project, debt service, or permanent fund, are assigned for purposes in accordance with the nature of their fund type. Assignment within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.
- *Unassigned*. Balances available for any purpose.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position/fund balances available to finance the program. When both restricted and unrestricted resources are available for use, it is the government's intent to use restricted resources first, then unrestricted resources as they are needed.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

There is also no formal policy regarding the use of committed, assigned, or unassigned fund balances. However, it is the County's intent that when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the County considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

C. Assets and Liabilities

Cash Equivalents

The County requires all cash belonging to the County to be placed in custody of the Treasurer. A "Pooled Cash" concept is therefore used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in the pooled cash and investment accounts are considered to be cash and cash equivalents. See Note 2.

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are shown below:

	Capitalization <u>Policy</u>	Depreciation <u>Method</u>	Estimated <u>Useful Life</u>
Buildings and Improvements	\$2,500	Straight-Line	10 – 52 Years
Equipment	\$2,500	Straight-Line	3 – 15 Years

The County (a phase three government) has elected not to report major general infrastructure assets retroactively. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to October 1, 2003. Since October 1, 2003, the County has acquired no new infrastructure assets.

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable

Accounts receivable of the governmental activities consists of property taxes, sales taxes, use taxes, state grants, federal grants and other miscellaneous receivables. The allowance for doubtful accounts for the governmental activities is zero as of September 30, 2021.

Warrants and Accounts Payable

Warrants, vouchers, and accounts payable represent debt obligations that will be paid within the next billing cycle. Amounts shown are not over 60 days past due.

Compensated Absences

The total portion of unpaid personal leave is budgeted in the next year's budget. Personal leave compensation is calculated on an individual basis according to an employee's total years worked and total hours worked per week.

Pensions

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

2. CASH AND INVESTMENTS

Deposits

As of September 30, 2021, the carrying amount of the County's deposits was \$3,846,873 and the respective bank balances totaled \$3,426,936. All of the total bank balance was insured or collateralized with pooled securities held by the pledging institution in the name of the County.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of September 30, 2021, all of the County's deposits were covered by the federal depository insurance or by collateral held by the County's agent or pledging financial institution's trust department or agent in the name of the County, and thus were not exposed to custodial credit risk. The County does not have a formal policy limiting its exposure to custodial credit risk. The County also had \$1,000 of cash on hand at the end of the year.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The U.S. government bonds, the asset back securities, and all of the certificates of deposit are held by Multi-Bank Securities, Inc. totaling \$4,830,681. The certificates of deposits are issued through FDIC insured banks and, therefore, are insured. The County does not have a formal policy limiting its custodial credit risk for investments.

Interest Rate Risk

The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Investments

The County voluntarily participates in the State of Idaho Investment Pool, which was not rated. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the pool is with the State Treasurer, and Idaho Code defines allowable investments. The fair value of the County's investment in the pool is the same as the value of the pool shares.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

2. CASH AND INVESTMENTS (continued)

The County also holds other investments. The County follows Idaho Statute that outlines qualifying investment options as follows:

Idaho Code authorizes the County to invest any available funds in obligations issued or guaranteed by the United States Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements.

The County's investments at September 30, 2021, are summarized below:

Investment Type	Rating	Fair Value	Investment Maturities (in Years)		
			Less than 1	1 - 5	>5
LGIP	None	\$ 7,083,891	\$ 7,083,891	\$ -	\$ -
Money Market	None	1,099,231	1,099,231		
Certificates of Deposit	N/A	1,416,958	507,100	666,465	243,393
U.S. Government Bonds	AAA	3,919,874	-	2,600,971	1,318,903
		<u>\$ 13,519,954</u>	<u>\$ 8,690,222</u>	<u>\$ 3,267,436</u>	<u>\$ 1,562,296</u>

At year-end, the cash and cash equivalents reported in the basic financial statements are made up of the following categories:

	Governmental Activities	Component Unit	Total	Fiduciary Funds
Cash and cash equivalents	\$ 3,216,478	\$ 275,994	\$ 3,492,472	\$ 613,395
Investments categorized as deposits	13,519,954	-	13,519,954	-
	<u>\$ 16,736,432</u>	<u>\$ 275,994</u>	<u>\$ 17,012,426</u>	<u>\$ 613,395</u>

The following accounts are not recorded on the County's books:

	Book Balance	Bank Balance
Tax Collector	\$ 107,235	\$ 107,260
Sheriff Evidence	33,036	33,036
Civil Sheriff	15,870	15,870
	<u>\$ 156,141</u>	<u>\$ 156,166</u>

3. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments consists of state sales tax revenue of \$599,620 .

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2021, was as follows:

	Balance 9/30/2020	Adjustments	Additions	Disposals	Balance 9/30/2021
<u>Governmental Activities:</u>					
Capital Assets Not Being Depreciated:					
Land	\$ 1,667,051	\$ -	\$ -	\$ -	\$ 1,667,051
Capital Assets Being Depreciated:					
Buildings	5,638,488	-	651,706	-	6,290,194
Improvements Other Than Building:	416,791	-	-	-	416,791
Infrastructure	9,545,477	-	-	-	9,545,477
Equipment	5,277,455	(354,450)	408,894	196,227	5,135,672
Total Historical Cost	<u>20,878,211</u>	<u>(354,450)</u>	<u>1,060,600</u>	<u>196,227</u>	<u>21,388,134</u>
Less: Accumulated Depreciation					
Buildings	2,575,537	-	124,708	-	2,700,245
Improvements Other Than Building:	141,960	-	19,612	-	161,572
Infrastructure	9,534,776	-	3,566	-	9,538,342
Equipment	3,665,430	(395,016)	415,825	123,072	3,563,167
Total Acc. Depr.	<u>15,917,703</u>	<u>(395,016)</u>	<u>563,711</u>	<u>123,072</u>	<u>15,963,326</u>
Net Depreciable Assets	<u>4,960,508</u>	<u>40,566</u>	<u>496,889</u>	<u>73,155</u>	<u>5,424,808</u>
Governmental Activities					
Capital Assets - Net	<u>\$ 6,627,559</u>	<u>\$ 40,566</u>	<u>\$ 496,889</u>	<u>\$ 73,155</u>	<u>\$ 7,091,859</u>
<u>Component Unit</u>					
Capital Assets Being Depreciated:					
Improvements	\$ 98,895	\$ -	\$ 9,279	\$ -	\$ 108,174
Equipment	129,470	-	37,500	-	166,970
Total Historical Cost	<u>228,365</u>	<u>-</u>	<u>46,779</u>	<u>-</u>	<u>275,144</u>
Less: Accumulated Depreciation					
Equipment	135,360	-	13,042	-	148,402
Total Acc. Depr.	<u>135,360</u>	<u>-</u>	<u>13,042</u>	<u>-</u>	<u>148,402</u>
Net Depreciable Assets	<u>\$ 93,005</u>	<u>\$ -</u>	<u>\$ 33,737</u>	<u>\$ -</u>	<u>\$ 126,742</u>

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

4. CAPITAL ASSETS (continued)

Depreciation expense was charged to the functions of the County as follows:

Governmental Activities:	
General Government	\$ 102,852
Highways and Streets	26,259
Culture and Recreation	14,826
Public Safety	<u>419,774</u>
	<u>\$ 563,711</u>

5. PENSION PLAN

Plan Description

Cassia 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.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

5. PENSION PLAN (continued)

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 74% for police and firefighters. As of June 30, 2021, it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% general employees and 12.28% for police and firefighters. Cassia County's contributions were \$900,127 for the year ended September 30, 2021.

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

At September 30, 2021, Cassia County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Cassia County's proportion of the net pension liability was based on Cassia 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, 2021, Cassia County's proportion was 0.2014776 percent.

For the year ended September 30, 2021, Cassia County recognized pension expense (revenue) of (\$167,347). At September 30, 2021, Cassia County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

5. PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 234,445	\$ 92,493
Changes in assumptions or other inputs	1,826,525	-
Net difference between projected and actual earnings on pension plan investments	-	4,997,925
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	95,563	30,115
Cassia County's contributions subsequent to the measurement date	207,190	-
Total	\$ 2,363,723	\$ 5,120,533

\$207,190 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2021.

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, 2021, the beginning of the measurement period ended June 30, 2020, is 4.7 and 4.6 for the measurement period June 30, 2021.

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:

For the Year Ended September 30:	PERSI
2022	\$(484,170)
2023	(624,018)
2024	(535,254)
2025	(1,113,368)

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

5. PENSION PLAN (continued)

Actuarial Assumptions

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

The total pension liability in the June, 30 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return	6.35%, net of investment expense
Cost-of-living adjustments	1%

Contributing Members, Service Retirement Members, and Beneficiaries

- General Employees and All Beneficiaries – Males-2010 General Tables, increased 11%
- General Employees and All Beneficiaries – Females Pub-2010 General Tables, increased 21%
- Teachers – Males Pub-2010 Teacher Tables, increased 12%
- Teachers – Females Pub-2010 Teacher Tables, increased 21%
- Fire & Police – Males Pub-2010 Safety Tables, increased 21%
- Fire & Police – Females Pub-2010 Safety Tables, increased 26%
- Disabled Members – Males Pub-2010 Disabled Tables, increase 38%
- Disabled Members – Females Pub-2010 Disabled Tables, increased 36%

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2021 is based on the results of an actuarial valuation date of July 1, 2021.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

5. PENSION PLAN (continued)

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2021.

Capital Market Assumptions from Callan 2021

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	-0.20%
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

5. PENSION PLAN (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	\$ 5,531,448	\$ (159,123)	\$ (4,823,798)

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.

6. OTHER COMMITMENTS

The County currently holds several credit cards with a combined credit limit of \$150,000. As of September 30, 2021, \$64,366 of the available credit was in use.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

7. LEASE COMMITMENTS

The County has entered into lease arrangements for copiers, mail machines and facility space. The future minimum lease payments are as follows:

Year Ended September 30,	Amount
2022	\$ 34,637
2023	34,954
2024	34,410
2025	30,406
2026	28,566
	<u>\$ 162,973</u>

Rent expenditures for the year ended September 30, 2021, totaled \$28,799.

8. COMPENSATED ABSENCES

The County presently accumulates unused vacation days and compensatory time calculated on an individual basis according to an employee's total years worked and total hours per week worked. All accumulated vacation time and compensatory time represents a potential liability to the County.

	<u>9/30/2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>9/30/2021</u>	<u>Current</u>
Governmental Activities	<u>\$ 423,009</u>	<u>\$ 462,780</u>	<u>\$ (401,321)</u>	<u>\$ 484,468</u>	<u>\$ 484,468</u>

9. RISK MANAGEMENT

The County is exposed to a considerable number of risks of loss including, but not limited to, a) damage to and loss of property and contents, b) employee torts, c) professional liabilities, i.e., errors and omissions, d) environmental damage, e) worker's compensation, i.e., employee injuries, and f) medical insurance costs of its employees. Commercial insurance policies are purchased to transfer the risk of loss for property and content damage, employee torts, and professional liabilities.

10. DUE FROM OTHER FUNDS

During the 2017 fiscal year, the Fair Exhibit Fund borrowed \$245,519 from the County Reserve Fund in order to purchase bleachers for the fair grounds. The amount is to be repaid within ten years and bears interest at 1.25%. The outstanding balance at year end was \$175,039.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2021

11. TRANSFERS

Transfers between funds were as follows:

\$ 1,000,000	From the County Reserve to the Justice Fund to cover operating expenses
826,800	From the County Reserve to other nonmajor funds to cover operating expenses
3,441,379	From the Jail Trust fund to Justice Fund to cover operating expenses
103,671	From County Reserve to Fair Exhibit to cover operating expenses
<u>\$ 5,371,850</u>	

12. TAX ABATEMENTS

The County entered into a property tax abatement agreement with local businesses under Idaho Code 63-602NN. Under the Idaho Code, the County granted property tax abatement per resolution 2018-029. The local business was granted an abatement of 100% of taxes on its additional investment starting in 2020 for a total of five periods (2021 at 100%, 2022 at 85%, 2023 at 85%, and 2024 at 85%.)

For the fiscal year ended September 30, 2021, the County abated taxes totaling \$287,097 for the County and \$585,507 for other taxing districts for a total of \$872,604.

13. DEFICIT FUND BALANCE

The Fair Exhibit Fund has a deficit fund balance at September 30, 2021 of \$154,816.

14. RESTATEMENT

In the prior year, due from other governments was overstated. This caused Fund Balance and Net Position to be overstated. Fund balance and Net Position were restated as follows:

	Governmental Funds
Fund Balance, Beginning - As Previously Stated	\$ 14,059,712
Decrease in Fund Balance due to Due From Other Governments being overstated:	
General Fund	(17,285)
Justice Fund	(54,767)
County Fair Fund	(6,627)
Nonmajor Funds	(37,983)
Fund Balance, Beginning - Restated	<u>\$ 13,943,050</u>
	Governmental Activities
Net Position, Beginning - As Previously Stated	\$ 18,475,268
Decrease in Net Position due to Due From Other Governments being overstated	(116,662)
Increase in Net Position due to fixed assets being overstated	40,566
Net Position, Beginning - Restated	<u>\$ 18,399,172</u>

REQUIRED SUPPLEMENTARY INFORMATION

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 General Fund
 For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	\$ 1,706,650	\$ 1,706,650	\$ 1,674,958	\$ (31,692)
Intergovernmental	814,944	814,944	1,128,925	313,981
Grants	105,000	105,000	189,223	84,223
Charges for Services	1,584,301	1,584,301	1,537,429	(46,872)
Investment Earnings (Losses)	101,500	101,500	13,152	(88,348)
Other Income	120,770	208,553	275,440	66,887
Total Revenues	<u>4,433,165</u>	<u>4,520,948</u>	<u>4,819,127</u>	<u>298,179</u>
Expenditures				
General Government:				
Commissioners	252,803	252,803	233,373	19,430
Auditor	357,510	362,929	330,572	32,357
Treasurer	221,316	221,316	219,240	2,076
Assessor	470,739	471,797	462,951	8,846
Public Defender	924,597	924,597	1,237,211	(312,614)
Ag. Extension	232,421	232,421	219,226	13,195
Buildings	383,707	389,967	282,755	107,212
Planning and Zoning	490,331	490,331	443,805	46,526
General Government	629,530	633,712	605,350	28,362
Civil Defense	51,272	51,272	50,646	626
Elections	193,589	264,453	261,305	3,148
Information Technology	253,427	253,427	231,781	21,646
Veterans Officer	21,201	21,201	21,199	2
Capital Outlay	-	-	-	-
Total Expenditures	<u>4,482,443</u>	<u>4,570,226</u>	<u>4,599,414</u>	<u>(29,188)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(49,278)</u>	<u>(49,278)</u>	<u>219,713</u>	<u>268,991</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	142	142
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>142</u>	<u>142</u>
Net Change in Fund Balances	<u>(49,278)</u>	<u>(49,278)</u>	<u>219,855</u>	<u>269,133</u>
Fund Balances - Beginning - Previously	49,278	49,278	1,212,376	1,163,098
Prior Period Adjustment	-	-	(17,285)	(17,285)
Fund Balances - Beginning	<u>49,278</u>	<u>49,278</u>	<u>1,195,091</u>	<u>1,145,813</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,414,946</u>	<u>\$ 1,414,946</u>

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 Justice Fund
 For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	\$ 2,976,542	\$ 2,976,542	\$ 2,918,078	\$ (58,464)
Intergovernmental	921,329	921,329	1,222,356	301,027
Grants	44,850	44,850	30,625	(14,225)
Charges for Services	1,963,635	1,993,635	1,978,617	(15,018)
Investment Earnings (Losses)	6,000	6,000	14,543	8,543
Other Income	117,800	153,411	223,534	70,123
Total Revenues	<u>6,030,156</u>	<u>6,095,767</u>	<u>6,387,753</u>	<u>291,986</u>
Expenditures				
Public Safety:				
Discretionary Compensation	16,255	16,255	55	16,200
District Court Salaries	546,396	546,396	471,649	74,747
Juvenile Probation	207,724	207,724	207,724	-
Prosecuting Attorney	710,342	726,709	624,289	102,420
Coroner	74,172	87,720	72,530	15,190
Sheriff - County Law Enforcement	2,650,416	2,682,470	2,699,077	(16,607)
Criminal Justice Center	3,733,402	3,735,074	4,429,353	(694,279)
Juvenile Detention Center	490,453	490,453	490,453	-
Sheriff - City Law Enforcement	1,748,285	1,799,315	1,816,216	(16,901)
Total Expenditures	<u>10,177,445</u>	<u>10,292,116</u>	<u>10,811,346</u>	<u>(519,230)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,147,289)</u>	<u>(4,196,349)</u>	<u>(4,423,593)</u>	<u>(227,244)</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	37,000	37,000
Transfers In	-	-	1,000,000	1,000,000
Transfers Out	3,733,402	3,733,402	3,441,379	(292,023)
Total Other Financing Sources (Uses)	<u>3,733,402</u>	<u>3,733,402</u>	<u>4,478,379</u>	<u>744,977</u>
Net Change in Fund Balances	<u>(413,887)</u>	<u>(462,947)</u>	<u>54,786</u>	<u>517,733</u>
Fund Balances - Beginning - Previously	413,887	462,947	1,214,309	751,362
Prior Period Adjustment	-	-	(54,767)	(54,767)
Fund Balances - Beginning	<u>413,887</u>	<u>462,947</u>	<u>1,159,542</u>	<u>696,595</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,214,328</u>	<u>\$ 1,214,328</u>

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 DMV Trust
 For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Charges for Services	\$ -	\$ -	\$ (169)	\$ (169)
Total Revenues	-	-	(169)	(169)
Expenditures				
Public Safety:	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	(169)	(169)
Other Financing Sources (Uses)				
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	(169)	(169)
Fund Balances - Beginning	-	-	2,176	2,176
Fund Balances - Ending	\$ -	\$ -	\$ 2,007	\$ 2,007

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 Jail Trust
 For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Intergovernmental	\$ -	\$ -	\$ 2,777,966	\$ 2,777,966
Charges for Services	-	-	735	735
Total Revenues	-	-	2,778,701	2,778,701
Expenditures				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	2,778,701	2,778,701
Other Financing Sources (Uses)				
Transfers Out	-	-	(3,441,379)	(3,441,379)
Total Other Financing Sources (Uses)	-	-	(3,441,379)	(3,441,379)
Net Change in Fund Balances	-	-	(662,678)	(662,678)
Fund Balances - Beginning	-	-	865,771	865,771
Fund Balances - Ending	\$ -	\$ -	\$ 203,093	\$ 203,093

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 County Reserve
 For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Payment in Lieu of Taxes	\$ -	\$ -	\$ 2,433,782	\$ 2,433,782
Investment Earnings (Losses)	-	-	2,485	2,485
Other Income	-	-	26,272	26,272
Total Revenues	-	-	2,462,539	2,462,539
Expenditures				
General Government:	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	2,462,539	2,462,539
Other Financing Sources (Uses)				
Transfers Out	-	-	(2,178,680)	(2,178,680)
Total Other Financing Sources (Uses)	-	-	(2,178,680)	(2,178,680)
Net Change in Fund Balances	-	-	283,859	283,859
Fund Balances - Beginning	-	-	5,475,085	5,475,085
Fund Balances - Ending	\$ -	\$ -	\$ 5,758,944	\$ 5,758,944

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 Fair Exhibit
 For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	\$ 126,900	\$ 126,900	\$ 123,270	\$ (3,630)
Intergovernmental	20,162	20,162	23,939	3,777
Investment Earnings (Losses)	300	300	782	482
Other Income	4,600	22,839	23,884	1,045
Total Revenues	151,962	170,201	171,875	1,674
Expenditures				
General Government:				
Culture and Recreation	229,362	247,601	246,664	937
Total Expenditures	229,362	247,601	246,664	937
Excess (Deficiency) of Revenues Over Expenditures	(77,400)	(77,400)	(74,789)	2,611
Other Financing Sources (Uses)				
Transfers In	-	-	103,671	103,671
Total Other Financing Sources (Uses)	-	-	103,671	103,671
Net Change in Fund Balances	(77,400)	(77,400)	28,882	106,282
Fund Balances - Beginning - Previously	77,400	77,400	(177,071)	(254,471)
Prior Period Adjustment	-	-	(6,627)	(6,627)
Fund Balances - Beginning	77,400	77,400	(183,698)	(261,098)
Fund Balances - Ending	\$ -	\$ -	\$ (154,816)	\$ (154,816)

Cassia County, Idaho
Notes to Required Supplementary Information
For the Year Ended September 30, 2021

1. BUDGETS AND BUDGETARY ACCOUNTING

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. Prior to September 1, the County Clerk and County Commissioners prepare a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
- C. Prior to October 1, the budget is legally enacted through passage of an ordinance.
- D. The County is authorized to transfer budgeted amounts between departments within any fund; however, no revision can be made to increase the overall tax supported funds except when federal or state grants are approved. The County, however, must follow the same budgetary procedures as they followed when the original budget was approved.
- E. Formal budgetary integration is employed as a management control device during the year for the General fund and Special Revenue funds.
- F. The budget for the General fund and Special Revenue funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Expenditures may not legally exceed budgeted appropriations at the fund level.
- H. The County does not use the encumbrance method of accounting.

2. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The General Fund reports expenditures in excess of appropriations in the amount of \$29,188. The Justice Fund reports expenditures in excess of appropriations in the amount of \$519,230. The excess expenditures were funded with unanticipated revenues and with fund balance carryover.

Cassia County, Idaho
Schedule of Required Supplemental Information
Public Employee Retirement System of Idaho
Last 10 - Fiscal Years*

Schedule of the County's Proportionate Share of Net Pension Liability

Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Employee Payroll	County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	0.2014776%	\$ (159,123)	\$ 7,449,940	-2.14%	100.36%
2020	0.2072814%	4,813,340	7,344,471	65.54%	88.22%
2019	0.2043448%	2,332,539	7,029,443	33.18%	93.79%
2018	0.1939016%	2,860,082	6,263,730	45.66%	91.69%
2017	0.1988750%	3,126,013	6,061,294	51.57%	90.68%
2016	0.1963557%	3,980,432	5,872,422	67.78%	87.26%
2015	0.2047823%	2,696,650	5,827,887	46.27%	91.38%

Data reported is measured as of June 30, 2021

Schedule of County Contributions

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	County's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2021	\$ 900,127	\$ 900,127	\$ -	\$ 7,449,940	12.08%
2020	887,208	887,208	-	7,344,471	12.08%
2019	814,216	814,216	-	7,029,443	11.58%
2018	718,060	718,060	-	6,263,730	11.46%
2017	699,236	699,236	-	6,061,294	11.54%
2016	650,086	650,086	-	5,872,422	11.07%
2015	669,847	669,847	-	5,827,887	11.49%

Data reported is measured as of September 30, 2021

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

SUPPLEMENTAL INFORMATION

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2021

	County Roads	Emergency Medical Services	Ambulance Services	District Court
Assets				
Cash and Cash Equivalents	\$ 171,132	\$ 41,083	\$ 131,571	\$ 506,121
Receivables				
Taxes	14,984	-	4,779	628
Intergovernmental	-	-	8,197	-
Total Assets	<u>\$ 186,116</u>	<u>\$ 41,083</u>	<u>\$ 144,547</u>	<u>\$ 506,749</u>
Liabilities				
Vouchers Payable	\$ 47,748	\$ 8,000	\$ 26,575	\$ 7,600
Accrued Liabilities	7,302	-	-	9,447
Total Liabilities	<u>55,050</u>	<u>8,000</u>	<u>26,575</u>	<u>17,047</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	13,718	-	4,292	530
Total Deferred Inflows	<u>13,718</u>	<u>-</u>	<u>4,292</u>	<u>530</u>
Fund Balances				
Assigned	117,348	33,083	113,680	489,172
Unassigned	-	-	-	-
Total Fund Balances	<u>117,348</u>	<u>33,083</u>	<u>113,680</u>	<u>489,172</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 186,116</u>	<u>\$ 41,083</u>	<u>\$ 144,547</u>	<u>\$ 506,749</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2021
(continued)

	K-9 Expenses	Public Defender	Misdemeanor Probation	911 Communication
Assets				
Cash and Cash Equivalents	\$ 3,620	\$ -	\$ 204,787	\$ 698,489
Receivables				
Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Total Assets	<u>\$ 3,620</u>	<u>\$ -</u>	<u>\$ 204,787</u>	<u>\$ 698,489</u>
Liabilities				
Vouchers Payable	\$ 323	\$ -	\$ 16,453	\$ 14,466
Accrued Liabilities	-	-	27,080	-
Total Liabilities	<u>323</u>	<u>-</u>	<u>43,533</u>	<u>14,466</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Assigned	3,297	-	161,254	684,023
Unassigned	-	-	-	-
Total Fund Balances	<u>3,297</u>	<u>-</u>	<u>161,254</u>	<u>684,023</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 3,620</u>	<u>\$ -</u>	<u>\$ 204,787</u>	<u>\$ 698,489</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2021
(continued)

	Election Consolidation	Social Services	Community College
Assets			
Cash and Cash Equivalents	\$ 228,706	\$ 1,178,964	\$ 656,376
Receivables			
Taxes	-	16,186	608
Intergovernmental	-	31,343	-
Total Assets	<u>\$ 228,706</u>	<u>\$ 1,226,493</u>	<u>\$ 656,984</u>
Liabilities			
Vouchers Payable	\$ 23,161	\$ 13,500	\$ 500
Accrued Liabilities	-	-	-
Total Liabilities	<u>23,161</u>	<u>13,500</u>	<u>500</u>
Deferred Inflows			
Unearned Revenue - Property Taxes	-	14,645	514
Total Deferred Inflows	<u>-</u>	<u>14,645</u>	<u>514</u>
Fund Balances			
Assigned	205,545	1,198,348	655,970
Unassigned	-	-	-
Total Fund Balances	<u>205,545</u>	<u>1,198,348</u>	<u>655,970</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 228,706</u>	<u>\$ 1,226,493</u>	<u>\$ 656,984</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2021
(continued)

	Historical Society	Revaluation	Solid Waste	Waterways
Assets				
Cash and Cash Equivalents	\$ 21,389	\$ 336,654	\$ 887,787	\$ 104,766
Receivables				
Taxes	702	6,868	28,440	-
Intergovernmental	1,225	12,055	-	-
Total Assets	<u>\$ 23,316</u>	<u>\$ 355,577</u>	<u>\$ 916,227</u>	<u>\$ 104,766</u>
Liabilities				
Vouchers Payable	\$ -	\$ 1,037	\$ -	\$ 1,447
Accrued Liabilities	-	12,338	-	-
Total Liabilities	<u>-</u>	<u>13,375</u>	<u>-</u>	<u>1,447</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	631	6,173	25,574	-
Total Deferred Inflows	<u>631</u>	<u>6,173</u>	<u>25,574</u>	<u>-</u>
Fund Balances				
Assigned	22,685	336,029	890,653	103,319
Unassigned	-	-	-	-
Total Fund Balances	<u>22,685</u>	<u>336,029</u>	<u>890,653</u>	<u>103,319</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 23,316</u>	<u>\$ 355,577</u>	<u>\$ 916,227</u>	<u>\$ 104,766</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2021
(continued)

	Warrant Redemption	Weed & Pest	Snowmobile Licenses	Physical Facilities	Magistrate
Assets					
Cash and Cash Equivalents	\$ 2,737	\$ 314,393	\$ 118,811	\$ 60,131	\$ 229,380
Receivables					
Taxes	-	1,069	-	-	-
Intergovernmental	-	-	-	-	-
Total Assets	<u>\$ 2,737</u>	<u>\$ 315,462</u>	<u>\$ 118,811</u>	<u>\$ 60,131</u>	<u>\$ 229,380</u>
Liabilities					
Vouchers Payable	\$ -	\$ 42,982	\$ 23	\$ 10,058	\$ -
Accrued Liabilities	-	7,730	-	-	-
Total Liabilities	<u>-</u>	<u>50,712</u>	<u>23</u>	<u>10,058</u>	<u>-</u>
Deferred Inflows					
Unearned Revenue - Property Taxes	-	915	-	-	-
Total Deferred Inflows	<u>-</u>	<u>915</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Assigned	2,737	263,835	118,788	50,073	229,380
Unassigned	-	-	-	-	-
Total Fund Balances	<u>2,737</u>	<u>263,835</u>	<u>118,788</u>	<u>50,073</u>	<u>229,380</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 2,737</u>	<u>\$ 315,462</u>	<u>\$ 118,811</u>	<u>\$ 60,131</u>	<u>\$ 229,380</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2021
(continued)

	Court Facilities	Grant MGMT Trust	DARE Trust	Invasive Species	Public Defender Trust
Assets					
Cash and Cash Equivalents	\$ 66,805	\$ 100,000	\$ 675	\$ 6,959	\$ 328,366
Receivables					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total Assets	<u>\$ 66,805</u>	<u>\$ 100,000</u>	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 328,366</u>
Liabilities					
Vouchers Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows					
Unearned Revenue - Property Taxes	-	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Assigned	66,805	100,000	675	6,959	328,366
Unassigned	-	-	-	-	-
Total Fund Balances	<u>66,805</u>	<u>100,000</u>	<u>675</u>	<u>6,959</u>	<u>328,366</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 66,805</u>	<u>\$ 100,000</u>	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 328,366</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2021
(continued)

	Narcotics Seized Assets Fund	Court Interlock Fund	Widow's Benefit Fund	Total Nonmajor Special Revenue Funds
Assets				
Cash and Cash Equivalents	\$ 69,446	\$ 18,646	\$ 17,462	\$ 6,505,256
Receivables				
Taxes	-	-	-	74,264
Intergovernmental	-	-	-	52,820
Total Assets	<u>\$ 69,446</u>	<u>\$ 18,646</u>	<u>\$ 17,462</u>	<u>\$ 6,632,340</u>
Liabilities				
Vouchers Payable	\$ 1,574	\$ 920	\$ -	\$ 216,367
Accrued Liabilities	-	-	-	63,897
Total Liabilities	<u>1,574</u>	<u>920</u>	<u>-</u>	<u>280,264</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	-	-	-	66,992
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,992</u>
Fund Balances				
Assigned	67,872	17,726	17,462	6,285,084
Unassigned	-	-	-	-
Total Fund Balances	<u>67,872</u>	<u>17,726</u>	<u>17,462</u>	<u>6,285,084</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 69,446</u>	<u>\$ 18,646</u>	<u>\$ 17,462</u>	<u>\$ 6,632,340</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021

	County Roads	Emergency Medical Services	Ambulance Services	District Court
Revenues				
Property Taxes	\$ 55,215	\$ -	\$ 168,700	\$ 1,154
Intergovernmental	305,933	-	31,743	58
Grants	-	-	-	-
Charges for Services	2,423	7,535	-	218,693
Investment Earnings (Losses)	1,198	-	970	351
Other Income	10,639	7,797	7,746	5,919
Total Revenues	<u>375,408</u>	<u>15,332</u>	<u>209,159</u>	<u>226,175</u>
Expenditures				
Current:				
General Government	-	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	442,583	-	-	-
Public Safety	-	16,980	236,476	414,803
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Total Expenditures	<u>442,583</u>	<u>16,980</u>	<u>236,476</u>	<u>414,803</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(67,175)</u>	<u>(1,648)</u>	<u>(27,317)</u>	<u>(188,628)</u>
Other Financing Sources (Uses)				
Sale of Assets	413	-	-	-
Transfers In	42,500	-	-	-
Total Other Financing Sources (Uses)	<u>42,913</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(24,262)</u>	<u>(1,648)</u>	<u>(27,317)</u>	<u>(188,628)</u>
Fund Balances - Beginning - Previously Stated	141,610	34,731	146,298	679,079
Prior Period Adjustment	-	-	(5,301)	(1,279)
Fund Balance - Beginning	<u>141,610</u>	<u>34,731</u>	<u>140,997</u>	<u>677,800</u>
Fund Balances - Ending	<u>\$ 117,348</u>	<u>\$ 33,083</u>	<u>\$ 113,680</u>	<u>\$ 489,172</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021
(continued)

	K-9 Expenses	Public Defender	Misdemeanor Probation	911 Communication
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	9,500	-	-	-
Charges for Services	-	-	875,129	237,421
Investment Earnings (Losses)	-	-	-	1,380
Other Income	-	-	85,991	102,909
Total Revenues	<u>9,500</u>	<u>-</u>	<u>961,120</u>	<u>341,710</u>
Expenditures				
Current:				
General Government	-	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	6,371	-	838,904	455,475
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Total Expenditures	<u>6,371</u>	<u>-</u>	<u>838,904</u>	<u>455,475</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,129</u>	<u>-</u>	<u>122,216</u>	<u>(113,765)</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>3,129</u>	<u>-</u>	<u>122,216</u>	<u>(113,765)</u>
Fund Balances - Beginning - Previously Stated	168	-	39,038	797,788
Prior Period Adjustment	-	-	-	-
Fund Balance - Beginning	<u>168</u>	<u>-</u>	<u>39,038</u>	<u>797,788</u>
Fund Balances - Ending	<u>\$ 3,297</u>	<u>\$ -</u>	<u>\$ 161,254</u>	<u>\$ 684,023</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021
(continued)

	Election Consolidation	Social Services	Community College
Revenues			
Property Taxes	\$ -	\$ 641,328	\$ 1,117
Intergovernmental	85,834	209,246	152,858
Grants	-	-	-
Charges for Services	-	-	450
Investment Earnings (Losses)	-	2,675	339
Other Income	109,456	209,969	4
Total Revenues	<u>195,290</u>	<u>1,063,218</u>	<u>154,768</u>
Expenditures			
Current:			
General Government	128,612	12,812	-
Indigent Assistance	-	636,128	-
Highways and Roads	-	-	-
Public Safety	-	-	-
Other Public Services	-	-	167,450
Culture and Recreation	-	-	-
Total Expenditures	<u>128,612</u>	<u>648,940</u>	<u>167,450</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>66,678</u>	<u>414,278</u>	<u>(12,682)</u>
Other Financing Sources (Uses)			
Sale of Assets	-	-	-
Transfers In	40,000	-	-
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>106,678</u>	<u>414,278</u>	<u>(12,682)</u>
Fund Balances - Beginning - Previously Stated	98,867	776,916	678,954
Prior Period Adjustment	-	7,154	(10,302)
Fund Balance - Beginning	<u>98,867</u>	<u>784,070</u>	<u>668,652</u>
Fund Balances - Ending	<u>\$ 205,545</u>	<u>\$ 1,198,348</u>	<u>\$ 655,970</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021
(continued)

	Historical Society	Revaluation	Solid Waste	Waterways
Revenues				
Property Taxes	\$ 25,174	\$ 247,640	\$ 712,541	\$ -
Intergovernmental	4,636	46,202	-	-
Grants	-	-	-	14,145
Charges for Services	-	-	114,463	59,653
Investment Earnings (Losses)	132	1,309	5,112	-
Other Income	1,156	11,385	-	-
Total Revenues	<u>31,098</u>	<u>306,536</u>	<u>832,116</u>	<u>73,798</u>
Expenditures				
Current:				
General Government	-	330,936	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	31,182
Other Public Services	-	-	604,091	-
Culture and Recreation	36,150	-	-	-
Total Expenditures	<u>36,150</u>	<u>330,936</u>	<u>604,091</u>	<u>31,182</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,052)</u>	<u>(24,400)</u>	<u>228,025</u>	<u>42,616</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(5,052)</u>	<u>(24,400)</u>	<u>228,025</u>	<u>42,616</u>
Fund Balances - Beginning - Previously Stated	27,742	364,242	662,628	60,703
Prior Period Adjustment	(5)	(3,813)	-	-
Fund Balance - Beginning	<u>27,737</u>	<u>360,429</u>	<u>662,628</u>	<u>60,703</u>
Fund Balances - Ending	<u>\$ 22,685</u>	<u>\$ 336,029</u>	<u>\$ 890,653</u>	<u>\$ 103,319</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021
(continued)

	Warrant Redemption	Weed & Pest	Snowmobile Licenses	Physical Facilities	Magistrate
Revenues					
Property Taxes	\$ -	\$ 5,631	\$ -	\$ -	\$ -
Intergovernmental	-	4,595	-	-	94,583
Grants	-	30,000	-	-	-
Charges for Services	-	13,309	20,166	10,131	31,006
Investment Earnings (Losses)	-	586	-	-	-
Other Income	-	54,918	40	116,969	-
Total Revenues	-	109,039	20,206	127,100	125,589
Expenditures					
Current:					
General Government	-	-	-	907,654	-
Indigent Assistance	-	-	-	-	-
Highways and Roads	-	-	-	-	-
Public Safety	-	-	-	-	(103,791)
Other Public Services	-	343,151	-	-	-
Culture and Recreation	-	-	9,527	-	-
Total Expenditures	-	343,151	9,527	907,654	(103,791)
Excess (Deficiency) of Revenues Over Expenditures	-	(234,112)	10,679	(780,554)	229,380
Other Financing Sources (Uses)					
Sale of Assets	-	-	-	-	-
Transfers In	-	-	-	744,300	-
Total Other Financing Sources (Uses)	-	-	-	744,300	-
Net Change in Fund Balances	-	(234,112)	10,679	(36,254)	229,380
Fund Balances - Beginning - Previously Stated	2,737	522,384	108,109	86,327	-
Prior Period Adjustment	-	(24,437)	-	-	-
Fund Balance - Beginning	2,737	497,947	108,109	86,327	-
Fund Balances - Ending	\$ 2,737	\$ 263,835	\$ 118,788	\$ 50,073	\$ 229,380

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021
(continued)

	Court Facilities	Grant MGMT Trust	DARE Trust	Invasive Species	Public Defender Trust
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	949,597
Grants	-	100,000	-	-	-
Charges for Services	8,992	-	-	-	-
Investment Earnings (Losses)	-	-	-	-	-
Other Income	-	-	-	-	398
Total Revenues	<u>8,992</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>949,995</u>
Expenditures					
Current:					
General Government	-	-	-	-	-
Indigent Assistance	-	-	-	-	-
Highways and Roads	-	-	-	-	-
Public Safety	(57,813)	-	-	-	763,745
Other Public Services	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Total Expenditures	<u>(57,813)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>763,745</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>66,805</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>186,250</u>
Other Financing Sources (Uses)					
Sale of Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>66,805</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>186,250</u>
Fund Balances - Beginning - Previously Stated	-	-	675	6,959	142,116
Prior Period Adjustment	-	-	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>675</u>	<u>6,959</u>	<u>142,116</u>
Fund Balances - Ending	<u>\$ 66,805</u>	<u>\$ 100,000</u>	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 328,366</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021
(continued)

	Narcotics Seized Assets Fund	Court Interlock Fund	Widow's Benefit Fund	Total Nonmajor Special Revenue Funds
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ 1,858,500
Intergovernmental	-	-	-	1,885,285
Grants	-	-	-	153,645
Charges for Services	18,999	2,227	-	1,620,597
Investment Earnings (Losses)	-	-	53	14,105
Other Income	402	18,704	-	744,402
Total Revenues	19,401	20,931	53	6,276,534
Expenditures				
Current:				
General Government	-	-	-	1,380,014
Indigent Assistance	-	-	125	636,253
Highways and Roads	-	-	-	442,583
Public Safety	22,990	3,205	-	2,628,527
Other Public Services	-	-	-	1,114,692
Culture and Recreation	-	-	-	45,677
Total Expenditures	22,990	3,205	125	6,247,746
Excess (Deficiency) of Revenues Over Expenditures	(3,589)	17,726	(72)	28,788
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	413
Transfers In	-	-	-	826,800
Total Other Financing Sources (Uses)	-	-	-	827,213
Net Change in Fund Balances	(3,589)	17,726	(72)	856,001
Fund Balances - Beginning - Previously Stated	71,461	-	17,534	5,467,066
Prior Period Adjustment	-	-	-	(37,983)
Fund Balance - Beginning	71,461	-	17,534	5,429,083
Fund Balances - Ending	\$ 67,872	\$ 17,726	\$ 17,462	6,285,084

Cassia County, Idaho
Combining Statement of Fiduciary Net Position - Custodial Funds
For the Year Ended September 30, 2021

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Assets			
Cash and Investments	\$ 239,186	\$ 38,969	\$ 278,155
Property Taxes Receivable	-	361,235	361,235
Total Assets	<u>239,186</u>	<u>400,204</u>	<u>639,390</u>
Liabilities			
Vouchers Payable	<u>237,955</u>	<u>37,331</u>	<u>275,286</u>
Total Liabilities	<u>237,955</u>	<u>37,331</u>	<u>275,286</u>
Net Position			
Restricted for:			
Individuals, Organizations, and other Governments	<u>1,231</u>	<u>362,873</u>	<u>364,104</u>
Total Net Position	<u><u>\$ 1,231</u></u>	<u><u>\$ 362,873</u></u>	<u><u>\$ 364,104</u></u>

Cassia County, Idaho
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended September 30, 2021

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Additions:			
Fees collected for other governments	\$ 3,036,974	\$ -	\$ 3,036,974
Property taxes collected for other governments	-	22,944,410	22,944,410
Total Additions	<u>3,036,974</u>	<u>22,944,410</u>	<u>25,981,384</u>
Deductions			
Fees distributed to other governments	3,036,030	-	3,036,030
Taxes distributed to other governments	-	22,934,475	22,934,475
Total Deductions	<u>3,036,030</u>	<u>22,934,475</u>	<u>25,970,505</u>
Change in Net Position	<u>944</u>	<u>9,935</u>	<u>10,879</u>
Net Position - Beginning	<u>287</u>	<u>352,938</u>	<u>353,225</u>
Net Position - Ending	<u>\$ 1,231</u>	<u>\$ 362,873</u>	<u>\$ 364,104</u>

Cassia County, Idaho
Combining Statement of Fiduciary Net Position -
Private Purpose Trust Funds
For the Year Ended September 30, 2021
(continued)

	Private - Purpose Trust Fund			
	Idaho Sheriff's Assoc.	Auditor's Trust	Court Trust Odyssey	Total Private - Purpose Trust Funds
Assets				
Cash and Investments	\$ 160	\$ 192,746	\$ 149,940	\$ 353,240
Other Assets	-	-	-	-
Total Assets	<u>160</u>	<u>192,746</u>	<u>149,940</u>	<u>353,240</u>
Liabilities				
Vouchers Payable	160	-	116,184	116,344
Total Liabilities	<u>160</u>	<u>-</u>	<u>116,184</u>	<u>116,344</u>
Net Position				
Restricted for:				
Individuals, Organizations, and other Governments	-	192,746	33,756	236,896
Total Net Position	<u>\$ -</u>	<u>\$ 192,746</u>	<u>\$ 33,756</u>	<u>\$ 236,896</u>

Cassia County, Idaho
Combining Statement of Changes in Fiduciary Net Position -
Private Purpose Trust Funds
For the Year Ended September 30, 2021

	Private - Purpose Trust Fund			
	Idaho Sheriff's Assoc.	Auditor's Trust	Court Trust Odyssey	Total Private - Purpose Trust Funds
Additions:				
Contributions	\$ -	\$ 192,746	\$ 92,387	\$ 285,133
Investment Income	-	-	-	-
Total Additions	-	192,746	92,387	285,133
Deductions				
Distributions of Funds	-	-	58,678	58,678
Total Deductions	-	-	58,678	58,678
Change in Net Position	-	192,746	33,709	226,455
Net Position - Beginning	-	-	47	10,441
Net Position - Ending	\$ -	\$ 192,746	\$ 33,756	\$ 236,896

FEDERAL REPORTS

Cassia County, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

<u>Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass Through Number</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Forest Service Schools and Roads Cluster			
School and Roads - Grants to Counties	10.666		\$ 9,439
Total Forest Service Schools and Roads Cluster			<u>9,439</u>
Law Enforcement Agreements	10.704		10,000
Total U.S. Department of Agriculture			<u>19,439</u>
<u>U.S. Department of Interior</u>			
Payment in Lieu of Taxes	15.226		2,433,782
Bureau of Land Management - Noxious Weeds	15.230		30,000
Total U.S. Department of Interior			<u>2,463,782</u>
<u>U.S. Department of Treasury</u>			
Passed Through Idaho Controller's Office			
Coronavirus Relief Fund	21.019		534,611
Total U.S. Department of Justice			<u>534,611</u>
<u>U.S. Department of Homeland Security</u>			
Passed through State Department of Parks and Recreation:			
Boating Safety Financial Assistance	97.012		14,145
Passed Through Military Division			
Emergency Management Performance Grants	97.042		20,966
Homeland Security Grant Program	97.067	EMW2020SS0070	75,673
Total U.S. Department of Homeland Security			<u>110,784</u>
<u>Election Assistance Commission</u>			
Passed through Secretary of State			
HAVA Election Security Grants			
Total Election Assistance Commission	90.404	ID20101CARES-01	<u>36,476</u>
Total Federal Financial Assistance Expended			<u>\$ 3,165,092</u>

Cassia County, Idaho
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Cassia County, Idaho under programs of the Federal Government for the year ended September 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Cassia County, Idaho, it is not intended to and does not present the financial position or changes in Net Position of Cassia County, Idaho.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. INDIRECT COST RATE

Cassia County, Idaho has not elected to use the 10-percent de minimis indirect cost rate.



ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
Government Auditing Standards**

Board of Commissioners
Cassia County
Burley, 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 Cassia County, Idaho, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Cassia County, Idaho's basic financial statements and have issued our report thereon dated June 21, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Cassia County, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Zwyzart John & Associates CPAS, PLLC

Nampa, Idaho
June 21, 2022



**Independent Auditor's Report on Compliance for Each
Major Program and on Internal Control Over Compliance
Required by Uniform Guidance**

Board of Commissioners
Cassia County
Burley, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cassia County, Idaho's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Cassia County Idaho's major federal programs for the year ended September 30, 2021. Cassia County, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Cassia County, Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cassia County, Idaho and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Cassia County, Idaho's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Cassia County, Idaho's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Cassia County, Idaho's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Cassia County, Idaho's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Cassia County, Idaho's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Cassia County, Idaho's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Cassia County, Idaho's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Zwygart John & Associates CPAS, PLLC

Nampa, Idaho

June 21, 2022

Cassia County, Idaho
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Government Wide: Qualified

Fund Statements : Unmodified

Internal control over financial reporting:

Significant deficiency(ies) disclosed? ☐ yes ☒ none reported

Material weakness(es) disclosed? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

Significant deficiencies disclosed? ☐ yes ☒ none reported

Material weaknesses disclosed? ☐ yes ☒ none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR SECTION 200.516(A)?

☐ yes ☒ no

Identification of major programs:

Federal Assistance Listing Numbers

Name of Federal Program

15.226

Payment in Lieu of Taxes

21.019

Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

Cassia County, Idaho
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended September 30, 2021

Section II - Financial Statement Findings

No Matters Reported

Section III - Findings and Questioned Costs for Federal Awards

No Matters Reported