

CASSIA COUNTY, IDAHO

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2022

Table of Contents – (continued)

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Transmittal Letter	4
Independent Auditor's Report	9
Management's Discussion and Analysis	12
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	38
Statement of Activities	39
Fund Financial Statements:	
Balance Sheet – Governmental Funds	40
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position	42
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	43
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	45
Statement of Net Position – Proprietary Funds	46
Statement of Revenues, Expenditures, and Changes in Fund Net Position – Proprietary Funds	47
Statement of Cash Flows – Proprietary Funds	48
Statement of Fiduciary Net Position	50
Statement of Changes in Fiduciary Net Position	51
Notes to Financial Statements	52

Table of Contents – (continued)

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary (GAAP Basis) Comparison Schedule:

General Fund	70
Justice Fund	71
Department of Motor Vehicles	72
Jail Trust	73
County Reserve	74
Notes to Required Supplementary Information	75
Required Supplementary Information - Pensions	76

SUPPLEMENTAL INFORMATION

Combining Balance Sheet – Nonmajor Governmental Funds	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	86
Combining Statement of Fiduciary Net Position – Custodial Funds	94
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	95
Combining Statement of Fiduciary Net Position – Private Purpose Trust Funds	96
Combining Statement of Changes in Fiduciary Net Position – Private Purpose Trust Funds	97

FEDERAL REPORTS

Schedule of Expenditures of Federal Awards	99
Notes to Schedule of Expenditures of Federal Awards	100
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 <i>Government Auditing Standards</i>	101
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance	103
Schedule of Findings and Questioned Costs	106



Office of the Clerk of the District Court

Cassia County, Idaho

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June 1, 2023

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, 2022. 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, 2022, 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, 2022, 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 population

base at the April 1, 2010 census was 22,952 and at the April 1, 2020 census was 24,655. The population estimate of the U.S. Census Bureau on July 1, 2022 was 25,655.

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 FY2022, statutory changes began the process of moving obligations for indigent defense services from county government to the State of Idaho. The motivating factor for that was pending law suits from the ACLU who centered their complaint on inadequate public defense. The State's desire was to change the culture of public defense by adopting statewide and regional oversight of public defender offices under their direction with local input. Recruitment of qualified attorneys to perform indigent legal services continues to be difficult.

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 would be appropriate and legal for receipt of unscheduled revenues and to

meet unexpected expenses above appropriated amounts 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. Efforts by the City of Burley Administrator following two unsuccessful decades accomplishing airport relocation was to request the assistance of both Minidoka County and Cassia County Commissioners in effectuating statutory changes to allow an airport authority with less than three counties to carry that project forward. There appeared to be no local legislative interest in attempting to make changes in that statute, effectively eliminating the possibilities currently for a regional airport with just Minidoka and Cassia County holding a vested interest in such. It continues to be 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. Unfortunately, a real possibility 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 would certainly be adversely affected with the demise of the City of Burley 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 throughout difficult and remote areas of the county. The cost to the county property taxpayer is very minimal to accomplish those needs.

9-1-1 systems continue to be upgraded and updated to enhance emergency services to all of Cassia County. 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.

Efforts are underway to prepare for a needed upgrade to the current dispatch CAD software to facilitate updated emergency and law enforcement 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. Work continues with grading roads and application of magnesium chloride for dust control 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 the depletion of critical reserve funds.

The ongoing and clear concern of the 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 critical 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. The end result to Cassia County would be the potential loss of nearly 8% of Cassia County's annual budget or up to \$2.5 million of the current full funding of PILT, which would be devastating to essential County services.

The continued dedication of Auditor's Office Director and Lead Auditor Heather Evans as well as Deputy Auditors Sharene Ahlin and Michelle Wallace are 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) and Local Assistance and Tribal (LATCF) 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 Legislative Services Office compliance in financial reporting. This office continues to require appropriate accountability and 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. Cassia County's engaged external or outside auditor, Zwygart John

and Associates, continues to be a great assistance in providing improved internal controls for county finances. Findings and recommendations for appropriate accounting oversight as identified by the outside auditor proves very 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, implement all recommendations of the outside auditor, and continually improve internal financial controls.

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 name "Joseph" and last name "Larsen" clearly legible.

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



ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS

Zwygart John & Associates CPAs, PLLC

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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, 2022, 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, 2022, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of Cassia County, Idaho, as of September 30, 2022, 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 12 to 36, budgetary comparison information, schedule of the County's proportionate share of the net pension liability, and schedule of County contributions on pages 70 through 76 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 2, 2023 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 2, 2023

Cassia County
Management's Discussion and Analysis
Fiscal Year Ended September 30, 2022

I, Joseph W. Larsen, am the ex-officio Auditor of Cassia County, Idaho. As such I function as the budget officer of the County pursuant to Idaho Statute § 31-1602. My duties thereunder are to “*compile and prepare a preliminary budget*” for consideration of our Board of County Commissioners. Following adoption of a final budget, my duty is “*to see that the provisions thereof are complied with.*” Each county official “*in charge of any office, department, service, agency, or institution*” must file with the budget officer “*an itemized estimate of both the probable revenues from sources other than taxation*” that will accrue to their area of oversight, “*and all expenditures required*” for their area of oversight.

This narrative is presented as an overview, analysis, and fiscal notes of interest and concern for the Cassia County governmental entity by the budget officer for the fiscal year beginning October 1, 2021 and ending September 30, 2022, hereafter referred to as FY2022.

As outlined in Idaho Statute § 31-1509, the Cassia County accounting system for reporting is expected to meet the requirements, standards, and guidance of Generally Accepted Accounting Principles (GAAP) and of the Governmental Accounting Standards Board (GASB).

Most recently, GASB Pronouncements and Implementation Guides issued during FY2022 include:

- Implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangement* issued 05/2020 and beginning after June 15, 2022.
- GASB Statement No. 99, *Omnibus 2022*
 - Extension of the use of LIBOR, accounting for SNAP distributions, disclosures of non-monetary transactions, pledges for future revenues,
 - Provision updates related to Statement No. 34 as amended,
 - Terminology updates related to Statement No. 53 and 63,
 - Requirements related to leases, PPP's, and SBITA's for fiscal years beginning after June 15, 2022, and reporting periods thereafter,
 - Requirements related financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 effective for fiscal years after June 15, 2023, and reporting periods thereafter.
- GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62* issued in June of 2022 and beginning after June 15, 2023.
- GASB Statement No. 101, *Compensated Absences* issued in June of 2022 effective for fiscal years beginning after December 15, 2023 with earlier application encouraged.
- Guidance assistance with the application of subscription-based information technology arrangement – February 6, 2023.

Most new GASB Statements and Implementations Guides serve as clarifications of previous statements and have little impact on accounting and financial statements for Cassia County for FY2022.

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. FY2022 included no changes in these nine elected officials.

Elected officials at the end of FY2022 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 is in the second year of a four-year term for Commissioner District 1, Bob Kunau is in the second year of a two-year term for Commissioner District 2, and Kent R. Searle is in the fourth year of a four-year term for Commissioner District 3.

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 Statute § 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 Statute § 31-805
- “...preserve, take care of, manage and control the county property...” Idaho Statute § 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 Statute § 31-809
- “...funds deposited in the county election fund...shall be used to pay for all costs in conducting political subdivision elections.” Idaho Statute § 31-809A
- “...examine, settle, and allow all accounts legally chargeable against the county...” Idaho Statute § 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 Statute § 31-811
- “...fix the compensation of all county officers and employees, and provide for the payment of the same.” Idaho Statute § 31-816
- “...hold public fairs or exhibitions, to care for and maintain the same, regulate the use thereof...” Idaho Statute § 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 Statute § 31-823
- “...employ inmates of the county jail upon public road work or other county work in the county...” Idaho Statute § 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 Statute § 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 Statute § 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 Statute § 31-866
- “...may impose and collect fees for those services provided by the county...” Idaho Statute § 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 Statute § 31-878
- “...shall cause to be made, annually, a full and complete audit of the financial transactions of the county.” Idaho Statute § 31-1701
- “...shall...evaluate the need and provide to indigent person(s) nonmedical assistance in a temporary situation only when no alternative exists.” Idaho Statute § 31-3401
- For hospitals and indigent sick, “An approved application for financial assistance for services received through March 31, 2022, shall obligate an applicant to reimburse the obligated county and the state for such reasonable portion of the financial assistance paid on behalf of the applicant as the county commissioners may determine...” Idaho Statute § 31-3503 (1) *Note: Medical indigency obligations of counties in Idaho ceased after March 31, 2022.*
- “...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 Statute § 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 Statute § 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 Statute § 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.

Sheriff:

George Warrell

The Sheriff is the Chief Law Enforcement Officer of the County with supervisory oversight of the Mini-Cassia Criminal Justice Center.

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, fees for services rendered, and fines. 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 Statute § 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 Statute § 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 Statute § 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 Statute §§ 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 Statute § 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 Statute § 31-1607*

Financial Actions of the Board of Commissioners and Items of Fiscal Note for FY2022

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 FY2022 included, but are not limited to, the following:

- **October 4, 2021** – Action approved the purchase of replacement radios from the 911 Fund in the amount of \$28,485.30
- **October 4, 2021** – Action approved the purchase of a Kubota for the Weed & Pest Department in the amount of \$15,900.00

- **October 4, 2021** – Increased claims for employment liability in the State have caused the Idaho Counties Risk Management Program (ICRMP) to increase their deductible from \$5,000 to \$6,500 unless they are consulted before termination of an employee
- **October 18, 2021** – Action approved FY2021 Budget Amendments were authorized for publication.
- **November 1, 2021** – Action approved Titled vehicle and Titled Property Accounting Recommendations for enhanced internal control of those documents as presented by the Auditor's Office.
- **November 1, 2021** – Public hearing and action to approve FY2021 Budget Amendments.
- **December 6, 2021** – Action to approve law enforcement vehicle purchases and trade-ins. A Drug Task Force vehicle was approved to be purchased from the Seized Assets or Z Fund. Two Dodge Chargers and two Dodge Durango purchases were also approved with the trade-in of one Dodge Charger and one Dodge Durango.
- **December 6, 2021** – Action to approve a consulting agreement with Ameriben Human Resource Consulting to consider a step and grade or levels and kinds employee compensation study.
- **December 6, 2021** – Action to approve agreement with Fastcase Law Library in the amount of \$3,374.00 for the County's digital law library.
- **December 13, 2021** – Action to approve to pay Idaho Association of Counties (IAC) for Cassia County's allocation to the Natural Resource Litigation Fund in the amount of \$8,867.95.
- **December 13, 2021** – Action to approve an Ambulance Services Agreement for 2022 with Cassia Regional Hospital.
- **December 20, 2021** – Action to approve the purchase of two commercial dryers in the amount of \$19,015.00 for the Mini-Cassia Criminal Justice Center (MCCJC).
- **January 3, 2022** – Action to approve the purchase of a Kawasaki ATV in the amount of \$11,000.00 for the Buildings and Grounds Department.
- **January 24, 2022** – Action to approve accessories for the Buildings and Grounds Department ATV not to exceed \$19,000.00.
- **January 31, 2022** – Action to authorize the purchase of a Weed & Pest vehicle for up to \$50,000.00.
- **February 7, 2022** – The Board discussed usage of federal ARPA funds for the potential purchase of the Misdemeanor Probation Office facility currently being leased, the possible construction of a new law enforcement building, issues with the current Assessor's Office facility, and the potential to construct a new County building across the road south of the courthouse where a current parking lot is located.
- **February 14, 2022** – Action to authorize a 10% increase in janitorial services for the Adult Misdemeanor Probation Office facility due to inflation.
- **February 14, 2022** – Action to approve up to \$5,000.000 for the purchase of a flatbed and bumper for the Weed and Pest Department's new truck.
- **February 14, 2022** – Action to approve the purchase of a Honda motorcycle for law enforcement purposes not to exceed \$5,200.00.
- **February 14, 2022** – The Board discussed consideration of construction of a County facility and the relevant size and type of that facility. It was discussed that this would be a public works project, it would be a cost in excess of \$100,000.00, and would require a competitive bid.
- **February 28, 2022** – The joint Minidoka and Cassia County Board of Commissioners discussed complications of recruiting and retaining attorneys in the Public Defender's Office. The suggested reallocation of Public Defense Commission financial assistance for a new public defender was approved to be used, if possible, for enhancing current employee's rate of pay.

Additionally, staffing shortages at the MCCJC was discussed. Action approved the addition of two civilian positions at that facility.

- **February 28, 2022** – Action to replace the duct work of the cooling system at the MCCJC at a cost of \$15,750.00.
- **February 28, 2022** – The Board discussed various considerations for a proposed new County facility to be funded with ARPA proceeds.
- **March 14, 2022** – The Board discussed two bids related to a proposed Coroner’s building and asked for an additional bid per statute as the potential cost was over \$50,000.00.
- **March 14, 2022** – The Board again discussed difficulties of funding, retention, and recruiting of personnel for the MCCJC.
- **March 14, 2022** – The Board discussed replacement of the rest of the windows in the courthouse and it was determined that they needed to solicit two additional bids to satisfy statute.
- **March 18, 2022** – The Board discussed usage of the smaller one of two buildings purchased earlier from the Burley Highway District for a new facility for the Weed and Pest Department.
- **March 18, 2022** – The Board discussed the renewal of the Law Enforcement Agreement with the City of Burley.
- **March 18, 2022** – The Board further discussed with the Coroner a facility to house his cooler and office.
- **March 28, 2022** – The Board discussed an increase in the South Central Public Health District financial obligation in the amount of approximately \$71,000.00 for the remaining seven months of the fiscal year.
- **March 28, 2022** – The joint Minidoka County and Cassia County Boards took action to approve the increasing the established annual salaries of the Mini-Cassia Public Defender’s Office defending attorneys. They further discussed increases for MCCJC detention deputy wages to assist with recruitment, hiring, and retention.
- **April 4, 2022** – Action to approve the purchase of a new ATV side-by-side for the Cassia County Buildings and Grounds Department in the amount of \$21,899.00. They chose to forego the trade-in of their current ATV, which value was about \$3,000.00, in favor of selling it at auction to receive more value than for trade-in.
- **April 11, 2022** – The Board discussed capital improvements on the Cassia County Historical Society and Museum Building with two bids at \$115,612.00 and \$170,461.00.
- **April 13, 2022** – At a joint Board meeting of Minidoka County and Cassia County, FY2022 and FY2023 wage, salary, and bonus issues were discussed. Budget Officer Larsen assured the Boards that Cassia County’s financial capacity could sustain a 5% to 15% increase in rate of pay going forward due to a history of adherence to management and accountability best practices.
- **April 13, 2022** – Action was taken by both Boards of Minidoka County and Cassia County to approve a stop gap employee compensation spending proposal of \$144,000.00 and to leave a \$4,500.00 amount for recruiting bonuses to be adjusted as needed for the MCCJC to assist with recruiting, hiring, and retention.
- **April 18, 2022** – Action was taken to approve a bid for electrical upgrades in the amount of \$15,840.00 at the smaller of the two County-purchased former Burley Highway District buildings that now serves as the new Weed and Pest Department facility.
- **April 25, 2022** – The County Auditor reported that with 50% of the fiscal year gone by, revenue receipts were above budgeted amounts at 52.24% and expenditures were below budgeted amounts at 44.93%.

- **April 25, 2022** – Action to approve bids for improvement at the Weed and Pest Department building for plumbing in the amount of \$8,550.00 and \$14,300.00.
- **May 2, 2022** – Action to approve a U.S. Marshall Intergovernmental Agreement for inmate housing and transportation with an increase in daily fees paid to the MCCJC from \$55.00 to \$70.00 per day and transportation fees from \$20.00 to \$31.00 per hour.
- **May 2, 2022** – Action to approve a bid in the amount of \$17,009.43 for new windows and installation at the Weed and Pest facility.
- **May 2, 2022** – Action to approve a bid in the amount of \$94,691.34 for the replacement of 66 exterior windows at the courthouse.
- **May 2, 2022** – Action to approve a construction bid in the amount of \$115,612.00 for an addition and modifications of the Cassia Historical Society and Museum building.
- **May 2, 2022** – The Board discussed with the Cassia County Fair Board the priority of replacing the aged grandstands at the Cassia County Fairgrounds.
- **May 2, 2022** – Fair Board member Carla Beck requested reallocation of \$12,000.00 budgeted for salaries be moved to extra help for FY2023.
- **May 9, 2022** – The Board discussed budget planning priorities for FY2023
 - No approval for the Assessors Office new employee until State regulations are implemented requiring the additional help
 - Software upgrades and security updates for the Clerk's Office will require an updated hardened secure laptop for election returns and tabulation
 - Commissioner Searle suggested an investigator specifically for the Prosecutor's Office
 - Request for bids for needed roof repairs at the MCCJC
- **May 16, 2022** – Contracted Conflict Public Defender Clayne Zollinger requested his rate of pay at \$4,800.00 per month plus \$67.50 per hour be increased to \$7,500.00 per month plus \$85.00 per hour. Chair Beck suggested taking that request under advisement.
- **May 16, 2022** – Ameriben presented their proposal to conduct a valuation and review as well as a market competitiveness report as part of a compensation step and grade analysis at \$24,870.00 plus travel costs. Completion was anticipated in 90-120 days.
- **May 23, 2022** – Request for funding of the State Animal Control Board for FY2023 in the amount of \$6,000.00 was approved by the Board.
- **May 23, 2022** – Consideration for an increase in the payment for indigent cremation from \$1,100.00 currently to \$1,500.00 was approved by the Board.
- **May 23, 2022** – Joint budget presentations
 - Veterans Service Officer Chuck Driscoll requested an office in Cassia County. He requested an increase of 11.7% from \$46,704.43 to \$52,168.85 for his contracted services to both counties, which was approved.
 - Public Defender Tim Schneider requested a 10% increase in rate of pay for defending attorneys.
 - Juvenile Probation Director Dixie Tate reported on the loss of both funding and expenses for the Substance Use Disorder Service (SUDS). She requested funding for a new vehicle. She suggested that with problems in their current facility, that a single facility for both counties be considered.
 - Criminal Justice Center Director Dan Renz requested "B" Budget increases to cover costs of hiring, operations, food services, and dentist services. The Joint Board discussed the effect of double time payments for MCCJC employees to assist with retention and to keep morale high.

- Juvenile Detention Center Director Trent Bodily requested an 8% cost of living increase for his employees along with minor increases in operational costs.
 - Cassia Commissioners discussed their decision for a 5% cost of living increase and an additional 1% to defray medical insurance premium increases plus a \$1,500.00 employee bonus for FY2023.
 - Minidoka Commissioners desired to work towards similar employee compensation for their employees.
- **May 31, 2022** – The Board approved a lease agreement with Minidoka County for a shared Coroner’s Office.
- **June 6, 2022** – The Board approved contracting with Ameriben in the amount of \$24,870.00 for a full analysis of data to be received in the fall to hopefully assist the Board with a step and grade employee compensation system.
- **June 6, 2022** – The Board approved a contract with Computer Arts, Inc. in the amount of \$40,288.55 for FY2023.
- **June 6, 2022** – FY2023 Budget approval by the Board of Commissioners included the following:
 - A part time Building and Grounds employee will be moved to full time rather than seeking another employee.
 - At Chair Beck’s request, the Building and Zoning contract services currently at \$2,000.00 was increased by \$25,000.00 to cover surveyor costs required by county code.
 - At Chair Beck’s request, an additional \$10,000.00 was added to the Road and Bridge wage and salary line in the event a newly-hired supervisor is at a higher rate of pay.
 - The Board requested \$10,000.00 be added to the Coroner’s auto expense line.
 - Commissioner Searle requested that 911 allocations for the county mapper Todd Quast be reduced as he is not spending as much time with 911 duties. He suggested moving the allocations from 80% for 911 and 20% for county mapping to 50% for 911 and 50% for county mapping using funding from the general fund of the county for the additional amount. Theoretically, he would use the additional time for planning and zoning issues. 911 would use the additional funds saved for contract services for work Quast did not complete.
- **June 13, 2022** – The Board approved increasing conflict public defender Clayne Zollinger’s rate of pay from \$4,800.00 to \$7,200, on first- and second-degree murder cases from \$85.00 to \$95.00 per hour, and for cases exceeding 20 hours of billable time, to increase rate of pay per hour from \$67.50 to \$85.00.
- **June 13, 2022** – The Board approved expending \$77,835.00 for two Ford F150 law enforcement trucks and declaring a 2013 GMC truck surplus.
- **June 13, 2022** – The Board directed that all vehicle fuel lines in budgets be increased by 60%.
- **June 13, 2022** – Chair Beck requested that Solid Waste fees be reduced from \$48.00 to \$36.00 for the next few years and then to reevaluate the fund balance.
- **June 16, 2022** – The Board discussed with residents within the Road and Bridge area to consider the possibilities of forming a highway district.
- **June 21, 2022** – The Board approved an increase in rate of pay from \$65.00 to \$85.00 per hour for 2nd level and above conflict public defenders.
- **June 21, 2022** – Chair Beck desired to transfer the 2013 GMC pickup valued for trade-in at \$19,000.00 from law enforcement to Road and Bridge
- **June 21, 2022** – The Board recommended to increase as soon as possible the wage of both Information Technology Department employees by \$2.00 per hour.

- **June 21, 2022** – The Board approved signing a medical services contract for the jail with Sawtooth Medical to reflect an increase in their contacted services from \$300,000.00 to \$322,500.00, a 7.5% increase.
- **June 21, 2022** – The Board approved signing a dental services contract for the jail with Dr. Wayne Wright increasing the amount by 10% to \$47,580.00 for FY2023 and an increase annually of 4% thereafter from the previous 3%.
- **June 27, 2022** – The Board approved the purchase of a 2022 Chevrolet 3500 HD crew cab pickup at a total cost of \$52,260.00. The County's match with a WIF Grant through Idaho Parks and Recreation will be met with the trade-in of a 2018 Dodge pickup valued at \$19,500.00. Costs to equip the vehicle will be additional.
- **June 27, 2022** – John Russell from Zwygart John & Associates presented the FY2021 Audit Report. It was recommended in harmony with accounting best practices that records and transactions of County assets be processed through the Auditor's Office. It was also pointed out that the State Controller's Office is following government audits and assets instead of the Legislative Services Office.
- **June 27, 2022** – The Board approved a 15% rate increase for Night Owl Janitorial Services beginning FY2023.
- **July 5, 2022** – The Board approved the purchase of a 2022 Ford F150 4-wheel drive Supercrew pickup from Young Automotive Group in the amount of \$39,923.00.
- **July 5, 2022** – The Board approved the purchase of eight Tenex air ballots and poll book stands in the amount of \$10,600.00 for the Elections Department.
- **July 5, 2022** – The Auditor's Office recommended an increase in department allocations for each fulltime employee from \$12,925.00 in FY2022 to \$16,800.00 in the Benefits Fund for FY2023.
- **July 11, 2022** – The Board approved a resolution to declare surplus a Sheriff's Office 2018 Dodge truck for a trade-in value of \$19,500.00 towards a new vehicle.
- **July 11, 2022** – FY2023 joint budget overview included an estimate for a large capital improvement cost of \$200,000.00 for roof repairs at the MCCJC and considerable reservation expressed at Minidoka County's proposal for rental of a facility for Juvenile Probation in the amount of \$60,000.00.
- **July 14, 2022** – The Board determined not to participate in Minidoka County's proposal for rental of a Juvenile Probation facility.
- **July 18, 2022** – Joint Boards approved the Mini-Cassia Juvenile Probation budget for FY2023 in the amount of \$903,283.00 with each county's allocation at \$275,295.21.
- **July 18, 2022** – Joint Boards approved the Mini-Cassia Juvenile Detention budget for FY2023 in the amount of \$1,356,419.00 with Cassia County's allocation at \$599,065.94 and Minidoka County's allotment at \$709,403.11.
- **July 18, 2022** – Joint Boards approved the Mini-Cassia Public Defender's budget at \$1,144,590.00 with Cassia County's allocation at \$421,804.74 and Minidoka County's allotment at \$369,722.26.
- **July 18, 2022** – Joint Boards approved the Misdemeanor Probation Office budget at \$1,098,450.00 with funding at \$424,450.00 divided equally with both counties in the amount of \$212,225.00.
- **July 18, 2022** – Joint Boards approved the MCCJC budget at \$4,472,048.00 with Cassia County's allocation at \$1,895,361.00 and Minidoka County's allocation at \$1,374,530.00.
- **July 18, 2022** – The revised tentative FY2023 budget for Cassia County for publishing is \$28,284,729.00 which was an increase of \$2,967,689.00 over FY2022. Existing fund balances allocated to that budget are \$2,553,666.00. Estimated revenues are \$8,857,939.00. Grants and

transfers for the Public Defender and Jail Trusts total \$7,133,187.00. PILT and ARPA reserves funded from lost revenues total \$2,842,255.00. Property taxes are estimated at \$6,897,712.00.

- **July 18, 2022** – Commissioner Searle asked for the City of Burley law enforcement agreement budget amount be \$2,020,200.00 for publishing of the FY2023 budget noting it can be reduced but not increased following publication.
- **July 25, 2022** – The Board approved the purchase and payment for 400 feet of used aluminum bleacher grandstand material from North Caroling Welding in the amount of \$410,000.00.
- **August 15, 2022** – The Board approved cancelling of what remained on a \$245,519.00 loan from County reserves to fund Cassia County Fairground bleacher purchases. Receipts to date are \$105,085.16.
- **August 15, 2022** – The Board approved a bid received from Robert's Roofing in the amount of \$119,000.00 for roof replacement with a 20-year warranty at the MCCJC.
- **August 22, 2022** – The Board approved at a public hearing the FY2023 Road & Bridge Budget in the amount of \$579,720.00.
- **August 22, 2022** – The Board approved at a public hearing the FY2023 Cassia County Budget in the amount of \$28,284,729.00.
- **August 29, 2022** – The Board approved the FY2023 Summit Food Contract at the MCCJC noting an increase of 14% from FY2022.
- **September 26, 2022** – The Board approved contracts for services with Vera Causa Group for the Prosecutor's Office in the amount of \$11,000.00 and a consulting contract in the amount of \$3,600.00 for coaching.
- **September 26, 2022** – The Board approved the purchase of 22 Automated External Defibrillator (AED) units from ZRG Medical in the amount of \$19,800.00.
- **September 26, 2022** – The Board approved the purchase of a 2022 Dodge Durango patrol vehicle and related equipment up to \$49,000.00.
- **September 26, 2022** – The Board approved additional funding to complete the Cassia County Museum project in the amount of \$13,448.00.
- **September 26, 2022** – The Board approved the purchase of a tractor and mower from Agri-Service totaling \$49,950.00 for Cassia County Road & Bridge.

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 has begun to recover from the economic setbacks related to the global pandemic. State of Idaho tax revenue sharing continues without suppression during those setbacks and despite the global economy slowing. Additionally, revenue was realized from unscheduled and unbudgeted County receipts from property taxation due to state and local growth 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 expansion and improvement projects as well as to allay any unforeseen emergencies.

Consistent with the past several years, the budget officer has stressed implementation and following of best accounting practices. That has included dedicating current unrealized and unscheduled revenues to future year budgets to lessen the reliance year-to-year on federally-funded Payment in Lieu of Taxes (PILT) receipts. Historically, nearly 9% of our annual budgeted revenue 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 anticipated PILT receipts are not even appropriated and received until nearly 75% of the fiscal year has passed and that amount of budgeted funds are generally already expended. A very difficult situation would arise if the federal government didn't appropriate some or all of PILT. 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 lobby for and approve permanent funding of PILT.

FY2022 has experienced the following:

- Low interest rates have increased some, due to inflation, providing additional returns from investments of idle County funds.
- Despite Medicaid Expansion and our final year of medical indigent claims in the County, there continues to be a poverty gap that requires County resources for indigent and worthy poor residents entitled to County assistance.
- Increases in costs from 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 health insurance through the exchange under the Affordable Care Act.
- 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, seems to have declined. 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 increased financial liability to the County. Those statutory requirements include continuing legal education (CLE) for professional development, workload standards to assure appropriate delivery of defense services, and reporting of all efforts with indigent clients have all made it difficult to recruit and retain attorneys.
- Recruitment and availability of attorneys for all aspects of county government is increasingly more difficult. That includes legal work for indigent defense, for prosecution, and for civil work.
- 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 to maintain qualified employees in an increasing competitive market.
- Our justice system continues to be burdened by escalating crimes relating to drug trafficking, substance abuse, addictions, and sexual abuse.

- Inadequate mitigation for the scores of mentally ill in dire need of critical care, facilities, counseling, medications, financial resources, and suicide prevention programs, has exceeded a state of crisis. Local suicide rates have dramatically increased, especially amongst teenagers.
- 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 necessitated resolution 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.

Legislative Changes

During FY2022, Governor Brad Little signed into law House Bill 389 as one of the biggest changes seen in property tax law in the past 15 years. Property tax relief included Homeowner's Exemption increasing from \$100,000 to \$125,000, Property Tax Relief programs increased, exemption of transient personal property tax, changes to foregone taxes and levy calculations, and transparency increases by required local government reporting to the State Controller's Office.

House Bill 316 significantly curtailed medical assistance through the county indigent program. No person eligible for Medicaid or insurance is eligible for medical health assistance through counties after March 1, 2022. The State of Idaho will discontinue funding to Health Districts from their general fund and that will be shifted to funding by counties.

House Bill 362 created a new funding source to effectuate increased allocations to counties for transportation projects.

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-taxation 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.

Urban Renewal

Efforts of the Burley Development Association to expand commerce and economic development, though positive in many aspects, does have an adverse effect with diverting of property taxes away from Cassia County taxing districts. Largely that affects revenue receipts from property taxation normally serving as a revenue source to county and city government as well as to other local taxing entities that include fire, flood, and recreation districts. The enigma created is increased competition for the skills and services of Cassia County employees with alternative employment that includes higher wages and salaries, enhanced benefit packages, and higher starting compensation than entry level positions currently offered. That exacerbates cost of living increases in the County not keeping pace with current inflation rates.

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 more 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 the providing of services in county government.

PILT and SRS Funding

Some concern always exists without permanent funding designation by the federal government for Payment in Lieu of Taxes (PILT). There exists potential for reduction, sequestration, or even elimination of payments for non-taxed property in Cassia County that includes 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 annually and is critical 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 allocations for FY2022 to the State of Idaho totaled \$32,641,103, of which Cassia County received \$2,492,250, the second highest recipient county in the State of Idaho. That payment was for full funding and received on June 23, 2022.

In the event PILT appropriations are ever reduced or discontinued during the year when it is budgeted, 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, significant 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.

Cassia County Road and Bridge received \$12,583.67 for 2022’s SRS allocation on April 29, 2022. It is worthy of noting, any lost federal allocations of PILT and SRS funds to Cassia County would create an impacting revenue shortfall. Again, a sustainable long-term federal solution for permanent funding would best facilitate the needs of rural counties with federal lands where those lands do not generate tax revenues to the counties.

Revenue Source Reduction Impacts

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

- Diminishing number of available sources of revenue by way of grant reimbursements and receipts.
- Continued desire of the Idaho legislature for the elimination of personal property taxes that are a critical source currently to fund county government.
- Court fees and fines have decreased over the past several years which provides critical funding for law enforcement, the courts, and the jail.
- Uncollectable court and misdemeanor probation fees from offenders who often have less ability to satisfy their obligations.
- Jail population decreases of income-producing rented space in recent years from outside entities including the Idaho Department of Corrections (IDOC), U.S. Marshalls, Immigration and Customs Enforcement (ICE), and courtesy holds from other local jurisdictions. That is largely due to insurance requirements of the Idaho Counties Risk Management Program (ICRMP) which are in place to curtail possible liability due to overcrowding in the jail.

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.

Receipts of unscheduled revenues from federally relief programs, ARPA and LATCF, have assisted with short term, temporary, or one-time expenses. That was intended to assist with recovery of lost revenue, helping with strategic planning to facilitate the conducting of business with enhanced safety protocols, and temporary premium pay for overtime of employees filling in for people absent from the workplace due to the pandemic. 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 future capital projects may be delayed or eliminated once reserve funds are 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 2022 received generated funds from the 2021 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 2021 LEVY RATES

<u>Fund</u>	<u>Current Levy Rate</u>	<u>Maximum Levy Rate</u>
<i>Major Funds:</i>		
Current Expense	0.000662974	0.002000000
Justice	0.001564851	0.002000000
<i>Other Funds:</i>		
Indigent Defense/Social Services	0.000250179	0.001000000
District Court	0.000000000	0.000400000
Noxious Weeds	0.000137598	0.000600000
Ambulance	0.000110079	0.000200000
County Fair Operations	0.000044807	0.000100000
County Fair Exhibits	0.000065947	0.000100000
Historical Society/Museum	0.000012709	0.000120000
Junior College Tuition	0.000000000	0.000600000
Revaluation	0.000125089	0.000400000
Preventive Health Fund	0.000103229	0.000400000

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 2021 Total Cassia County Levy Rate:
.003077462

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)
Local Assistance and Tribal Consistency Fund (LATCF)

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

The Remaining Cash Balance below is a comparative of actual county resources at the end of FY2021 with that of the end of FY2022. For each year, it is reflective of the overall receipts of revenues for the fiscal year less all Board of Commissioner approved expenditures. Of note, there are sizable increases in the FY2022 ending balance in both major funds, the Current Expense Fund and the Justice Fund. Total resource balances reflect receipt of the first of four tranches, which totaled \$2,333,733.00 from the federal government for pandemic relief funding. The other three tranches are scheduled for FY2023. All four approved payments as presently scheduled total \$9,074,483.84 as detailed in the conclusion of this narrative. Additionally, it is reflective of two other major factors; expenditures for FY2022 fell below what was budgeted and receipt of revenues exceeded anticipated budgeted amounts.

Major Funds – Cassia County’s two major funds established in accordance with Idaho Statute include:

- The **Current Expense Fund** (or General Fund)
 - Allocations related to general operational expenditures, which include Auditor, Recorder, Assessor, Treasurer, Commissioners, Public Defender, Civil Defense, Buildings & Grounds, University of Idaho Agricultural Extension Service, County Elections, General Operations, Information Technology, Building & Zoning, and Veterans Service Officer
- The **Justice Fund**
 - Allocations related to administering justice and safety, which include District Court Clerks, Juvenile Probation, Prosecuting Attorney, Coroner, Sheriff, Criminal Justice Center (adult jail), and Juvenile Justice Center (youth jail)
- Other Funds
 - Various dedicated funds for a specific purpose, which include Cassia County Road & Bridge, Emergency Medical Services, Ambulance Services, District Court, K-9 Expenses, Misdemeanor Probation, 911 Communications, Consolidated or Taxing District Elections, Medical and Non-Medical Indigent Services, Public Defender, Community College Tuition, Cassia County Fair, Historical Society (museum), Property Revaluation, Solid Waste Services, Waterways Services, Noxious Weed & Pest Control, Snowmobile, Physical Facilities, Magistrate Court, Health Districts, Court Facilities, ARPA Fund, Employee Benefits, Narcotic Seized Assets, Court Interlock and Widows Benefits

Remaining Cash Balance

	<u>Ending FY2021</u>	<u>Ending FY2022</u>	<u>Difference</u>	<u>Change</u>
Current Expense Fund:	\$1,340,876.65	\$1,652,449.20	\$311,572.55	+%23.24
Justice Fund:	\$1,175,144.13	\$1,240,565.31	\$65,421.18	+%5.57
All other dedicated funds:	\$6,120,677.64	\$7,372,768.24	\$1,252,109.60	+%20.46
Total Dedicated Fund Balances:	\$8,636,698.42	\$10,265,782.75	\$1,629,084.33	+%18.86
Reserve Fund: (Carryover not allocated to other funds for expenditures)				
	\$7,508,912.40	\$9,794,375.85	\$2,285,463.45	+%30.44

TOTAL DEDICATED FUNDS AND RESERVES

(County Financial Resources):

\$16,145,610.82	\$20,060,158.60	\$3,914,547.78	+%24.25
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City of Burley Law Enforcement Agreement

In FY2022, Cassia County operated in the third and final year of a three-year contractual agreement with the City of Burley for providing them with law enforcement services. There have been inherent advantages to both entities in theory by minimizing duplicated service, reduction in costs with the economies of scale concept, and with equitable allocation of costs.

Differences in opinion, lack of trust, authority of the elected County Sheriff in conducting services, the fiduciary responsibility of the elected County Commissioners as the governing board of the sponsoring agency, and inordinate delays in arriving at an amicable budget have presented challenges each year. That continues to cloud the inherent financial benefit primary to the budget officer's concerns that could and should be realized by both parties with this agreement.

This optional and discretionary agreement for conducting critical public law enforcement services for the City of Burley experiences ever-increasing demands as costs of operation continue to escalate with increased crime and law enforcement demands as well as rates of inflation much higher than usual. This budget officer is strongly of the opinion a reassessment of cost allocations is long overdue by the Board of Cassia County Commissioners, the Cassia County Sheriff charged with providing law enforcement services, and the County Auditor as budget officer.

This budget officer takes all responsibility for the following findings of facts and recommendations. Staff deputy auditors concur with these facts and recommendations and emphasize our collective opinion is largely from Cassia County's fiscal accountability to our taxpayers and constituents. Our responsibility keeps us engaged daily in all financial aspects of this agreement as it involves taxation, public revenues, and public debt. As such, we present to the Cassia County Board of Commissioners, the Cassia County Sheriff, the City of Burley Administrator, Mayor and City Council, and primarily to all residents of Cassia County the following:

- The Cassia County Board of Commissioners, as the chief executive authority of Cassia County and with designated power and duty to supervise county officers per Idaho Statute Title 31 Chapter 8, should work cooperatively with their elected or civil County Attorney, the elected Sheriff charged with conducting contracted services for law enforcement, and the County

Auditor as budget officer in formulating provisions of any contractual agreement for services rendered by Cassia County

- County budget law per Idaho Statute Title 31 Chapter 16 should be adhered to in assisting the budget officer to “...compile and prepare a preliminary budget for consideration of the county commissioners...” by providing “...probable sources of revenue...” “...to which the budget is intended to apply...” by way of a proposed or executed contractual agreement with the City of Burley for law enforcement services detailing estimated costs “...by the third Monday in May...”
- As the entity providing services is the contractor and the entity receiving services is the contractee, any proposed contract or agreement should be prepared and presented by the contractor to the contractee for their consideration.
- A time certain should be required for the contractee to either accept, negotiate, or decline the proposed contract due to the contracting entity constraints detailed in county budget law.
- If negotiations for defined contractual services and attendant enumerated costs cannot be agreed upon by a date certain congruent with county budget law, the contractee may and should reject the contract proposal and assume the providing of City of Burley law enforcement services and the contractor should resume providing of county law enforcement services as required respectively by Idaho Statute.
- The budget officer is keenly aware of the emotional and political forces in play with this agreement and efforts to keep it in place. The sheriff’s designated patrol officers within the City of Burley outnumber those outside of the City of Burley which upon dissolution of the law enforcement agreement would decimate the size of the department and would cause significant disruption to services provided as well as undue burdens placed on valued men and women employed with the Cassia County Sheriff’s Office. Nonetheless, equitable financial costs and benefits must ultimately be considered thoroughly despite the consequences of dissolution of that agreement. If it does not work financially for both public entities the result is that constituents and taxpayers are not fairly represented. That should be the controlling factor for both the City of Burley and for Cassia County entities.
- Both parties must acknowledge that county ad valorem taxes as assessed to all county residents, both in the City of Burley and outside the City of Burley are assessed for the conducting of statutory duties in administering justice for the entire county. Allocations are for the county to provide constitutionally-required indigent or public legal defense, law enforcement services for all felonies, prosecution of all county felonies, incarceration or confinement in separate county-sponsored detention facilities for both juveniles and adults, court-ordered adult misdemeanor probation services for all county offenders, adequate court facilities for conducting juvenile, magistrate, and district court functions, staff and facilities provided for specialty court solutions as a diversion from incarceration, and basic and limited law enforcement services within each incorporated city in the county, etc. Due to statutory levy limitations with county Justice Funds, those costs are supplemented by federal and state grants, federal payments in lieu of taxes, and revenue sharing from the State of Idaho to meet those ever-increasing needs. In short, providing of law enforcement goes well beyond property tax provisions.
- For FY2022, the law enforcement budget for city-contracted and county-obligated services totaled \$4,697,019. Cassia County’s law enforcement budget was \$2,795,524 or 59.5% of the total for county services and \$1,901,495 or 40.5% of the total for the City of Burley’s contracted law enforcement services. There were 27 patrol deputies and investigators budgeted in the Sheriff’s Office for FY2022. Of that number, 11 or 39.3% were Cassia County budgeted officers and 17 or 60.7% were City of Burley budgeted officers. That is concerning to the budget officer as it appears to be a fiscal disparity and should be a concern that warrants further examination.

- The Cassia County Sheriff should have the liberty to specify and direct the conduct of all law enforcement duties, including consultation with the governing board of commissioners with what, how, and when law enforcement vehicles are purchased to conduct duties in his elected position, the number of law enforcement officers the Sheriff deems necessary, and coordinate all duties of each of his employees across the entire county as per his discretion and without delineating city and county services. Otherwise, it disrupts the benefit of economies of scale.
- Financial accounting should not be separated by city and county. Allocations of expenditures can never be a true benchmark of cost with a contract utilizing economies of scale. Comparatives are far more accurate for the contractee to evaluate all costs of startup and conducting of law enforcement services themselves as a contrast to contracting another entity to provide those services. If concerns are lack of trust, no contract should be entered into.
- Contract provisions should include projected costs of desired services, payment for those contracted services, and appropriate execution of provisions of the contract. No equitable agreement binds the contractor to provide services beyond contractual provisions. Just the same, no refund or credit should be expected at the end of the contract. Separate accounting, reporting, and allocations of time can be easily and arbitrarily allocated to favor either the contractor or the contractee without onerous and intruding oversight. Simply stated, the agreement should be for prescribed services desired and acceptance of a designated amount for costs of those prescribed services. An equitable executed agreement should be just for provision of services and just for provision of the payment for services.
- The City of Burley's sponsored Law Enforcement Committee conducted a unilateral process a number of years ago to explore and make proposed recommendations to both parties. Much has changed since then. That committee gathered information and made recommendations which fell short of including many financial implications. It included expected services to be provided without an allocated expense. Specifically, those omissions included:
 - Workman's compensation high risk premium rate assessments typical of law enforcement officers from the State Insurance Fund
 - Provisions for unforeseen, emergency, catastrophic, and high-profile serious crimes requiring extraordinary time and services for investigations, preparations for court proceedings, and testimony of law enforcement officers
 - Sufficient allocations to cover costs for patrol vehicle fuel which has been unpredictable due to volatile economic, market, and political influences
 - Insurance deductible requirements for patrol vehicle accidents and personnel liability
 - Costs relating to risk management, insurance, legal mitigation, and tort claims
 - Appropriate allocations previously paid for dispatch costs related to personnel, staff, training, and service call requests within the City of Burley's jurisdiction. Contractual payments in previous years were allocated at 65% of all dispatch-related costs to reflect a realistic percentage of City of Burley dispatch usage. That was reduced to no allocation.
 - Appropriations for costs related to service calls and emergency requests in North Burley outside the boundaries of the Cassia County jurisdiction
 - Equitable allocations for vehicle insurance and accessories
 - Equitable allocations for law enforcement facility capital, maintenance, and repair costs
 - Equitable allocations for law enforcement facility fire and casualty insurance costs
 - Cost of POST training of patrol officers and payment to other patrol officers by way of premium pay to cover their responsibilities while at training

- Equitable delineation of duties and financial responsibility for 911 services and the City of Burley buffer zone
- Services provided for grant application processing
- Equitable allocations for costs of statutorily-required independent auditing
- Ever-increasing financial software and maintenance costs for payroll, inventory, and human resource management
- Personnel bookkeeping, accounting, internal auditing, payroll processing, unemployment and payroll reporting to the federal government, employee health benefits management and processing, consultation with employees for short- and long-term disability, life insurance processing, workman's compensation reporting and processing, and all other human resource services for and on behalf of patrol officers and management or staff designated to the City of Burley.

With these findings of facts and recommendations, the Cassia County Auditor's Office requests implementation of each of the foregoing for appropriate considerations to assure **financial equity** currently not in place with Cassia County's agreement for law enforcement services for the City of Burley. This would assure appropriate and inclusive Cassia County input by the Commissioners, the Sheriff, the County Attorney, and the County Auditor as integral input resources for the interests of the contractor. The City of Burley as the contractee could determine whether or not it suits their financial and other interests to execute Cassia County's proposed contractual agreement, to negotiate in faith with facts, or to decline the offer. If the proposed contract included all these elements, the decision would then be that of the contractee, the City of Burley, to either enter into the proposed agreement for law enforcement services or to provide those services as a municipality and under their full control. That way full respect can be given to the City of Burley to pursue their most favorable alternative and for Cassia County to enhance their fiscal responsibility and statutory stewardship.

Budget Officer Conclusions and Recommendations

Economic, financial, and cumulative results from the worldwide COVID-19 pandemic situations at the conclusion of FY2022 warrant continual vigilance and prudence to sustain essential services of Cassia County. The Cassia County Commissioners have exercised much prudence in safeguarding the resources of Cassia County. That, along with federal fund receipts have the county in a positive state at the close of FY2022.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 provided direct and immediate funding for FY2020 and FY2021, that alleviated higher costs of operation to cover enhanced employee needs for remote working, social distancing, and premium pay for coverage of absences of employees due to illness, exposure, and quarantine. Tracking and audit of CARES receipts and approval distributions totaled \$592,364.63 for both years.

For FY2022 and until FY2024, the American Rescue Plan Act (ARPA) signed into law in March of 2021 has and will provide significant relief to state and local government to make strategic investments into long term assets, to rebuild reserves, and to cover operating shortfalls to help bridge from pandemic conditions to more normal operations.

For FY2022 and FY2023, the Local Assistance and Tribal Consistency Fund (LATCF), established under ARPA, was created to provide two years of assistance as general fiscal aid to eligible revenue-sharing counties. Cassia County qualified for this assistance due to the large amount of federally-owned Bureau of Land Management and U.S. Forest Service public lands.

Applications for those funds, receipt of said funds, and appropriate allocations are all under the direction of the U.S. Treasury. Rules of approved expenditures and reporting of such is yet to be finalized by the U.S. Treasury. As of the end of FY2022, tranches include the following:

ARPA Funding

FY2022 – \$2,333,733.00 (First tranche received on December 9, 2021)

FY2023 – \$2,333,733.00 (Second tranche anticipated in December of 2022)

LATCF Funding

FY2022 – \$2,203,508.92 (First tranche anticipated in December of 2022)

FY2023 – \$2,203,508.92 (Second tranche anticipated in December of 2023)

TOTAL FEDERAL PANDEMIC RELIEF FUNDING ANTICIPATED - **\$9,074,483.84**

The current U.S. Department Treasury provisions allow smaller counties, like Cassia County, who receive less than \$10 million in ARPA recovery funds to consider the entire allocation as flexible for use towards a broad range of operational and infrastructure projects outlined in the provisions for reporting. Those provisions also allow the Board of Commissioners, which Cassia County's Board adopted, to generally designate those funds as being used to offset financial losses during the pandemic in lieu of onerous categorization reporting and justification.

Cassia County Commissioners have begun deliberations of the most appropriate use of those funds to enhance and improve delivery of services to the residents of Cassia County. For FY2022, designation of received ARPA funding in the amount of \$2,159,090.00 was allocated to as follows:

- \$481,090 – Current Expense Fund for general operations and enhanced compensation of employees of the County
- \$138,000 – Road and Bridge for maintenance and operations
- \$1,500,000 – Justice Fund for operations and enhanced compensation of employees in law enforcement and in the jail and other justice related employee-related costs
- \$40,000 – Consolidate Elections for the purchase of election equipment used to facilitate social distancing and speeding up the voting process

Consistent with recent years past, prudent and conservative estimations of revenue receipts elicited additional unanticipated receipts for our reserves. Likely factors contributing to that positive outcome were the following:

- Overall revenue sharing projections exceeded considerably what was expected during times of a pandemic and inflation.
- Continued increases in the amount of new construction resulted in larger property tax revenues realized during FY2022.

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 operating budget and to consistently review the budgeted to actual revenue ratio to make certain they are in line with what revenues have been anticipated. 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 continue to include difficulty with recruitment and retention. During times of low unemployment as we have experienced, employees can opt for other opportunities they perceive to be an improvement for themselves. As that happens, cost for training is lost, institutional knowledge is diminished, and costs for operating efficiently goes up. Cassia County must remain vigilant in creative recruitment and competitive rates of pay.

Cassia County is awaiting the evaluation of the Human Resource Consulting company, Ameriben as they are conducting 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.

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 FY2023 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 but the budget officer continues to encourage adoption of a specific Procurement Policy consistent with what is done in many other county jurisdictions. 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. Personal property taxation will continue to be a major item of legislative discussion for elimination.

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,

A handwritten signature in black ink that reads "Joseph W. Larsen". The signature is written in a cursive, flowing style.

Joseph W. Larsen

Cassia County Clerk/Auditor/Recorder

BASIC FINANCIAL STATEMENTS

Cassia County, Idaho
Statement of Net Position
September 30, 2022

	Primary Government Governmental Activities	Component Unit Fair Board
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 20,272,390	\$ 355,061
Receivables		
Taxes	204,167	-
Intergovernmental	652,867	-
Interest	13,432	-
Prepaid Expenses	37,630	-
Total Current Assets	<u>21,180,486</u>	<u>355,061</u>
Capital Assets		
Land	1,667,051	-
Building, Net	3,539,058	-
Improvements, Net	236,587	115,858
Infrastructure, Net	74,608	-
Equipment, Net	1,722,416	-
Right to Use Assets, Net	228,770	-
Total Capital Assets	<u>7,468,490</u>	<u>115,858</u>
Total Assets	<u>28,648,976</u>	<u>470,919</u>
Deferred Outflows		
Pension Related Items	<u>4,198,622</u>	-
Total Deferred Outflows	<u>4,198,622</u>	-
Liabilities		
Current Liabilities		
Vouchers Payable	1,359,336	6,586
Accrued Liabilities	170,485	-
Total Current Liabilities	<u>1,529,821</u>	<u>6,586</u>
Non-Current Liabilities		
Due Within One Year:		
Compensated Absences	531,292	-
Lease Payable - Current Portion	30,952	-
Due in More Than One Year:		
Lease Payable	195,615	-
Net Pension Liability	7,713,102	-
Total Liabilities	<u>10,000,782</u>	<u>6,586</u>
Deferred Inflows		
Pension Related Items	<u>48,691</u>	-
Total Deferred Inflows	<u>48,691</u>	-
Net Position		
Invested in Capital Assets, Net of Related Debt	7,468,490	115,858
Restricted for:		
Special Revenue Purposes	7,870,482	-
Unrestricted	7,459,153	348,475
Total Net Position	<u>\$ 22,798,125</u>	<u>\$ 464,333</u>

The accompanying notes are an integral
part of the financial statements

Cassia County, Idaho
Statement of Activities
For the Year Ended September 30, 2022

	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	\$ 9,587,409	\$ 784,386	\$ -	\$ -	\$ (8,803,023)	
Indigent Assistance	460,412	-	-	-	(460,412)	
Highways and Roads	409,765	3,047	-	-	(406,718)	
Public Safety	14,667,762	4,549,699	162,012	-	(9,956,051)	
Other Public Services	1,413,834	141,482	60,000	-	(1,212,352)	
Culture and Recreation	285,943	72,490	27,991	-	(185,462)	
Total Primary Government	<u>\$ 26,825,125</u>	<u>\$ 5,551,104</u>	<u>\$ 250,003</u>	<u>\$ -</u>	<u>(21,024,018)</u>	
Component Unit:						
Fair Board	<u>\$ 605,158</u>	<u>\$ 514,305</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ (90,853)</u>
General Revenues:						
Property Taxes					6,968,476	154,800
In Lieu of Taxes					2,181,369	-
Intergovernmental					9,540,830	-
Investment Earnings (Losses)					(558,295)	283
Other Income					5,419,371	-
Disposal of Assets					55,076	-
Total General Revenues					<u>23,606,827</u>	<u>155,083</u>
Change in Net Position					2,582,809	64,230
Net Position, Beginning of Year					20,215,316	400,103
Net Position, End of Year					<u>\$ 22,798,125</u>	<u>\$ 464,333</u>

The accompanying notes are an integral
part of the financial statements

Cassia County, IdahoBalance Sheet -
Governmental Funds
September 30, 2022

	General Fund	Justice Fund	DMV Trust Fund	Jail Trust Fund
Assets				
Cash and Cash Equivalents	\$ 1,069,891	\$ 1,622,672	\$ 390,502	\$ 329,757
Receivables				
Taxes	39,024	80,358	-	-
Intergovernmental	215,451	345,653	-	7,583
Interest	13,432	-	-	-
Total Assets	<u>\$ 1,337,798</u>	<u>\$ 2,048,683</u>	<u>\$ 390,502</u>	<u>\$ 337,340</u>
Liabilities				
Vouchers Payable	\$ 161,931	\$ 382,107	\$ 388,509	\$ -
Accrued Liabilities	46,439	102,226	-	-
Total Liabilities	<u>208,370</u>	<u>484,333</u>	<u>388,509</u>	<u>-</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	36,635	75,264	-	-
Total Deferred Inflows	<u>36,635</u>	<u>75,264</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	-	1,489,086	1,993	337,340
Assigned	-	-	-	-
Unassigned	1,092,793	-	-	-
Total Fund Balances	<u>1,092,793</u>	<u>1,489,086</u>	<u>1,993</u>	<u>337,340</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,337,798</u>	<u>\$ 2,048,683</u>	<u>\$ 390,502</u>	<u>\$ 337,340</u>

The accompanying notes are an integral
part of the financial statements

Cassia County, Idaho
Balance Sheet -
Governmental Funds (continued)
September 30, 2022

	County Reserve	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 7,189,545	\$ 8,228,472	\$ 18,830,839
Receivables			
Taxes	-	84,785	204,167
Intergovernmental	-	84,180	652,867
Interest	-	-	13,432
Total Assets	<u>\$ 7,189,545</u>	<u>\$ 8,397,437</u>	<u>\$ 19,701,305</u>
Liabilities			
Vouchers Payable	\$ -	\$ 425,484	\$ 1,358,031
Accrued Liabilities	-	21,820	170,485
Total Liabilities	<u>-</u>	<u>447,304</u>	<u>1,528,516</u>
Deferred Inflows			
Unearned Revenue - Property Taxes	-	79,651	191,550
Total Deferred Inflows	<u>-</u>	<u>79,651</u>	<u>191,550</u>
Fund Balances			
Restricted	7,189,545	-	8,680,624
Assigned	-	7,870,482	7,870,482
Unassigned	-	-	1,092,793
Total Fund Balances	<u>7,189,545</u>	<u>7,870,482</u>	<u>17,981,239</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 7,189,545</u>	<u>\$ 8,397,437</u>	<u>\$ 19,701,305</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, 2022

Total Fund Balances - Governmental Funds \$ 17,981,239

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 \$9,544,869 Accum. Depreciation	74,608	
Buildings, Net of \$2,836,901 Accum. Depreciation	3,539,058	
Improvements, Net of \$180,204 Accum. Depreciation	236,587	
Equipment, Net of \$3,909,415 Accum. Depreciation	1,722,416	
Right to Use, Net of \$40,970 Accum. Depreciation	228,770	7,468,490

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. 191,550

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	\$ (531,292)	
Leases Payable	(226,567)	(757,859)

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: 1,477,876

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	\$ (7,713,102)	
Pension Related Deferred Inflows	(48,691)	
Pension Related Deferred Outflows	4,198,622	(3,563,171)

Net Position of Governmental Activities \$ 22,798,125

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, 2022

	General Fund	Justice Fund	DMV Trust Fund	Jail Trust Fund
Revenues				
Property Taxes	\$ 1,331,596	\$ 3,133,220	\$ -	\$ -
Intergovernmental	656,547	674,277	-	3,837,788
Payment in Lieu of Taxes	-	-	-	-
Grants	95,442	63,970	-	-
Charges for Services	1,516,408	2,098,970	-	2,764
Investment Earnings (Losses)	(596,800)	13,771	-	-
Other Income	717,105	839,698	-	153,285
Total Revenues	<u>3,720,298</u>	<u>6,823,906</u>	<u>-</u>	<u>3,993,837</u>
Expenditures				
Current:				
General Government	4,530,649	-	14	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	11,927,738	-	-
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Health	-	-	-	-
Total Expenditures	<u>4,530,649</u>	<u>11,927,738</u>	<u>14</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(810,351)</u>	<u>(5,103,832)</u>	<u>(14)</u>	<u>3,993,837</u>
Other Financing Sources (Uses)				
Sale of Assets	7,108	19,000	-	-
Transfers In	481,090	5,359,590	-	-
Transfers Out	-	-	-	(3,859,590)
Total Other Financing Sources (Uses)	<u>488,198</u>	<u>5,378,590</u>	<u>-</u>	<u>(3,859,590)</u>
Net Change in Fund Balances	<u>(322,153)</u>	<u>274,758</u>	<u>(14)</u>	<u>134,247</u>
Fund Balance - Beginning	1,414,946	1,214,328	2,007	203,093
Fund Balances - Ending	<u>\$ 1,092,793</u>	<u>\$ 1,489,086</u>	<u>\$ 1,993</u>	<u>\$ 337,340</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, 2022

	County Reserve	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$ -	\$ 2,490,711	\$ 6,955,527
Intergovernmental	-	4,372,218	9,540,830
Payment in Lieu of Taxes	2,181,369	-	2,181,369
Grants	-	90,591	250,003
Charges for Services	-	1,932,976	5,551,118
Investment Earnings (Losses)	-	20,033	(562,996)
Other Income	26,271	457,711	2,194,070
Total Revenues	<u>2,207,640</u>	<u>9,364,240</u>	<u>26,109,921</u>
Expenditures			
Current:			
General Government	-	1,068,619	5,599,282
Indigent Assistance	-	460,412	460,412
Highways and Roads	-	507,081	507,081
Public Safety	-	2,626,118	14,553,856
Other Public Services	-	1,286,341	1,286,341
Culture and Recreation	-	286,808	286,808
Health	-	184,835	184,835
Total Expenditures	<u>-</u>	<u>6,420,214</u>	<u>22,878,615</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,207,640</u>	<u>2,944,026</u>	<u>3,231,306</u>
Other Financing Sources (Uses)			
Sale of Assets	-	240	26,348
Transfers In	-	1,032,798	6,873,478
Transfers Out	(777,039)	(2,236,849)	(6,873,478)
Total Other Financing Sources (Uses)	<u>(777,039)</u>	<u>(1,203,811)</u>	<u>26,348</u>
Net Change in Fund Balances	<u>1,430,601</u>	<u>1,740,215</u>	<u>3,257,654</u>
Fund Balance - Beginning	5,758,944	6,130,267	14,723,585
Fund Balances - Ending	<u><u>\$ 7,189,545</u></u>	<u><u>\$ 7,870,482</u></u>	<u><u>\$ 17,981,239</u></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, 2022

Total Net Change in Fund Balance - Governmental Funds	\$ 3,257,654
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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	\$	702,593	
Depreciation Expense		(581,257)	
Disposed Assets		<u>28,728</u>	
Net			150,064

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.	12,949
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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.	(46,824)
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The net revenue of certain activities of internal service funds are reported with governmental activities.	174,450
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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>(965,484)</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 2,582,809</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, 2022

	Governmental Activities - <u>Internal Services</u>
Assets	
Cash and Investments	\$ 1,441,551
Prepaid Expenses	<u>37,630</u>
Total Assets	<u>1,479,181</u>
Liabilities	
Vouchers Payable	<u>1,305</u>
Total Liabilities	<u>1,305</u>
Net Position	
Unrestricted	<u>1,477,876</u>
Total Net Position	<u><u>\$ 1,477,876</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, 2022

	Governmental Activities - Internal Services
Operating Revenues	
Other Income	\$ 3,225,301
Total Revenues	<u>3,225,301</u>
Operating Expenses	
Salaries and Benefits	3,055,552
Total Expenditures	<u>3,055,552</u>
Operating Income (Loss)	<u>169,749</u>
Nonoperating Revenues (Expenses)	
Interest Earned	4,701
Total Other Financing Sources (Uses)	<u>4,701</u>
Change in Net Position	<u>174,450</u>
Net Position - Beginning	1,303,426
Net Position - Ending	<u><u>\$ 1,477,876</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, 2022

	Governmental Activities - Internal Services
Cash Flows From Operating Activities	
Receipts from Customers	\$ 3,225,301
Payments to Suppliers for Goods and Services	(3,146,805)
Net Cash Provided (Used) by Operating Activities	<u>78,496</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	<u>4,701</u>
Net Cash Used by Investing Activities	<u>4,701</u>
Net Increase in Cash and Cash Equivalents	83,197
Cash and Cash Equivalents, Beginning	<u>1,395,984</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 1,479,181</u></u>
Displayed As:	
Cash and Cash Equivalents	<u><u>\$ 1,479,181</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, 2022

Governmental
Activities -
Internal Services

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

Operating Income (Loss)	\$ 169,749
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	

Changes in Assets and Liabilities:

Increase (Decrease) in Accounts Payable	(91,253)
Net Cash Provided by Operating Activities	<u>\$ 78,496</u>

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, 2022

	Custodial Funds	Private -Purpose Trust Funds	Total Fiduciary Funds
Assets			
Cash and Investments	\$ 282,836	\$ 518,015	\$ 800,851
Property Taxes Receivable	363,206	-	363,206
Total Assets	<u>646,042</u>	<u>518,015</u>	<u>1,164,057</u>
Liabilities			
Vouchers Payable	281,368	116,571	397,939
Total Liabilities	<u>281,368</u>	<u>116,571</u>	<u>397,939</u>
Net Position			
Restricted for:			
Individuals, Organizations, and other Governments	364,674	401,444	766,118
Total Net Position	<u>\$ 364,674</u>	<u>\$ 401,444</u>	<u>\$ 766,118</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, 2022

	Custodial Funds	Private -Purpose Trust Funds	Total Fiduciary Funds
Additions:			
Fees collected for other governments	\$ 3,025,572	\$ -	\$ 3,025,572
Property taxes collected for other governments	23,272,073	-	23,272,073
Contributions	-	449,681	449,681
Total Additions	<u>26,297,645</u>	<u>449,681</u>	<u>26,747,326</u>
Deductions			
Fees distributed to other governments	3,025,632	-	3,025,632
Taxes distributed to other governments	23,271,443	-	23,271,443
Distribution of Funds	-	58,678	58,678
Total Deductions	<u>26,297,075</u>	<u>58,678</u>	<u>26,355,753</u>
Change in Net Position	<u>570</u>	<u>391,003</u>	<u>391,573</u>
Net Position - Beginning	364,104	10,441	374,545
Net Position - Ending	<u>\$ 364,674</u>	<u>\$ 401,444</u>	<u>\$ 766,118</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, 2022

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, 2022

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.

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022.

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.

New Accounting Principles

The County adopted GASB 87, Leases, during the year. This has caused long-term leases to be included on the balance sheet as right-to-use assets and a corresponding lease liability. This has caused no change to the opening balances of the County. See Note 6 for additional details about lease arrangements.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

2. CASH AND INVESTMENTS

Deposits

As of September 30, 2022, the carrying amount of the County's deposits was \$6,147,920 and the respective bank balances totaled \$5,403,791. 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, 2022, 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. in the amount of \$5,306,388, Time Value Investment in the amount of \$3,334,570, for a total of \$8,640,958. 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, 2022

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, 2022, are summarized below:

Investment Type	Rating	Fair Value	Investment Maturities (in Years)		
			Less than 1	1 - 5	>5
LGIP	None	\$ 4,655,266	\$ 4,655,266	\$ -	\$ -
Money Market	None	1,115,394	1,115,394		
Certificates of Deposit	N/A	1,346,617	1,101,866	48,843	195,908
U.S. Treasuries	AAA	2,486,370	983,820	1,502,550	-
U.S. Government Bonds	AAA	5,315,425	-	4,339,278	976,147
		<u>\$ 14,919,072</u>	<u>\$ 7,856,346</u>	<u>\$ 5,890,671</u>	<u>\$ 1,172,055</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	\$ 5,353,318	\$ 355,061	\$ 5,708,379	\$ 800,851
Investments categorized as deposits	14,919,072	-	14,919,072	-
	<u>\$ 20,272,390</u>	<u>\$ 355,061</u>	<u>\$ 20,627,451</u>	<u>\$ 800,851</u>

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

	Book Balance	Bank Balance
Tax Collector	\$ 115,463	\$ 108,806
Sheriff Evidence	35,783	35,783
Civil Sheriff	34,859	34,859
	<u>\$ 186,105</u>	<u>\$ 179,448</u>

3. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments consists of state sales tax revenue of \$652,867 .

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2022, was as follows:

	Balance 9/30/2021	Adjustments	Additions	Disposals	Balance 9/30/2022
<u>Governmental Activities:</u>					
Capital Assets Not Being Depreciated:					
Land	\$ 1,667,051	\$ -	\$ -	\$ -	\$ 1,667,051
Capital Assets Being Depreciated:					
Buildings	6,290,194	-	85,765	-	6,375,959
Improvements Other Than Building:	416,791	-	-	-	416,791
Infrastructure	9,545,477	-	74,000	-	9,619,477
Equipment	5,135,672	-	512,575	16,416	5,631,831
Right to Use Assets	269,740	-	-	-	269,740
Total Historical Cost	<u>21,657,874</u>	<u>-</u>	<u>672,340</u>	<u>16,416</u>	<u>22,313,798</u>
Less: Accumulated Depreciation					
Buildings	2,700,245	-	136,656	-	2,836,901
Improvements Other Than Building:	161,572	-	18,632	-	180,204
Infrastructure	9,538,342	-	6,527	-	9,544,869
Equipment	3,563,197	-	393,392	45,144	3,911,445
Right to Use Assets	11,694	-	28,051	-	39,745
Total Acc. Depr.	<u>15,975,050</u>	<u>-</u>	<u>583,258</u>	<u>45,144</u>	<u>16,513,164</u>
Net Depreciable Assets	<u>5,682,824</u>	<u>-</u>	<u>89,082</u>	<u>(28,728)</u>	<u>5,800,634</u>
Governmental Activities					
Capital Assets - Net	<u>\$ 7,349,875</u>	<u>\$ -</u>	<u>\$ 89,082</u>	<u>\$ (28,728)</u>	<u>\$ 7,467,685</u>
<u>Component Unit</u>					
Capital Assets Being Depreciated:					
Improvements	\$ 108,174	\$ -	\$ -	\$ -	\$ 108,174
Equipment	166,970	9,500	-	-	176,470
Total Historical Cost	<u>275,144</u>	<u>9,500</u>	<u>-</u>	<u>-</u>	<u>284,644</u>
Less: Accumulated Depreciation					
Equipment	148,402	20,384	-	-	168,786
Total Acc. Depr.	<u>148,402</u>	<u>20,384</u>	<u>-</u>	<u>-</u>	<u>168,786</u>
Net Depreciable Assets	<u>\$ 126,742</u>	<u>\$ (10,884)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,858</u>

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

4. CAPITAL ASSETS (continued)

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

Governmental Activities:	
General Government	\$ 116,288
Highways and Streets	26,259
Culture and Recreation	397,788
Public Safety	14,872
Right to Use Assets	28,051
	<u>\$ 583,258</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, 2022

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 public safety. As of June 30, 2022, it was 7.16% for general employees and 9.13% for public safety. 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 \$974,705 \$974,705 for the year ended September 30, 2022.

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

At September 30, 2022, Cassia County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2022, Cassia County's proportion was 0.0019583 percent.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

5. PENSION PLAN (continued)

For the year ended September 30, 2022, Cassia County recognized pension expense (revenue) of \$1,940,190 . At September 30, 2022, Cassia County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 848,160	\$ 34,426
Changes in assumptions or other inputs	1,257,467	-
Net difference between projected and actual earnings on pension plan investments	1,774,693	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	58,446	14,265
Cassia County's contributions subsequent to the measurement date	259,856	-
Total	\$ 4,198,622	\$ 48,691

\$259,856 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, 2022.

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, 2022, the beginning of the measurement period ended June 30, 2021, is 4.6 and 4.6 for the measurement period June 30, 2022.

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
2023	\$ 1,197,749
2024	1,024,397
2025	461,766
2026	1,466,019

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

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 2022 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, 2022 is based on the results of an actuarial valuation date of July 1, 2022.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

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 2022.

<u>Asset Class</u>	<u>DB Plans</u>
Fixed Income	30.0%
US/Global Equity	55.0%
International Equity	15.0%
Cash	0.0%
Total	100.0%

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.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

5. PENSION PLAN (continued)

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)	\$ 13,612,869	\$ 7,713,102	\$ 2,884,295

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, 2022, \$37,674 of the available credit was in use.

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

7. LEASE COMMITMENTS

The County has entered into long-term lease arrangements for copiers, mail machines and facility space. The terms for the equipment are for 5 years for each equipment leased. The term for the rental office space is a year-to-year lease with the option to renew each year. The county intends to lease the space for at least the next 10 years. The interest rates were determined using the IRS Weighted Average Interest Rate Table.

Changes in long-term lease obligations for the year ended September 30, 2022, are as follows:

	Term	Rate	PY	Addition	Payment	CY	Current Portion
Cannon Leases	2026	1.92%	\$ 38,648	\$ -	\$ (7,993)	\$ 30,655	\$ 8,148
Mail Machine	2024	2.28%	9,309		(3,217)	6,092	3,291
Folding Table	2024	2.28%	4,934		(1,705)	3,229	1,745
Red Brick Bld Rental	2031	3.34%	203,930	-	(17,339)	186,591	17,768
			<u>\$256,821</u>	<u>\$ -</u>	<u>\$(30,254)</u>	<u>\$226,567</u>	<u>\$30,952</u>

The future minimum lease payments are as follows:

Year Ended September 30,	Principle	Interest
2023	\$30,952.00	\$4,354.00
2024	31,053.00	3,708.00
2025	27,643.00	3,115.00
2026	25,645.00	2,556.00
2027	20,663.00	2,098.00
2028-2031	90,611	3,898
	<u>\$ 226,567</u>	<u>\$ 19,729</u>

Rent expenditures for the year ended September 30, 2022, totaled .

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.

	9/30/2021	Increase	Decrease	9/30/2022	Current
Governmental Activities	<u>\$ 484,468</u>	<u>\$ 515,374</u>	<u>\$(468,551)</u>	<u>\$ 531,291</u>	<u>\$ 531,291</u>

Cassia County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2022

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. TRANSFERS

Transfers between funds were as follows:

\$ 481,090	From the County Reserve to the General Fund to cover operating expenses
215,759	From the Grant Management Trust to the Roads Funds to cover operating expenses
1,500,000	From the ARPA Funds to the Justice Fund to cover operating expenses
642,000	ARPA funds transferred to nonmajor funds to reimburse operating expenses
175,039	Commissioners forgave Fair Exhibit fund debt for bleachers
3,859,590	From the Jail Trust fund to Justice Fund to cover operating expenses
<u>\$ 6,873,478</u>	

11. 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, 2022, the County abated taxes totaling \$272,252 for the County and \$514,264 for other taxing districts for a total of \$786,516.

12. RESTATEMENT

During the year the County adopted GASB87. This caused the County to record certain assets that they were leasing on their balance sheet along with the corresponding liability. This did not cause any changes to opening net position, but did cause fixed assets and liabilities to both increase by \$256,821.

REQUIRED SUPPLEMENTARY INFORMATION

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 General Fund
 For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	\$ 1,341,350	\$ 1,341,350	\$ 1,331,596	\$ (9,754)
Intergovernmental	918,423	947,848	656,547	(291,301)
Grants	105,000	105,000	95,442	(9,558)
Charges for Services	1,732,646	1,740,746	1,516,408	(224,338)
Investment Earnings (Losses)	69,250	69,250	(596,800)	(666,050)
Other Income	116,720	116,720	717,105	600,385
Total Revenues	<u>4,283,389</u>	<u>4,320,914</u>	<u>3,720,298</u>	<u>(600,616)</u>
Expenditures				
General Government:				
Commissioners	256,845	256,845	232,263	24,582
Auditor	375,225	383,325	375,072	8,253
Treasurer	227,690	227,690	219,844	7,846
Assessor	486,855	486,855	444,905	41,950
Public Defender	1,009,650	1,009,650	1,169,612	(159,962)
Ag. Extension	243,313	243,313	229,206	14,107
Buildings	403,280	403,280	309,679	93,601
Planning and Zoning	613,371	613,371	557,124	56,247
General Government	456,025	475,825	474,135	1,690
Civil Defense	50,862	50,862	49,686	1,176
Elections	198,615	208,015	204,819	3,196
Information Technology	320,650	320,650	240,501	80,149
Veterans Officer	23,578	23,803	23,803	-
Total Expenditures	<u>4,665,959</u>	<u>4,703,484</u>	<u>4,530,649</u>	<u>172,835</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(382,570)</u>	<u>(382,570)</u>	<u>(810,351)</u>	<u>(427,781)</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	7,108	7,108
Transfers In	-	-	481,090	481,090
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>488,198</u>	<u>488,198</u>
Net Change in Fund Balances	<u>(382,570)</u>	<u>(382,570)</u>	<u>(322,153)</u>	<u>60,417</u>
Fund Balances - Beginning	<u>382,570</u>	<u>382,570</u>	<u>1,414,946</u>	<u>1,032,376</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,092,793</u>	<u>\$ 1,092,793</u>

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 Justice Fund
 For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	\$ 3,161,666	\$ 3,161,666	\$ 3,133,220	\$ (28,446)
Intergovernmental	1,090,529	1,096,729	674,277	(422,452)
Grants	53,350	58,495	63,970	5,475
Charges for Services	2,061,795	2,061,795	2,098,970	37,175
Investment Earnings (Losses)	8,500	8,500	13,771	5,271
Other Income	174,300	177,800	839,698	661,898
Total Revenues	<u>6,550,140</u>	<u>6,564,985</u>	<u>6,823,906</u>	<u>258,921</u>
Expenditures				
Public Safety:				
Discretionary Compensation	16,680	16,680	480	16,200
District Court Salaries	567,010	567,010	523,506	43,504
Juvenile Probation	258,683	258,683	258,682	1
Prosecuting Attorney	717,090	717,090	600,816	116,274
Coroner	75,165	78,365	77,519	846
Sheriff - County Law Enforcement	2,704,494	2,826,819	2,771,680	55,139
Criminal Justice Center	3,919,531	3,919,531	5,239,436	(1,319,905)
Juvenile Detention Center	618,026	618,026	618,026	-
Sheriff - City Law Enforcement	1,901,495	1,901,495	1,837,593	63,902
Total Expenditures	<u>10,778,174</u>	<u>10,903,699</u>	<u>11,927,738</u>	<u>(1,024,039)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,228,034)</u>	<u>(4,338,714)</u>	<u>(5,103,832)</u>	<u>(765,118)</u>
Other Financing Sources (Uses)				
Sale of Assets	-	19,000	19,000	-
Transfers In	-	-	1,500,000	1,500,000
Transfers Out	3,919,531	3,919,531	3,859,590	(59,941)
Total Other Financing Sources (Uses)	<u>3,919,531</u>	<u>3,938,531</u>	<u>5,378,590</u>	<u>1,440,059</u>
Net Change in Fund Balances	(308,503)	(400,183)	274,758	674,941
Fund Balances - Beginning	307,212	307,212	1,214,328	907,116
Fund Balances - Ending	<u>\$ (1,291)</u>	<u>\$ (92,971)</u>	<u>\$ 1,489,086</u>	<u>\$ 1,582,057</u>

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 DMV Trust
 For the Year Ended September 30, 2022

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Charges for Services	\$ -	\$ -	\$ (14)	\$ (14)
Total Revenues	-	-	(14)	(14)
Expenditures				
Public Safety:	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	(14)	(14)
Fund Balances - Beginning	-	-	2,007	2,007
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,993</u>	<u>\$ 1,993</u>

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 Jail Trust
 For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Intergovernmental	\$ -	\$ -	\$ 3,837,788	\$ 3,837,788
Charges for Services	-	-	2,764	2,764
Other Income	-	-	153,285	153,285
Total Revenues	-	-	3,993,837	3,993,837
Expenditures				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	3,993,837	3,993,837
Other Financing Sources (Uses)				
Transfers Out	-	-	(3,859,590)	(3,859,590)
Total Other Financing Sources (Uses)	-	-	(3,859,590)	(3,859,590)
Net Change in Fund Balances	-	-	134,247	134,247
Fund Balances - Beginning	-	-	203,093	203,093
Fund Balances - Ending	\$ -	\$ -	\$ 337,340	\$ 337,340

Cassia County, Idaho
 Budgetary (GAAP Basis) Comparison Schedule
 County Reserve
 For the Year Ended September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Payment in Lieu of Taxes	\$ -	\$ -	\$ 2,181,369	\$ 2,181,369
Investment Earnings (Losses)	-	-	-	-
Other Income	-	-	26,271	26,271
Total Revenues	-	-	2,207,640	2,207,640
Expenditures				
General Government:	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	2,207,640	2,207,640
Other Financing Sources (Uses)				
Transfers Out	-	-	(777,039)	(777,039)
Total Other Financing Sources (Uses)	-	-	(777,039)	(777,039)
Net Change in Fund Balances	-	-	1,430,601	1,430,601
Fund Balances - Beginning	-	-	5,758,944	5,758,944
Fund Balances - Ending	\$ -	\$ -	\$ 7,189,545	\$ 7,189,545

Cassia County, Idaho
Notes to Required Supplementary Information
For the Year Ended September 30, 2022

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 Justice Fund reports expenditures in excess of appropriations in the amount of \$1,024,039. 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
2022	0.1958257%	\$ 7,713,102	\$ 8,063,978	95.65%	83.09%
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, 2022

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
2022	\$ 974,705	\$ 974,705	\$ -	\$ 8,063,978	12.09%
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, 2022

* 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, 2022

	County Roads	Emergency Medical Services	Ambulance Services	District Court
Assets				
Cash and Cash Equivalents	\$ 366,996	\$ 40,697	\$ 155,676	\$ 494,548
Receivables				
Taxes	10,938	-	5,315	20
Intergovernmental	-	-	10,906	-
Total Assets	<u>\$ 377,934</u>	<u>\$ 40,697</u>	<u>\$ 171,897</u>	<u>\$ 494,568</u>
Liabilities				
Vouchers Payable	\$ 74,346	\$ 8,000	\$ 28,417	\$ 2,878
Accrued Liabilities	2,057	-	-	3,192
Total Liabilities	<u>76,403</u>	<u>8,000</u>	<u>28,417</u>	<u>6,070</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	10,032	-	4,973	19
Total Deferred Inflows	<u>10,032</u>	<u>-</u>	<u>4,973</u>	<u>19</u>
Fund Balances				
Assigned	291,499	32,697	138,507	488,479
Total Fund Balances	<u>291,499</u>	<u>32,697</u>	<u>138,507</u>	<u>488,479</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 377,934</u>	<u>\$ 40,697</u>	<u>\$ 171,897</u>	<u>\$ 494,568</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2022
(continued)

	K-9 Expenses	Misdemeanor Probation	911 Communication
Assets			
Cash and Cash Equivalents	\$ 4,392	\$ 426,870	\$ 796,949
Receivables			
Taxes	-	-	-
Intergovernmental	-	-	-
Total Assets	<u>\$ 4,392</u>	<u>\$ 426,870</u>	<u>\$ 796,949</u>
Liabilities			
Vouchers Payable	\$ -	\$ 18,401	\$ 131,725
Accrued Liabilities	-	9,144	-
Total Liabilities	<u>-</u>	<u>27,545</u>	<u>131,725</u>
Deferred Inflows			
Unearned Revenue - Property Taxes	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Assigned	4,392	399,325	665,224
Total Fund Balances	<u>4,392</u>	<u>399,325</u>	<u>665,224</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 4,392</u>	<u>\$ 426,870</u>	<u>\$ 796,949</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2022
(continued)

	Election Consolidation	Social Services	Community College	Fair Exhibit
Assets				
Cash and Cash Equivalents	\$ 286,226	\$ 1,610,467	\$ 651,699	\$ 74,604
Receivables				
Taxes	-	14,916	20	4,795
Intergovernmental	-	24,787	-	10,973
Total Assets	<u>\$ 286,226</u>	<u>\$ 1,650,170</u>	<u>\$ 651,719</u>	<u>\$ 90,372</u>
Liabilities				
Vouchers Payable	\$ 56,712	\$ 49,227	\$ 800	\$ 251
Accrued Liabilities	-	-	-	739
Total Liabilities	<u>56,712</u>	<u>49,227</u>	<u>800</u>	<u>990</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	-	14,277	19	4,477
Total Deferred Inflows	<u>-</u>	<u>14,277</u>	<u>19</u>	<u>4,477</u>
Fund Balances				
Assigned	229,514	1,586,666	650,900	84,905
Total Fund Balances	<u>229,514</u>	<u>1,586,666</u>	<u>650,900</u>	<u>84,905</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 286,226</u>	<u>\$ 1,650,170</u>	<u>\$ 651,719</u>	<u>\$ 90,372</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2022
(continued)

	Historical Society	Revaluation	Solid Waste	Waterways
Assets				
Cash and Cash Equivalents	\$ 9,598	\$ 330,630	\$ 1,016,998	\$ 95,664
Receivables				
Taxes	673	6,641	30,384	-
Intergovernmental	1,259	12,394	-	-
Total Assets	<u>\$ 11,530</u>	<u>\$ 349,665</u>	<u>\$ 1,047,382</u>	<u>\$ 95,664</u>
Liabilities				
Vouchers Payable	\$ -	\$ 2,955	\$ -	\$ 1,471
Accrued Liabilities	-	3,990	-	-
Total Liabilities	<u>-</u>	<u>6,945</u>	<u>-</u>	<u>1,471</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	631	6,226	28,469	-
Total Deferred Inflows	<u>631</u>	<u>6,226</u>	<u>28,469</u>	<u>-</u>
Fund Balances				
Assigned	10,899	336,494	1,018,913	94,193
Total Fund Balances	<u>10,899</u>	<u>336,494</u>	<u>1,018,913</u>	<u>94,193</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 11,530</u>	<u>\$ 349,665</u>	<u>\$ 1,047,382</u>	<u>\$ 95,664</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2022
(continued)

	Warrant Redemption	Weed & Pest	Snowmobile Licenses	Physical Facilities
Assets				
Cash and Cash Equivalents	\$ 2,737	\$ 391,340	\$ 127,111	\$ 30,043
Receivables				
Taxes	-	7,873	-	-
Intergovernmental	-	13,633	-	-
Total Assets	<u>\$ 2,737</u>	<u>\$ 412,846</u>	<u>\$ 127,111</u>	<u>\$ 30,043</u>
Liabilities				
Vouchers Payable	\$ -	\$ 36,101	\$ 256	\$ 13,944
Accrued Liabilities	-	2,698	-	-
Total Liabilities	<u>-</u>	<u>38,799</u>	<u>256</u>	<u>13,944</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	-	7,556	-	-
Total Deferred Inflows	<u>-</u>	<u>7,556</u>	<u>-</u>	<u>-</u>
Fund Balances				
Assigned	<u>2,737</u>	<u>366,491</u>	<u>126,855</u>	<u>16,099</u>
Total Fund Balances	<u>2,737</u>	<u>366,491</u>	<u>126,855</u>	<u>16,099</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 2,737</u>	<u>\$ 412,846</u>	<u>\$ 127,111</u>	<u>\$ 30,043</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2022
(continued)

	Magistrate	Preventative Health	Court Facilitator	Grant MGMT Trust
Assets				
Cash and Cash Equivalents	\$ 363,494	\$ 65,572	\$ 75,265	\$ 22,241
Receivables				
Taxes	-	3,210	-	-
Intergovernmental	-	10,228	-	-
Total Assets	<u>\$ 363,494</u>	<u>\$ 79,010</u>	<u>\$ 75,265</u>	<u>\$ 22,241</u>
Liabilities				
Vouchers Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	-	2,972	-	-
Total Deferred Inflows	<u>-</u>	<u>2,972</u>	<u>-</u>	<u>-</u>
Fund Balances				
Assigned	363,494	76,038	75,265	22,241
Total Fund Balances	<u>363,494</u>	<u>76,038</u>	<u>75,265</u>	<u>22,241</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 363,494</u>	<u>\$ 79,010</u>	<u>\$ 75,265</u>	<u>\$ 22,241</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2022
(continued)

	ARPA Trust	OPIOD Settlement	DARE Trust	Invasive Species	Public Defender Trust
Assets					
Cash and Cash Equivalents	\$ 178,670	\$ 22,356	\$ 675	\$ 6,959	\$ 449,319
Receivables					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total Assets	<u>\$ 178,670</u>	<u>\$ 22,356</u>	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 449,319</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	178,670	22,356	675	6,959	449,319
Total Fund Balances	<u>178,670</u>	<u>22,356</u>	<u>675</u>	<u>6,959</u>	<u>449,319</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 178,670</u>	<u>\$ 22,356</u>	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 449,319</u>

Cassia County, Idaho
Combining Balance Sheet -
Nonmajor Special Revenue Funds
September 30, 2022
(continued)

	Narcotics Seized Assets Fund	Court Interlock Fund	Widow's Benefit Fund	Total Nonmajor Special Revenue Funds
Assets				
Cash and Cash Equivalents	\$ 99,046	\$ 19,006	\$ 12,624	\$ 8,228,472
Receivables				
Taxes	-	-	-	84,785
Intergovernmental	-	-	-	84,180
Total Assets	<u>\$ 99,046</u>	<u>\$ 19,006</u>	<u>\$ 12,624</u>	<u>\$ 8,397,437</u>
Liabilities				
Vouchers Payable	\$ -	\$ -	\$ -	425,484
Accrued Liabilities	-	-	-	21,820
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>447,304</u>
Deferred Inflows				
Unearned Revenue - Property Taxes	-	-	-	79,651
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,651</u>
Fund Balances				
Assigned	99,046	19,006	12,624	7,870,482
Total Fund Balances	<u>99,046</u>	<u>19,006</u>	<u>12,624</u>	<u>7,870,482</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 99,046</u>	<u>\$ 19,006</u>	<u>\$ 12,624</u>	<u>\$ 8,397,437</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022

	County Roads	Emergency Medical Services	Ambulance Services	District Court
Revenues				
Property Taxes	\$ 62,432	\$ -	\$ 220,119	\$ 521
Intergovernmental	394,230	-	44,360	283
Grants	-	-	-	-
Charges for Services	3,047	7,614	-	275,131
Investment Earnings (Losses)	2,579	-	908	223
Other Income	2,945	-	10,284	416
Total Revenues	<u>465,233</u>	<u>7,614</u>	<u>275,671</u>	<u>276,574</u>
Expenditures				
Current:				
General Government	-	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	507,081	-	-	-
Public Safety	-	8,000	250,844	277,267
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Health	-	-	-	-
Total Expenditures	<u>507,081</u>	<u>8,000</u>	<u>250,844</u>	<u>277,267</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(41,848)</u>	<u>(386)</u>	<u>24,827</u>	<u>(693)</u>
Other Financing Sources (Uses)				
Sale of Assets	240	-	-	-
Transfers In	215,759	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>215,999</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>174,151</u>	<u>(386)</u>	<u>24,827</u>	<u>(693)</u>
Fund Balance - Beginning	117,348	33,083	113,680	489,172
Fund Balances - Ending	<u>\$ 291,499</u>	<u>\$ 32,697</u>	<u>\$ 138,507</u>	<u>\$ 488,479</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022
(continued)

	K-9 Expenses	Misdemeanor Probation	911 Communication
Revenues			
Property Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Grants	2,600	-	-
Charges for Services	-	1,049,218	242,584
Investment Earnings (Losses)	-	-	1,489
Other Income	-	103,387	21,760
Total Revenues	<u>2,600</u>	<u>1,152,605</u>	<u>265,833</u>
Expenditures			
Current:			
General Government	-	-	-
Indigent Assistance	-	-	-
Highways and Roads	-	-	-
Public Safety	1,505	914,534	284,632
Other Public Services	-	-	-
Culture and Recreation	-	-	-
Health	-	-	-
Total Expenditures	<u>1,505</u>	<u>914,534</u>	<u>284,632</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,095</u>	<u>238,071</u>	<u>(18,799)</u>
Other Financing Sources (Uses)			
Sale of Assets	-	-	-
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>1,095</u>	<u>238,071</u>	<u>(18,799)</u>
Fund Balance - Beginning	<u>3,297</u>	<u>161,254</u>	<u>684,023</u>
Fund Balances - Ending	<u>\$ 4,392</u>	<u>\$ 399,325</u>	<u>\$ 665,224</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022
(continued)

	Election Consolidation	Social Services	Community College	Fair Exhibit
Revenues				
Property Taxes	\$ -	\$ 502,155	\$ 505	\$ 220,884
Intergovernmental	89,230	159,762	155,959	46,675
Grants	-	-	-	-
Charges for Services	-	-	350	-
Investment Earnings (Losses)	-	2,391	216	780
Other Income	-	171,742	-	10,347
Total Revenues	<u>89,230</u>	<u>836,050</u>	<u>157,030</u>	<u>278,686</u>
Expenditures				
Current:				
General Government	105,261	9,819	-	-
Indigent Assistance	-	437,913	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	-
Other Public Services	-	-	162,100	-
Culture and Recreation	-	-	-	214,004
Health	-	-	-	-
Total Expenditures	<u>105,261</u>	<u>447,732</u>	<u>162,100</u>	<u>214,004</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(16,031)</u>	<u>388,318</u>	<u>(5,070)</u>	<u>64,682</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	-
Transfers In	40,000	-	-	175,039
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>175,039</u>
Net Change in Fund Balances	<u>23,969</u>	<u>388,318</u>	<u>(5,070)</u>	<u>239,721</u>
Fund Balance - Beginning	<u>205,545</u>	<u>1,198,348</u>	<u>655,970</u>	<u>(154,816)</u>
Fund Balances - Ending	<u>\$ 229,514</u>	<u>\$ 1,586,666</u>	<u>\$ 650,900</u>	<u>\$ 84,905</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022
(continued)

	Historical Society	Revaluation	Solid Waste	Waterways
Revenues				
Property Taxes	\$ 25,490	\$ 250,843	\$ 730,819	\$ -
Intergovernmental	4,770	47,688	-	-
Grants	-	-	-	27,991
Charges for Services	-	-	128,043	34,643
Investment Earnings (Losses)	117	1,212	4,679	-
Other Income	1,187	11,687	-	-
Total Revenues	<u>31,564</u>	<u>311,430</u>	<u>863,541</u>	<u>62,634</u>
Expenditures				
Current:				
General Government	-	310,965	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	71,760
Other Public Services	-	-	735,281	-
Culture and Recreation	43,350	-	-	-
Health	-	-	-	-
Total Expenditures	<u>43,350</u>	<u>310,965</u>	<u>735,281</u>	<u>71,760</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(11,786)</u>	<u>465</u>	<u>128,260</u>	<u>(9,126)</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(11,786)</u>	<u>465</u>	<u>128,260</u>	<u>(9,126)</u>
Fund Balance - Beginning	<u>22,685</u>	<u>336,029</u>	<u>890,653</u>	<u>103,319</u>
Fund Balances - Ending	<u>\$ 10,899</u>	<u>\$ 336,494</u>	<u>\$ 1,018,913</u>	<u>\$ 94,193</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022
(continued)

	Warrant Redemption	Weed & Pest	Snowmobile Licenses	Physical Facilities
Revenues				
Property Taxes	\$ -	\$ 272,906	\$ -	\$ -
Intergovernmental	-	67,200	-	-
Grants	-	60,000	-	-
Charges for Services	-	13,439	37,497	6,600
Investment Earnings (Losses)	-	672	-	-
Other Income	-	77,399	24	-
Total Revenues	-	491,616	37,521	6,600
Expenditures				
Current:				
General Government	-	-	-	642,574
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	-
Other Public Services	-	388,960	-	-
Culture and Recreation	-	-	29,454	-
Health	-	-	-	-
Total Expenditures	-	388,960	29,454	642,574
Excess (Deficiency) of Revenues Over Expenditures	-	102,656	8,067	(635,974)
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	602,000
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	602,000
Net Change in Fund Balances	-	102,656	8,067	(33,974)
Fund Balance - Beginning	2,737	263,835	118,788	50,073
Fund Balances - Ending	\$ 2,737	\$ 366,491	\$ 126,855	\$ 16,099

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022
(continued)

	Magistrate Fund	Preventative Health	Court Faciliator	Grant MGMT Trust
Revenues				
Property Taxes	\$ -	\$ 204,037	\$ -	\$ -
Intergovernmental	100,468	46,969	-	-
Grants	-	-	-	-
Charges for Services	35,104	-	8,460	-
Investment Earnings (Losses)	-	223	-	-
Other Income	-	9,644	-	-
Total Revenues	<u>135,572</u>	<u>260,873</u>	<u>8,460</u>	<u>-</u>
Expenditures				
Current:				
General Government	-	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	1,458	-	-	-
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Health	-	184,835	-	-
Total Expenditures	<u>1,458</u>	<u>184,835</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>134,114</u>	<u>76,038</u>	<u>8,460</u>	<u>-</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	(77,759)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(77,759)</u>
Net Change in Fund Balances	<u>134,114</u>	<u>76,038</u>	<u>8,460</u>	<u>(77,759)</u>
Fund Balance - Beginning	<u>229,380</u>	<u>-</u>	<u>66,805</u>	<u>100,000</u>
Fund Balances - Ending	<u>\$ 363,494</u>	<u>\$ 76,038</u>	<u>\$ 75,265</u>	<u>\$ 22,241</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022
(continued)

	ARPA Trust	OPIOD Settlement	DARE Trust	Invasive Species	Public Defender Trust
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,333,773	22,356	-	-	858,495
Grants	-	-	-	-	-
Charges for Services	-	-	-	-	-
Investment Earnings (Losses)	3,987	-	-	-	-
Other Income	-	-	-	-	1,081
Total Revenues	<u>2,337,760</u>	<u>22,356</u>	<u>-</u>	<u>-</u>	<u>859,576</u>
Expenditures					
Current:					
General Government	-	-	-	-	-
Indigent Assistance	-	-	-	-	-
Highways and Roads	-	-	-	-	-
Public Safety	-	-	-	-	738,622
Other Public Services	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Health	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738,622</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,337,760</u>	<u>22,356</u>	<u>-</u>	<u>-</u>	<u>120,954</u>
Other Financing Sources (Uses)					
Sale of Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	(2,159,090)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(2,159,090)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>178,670</u>	<u>22,356</u>	<u>-</u>	<u>-</u>	<u>120,954</u>
Fund Balance - Beginning	-	-	675	6,959	328,365
Fund Balances - Ending	<u>\$ 178,670</u>	<u>\$ 22,356</u>	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 449,319</u>

Cassia County, Idaho
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022
(continued)

	Narcotics Seized Assets Fund	Court Interlock Fund	Widow's Benefit Fund	Total Nonmajor Special Revenue Funds
Revenues				
Property Taxes	\$ -	\$ -	\$ -	\$ 2,490,711
Intergovernmental	-	-	-	4,372,218
Grants	-	-	-	90,591
Charges for Services	88,892	2,354	-	1,932,976
Investment Earnings (Losses)	-	-	557	20,033
Other Income	-	18,704	17,104	457,711
Total Revenues	<u>88,892</u>	<u>21,058</u>	<u>17,661</u>	<u>9,364,240</u>
Expenditures				
Current:				
General Government	-	-	-	1,068,619
Indigent Assistance	-	-	22,499	460,412
Highways and Roads	-	-	-	507,081
Public Safety	57,718	19,778	-	2,626,118
Other Public Services	-	-	-	1,286,341
Culture and Recreation	-	-	-	286,808
Health	-	-	-	184,835
Total Expenditures	<u>57,718</u>	<u>19,778</u>	<u>22,499</u>	<u>6,420,214</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>31,174</u>	<u>1,280</u>	<u>(4,838)</u>	<u>2,944,026</u>
Other Financing Sources (Uses)				
Sale of Assets	-	-	-	240
Transfers In	-	-	-	1,032,798
Transfers Out	-	-	-	(2,236,849)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,203,811)</u>
Net Change in Fund Balances	<u>31,174</u>	<u>1,280</u>	<u>(4,838)</u>	<u>1,740,215</u>
Fund Balance - Beginning	<u>67,872</u>	<u>17,726</u>	<u>17,462</u>	<u>6,130,267</u>
Fund Balances - Ending	<u>\$ 99,046</u>	<u>\$ 19,006</u>	<u>\$ 12,624</u>	<u>\$ 7,870,482</u>

Cassia County, Idaho
Combining Statement of Fiduciary Net Position - Custodial Funds
For the Year Ended September 30, 2022

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Assets			
Cash and Investments	\$ 241,293	\$ 41,543	\$ 282,836
Property Taxes Receivable	-	363,206	363,206
Total Assets	<u>241,293</u>	<u>404,749</u>	<u>646,042</u>
Liabilities			
Vouchers Payable	<u>240,122</u>	<u>41,246</u>	<u>281,368</u>
Total Liabilities	<u>240,122</u>	<u>41,246</u>	<u>281,368</u>
Net Position			
Restricted for:			
Individuals, Organizations, and other Governments	<u>1,171</u>	<u>363,503</u>	<u>364,674</u>
Total Net Position	<u>\$ 1,171</u>	<u>\$ 363,503</u>	<u>\$ 364,674</u>

Cassia County, Idaho
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended September 30, 2022

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
Additions:			
Fees collected for other governments	\$ 3,025,572	\$ -	\$ 3,025,572
Property taxes collected for other governments	-	23,272,073	23,272,073
Total Additions	<u>3,025,572</u>	<u>23,272,073</u>	<u>26,297,645</u>
Deductions			
Fees distributed to other governments	3,025,632	-	3,025,632
Taxes distributed to other governments	-	23,271,443	23,271,443
Total Deductions	<u>3,025,632</u>	<u>23,271,443</u>	<u>26,297,075</u>
Change in Net Position	<u>(60)</u>	<u>630</u>	<u>570</u>
Net Position - Beginning	<u>1,231</u>	<u>362,873</u>	<u>364,104</u>
Net Position - Ending	<u>\$ 1,171</u>	<u>\$ 363,503</u>	<u>\$ 364,674</u>

Cassia County, Idaho
Combining Statement of Fiduciary Net Position -
Private Purpose Trust Funds
For the Year Ended September 30, 2022

	Private - Purpose Trust Fund				
	Idaho Sheriff's Assoc.	Auditor's Trust	Law Enforcement Trust	Court Trust Odyssey	Total Private - Purpose Trust Funds
Assets					
Cash and Investments	\$ 160	\$ 219,942	\$ 10,394	\$ 287,519	\$ 518,015
Total Assets	160	219,942	10,394	287,519	518,015
Liabilities					
Vouchers Payable	160	69	-	116,342	116,571
Total Liabilities	160	69	-	116,342	116,571
Net Position					
Restricted for:					
Individuals, Organizations, and other Governments	-	219,873	10,394	171,177	401,444
Total Net Position	\$ -	\$ 219,873	\$ 10,394	\$ 171,177	\$ 401,444

Cassia County, Idaho
Combining Statement of Changes in Fiduciary Net Position -
Private Purpose Trust Funds
For the Year Ended September 30, 2022

	Private - Purpose Trust Fund				
	Idaho Sheriff's Assoc.	Auditor's Trust	Law Enforcement Trust	Court Trust Odyssey	Total Private - Purpose Trust Funds
Additions:					
Contributions	\$ -	\$ 219,873	\$ -	\$ 229,808	\$ 449,681
Total Additions	-	219,873	-	229,808	449,681
Deductions					
Distributions of Funds	-	-	-	58,678	58,678
Total Deductions	-	-	-	58,678	58,678
Change in Net Position	-	219,873	-	171,130	391,003
Net Position - Beginning	-	-	10,394	47	10,441
Net Position - Ending	<u>\$ -</u>	<u>\$ 219,873</u>	<u>\$ 10,394</u>	<u>\$ 171,177</u>	<u>\$ 401,444</u>

FEDERAL REPORTS

Cassia County, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

<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		\$ 12,584
Total Forest Service Schools and Roads Cluster			<u>12,584</u>
Law Enforcement Agreements	10.704		<u>8,176</u>
Total U.S. Department of Agriculture			<u>20,760</u>
<u>U.S. Department of Interior</u>			
Payment in Lieu of Taxes	15.226		2,492,093
Bureau of Land Management - Noxious Weeds	15.230		<u>60,000</u>
Total U.S. Department of Interior			<u>2,552,093</u>
<u>U.S. Department of Justice</u>			
State Criminal Alien Assistance Program	16.606		<u>14,592</u>
Total U.S. Department of Justice			<u>14,592</u>
<u>US Department of Transportation</u>			
Passed Through Idaho Transportation Department			
Highway Safety Cluster			
State & Community Highway Safety	20.600	2020-NX-BX-K017	3,525
National Priority Safety Programs	20.616		<u>3,131</u>
Total Highway Safety Cluster			<u>6,656</u>
Total U. S. Department of Transportation			<u>6,656</u>
<u>U.S. Department of Treasury</u>			
Passed Through Idaho Controller's Office			
Coronavirus State & Local fiscal Recovery Funds	21.027		<u>2,333,773</u>
Total U.S. Department of Justice			<u>2,333,773</u>
<u>U.S. Department of Homeland Security</u>			
Passed through State Department of Parks and Recreation:			
Boating Safety Financial Assistance	97.012		27,991
Passed Through Military Division			
Emergency Management Performance Grants	97.042	EMS2019EP00003	45,051
Homeland Security Grant Program	97.067	EMW2021SS0070	18,595
Total U.S. Department of Homeland Security			<u>91,637</u>
Total Federal Financial Assistance Expended			<u>\$ 5,019,511</u>

Cassia County, Idaho
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

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, 2022. 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
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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, 2022, 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 2, 2023.

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.

Zwysart John & Associates CPAS, PLLC

Nampa, Idaho
June 2, 2023



**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
Burly, 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, 2022. 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, 2022.

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 2, 2023

Cassia County, Idaho
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022

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
21.027	Coronavirus State & Local Fiscal Recovery Funds

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, 2022

Section II - Financial Statement Findings

No Matters Reported

Section III - Findings and Questioned Costs for Federal Awards

No Matters Reported