

**CASSIA COUNTY, IDAHO**

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Report on Audited  
Basic  
Financial Statements  
and  
Supplemental Information

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For the Year Ended September 30, 2020

## Table of Contents

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Transmittal Letter	1
<b>Independent Auditor's Report</b>	6
<b>Management's Discussion and Analysis</b>	9
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements:	
Statement of Net Position	29
Statement of Activities	30
Fund Financial Statements:	
Balance Sheet – Governmental Funds	31
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position	33
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	36
Statement of Fiduciary Net Position	37
Statement of Changes in Fiduciary Net Position	38
Notes to Financial Statements	39
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Budgetary (GAAP Basis) Comparison Schedule:	
General Fund	55
Justice Fund	56

## Table of Contents – (continued)

Department of Motor Vehicles	57
Jail Trust	58
County Reserve	59
Notes to Required Supplementary Information	60
Required Supplementary Information - Pensions	61

### **SUPPLEMENTAL INFORMATION**

Combining Balance Sheet – Nonmajor Governmental Funds	62
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	69
Combining Statement of Fiduciary Net Position – Custodial Funds	76
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	77
Combining Statement of Fiduciary Net Position – Private Purpose Trust Funds	78
Combining Statement of Changes in Fiduciary Net Position – Private Purpose Trust Funds	79

### **FEDERAL REPORTS**

Schedule of Expenditures of Federal Awards	80
Notes to Schedule of Expenditures of Federal Awards	81
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>	82
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance	84
Schedule of Findings and Questioned Costs	86



## ***Office of the Clerk of the District Court***

Cassia County, Idaho

COURTHOUSE

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Burley, ID 83318

Joseph W. Larsen

***Clerk of the District Court***

*Ex Officio Auditor/Recorder*

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June 7, 2021

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 were 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, 2020. 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, 2020, 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, 2020, 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 comprises 2,564.9 square miles of land and is the 9<sup>th</sup>-largest

county in Idaho. The estimated Cassia County population base increase from April 1, 2010 until July 1, 2019 was approximately 4.7%. The U.S. Census Bureau report in 2010 was a population of 22,952 with population estimates in 2019 at 24,030.

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 FY2020, many aspects of city, county, state, and federal government have been considerably disrupted by a global pandemic that began in the beginning months of 2020. Great efforts were made by our County Commissioners in safeguarding employees and citizens of Cassia County. Center for Disease Control and state and local health department officials paved the way for guidelines adopted at the state as well as the county level.

The Idaho Public Defense Commission (PDC) continues to be charged with the statutory duty of adopting rules and funding assistance for the defense of indigent citizens. Those rules have been updated by action of the legislature to assist in the assurance of adequate legal services which includes funding by state and county governments. This has necessitated additional costs to the State of Idaho and to all counties. Recruitment of qualified attorneys to perform indigent legal services continues to be difficult. The PDC has maintained funding for an additional public defender to address workload standard compliance.

Government Accounting Standards Board (GASB) Publication 84 has been a focus of the Budget Office of Cassia County for FY2021. That publication addressed the appropriate use of passthrough trust accounts, which are not budgeted, and fund accounts which are budgeted. Some trusts in the county were converted to funds to be appropriately budgeted for as defined in GASB Publication 84 and with the guidance of our independent auditor.

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 unanticipated expenses above appropriated amounts approved during the annual budgetary process.

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 or less than 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 from 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. Increasing industrial development has occurred with many having a direct relationship to agricultural production.

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. At present, it appears certain that the current City of Burley Airport will not receive further Federal Aviation Administration funding and will likely be abandoned. Sadly, 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 clearly be adversely affected with the demise of the City of Burley Airport. There appears to be a lack of

desire for continuance of the sponsorship of a municipal airport by the City of Burley even though that municipality is the hub of commerce for the Mini-Cassia area.

### ***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. Preparations are ongoing for a national implementation in the future of enhancements, improvements, and multi-agency and multi-geographical integration of 9-1-1 communications.

The County Road and Bridge department continues to work with roads within their jurisdiction to assist with the repair and maintenance needs of rural county roads that are within the boundaries of this district. Culvert and bridge maintenance repair in the Elba and Almo areas continue to be necessary. Work continues with grading roads and application of magnesium chloride for dust control in the areas most traveled. Grants that have been received in the past for the magnesium chloride treatment are no longer available which presents a problem for funding that important road preservation and maintenance process. 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 more aggressive scrutiny 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 this budget officer is the reality of potential catastrophic 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. A loss of portions of or all of PILT funding could spawn a potential loss of up to 10% of Cassia County's annual budget or an approximate amount up to \$2.3 million of the current full funding of PILT, which would be devastating to essential County services.

The continued dedication of Auditor's Office 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, Affordable Care Act (ACA) daily and annual record-keeping and reporting to the IRS, federal Department of Labor compliance for compensation of county employees and unemployment processing, county taxing district levy oversight, public defense assistance processing and tracking, auditing of state and federal grant funding, and Legislative Services Office oversight and 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. The Board of County Commissioners' engaged outside independent auditors, Zwygart John and Associates have been instrumental and extremely valuable in the second year since migration from our previous financial accounting software to our new system of accounting. Their experience with numerous other counties in Idaho and Oregon and in particular with our CAI accounting and programming professionals and our new financial accounting software has been invaluable. Moreover, the additional advice and counsel in establishing best practices and internal auditor control has been very helpful. Findings and recommendations for appropriate accounting processes as identified by Zwygart John and Associates will prove helpful for improvement and fulfilling of the Auditor's Office stewardship to maintain sound financial management and accounting. The ongoing goal of the Cassia County Auditor's Office is to mitigate any and all adverse findings and implement all recommendations of the outside auditor.

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

Respectfully,

A handwritten signature in black ink that reads "Joseph W. Larsen". The signature is fluid and cursive, with the first 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 Financial Statements**

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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **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.

**Qualified Opinion**

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities: paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of Cassia County, Idaho as of September 30, 2020, 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**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Cassia County, Idaho, as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 9 to 26, budgetary comparison information, schedule of the County’s proportionate share of the net pension liability, and schedule of County contributions on pages 53 through 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 7, 2021 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 7, 2021

***Cassia County  
Management's Discussion and Analysis  
Fiscal Year Ended September 30, 2020***

I, Joseph W. Larsen, am the ex-officio auditor of Cassia County, Idaho. As such I function as budget officer and financial manager pursuant Idaho Statute § 31-160. My duties thereunder are to oversee financial accountability and to ensure that provisions of the budget are complied with by each elected official, department head, and their appointees or designees. This narrative overview, analysis, and accompanying financial statements for the fiscal year ended September 30, 2020, is presented. Included are financial performance and activities of the governmental services of Cassia County for the Fiscal Year beginning October 1, 2019, through September 30, 2020.

The County implements the reporting model as adopted by the Governmental Accounting Standards Board (GASB) in their statements. Most recently, that includes the following that apply, along with previous GASB Statements, to Fiscal Year ended September 30, 2020, and thereafter:

- Implementation Guide No. 2020-1 – Implementation Guidance Update – 2020
  - This clarifies, explains, or elaborates on GASB Statements
  - Questions and answers addressed:
    - The Financial Reporting Entity
    - Accounting and Financial Reporting for Certain Investments and for External Investment Pools
    - Fiduciary Activities
    - Leases
    - Other Implementation Guidance
      - Certain Asset Retirement Obligations
      - Conduit Debt Obligations
    - Amendments to previously issued questions and answers
- Action for GASB compliance post audit FY2020 and following guidance from Cassia County's independent auditor, Zwygart John and Associates, CPA's, will include appropriate action for certain trust and fund designations to comply with the following:
  - Implementation Guide No. 2019-2 – Fiduciary Activities pertaining to requirements of Statement No. 84, Fiduciary Activities
    - Budgeting and reporting adjustments of fiduciary activities in fiduciary funds
    - Budgeting and reporting adjustments of fiduciary activities in custodial funds
    - Financial accounting adjustments for GASB compliance with designation of passthrough trusts and custodial funds.

Most new GASB Statements and Implementations Guides serve as clarifications of previous statements and have little or no significant impact on accounting and financial statements for Cassia County for fiscal year 2020 (FY2020). However, action for GASB Statement No. 84 compliancy as aforementioned will require that select trusts not serving as passthrough accounts be appropriately designated as a budgeted custodial fund. Previously designated trusts that will be budgeted funds include the following:

- Employee Benefit Fund
- Seized Asset Fund
- Widow's Benefit Fund
- Court Interlock Fund

## 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. FY2020 included no changes in these nine elected officials.

Elected officials at fiscal year ending on September 30, 2020, included the following:

### ***Board of County Commissioners:***

**District 1 – Leonard M. Beck, Chair**

**District 2 – Bob Kunau**

**District 3 – Kent R. Searle**

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

- “...supervise the official conduct of all county officers, and appointed boards or commissions of the county charged with assessing, collecting, safekeeping, management of disbursement of the public moneys and revenues; see that they faithfully perform their duties...and when necessary, require them to make reports, and to present their books and accounts for inspection.” Idaho Code § 31-802
- “...lay out, maintain, control and manage public roads...and bridges within the county, and levy such tax therefore as authorized by law...” Idaho Code § 31-805
- “...preserve, take care of, manage and control the county property...” Idaho Code § 31-807
- “...examine and audit the accounts of all officers having the care, management, collection or disbursement of monies belonging to the county, or appropriated by law, or otherwise, for its use and benefit.” Idaho Code § 31-809
- “...funds deposited in the county election fund...shall be used to pay for all costs in conducting political subdivision elections.” Idaho Code § 31-809A
- “...examine, settle, and allow all accounts legally chargeable against the county...” Idaho Code § 31-810
- “...levy such taxes annually on the taxable property of the county as may be necessary not exceeding the amount authorized by law...” Idaho Code § 31-811
- “...fix the compensation of all county officers and employees, and provide for the payment of the same.” Idaho Code § 31-816
- “...hold public fairs or exhibitions, to care for and maintain the same, regulate the use thereof...” Idaho Code § 31-822
- “...levy a tax...for the purpose of creating a fund to be used for collecting, preparing and maintaining an exhibition of the products and industries of the county...for the purpose of encouraging immigration and increasing trade in the products of the State of Idaho, to pay premiums or prizes for, and any costs or expenses of collecting, preparing, maintaining, exhibiting and advertising of like exhibitions, exhibited by others than the county at any such domestic or foreign exposition.” Idaho Code § 31-823
- “...employ inmates of the county jail upon public road work or other county work in the county...” Idaho Code § 31-824

- “...contract to purchase and to purchase and provide for care by the clerk of the district court of such law books and pamphlets...as necessary...” Idaho Code § 31-825
- “...appropriate funds for demonstration work in agriculture and home economics...for the employment of a county agent or county agents in cooperation with the University of Idaho...” Idaho Code § 31-826
- “...authority and power to enter into contracts...to promote, maintain, and administer projects and programs...of public benefit, and the purpose of which is to carry on programs concerning the aged.” Idaho Code § 31-866
- “...may impose and collect fees for those services provided by the county...” Idaho Code § 31-870
- “...shall provide misdemeanor probation services...shall not be obligated beyond the funds generated by the fees collected...and any additional funds that may be annually appropriated...” Idaho Code § 31-878
- “...shall cause to be made, annually, a full and complete audit of the financial transactions of the county.” Idaho Code § 31-1701
- “...shall...evaluate the need and provide to indigent person(s) nonmedical assistance in a temporary situation only when no alternative exists.” Idaho Code § 31-3401
- “...shall...pay for necessary medical services for the medically indigent residents...” Idaho Code § 31-3503 (1)
- “...estimate of expenditures...required...as finally fixed and adopted as the county budget...shall constitute the appropriations for the county for the ensuing fiscal year. Each and every county official or employee shall be limited in making expenditures or the incurring of liabilities to the respective amounts of such appropriations.” Idaho Code § 31-1606
- “...shall cause to be made, annually, a full and complete audit of financial transactions of the county. Such audit shall be made by and under the direction of the board of county commissioners...” Idaho Code § 31-1707
- “...Audits...are to be performed by independent auditors in accordance with generally accepted governmental auditing standards, as defined by the United States general accountability office.” Idaho Code § 67-450B

### ***Clerk of the District Court:***

#### **Joseph W. Larsen**

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

### ***Assessor:***

#### **Dwight Davis**

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

### ***Treasurer:***

#### **Laura Greener**

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

### ***Prosecuting Attorney:***

#### **McCord Larsen**

The Prosecuting Attorney prosecutes crimes and is counsel to County government.

McCord Larsen served as Chief Deputy Prosecutor for elected Prosecuting Attorney Douglas Abenroth at the beginning of FY2020. Following the resignation of Abenroth, who was appointed as a Magistrate Judge in Minidoka County, Larsen was appointed and took the oath of office as Cassia County Prosecutor on June 29, 2020.

### ***Sheriff:***

#### **Jay Heward**

The Sheriff is the Chief Law Enforcement Officer of the County with supervisory oversight of the Minidoka and Cassia Counties joint Adult Misdemeanor Probation Office and 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 Code § 31-1602
- See that the provisions of the adopted budget are complied with. *Id.*

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

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

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

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

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

### **Financial Actions of the Board of Commissioners and Items of Fiscal Note for FY2020**

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 FY2020 included, but are not limited to, the following:

- **August 26, 2019** – The Board of Commissioners culminated the FY2020 budget process on this date which included:
  - Fixing of the annual salaries of county officers (Idaho Code § 31-3106)
  - Approval and publishing of Tentative Budget (Idaho Code § 31-1604)
  - Public Hearing, fixing and determining the amount of the budget, and adopting by resolution said budget. (Idaho Code § 31-1605)
    - \$20,401,919 was adopted as the Cassia County Budget for FY2020
    - \$487,239 was adopted as the Cassia County Road and Bridge Budget for FY2020 (the amount of which is included as a part of the Cassia County Budget)
      - Major Fund Allocations:
        - \$4,311,401 was allocated to the General Fund (Current Expense) – *21.13% of the approved budget*
        - \$5,253,388 was allocated to the Justice Fund – *47.81% of the approved budget*
      - Other Funds:
        - \$10,837,130 was allocated to other dedicated funds – *31.06% of the approved budget*
    - Noted changes from FY2019's budget:
      - Public Defender compliance for caseload standards of the Idaho Public Defense Commission recognized a 30.78% increase or \$215,357 for attorney rate of pay increases and the addition of a deputy public defender and secretary.
      - County Elections budget increased by 10.15% or \$11,497 to account for conducting a Presidential Primary and General Election during FY2020.
      - Road and Bridge Budget increased by 23.08% or \$91,369 contingent on the receipt of an anticipated grant.
      - The Mini-Cassia Juvenile Probation budget increased by 68.75% or \$80,987 to replenish depleted trust account balances.
      - The Prosecuting Attorney budget increased by 30.17% or \$61,362 for additional salary for deputy prosecutors and \$100,000 for costs related to a potential complex litigation case.
      - Sheriff – County budget increased by 11.05% or \$252,485 to account for an additional dispatcher, a part time Drivers License Clerk moved to full time, e-ticket equipment amortized over five years, and fuel cost increases.
      - Sheriff – City budget increased by 9.30% or \$153,185 to account for deputy patrol officer's accrual balance liability.
      - Misdemeanor Probation budget increased by 27.51% or \$197,120 to account for ongoing shortfalls of budgeted revenues including fees from probationers.
      - Social Services – Assistance increased by 39.76% or \$167,955 to account for resolving Indigent Catastrophic Board reimbursements and to facilitate anticipated Medicaid Expansion.

- Social Services – Legal Defense increased by 124.81% or \$44,700 to account for increased indigent defense caseload and \$150,000 to account for anticipated costs for a capital murder case.
  - Community College – decreased by 16.67% or \$50,000 to utilize levy allocations elsewhere by using existing fund balances.
  - Cassia County Fair – decreased by 26.72% or \$77,973 to account for a Cassia County Fair Fund balance transfer approved by the Board of Commissioners in the amount of \$95,000.
  - Physical Facilities – increased by 172.41% or \$125,000 to accommodate needed facility and real property updates and improvements.
- **October 7, 2019** – The Board of Commissioners approved a \$86,479.00 Mapping Grant award.
- **October 7, 2019** – Zwygart John and Associates, CPA's were engaged to conduct the FY2020 independent audit
- **October 21, 2019** – Resolution No. 2019-028 was adopted to amend the FY2019 budget
- **October 28, 2019** – The Board of Commissioners approved voluntary resignation of county-funded employees at the Cassia County Historical Society and Museum. Budgeted costs for those positions were moved to a "B" Budget expenditure line for non-employee costs of operation and the museum will handle all financial and supervisory matters related to their employees going forward.
- **October 28, 2019** – The Board of Commissioners approved a Memorandum of Understanding and approved the FY2020 Budget for the Extension Office through the University of Idaho.
- **November 4, 2019** – The Board of Commissioners approved remodel costs at the Public Defender's Office up to \$17,500 plus \$13,354.94 to be funded by the Public Defense Commission
- **November 12, 2019** – The Board of Commissioners approved replacement of pumps in the Sheriff's Office with costs to TNT Electric in the amount of \$3,864.00 and with Master Plumbing in the amount of \$9,807.23.
- **January 6, 2020** – The Board of Commissioners approved the purchase of radios to upgrade to digital capability up to an amount of \$20,000.00.
- **January 27, 2020** – The Board of Commissioners approved lighting upgrades in the Courthouse and the Sheriff's Office. The courthouse lighting total cost was \$12,855.07 with an energy rebate in the amount of \$8,805.00 to offset that amount. The Sheriff's Office lighting total cost was \$14,320.05 with a rebate in the amount of \$10,305.00 to offset that amount.
- **January 27, 2020** – The Board of Commissioners approved the purchase of a transport van for the Mini-Cassia Criminal Justice Center in the amount of \$55,000 with \$2,045.85 additional for lights and radio equipment.
- **March 9, 2020** – The Board of Commissioners approved removal and replacement of a kitchen grease trap at the Mini-Cassia Criminal Justice Center in the amount of \$11,804.00.
- **March 16, 2020** – The Board of Commissioners approved emergency plans for mitigation of the COVID-19 pandemic. That included processes for a public service announcement regarding functioning with limited. A memo to employees to address safeguarding of personal health and mitigation of the spread of communicable diseases was included as well.
- **March 20, 2020** – The Board of Commissioners adopted Resolution No. 2020-015, a declaration of emergency for Cassia County due to the COVID-19 pandemic.
- **April 6, 2020** – Departmental and Elected Official requests began for FY2021 budget considerations of changes and increases and were heard by the Board of County Commissioners.
- **April 13, 2020** – Departmental and Elected Official requests continued for FY2021 budget considerations of changes and increases were heard by the Board of County Commissioners.

- **April 20, 2020** – Departmental and Elected Official requests continued for FY2021 budget considerations of changes and increases were heard by the Board of County Commissioners.
- **April 20, 2020** – The Board of Commissioners approved the purchase of case management software from Karpel for the Prosecutor's Office in the amount of \$40,650.00.
- **April 27, 2020** – The Board of Commissioners approved remodeling projects for the Building and Zoning Department of up to \$5,500.00 and to the DMV area of the Sheriff's Office of up to \$1,800.00.
- **May 18, 2020** – The Board of Commissioners signed a Memorandum of Understanding with the Idaho State Department of Agriculture and the Cassia County Sheriff's Office for invasive species boat inspection stations.
- **May 18, 2020** – Engaged Independent Auditor Zwygart John and Associates, CPAs presented their final audit report and financial statements for FY2019. The report was approved by the Board of Commissioners.
- **May 26, 2020** – The Board of Commissioners approved engagement of Zwygart John and Associates, CPAs for the FY2020 independent audit.
- **June 1, 2020** – Departmental and Elected Official requests continued for FY2021 budget considerations of changes and increases and were heard by the Board of County Commissioners.
- **June 1, 2020** – Kelly Bowen from Bowen Insurance Group reported on costs for FY2021 for the employee benefit package. Delta Dental costs would remain the same, renewal rates will not be increased, and the stop-loss insurance premium deductible will increase from \$55,000 to \$60,000. He stated that increase could save the County \$50,000 over the course of the year assuming 2.5 stop-loss claims as evidenced in a ten-year average.
- **June 4, 2020** – Departmental and Elected Official requests continued for FY2021 budget considerations of changes and increases and were heard by the Board of County Commissioners.
- **June 8, 2020** – Departmental and Elected Official requests continued for FY2021 budget considerations of changes and increases were heard by the Board of County Commissioners.
- **June 8, 2020** – The Board of Commissioners approved payment of \$9,307.00 to CES Industrial Solutions for lighting replacement in the DMV area of the Sheriff's Office.
- **June 15, 2020** – The Board of Commissioners and the Auditor's Office from both Cassia County and Minidoka County met to review joint powers agreements and FY2021 budget considerations of changes and increases. ICRMP representatives were present to review a considerable loss ratio experienced at the Mini-Cassia Criminal Justice Center. They recommended a Request for Proposal for a medical contract with the jail to minimize risk.
- **June 22, 2020** – The Board of Commissioners approved replacement of lighting in the Assessor's Office in the amount of \$8,349.91.
- **June 29, 2020** – The Board of Commissioners approved the purchase of six ExpressVote voting machines for polling places in the amount of \$21,090.00. The full cost will be reimbursed through Help America Vote Act (HAVA) funding.
- **July 1, 2020** – The Board of Commissioners and the Auditor's Office from both Cassia County and Minidoka County approved the FY2021 joint powers agreement budgets for the following:
  - The Joint Misdemeanor Probation Office in the amount of \$432,500.00 with Cassia County's portion at \$216,250.00.
  - The Joint Mini-Cassia Criminal Justice Center in the amount of \$3,733,402.00 with Cassia County's portion at \$960,949.00.
  - The Joint Juvenile Probation Office in the amount of \$793,311.00 with Cassia County's portion at \$207,723.52.
  - The Joint Juvenile Detention Center in the amount of \$1,184,701.00 with Cassia County's portion at \$490,452.51

- The Joint Public Defender's Office in the amount of \$924,597.00 with Cassia County's portion at \$466,335.12
- **July 6, 2020** – The Board of Commissioners adopted Resolution No. 2020-020 regarding Family Medical Leave Act leave expansion and paid sick leave for COVID-19. That resolution includes pay compensation to employees for COVID-19 matters above FY2020 budgeted amounts.
- **July 6, 2020** – The Board of Commissioners approved a bid from Zetron for a 911 system upgrade and hardware refresh in the amount of \$82,666.80.
- **July 6, 2020** – The Board of Commissioners approved projects pre-approved by Idaho Rebounds – State, Local, and Tribal Community Support for:
  - The Adult Misdemeanor Probation Office remodel in the amount of \$2,750.00 for a door and firewall and \$1,470.24 for tempered glass, passthrough notch and accessories.
  - Treasurer's Office counter remodel in the amount of \$9,970.00
  - Public Defender's Office counter remodel in the amount of \$5,808.00
  - Extension Office counter remodel in the amount of \$5,308.00
- **July 10, 2020** – The Board of Commissioners and the County Auditor reviewed budget requests, budget officer recommendations, and approved tentative appropriations in preparation for publication of the FY2021 budget.
- **July 10, 2020** – The Board of Commissioners approved a letter to Governor Brad Little expressing concern for possible legal issues with participation in the State Tax Reduction Offer. They determined not to participate in the program.
- **July 10, 2020** – The Board of Commissioners approved to publish the FY2021 Tentative Budget in the amount of \$21,339,559.00.
- **July 20, 2020** – The Board of Commissioners approved the purchase of an ATV for the Sheriff's OHV Program in the amount of \$5,948.04 which will be funded by a grant from the Idaho Sheriff's Association.
- **July 27, 2020** – The Board of Commissioners approved the Road and Bridge Department expending up to \$12,000.00 for a power screen rental.
- **August 3, 2020** – The Board of Commissioners approved a bid from Ralph Thornton Construction in the amount of \$37,097.00 for the removal and replacement of the driveway at the Mini-Cassia Criminal Justice Center.
- **August 3, 2020** – The Board of Commissioners approved a bid from Sawtooth Medical at approximately \$300,000 for jail medical services. This constitutes a sizable increase from previous services of providing in-house medical costs at the jail. This had been recommended by ICRMP to minimize risk.
- **August 3, 2020** – The Board of Commissioners approved a bid for the remodel of the Recorder's Office in the amount of \$28,745.00 with \$20,159.00 for construction and \$8,586.00 for HVAC.
- **August 3, 2020** – The Board of Commissioners approved hiring of an additional employee in the Elections Office to be paid through the CARES Act grant funds through December 31, 2020, the balance to be paid with reallocation of existing departmental budgeted funds.
- **August 3, 2020** – The Board of Commissioners approved the purchase of an ES&S DS-450 central tabulator for the Elections Office in the amount of \$51,620.00 to be funded by the CARES Act.
- **August 24, 2020** – The FY2021 Budget Hearing was held for the Cassia County Road and Bridge which included a published tentative amount of \$497,249.00. That was followed by the FY2021 Budget Hearing for Cassia County which included a published amount of \$21,339,559.00. Both budgets were approved by the Board of Commissioners.
- **August 24, 2020** – The Board of Commissioners approved fixing FY2020 wages and salaries for all Cassia County employees and budgeting such at a 1% increase over the FY2019 fixed wages and salaries.

- **August 24, 2020** – Software subscription renewal costs for three years of updates and support for video surveillance through Global Surveillance was approved by the Board of Commissioners in the amount of \$5,595.00.
- **August 31, 2020** – The Board of Commissioners approved seal coating and restriping of the Cassia County Judicial Center in an amount up to \$11,600.00 and re-striping of parking areas at the courthouse and the Sheriff's Office in an amount up to \$1,200.00.
- **September 8, 2020** – The Board of Commissioners approved video surveillance camera installation in the amount of \$2,041.00 for live streaming opening of absentee and mail in ballots as required by statute. The costs will be reimbursed by the CARES Act and HAVA.
- **September 14, 2020** – The Board of Commissioners approved remodeling and improvements of the Early Vote and Elections Office to facilitate critical safety issues for voters during the 2020 General Election at a cost of \$49,978.00 for construction, \$2,317.00 for surveillance cameras and installation, and \$2,380.69 for workstation desks to be funded by unscheduled revenue through a consolidated elections reimbursement from the Secretary of State's Office.
- **September 21, 2020** – The Board of Commissioners approved \$2,490.00 for a required electronic entry lock in the Early Vote Room and \$2,041.00 for two additional surveillance cameras through Global Surveillance.
- **September 28, 2020** – The Board of Commissioners approved \$3,000.00 with Sweepco for blackout of and re-striping of previous unacceptable striping completed by Mike Whitaker from Southern Idaho Coating at the Cassia County Judicial Center.
- **September 28, 2020** – The Board of Commissioners approved \$2,082.00 to American Security Cabinets for an Elections drive-up drop box and \$3,528.00 to Global Surveillance for Security cameras over that drop box to be funded by the CARES Act.

## **Economic Conditions and Financial Outlook**

### ***Cassia County Demographics and Dilemmas***

Located in South Central Idaho on the Snake River Plain, Cassia County is driven by and is primarily an agriculturally-oriented area of commerce. Irrigation means include canal systems originating from the Snake River as well as deep wells relying significantly on the aquifer system. 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, and beans. Retail and service industries and businesses are important secondary sources of employment and tax revenue to the County.

The U.S. economy continued improvements throughout this fiscal year which has precipitated unscheduled and unbudgeted County revenues from property taxation with new construction as well as 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, as it bolsters County reserve funds, it will serve to allay costs associated with future identified expansion and improvement projects and well as any unforeseen emergencies. In particular, a worldwide pandemic related to the COVID-19 virus has been unprecedented and costly in providing both the services of County government but also the protection to employees and the public.

An objective of this Budget Officer has always been to utilize current unrealized and unscheduled revenues to future years budgets to lessen the reliance year-to-year on federally-funded PILT (Payment in Lieu of Taxes) payments. Nearly 9% of our annual budgeted revenue historically has relied on those funds that are not permanently funded nor appropriated during budget time. Looming even larger is the fact that current year budgeting, which includes budgeting from 65% to 75% of those

anticipated PILT funds, are not even received if appropriated until nearly 75% of the fiscal year has concluded and those budgeted funds already are generally 75% spent. The dilemma being, if those funds do not get appropriated, that expended amount would have to be drawn from reserve funds just to get through the current fiscal year. The current push of Idaho's federal legislators is to pass a bill in the 2020 Legislative Session to at least approve funding of PILT for the next two years.

FY2020 has experienced the following:

- Improved interest rates realized from invested idle County funds
- Medicaid Expansion going into effect on January 1, 2020, which will be funded in part from what has been levied for Indigent or Social Services funds that will be diverted to the State of Idaho.
- Despite Medicaid Expansion, there continues to be a poverty gap that will require County funds to be used for indigent and worthy poor residents entitled to County assistance.
- There has been continued escalation of costs associated with health care providers and medical service facilities in caring for the indigent and worthy poor.
- The Affordable Care Act's requirement of individuals and families to have health insurance coverage still has many indigent and worthy poor residents who present to the County for medical assistance who either cannot afford or who have chosen not to purchase federally-mandated health insurance through the exchange with the Affordable Care Act.
- Underestimated costs related to the Affordable Care Act and overestimated anticipation of revenues from young healthy premium payers has not occurred as projected. That continues to drive healthcare costs upward which adversely affects the indigent and worthy poor residents of the County who then require County assistance.
- Additional time and resources are required to maintain reporting compliance with the IRS as part of the Affordable Care Act. Reporting on the Federal 1095-C Form includes every employee and whether or not they have participated in County-provided healthcare.
- Federal and state-funded grant availability, which has been important historically, seems to continue to diminish. 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 needs of funding, which are ever-increasing.
- Additional implemented standards for attorneys providing indigent legal assistance from the Idaho Public Defense Commission has created additional financial responsibility. Additional requirements include continuing education, workload standards, and reporting have made it difficult to recruit attorneys and to keep those indigent defenders.
- Ongoing reduction of available financial resources to counties to accommodate the sustained and elevated mandates or requirements of the federal and state governments to counties makes it more difficult to sustain providing services and qualified employees.
- Our justice system has experienced escalating crimes relating to drug trafficking, substance abuse, and sexual crimes.
- Inadequate mitigation for the scores of mentally ill in dire need of critical care, facilities, counseling, medications, financial resources, and suicide prevention programs, has reached a crisis point.
- Ever-increasing incarceration, investigation, prosecution, indigent defense, jury trials, and court actions required for offenders of the law.
- Increased and costly court service security facilitation to afford protection of the officers of the court, legal counsel, the accused, and the public.

## ***Urban Renewal and Personal Property Tax Relief***

Economic development and construction have improved some in recent years through recruitment with tax relief options as enticements through the Burley Development Authority by utilization of Urban Renewal and Revenue Allocation Areas. Legislative advocacy efforts have also resulted in substantial reductions in personal property taxation exemption designed to entice establishment of and the conducting of business in Idaho. 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.

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 affecting the county, the cities, and others. The enigma created includes increased competition for the skills and services of county employees through higher wages and salaries, enhanced benefit packages, and higher starting compensation than entry level positions currently offered in the county. Current expiration of Urban Renewal and Revenue Allocation Area property tax relief is about four to five years out, at which time there will hopefully be an increase in property tax proceeds currently diverted to the Burley Development Authority.

## ***PILT and SRS Funding***

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

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

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

The uncertainty year-to-year is particularly concerning to Cassia County in that most of the full funding of PILT has historically been budgeted and is expected to meet ongoing operational expenditures. As previously pointed out, much of that allocation is already expended before federal funding is authorized and subsequently paid. On December 20, 2019, President Trump signed the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) which appropriated full funding of PILT in the amount of \$515,084,460. Of that amount, \$514,372,2012 is for FY2020 payments and \$312,248 is for FY2019 payment adjustments. \$400,000 is for administration of the program. From those amounts, Cassia County was allocated \$2,395,040, which is the second largest amount awarded to counties in Idaho.

In the event PILT appropriations are reduced or discontinued during the year when it is relied on during budgeting, we could realistically have already expended nearly \$1,000,000 in budgeted PILT allocations to operate Cassia County. Should that ever happen, it is important to reiterate that funding out of necessity would have to come directly from County reserves and fund balances. That difficult scenario would leave Cassia County dangerously close to the inability to function as usual even in the

short run. Then, in just a few short months, financial exhaustion of fund balances and County reserves would change the way we comply with our statutory obligations and likely necessitate emergency measures under the statute to carry on with the administration of justice and providing of required county services.

The Secure Rural School (SRS) program was enacted in 2000 in response to the decline of revenue-generating activities curtailed by the enactment of federal policies. It was designed to allay lost revenues spawned by those policies in an effort to revive rural counties and school districts. In 2008, SRS was reauthorized to continue on a sliding payment scale. Most recently, SRS was reauthorized retroactive on April 16, 2015 for fiscal years 2014 and 2015. SRS expired at the end of 2015. Under Title I and II funding, a potential final SRS payment was received by Cassia County until future changes take place with that allocation. SRS is important to the funding of Cassia County Road and Bridge road maintenance.

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

### ***Other Revenue Source Reductions***

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

- Ever-diminishing sources of revenue by way of grant reimbursements and receipts.
- Elimination of some personal property taxes.
- Waning fees that come from fines and citations which are critical for funding law enforcement, the courts, and the jail.
- Uncollectable court and misdemeanor probation fees from offenders with less ability to satisfy their obligations.
- Increases in Mini-Cassia incarcerations and compliance with jail standards aimed at preventing overcrowding have consequently reduced income-producing inmates from other jurisdictions.

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

In summary, additional revenues must be sought after and identified, expenditures must decrease or be eliminated, or taxation must be increased to cover funding shortfalls. The only other solution is to use County reserve funds.

### **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 are 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 may happen without much advance notice. Critical to Cassia County is the continual reliance on the majority of those annual proceeds to fund ongoing expenditures. Critical 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 20<sup>th</sup> and June 20<sup>th</sup> 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.

### **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 is calculated by a formula of assessed property values multiplied by the current calculated levy rates.

Fiscal Year 2020 received generated funds from the 2019 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.

<u>Fund</u>	<u>Current Levy Rate</u>	<u>Maximum Levy Rate</u>
<b>Major Funds:</b>		
Current Expense	0.000969698	0.00260
Justice	0.001642408	0.00200
<b>Other Funds:</b>		
Indigent Defense/Social Services	0.000384981	0.00100
District Court	0.000002984	0.00040
Noxious Weeds	0.000000000	0.00060
Ambulance	0.000104452	0.00020
County Fair Operations	0.000071841	0.00010
County Fair Exhibits	0.000000000	0.00020
Historical Society/Museum	0.000014922	0.00012
Junior College Tuition	0.000002984	0.00060
Revaluation	0.000149218	0.00040

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

**2020 Total Cassia County Levy Rate:**  
**.003343488**

## **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

## **Financial Information**

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

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

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

Budgetary control is maintained by the issuance of monthly financial statements which reflect current and year to date expenditures and encumbrances, in comparison to budgeted amounts. The portion of the year gone is compared to the portion of the budget amount expended when presented to the Board for authorization of payment. Anticipated expenditures are reviewed to determine that sufficient funds will be available prior to issuance of purchase approval or other commitments.

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

## **County Funds Financial Analysis**

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

**Current Expense Fund** and **Justice Fund**.

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

Following is a comparative of beginning and ending balances from FY2019 and FY2020:

**Remaining Cash Balance**

	<u>Ending FY2019</u>	<u>Ending FY2020</u>	<u>Difference</u>	<u>Change</u>
<b>Current Expense Fund:</b>	<b>\$851,049.68</b>	<b>\$1,042,965.60</b>	<b>\$191,915.92</b>	<b>+22.55%</b>
<b>Justice Fund:</b>	<b>\$891,937.34</b>	<b>\$1,098,597.00</b>	<b>\$186,444.52</b>	<b>+20.44%</b>

**Payment in Lieu of Taxes**

<b>(reserve fund)</b>	<b>\$4,475,754.44</b>	<b>\$5,276,259.80</b>	<b>\$800,505.36</b>	<b>+17.89%</b>
<b>TOTAL FUND BALANCES</b>	<b>\$12,878,938.36</b>	<b>\$15,266,800.24</b>	<b>\$2,387,861.88</b>	<b>+18.54%</b>

The Remaining Cash Balance is reflective of the overall receipts of revenues for the fiscal year less all Board of Commissioner approved expenditures. Of note, there was a significant increase in the fiscal year ending balance for both the major funds, the Current Expense Fund and the Justice Fund. Those increased balances reflect partial receipt of the Federal Coronavirus Act, Relief, and Economic Security (CARES) Act funding as an unbudgeted revenue source. A \$2.2 trillion stimulus bill was passed by the 116<sup>th</sup> U.S. Congress and signed into law by the President of the United States on March 27, 2020, in response to the adverse economic impact of the COVID-19 pandemic. Though Cassia County continued most services without significant interruptions during FY2020, a significant portion of personnel, operational, and mitigating measures in response to the pandemic were funded by CARES. Offices were retrofitted to afford social distancing, significant measures were taken to conduct a federal election, and enhanced Family Medical Leave Act provisions allowed pay to employees who were adversely affected by COVID-19. Many costs allowed to be funded by CARES proceeds diminished needs for funding from ordinary budgeted revenue receipts. Revenue sharing from the State of Idaho was actually enhanced from sales tax proceeds during the year.

An unbudgeted and accumulated Employee Benefits Trust account was closed out in favor of establishment of a Benefits Fund accounted for some of that increase as well.

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

**City of Burley Law Enforcement Agreement**

Cassia County was in the second of a three-year contractual agreement with the City of Burley during FY2020 for providing law enforcement services for them. That arrangement at times has undeniably provided financial advantages to both entities. Mutual benefits come by the minimizing of duplicated service, reduction in costs of operating expenditures, and from the benefits derived from the overall economy of scales.

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

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

It is increasingly difficult to financially manage the fluid needs of law enforcement through the course of a year with all these variable factors in play. Accounting and expenditures are required to be differentiated by agreement of both parties between City of Burley costs and that required by County law enforcement. At best, accounting can be difficult in differentiating every cost that pertains to county-obligated services and that which is specific to city-related services. City resident property owners are already taxed for basic justice-related services of the county. Basic municipal services paid by city property taxpayers include the operations, support, and administering of all required court services, misdemeanor probation, the jail, public defense, and felony prosecution. The City of Burley agreement for law enforcement services is for enhanced services that are required and provided by a municipal police service department. Questions are difficult to define regarding levels of cost pertaining to dispatch, 9-1-1, the buffer zone between the City of Burley and the rest of the county, crossover and differentiation of patrol officer services between the two entities, and the levels of service required.

This budget officer had always appreciated the inherent benefit financially and otherwise for keeping this unique contract in place so long as cost allocations are fair and reasonable to both parties. It has been perceived by some that it is a partnership. That is correct from the standpoint of cooperation and meeting the needs of both parties. However, in business structure, accounting, and legally, it is a contractual agreement. As such, for more predictability and to be fair to both parties, my recommendation for years has been that the Board of Commissioners and the County Sheriff, should examine all services provided to the City of Burley and compare that with detailed costs for each of those services. After determining the level of services requested from the City of Burley, costs for conducting all determined services should be offered by contract from the County to the City of Burley. If that is acceptable to the City of Burley, the agreement should continue. On the contrary, if it is not

acceptable, neither party to the contract should be adversely affected financially. In that event, it clearly wouldn't be prudent for the City of Burley to be expected to carry forward. They then could conduct the level of law enforcement-related services as desired in the manner nearly all municipalities do in the State of Idaho to meet those needs.

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

### **Budget Officer Conclusions and Recommendations**

It is the opinion of this budget officer that economic, financial, and extraordinary pandemic situations at the conclusion of FY2020 warrant continued prudent evaluation of actual individual departmental expenditures to identify what is needed in carrying out essential services of Cassia County. Following unprecedented increases in rate of pay for employees after fixing of the budget for FY2019, it was clear that nearly all of those unbudgeted increases were met from allocated revenues already included in the final FY2019 budget. A number of factors contributed to that result which include but are not limited to the following:

- Department head prudence in reducing "B" Budget expenditures as they were challenged to do by the Board of Commissioners.
- An excess of "B" Budget amounts over that which was required for departmental operations.
- Departments forgoing larger budgeted purchases that they otherwise would have made possibly due in part to the pandemic.

Actual revenues for FY2020 exceeded identified and allocated revenues as budgeted. Likely factors contributing to that positive outcome were the following:

- Overall revenue projections were more conservative than needed.
- Considerable increases in the amount of new construction resulting in larger property tax revenues realized during FY2020.
- Additional revenue sharing from the State of Idaho from sales tax receipts.

It continues to be important that the Board of Commissioners make a continued concentrated effort in establishing, as well as holding, to the confines of a realistic approved budget and conscientiously review actual revenues to make certain they are in line with what was budgeted. When revenues are not received as budgeted, attendant decreases in expenditures is advisable to accompany the shortfall. Without such, reserve funds or unanticipated revenues must bridge that gap. It is wise for department heads and the Board of Commissioners to monitor spending in direct relation to actual revenues received and to be certain those expenditures are operationally essential. Often lost in the consideration of fund balances at fiscal year-end 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.

We experienced unbudgeted costs related to employee absence from the workplace due to the COVID-19 pandemic that has beleaguered the world for the majority of this fiscal year. Employee absence from the workplace added personnel costs for overtime as well as for special FMLA compensation for those absent employees out for COVID-19 related issues.

Cassia County does not have a fixed salary scale with grades and steps, although the budget officer has continually recommended such. In conjunction with our Minidoka County partners, it was decided to pursue together the concept of a consistent and equitable step and grade model.

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

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

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

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

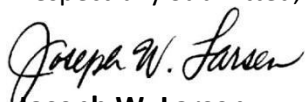
The Auditor's Office focus for FY2021 will be to formalize instructional policies and procedures for internal financial control. We also plan to conduct internal operational and funding auditing of certain functions of a few departments, verification of all contracted obligations of the county, required documentation of all expenditures relating to petty cash and credit cards, and timely response from all department heads to accomplish this. The Auditor's Office procedures will be for appropriately applying relevant accounting principles and standards, to ensure applicable tax rule compliance, and to recommend adoption of sound best practices of the Auditor's Office to accomplish such.

Cassia County has purchasing procedures enumerated by the Personnel Policy Handbook which is important to be followed for all procurements in the county. 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 requests for additional information should be directed to the Cassia County Clerk.

Respectfully Submitted,



**Joseph W. Larsen**

Cassia County Clerk/Auditor/Recorder

## ***BASIC FINANCIAL STATEMENTS***



**Cassia County, Idaho**  
Statement of Net Position  
September 30, 2020

	<u>Primary Government</u> Governmental Activities	<u>Component Unit</u> Fair Board
<b>Assets</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 16,229,941	\$ 201,516
Receivables		
Taxes	198,785	-
Intergovernmental	938,738	2,200
Interest	11,963	-
Prepaid Expenses	-	-
Total Current Assets	<u>17,379,427</u>	<u>203,716</u>
Capital Assets		
Land	1,667,051	-
Building, Net	3,062,951	-
Improvements, Net	274,831	93,005
Infrastructure, Net	10,701	-
Equipment, Net	1,612,025	-
Total Capital Assets	<u>6,627,559</u>	<u>93,005</u>
<b>Total Assets</b>	<u>24,006,986</u>	<u>296,721</u>
<b>Deferred Outflows</b>		
Pension Related Items	1,351,319	-
<b>Total Deferred Outflows</b>	<u>1,351,319</u>	<u>-</u>
<b>Liabilities</b>		
Current Liabilities		
Vouchers Payable	1,097,278	6,214
Accrued Liabilities	346,273	-
Total Current Liabilities	<u>1,443,551</u>	<u>6,214</u>
Non-Current Liabilities		
Due Within One Year:		
Compensated Absences	423,009	-
Due in More Than One Year:		
Net Pension Liability	4,813,348	-
<b>Total Liabilities</b>	<u>6,679,908</u>	<u>6,214</u>
<b>Deferred Inflows</b>		
Pension Related Items	203,132	-
<b>Total Deferred Inflows</b>	<u>203,132</u>	<u>-</u>
<b>Net Position</b>		
Invested in Capital Assets, Net of Related Debt	6,627,559	93,005
Restricted for:		
County Employee Benefits	1,382,924	-
Special Revenue Purposes	6,683,548	-
Unrestricted	3,781,234	197,502
<b>Total Net Position</b>	<u>18,475,265</u>	<u>290,507</u>

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

**Cassia County, Idaho**  
Statement of Activities  
For the Year Ended September 30, 2020

	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions		Primary Governmental Activities	Component Unit Fair Board
Expenses						
<b>Primary Government:</b>						
Governmental Activities:						
General Government	\$ 5,831,575	\$ 652,132	\$ -	\$ -	\$ (5,179,443)	
Indigent Assistance	886,133	-	-	-	(886,133)	
Highways and Roads	436,027	3,058	11,546	-	(421,423)	
Public Safety	13,356,773	4,062,969	78,973	-	(9,214,831)	
Other Public Services	1,099,482	102,988	30,000	-	(966,494)	
Culture and Recreation	153,358	52,355	24,490	-	(76,513)	
Total Primary Government	<u>\$ 21,763,348</u>	<u>\$ 4,873,502</u>	<u>\$ 145,009</u>	<u>\$ -</u>	<u>(16,744,837)</u>	
<b>Component Unit:</b>						
Fair Board	<u>\$ 495,618</u>	<u>\$ 305,372</u>	<u>\$ -</u>	<u>\$ -</u>		<u>(190,246)</u>
General Revenues:						
Property Taxes					6,548,986	-
In Lieu of Taxes					2,228,404	-
Intergovernmental					6,938,222	-
Investment Earnings (Losses)					227,145	2,502
Other Income					2,425,938	-
Disposal of Assets					(29,206)	-
Total General Revenues					<u>18,339,489</u>	<u>2,502</u>
Special Items:						
Transfer Between Primary Government and Component Unit						
					(138,432)	138,432
Total General Revenues and Special Items					<u>18,201,057</u>	<u>140,934</u>
Change in Net Position					<u>1,456,220</u>	<u>(49,312)</u>
Net Position, Beginning of Year					<u>17,019,045</u>	<u>339,819</u>
Net Position, End of Year					<u>\$ 18,475,265</u>	<u>\$ 290,507</u>

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

**Cassia County, Idaho**

Balance Sheet -  
Governmental Funds  
September 30, 2020

	General Fund	Justice Fund	DMV Trust Fund	Jail Trust Fund
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,151,985	\$ 1,239,372	\$ 377,777	\$ 858,188
Receivables				
Taxes	38,332	78,670	-	-
Intergovernmental	205,772	561,062	-	7,583
Interest	11,963	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 1,408,052</u>	<u>\$ 1,879,104</u>	<u>\$ 377,777</u>	<u>\$ 865,771</u>
<b>Liabilities</b>				
Vouchers Payable	\$ 74,789	\$ 140,775	\$ 375,601	\$ -
Accrued Liabilities	83,729	211,860	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>158,518</u>	<u>352,635</u>	<u>375,601</u>	<u>-</u>
<b>Deferred Inflows</b>				
Unearned Revenue - Property Taxes	37,158	312,160	-	-
Total Deferred Inflows	<u>37,158</u>	<u>312,160</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Assigned	-	1,214,309	2,176	-
Unassigned	1,212,376	-	-	865,771
Total Fund Balances	<u>1,212,376</u>	<u>1,214,309</u>	<u>2,176</u>	<u>865,771</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,408,052</u>	<u>\$ 1,879,104</u>	<u>\$ 377,777</u>	<u>\$ 865,771</u>

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

**Cassia County, Idaho**  
Balance Sheet -  
Governmental Funds (continued)  
September 30, 2020

	County Reserve	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash and Cash Equivalents	\$ 5,276,260	\$ 7,326,359	\$ 16,229,941
Receivables			
Taxes	-	81,783	198,785
Intergovernmental	-	164,321	938,738
Interest	-	-	11,963
Due from Other Funds	198,825	-	198,825
Total Assets	<u>\$ 5,475,085</u>	<u>\$ 7,572,463</u>	<u>\$ 17,578,252</u>
<b>Liabilities</b>			
Vouchers Payable	\$ -	506,113	\$ 1,097,278
Accrued Liabilities	-	50,684	346,273
Due to Other Funds	-	198,825	198,825
Total Liabilities	<u>-</u>	<u>755,622</u>	<u>1,642,376</u>
<b>Deferred Inflows</b>			
Unearned Revenue - Property Taxes	-	143,925	493,243
Total Deferred Inflows	<u>-</u>	<u>143,925</u>	<u>493,243</u>
<b>Fund Balances</b>			
Assigned	-	6,849,987	8,066,472
Unassigned	5,475,085	(177,071)	7,376,161
Total Fund Balances	<u>5,475,085</u>	<u>6,672,916</u>	<u>15,442,633</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 5,475,085</u>	<u>\$ 7,572,463</u>	<u>\$ 17,578,252</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, 2020

Total Fund Balances - Governmental Funds	\$ 15,442,633
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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 \$9,534,776 Accum. Depreciation	10,701	
Buildings, Net of \$2,575,537 Accum. Depreciation	3,062,951	
Improvements, Net of \$141,960 Accum. Depreciation	274,831	
Equipment, Net of \$3,665,430 Accum. Depreciation	<u>1,612,025</u>	
		6,627,559

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.	493,243
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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	<u>\$ (423,009)</u>	(423,009)
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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	\$ (4,813,348)	
Pension Related Deferred Inflows	(203,132)	
Pension Related Deferred Outflows	<u>1,351,319</u>	
		<u>(3,665,161)</u>

Net Position of Governmental Activities	<u><u>\$ 18,475,265</u></u>
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The accompanying notes are an integral  
part of the financial statements.

**Cassia County, Idaho**  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances -  
Governmental Funds  
For the Year Ended September 30, 2020

	General Fund	Justice Fund	DMV Trust Fund	Jail Trust Fund
<b>Revenues</b>				
Property Taxes	\$ 1,673,196	\$ 2,854,791	\$ -	\$ -
Intergovernmental	1,008,788	971,036	-	3,353,859
Payment in Lieu of Taxes	-	-	-	-
Grants	-	67,608	-	9,315
Charges for Services	1,415,754	1,930,660	420	4,730
Investment Earnings (Losses)	182,096	14,641	-	-
Other Income	179,766	228,518	-	114,319
Total Revenues	<u>4,459,600</u>	<u>6,067,254</u>	<u>420</u>	<u>3,482,223</u>
<b>Expenditures</b>				
Current:				
General Government	4,364,774	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	10,361,375	-	-
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Total Expenditures	<u>4,364,774</u>	<u>10,361,375</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>94,826</u>	<u>(4,294,121)</u>	<u>420</u>	<u>3,482,223</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	1,054	-	-	-
Transfers In	100,000	4,448,512	-	-
Transfers Out	-	-	-	(3,348,514)
Total Other Financing Sources (Uses)	<u>101,054</u>	<u>4,448,512</u>	<u>-</u>	<u>(3,348,514)</u>
Net Change in Fund Balances	<u>195,880</u>	<u>154,391</u>	<u>420</u>	<u>133,709</u>
Fund Balance - Beginning	<u>1,016,496</u>	<u>1,059,918</u>	<u>1,756</u>	<u>732,062</u>
Fund Balances - Ending	<u>\$ 1,212,376</u>	<u>\$ 1,214,309</u>	<u>\$ 2,176</u>	<u>\$ 865,771</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, 2020

	County Reserve	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property Taxes	\$ -	\$ 2,031,472	\$ 6,559,459
Intergovernmental	-	1,604,539	6,938,222
Payment in Lieu of Taxes	2,228,404	-	2,228,404
Grants	-	68,086	145,009
Charges for Services	-	1,521,938	4,873,502
Investment Earnings (Losses)	2,780	27,628	227,145
Other Income	53,852	1,542,102	2,118,557
Total Revenues	<u>2,285,036</u>	<u>6,795,765</u>	<u>23,090,298</u>
<b>Expenditures</b>			
Current:			
General Government	-	725,602	5,090,376
Indigent Assistance	-	888,735	888,735
Highways and Roads	-	401,988	401,988
Public Safety	-	2,436,999	12,798,374
Other Public Services	-	1,091,926	1,091,926
Culture and Recreation	-	136,733	136,733
Total Expenditures	<u>-</u>	<u>5,681,983</u>	<u>20,408,132</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>2,285,036</u>	<u>1,113,782</u>	<u>2,682,166</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Assets	-	23	1,077
Transfers In	-	308,022	4,856,534
Transfers Out	(1,508,022)	(138,432)	(4,994,968)
Total Other Financing Sources (Uses)	<u>(1,508,022)</u>	<u>169,613</u>	<u>(137,357)</u>
Net Change in Fund Balances	<u>777,014</u>	<u>1,283,395</u>	<u>2,544,809</u>
Fund Balance - Beginning	<u>4,698,071</u>	<u>5,389,521</u>	<u>12,897,824</u>
Fund Balances - Ending	<u>\$ 5,475,085</u>	<u>\$ 6,672,916</u>	<u>\$ 15,442,633</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, 2020

Total Net Change in Fund Balance - Governmental Funds \$ 2,544,809

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	\$ 287,774	
Depreciation Expense	(684,070)	
Disposed Assets	<u>(30,283)</u>	
Net		(426,579)

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. (10,473)

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. (26,113)

Because some grant funds 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 revenues. They are, however, recorded as revenues in the Statement of Activities. 300,383

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. 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. (925,807)

Change in Net Position of Governmental Activities \$ 1,456,220

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, 2020

	Custodial Funds	Private -Purpose Trust Funds	Total Fiduciary Funds
<b>Assets</b>			
Cash and Investments	\$ 479,196	\$ 94,273	\$ 573,469
Property Taxes Receivable	352,450	-	352,450
Total Assets	<u>831,646</u>	<u>94,273</u>	<u>925,919</u>
<b>Liabilities</b>			
Vouchers Payable	405,108	-	405,108
Total Liabilities	<u>405,108</u>	<u>-</u>	<u>405,108</u>
<b>Net Position</b>			
Restricted for:			
Individuals, Organizations, and other Governments	426,538	94,273	520,811
Total Net Position	<u>\$ 426,538</u>	<u>\$ 94,273</u>	<u>\$ 520,811</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, 2020

	Custodial Funds	Private -Purpose Trust Funds	Total Fiduciary Funds
<b>Additions:</b>			
Fees collected for other governments	\$ 4,884,591	\$ -	\$ 4,884,591
Property taxes collected for other governments	23,809,590	-	23,809,590
Contributions	-	1,489	1,489
Total Additions	28,694,181	1,489	28,695,670
<b>Deductions</b>			
Fees distributed to other governments	5,099,398	-	5,099,398
Taxes distributed to other governments	23,823,365	-	23,823,365
Total Deductions	28,922,763	-	28,922,763
Change in Net Position	(228,582)	1,489	(227,093)
Net Position - Beginning	-	92,784	92,784
Net Position - Ending	\$ (228,582)	\$ 94,273	\$ (134,309)

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

**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

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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, 2020

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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 the building, maintaining, and operating of capital improvements on the Department of Motor Vehicles collection facilities.
- *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, 2020

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, 2020

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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, 2020

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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, 2020

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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, 2020.

Warrants and Accounts Payable

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

Compensated Absences

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

Pensions

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

Use of Estimates

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



**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

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2. CASH AND INVESTMENTS

Deposits

As of September 30, 2020, the carrying amount of the County's deposits was \$3,525,424 and the respective bank balances totaled \$3,128,678 . 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, 2020, all of the County's deposits were covered by the federal depository insurance or by collateral held by the County's agent or pledging financial institution's trust department or agent in the name of the County, and thus were not exposed to custodial credit risk. The County does not have a formal policy limiting its exposure to custodial credit risk. The County also had \$1,000 of cash on hand at the end of the year.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The U.S. government bonds, the asset back securities, and all of the certificates of deposit are held by Multi-Bank Securities, Inc. totaling \$3,632,214. 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, 2020

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, 2020, are summarized below:

Investment Type	Rating	Fair Value	Investment Maturities (in Years)		
			Less than 1	1 - 5	>5
LGIP	None	\$ 7,589,869	\$ 7,589,869	\$ -	\$ -
Money Market	None	1,549,086	1,549,086		
Certificates of Deposit	N/A	1,436,567	205,816	979,504	251,247
U.S. Treasuries	AAA	202,500	-	202,500	-
U.S. Government Bonds	AAA	2,498,963	-	549,963	1,949,000
		<u>\$ 13,276,985</u>	<u>\$ 9,344,771</u>	<u>\$ 1,731,967</u>	<u>\$ 2,200,247</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	\$ 2,952,956	\$ 201,516	\$ 3,154,472	\$ 573,469
Investments categorized as deposits	13,276,985	-	13,276,985	-
	<u>\$ 16,229,941</u>	<u>\$ 201,516</u>	<u>\$ 16,431,457</u>	<u>\$ 573,469</u>

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

	Book Balance
Tax Collector	\$ 213,072
Sheriff Evidence	\$ 34,404

3. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments consists of State Sales Tax due of \$876,944 , and other governments of \$61,794 .

**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2020, was as follows:

	Balance 9/30/19	Adjustments	Additions	Disposals	Balance 9/30/20
<u>Governmental Activities:</u>					
Capital Assets Not Being Depreciated:					
Land	\$ 1,667,051	\$ -	\$ -	\$ -	\$ 1,667,051
Capital Assets Being Depreciated:					
Buildings	5,638,488	-	-	-	5,638,488
Improvements Other Than Building:	416,791	-	-	-	416,791
Infrastructure	9,545,477	-	-	-	9,545,477
Equipment	5,094,046	25,509	287,774	129,874	5,277,455
Total Historical Cost	<u>20,694,802</u>	<u>25,509</u>	<u>287,774</u>	<u>129,874</u>	<u>20,878,211</u>
Less: Accumulated Depreciation					
Buildings	2,466,733	-	108,804	-	2,575,537
Improvements Other Than Building:	122,673	-	19,287	-	141,960
Infrastructure	9,534,776	-	-	-	9,534,776
Equipment	3,183,533	25,509	555,979	99,591	3,665,430
Total Acc. Depr.	<u>15,307,715</u>	<u>25,509</u>	<u>684,070</u>	<u>99,591</u>	<u>15,917,703</u>
Net Depreciable Assets	<u>5,387,087</u>	<u>-</u>	<u>(396,296)</u>	<u>30,283</u>	<u>4,960,508</u>
Governmental Activities					
Capital Assets - Net	<u>\$ 7,054,138</u>	<u>\$ -</u>	<u>\$ (396,296)</u>	<u>\$ 30,283</u>	<u>\$ 6,627,559</u>

Component Unit

Capital Assets Being Depreciated:

Improvements	\$ 98,895	\$ -	\$ -	\$ -	\$ 98,895
Equipment	<u>125,470</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>129,470</u>
Total Historical Cost	<u>224,365</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>228,365</u>

Less: Accumulated Depreciation

Equipment	<u>125,470</u>	<u>-</u>	<u>9,890</u>	<u>-</u>	<u>135,360</u>
Total Acc. Depr.	<u>125,470</u>	<u>-</u>	<u>9,890</u>	<u>-</u>	<u>135,360</u>
Net Depreciable Assets	<u>\$ 98,895</u>	<u>\$ -</u>	<u>\$ (5,890)</u>	<u>\$ -</u>	<u>\$ 93,005</u>

**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

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4. CAPITAL ASSETS (continued)

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

Governmental Activities:	
General Government	\$ 92,935
Highways and Streets	26,260
Culture and Recreation	15,148
Public Safety	<u>549,727</u>
	<u>\$ 684,070</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](http://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, 2020

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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 72% for police and firefighters. As of June 30, 2020, it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% general employees and 11.28% for police and firefighters. Cassia County's contributions were \$887,208 for the year ended September 30, 2020.

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

At September 30, 2020, Cassia County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, 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, 2020, Cassia County's proportion was 0.2072814 percent.

For the year ended September 30, 2020, Cassia County recognized pension expense (revenue) of \$1,813,015. At September 30, 2020, Cassia County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

5. PENSION PLAN (continued)

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 376,070	\$ 157,167
Changes in assumptions or other inputs	81,403	-
Net difference between projected and actual earnings on pension plan investments	551,702	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	137,327	45,965
Owhyee County's contributions subsequent to the measurement date	204,817	-
<b>Total</b>	<b>\$ 1,351,319</b>	<b>\$ 203,132</b>

\$204,817 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, 2020.

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, 2019, the beginning of the measurement period ended June 30, 2019, is 4.8 and 4.8 for the measurement period June 30, 2020.

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:

<b>For the Year Ended September 30:</b>	<b>PERSI</b>
2021	\$ 246,276
2022	224,024
2023	293,395
2024	384,492

**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

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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 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2020 is based on the results of an actuarial valuation date of July 1, 2020.

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.

**Cassia County, Idaho**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2020**

5. PENSION PLAN (continued)

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2020.

Asset Class		Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	Barclays Aggregate	30.00%	2.80%	0.50%
Broad US Equities	Wilshire 5000/Russell 3000	55.00%	8.55%	6.30%
Developed Foreign Equities	MSCI EAFE/World ex US	15.00%	8.70%	6.45%
Assumed Inflation - Mean			2.25%	2.25%
Assumed Inflation - Standard Deviation			1.50%	1.50%
Portfolio Arithmetic Mean Return			6.85%	4.60%
Portfolio Standard Deviation			12.33%	12.33%
Portfolio Long-Term (Geometric) Expected Rate of Return			6.25%	3.89%
Assumed Investment Expenses			0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses			5.85%	3.49%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.



**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

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

	<b>1% Decrease (6.05%)</b>	<b>Current Discount Rate (7.05%)</b>	<b>1% Increase (8.05%)</b>
Employer's proportionate share of the net pension liability (asset)	\$ 9,870,858	\$ 4,813,348	\$ 631,611

*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](http://www.persi.idaho.gov).

6. COMPENSATED ABSENCES

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

	<u>9/30/19</u>	<u>Increase</u>	<u>Decrease</u>	<u>9/30/20</u>	<u>Current</u>
Governmental Activities	<u>\$ 396,896</u>	<u>\$ 464,765</u>	<u>\$ 438,652</u>	<u>\$ 423,009</u>	<u>\$ 423,009</u>

7. OTHER COMMITMENTS

The County currently holds several credit cards with a combined credit limit of \$150,000. As of September 30, 2020, \$48,765 of the available credit was in use.

**Cassia County, Idaho**  
Notes to Financial Statements  
For the Year Ended September 30, 2020

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8. 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.

9. TRANSFERS

Transfers between funds were as follows:

\$ 100,000	From the County Reserve to the General Fund to cover operating expenses
1,100,000	From the County Reserve to the Justice Fund to cover operating expenses
308,022	From the County Reserve to other nonmajor funds to cover operating expenses
3,348,512	From the Jail Trust fund to Justice Fund to cover operating expenses
<u>\$ 4,856,534</u>	

10. DUE TO/FROM OTHER FUNDS

During the 2017 fiscal year, the Fair Exhibit Fund borrowed \$245,519 from the County Reserve Fund in order to purchase bleachers for the fair grounds. The amount is to be repaid within ten years and bears interest at 1.25%. The outstanding balance at year end was \$198,825.

11. TAX ABATEMENTS

The County entered into a property tax abatement agreement with a local business 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, 2020, the County abated taxes totaling \$59,400 for the County and \$204,289 for other taxing districts for a total of \$263,689.

12. DEFICIT FUND BALANCE

The Fair Exhibit Fund has a deficit fund balance at September 30, 2020 of \$177,071.

***REQUIRED SUPPLEMENTARY INFORMATION***

**Cassia County, Idaho**  
 Budgetary (GAAP Basis) Comparison Schedule  
 General Fund  
 For the Year Ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
<b>Revenues</b>				
Property Taxes	\$ 1,625,038	\$ 1,625,038	\$ 1,673,196	\$ 48,158
Intergovernmental	767,844	767,844	1,008,788	240,944
Grants	100,000	100,000	-	(100,000)
Charges for Services	1,475,887	1,475,887	1,415,754	(60,133)
Investment Earnings (Losses)	200,000	200,000	182,096	(17,904)
Other Income	37,770	87,570	179,766	92,196
Total Revenues	<u>4,206,539</u>	<u>4,256,339</u>	<u>4,459,600</u>	<u>203,261</u>
<b>Expenditures</b>				
General Government:				
Commissioners	250,023	250,023	229,271	20,752
Auditor	351,590	351,590	290,188	61,402
Treasurer	218,461	218,461	212,239	6,222
Assessor	474,889	474,889	452,341	22,548
Public Defender	914,937	914,937	955,580	(40,643)
Ag. Extension	228,886	228,886	221,880	7,006
Buildings	423,428	423,428	320,239	103,189
Planning and Zoning	429,034	429,034	403,318	25,716
General Government	592,930	592,930	570,331	22,599
Civil Defense	47,459	47,459	47,079	380
Elections	124,757	174,557	180,218	(5,661)
Information Technology	236,027	236,027	175,333	60,694
Veterans Officer	18,980	18,980	18,983	(3)
Capital Outlay	-	-	287,774	(287,774)
Total Expenditures	<u>4,311,401</u>	<u>4,361,201</u>	<u>4,364,774</u>	<u>(3,573)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(104,862)</u>	<u>(104,862)</u>	<u>94,826</u>	<u>199,688</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	1,054	1,054
Transfers In	-	-	100,000	100,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>101,054</u>	<u>101,054</u>
Net Change in Fund Balances	<u>(104,862)</u>	<u>(104,862)</u>	<u>195,880</u>	<u>300,742</u>
Fund Balances - Beginning	<u>104,862</u>	<u>104,862</u>	<u>1,016,496</u>	<u>911,634</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,212,376</u>	<u>\$ 1,212,376</u>

**Cassia County, Idaho**  
 Budgetary (GAAP Basis) Comparison Schedule  
 Justice Fund  
 For the Year Ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
<b>Revenues</b>				
Property Taxes	\$ 2,754,200	\$ 2,754,200	\$ 2,854,791	\$ 100,591
Intergovernmental	205,029	205,029	971,036	766,007
Grants	9,350	9,350	67,608	58,258
Charges for Services	1,905,165	1,905,165	1,930,660	25,495
Investment Earnings (Losses)	-	-	14,641	14,641
Other Income	131,500	131,500	228,518	97,018
Total Revenues	<u>5,005,244</u>	<u>5,005,244</u>	<u>6,067,254</u>	<u>1,062,010</u>
<b>Expenditures</b>				
Public Safety:				
Discretionary Compensation	16,255	16,255	55	16,200
District Court Salaries	552,911	552,911	502,461	50,450
Juvenile Probation	198,794	198,794	198,794	-
Prosecuting Attorney	696,207	696,207	625,227	70,980
Coroner	72,172	72,172	53,972	18,200
Sheriff - County Law Enforcement	2,536,758	2,536,758	2,358,452	178,306
Criminal Justice Center	3,473,790	3,473,790	4,568,292	(1,094,502)
Juvenile Detention Center	405,966	405,966	405,966	-
Sheriff - City Law Enforcement	1,801,112	1,801,112	1,648,156	152,956
Total Expenditures	<u>9,753,965</u>	<u>9,753,965</u>	<u>10,361,375</u>	<u>(607,410)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(4,748,721)</u>	<u>(4,748,721)</u>	<u>(4,294,121)</u>	<u>454,600</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	<u>3,473,790</u>	<u>3,473,790</u>	<u>4,448,512</u>	<u>974,722</u>
Total Other Financing Sources (Uses)	<u>3,473,790</u>	<u>3,473,790</u>	<u>4,448,512</u>	<u>974,722</u>
Net Change in Fund Balances	<u>(1,274,931)</u>	<u>(1,274,931)</u>	<u>154,391</u>	<u>1,429,322</u>
Fund Balances - Beginning	<u>1,274,931</u>	<u>1,274,931</u>	<u>1,059,918</u>	<u>(215,013)</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,214,309</u>	<u>\$ 1,214,309</u>

**Cassia County, Idaho**  
 Budgetary (GAAP Basis) Comparison Schedule  
 DMV Trust  
 For the Year Ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
<b>Revenues</b>				
Charges for Services	\$ -	\$ -	\$ 420	\$ 420
Total Revenues	-	-	420	420
<b>Expenditures</b>				
Public Safety:				
Total Expenditures	-	-	-	-
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	420	420
<b>Other Financing Sources (Uses)</b>				
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	420	420
Fund Balances - Beginning	-	-	1,756	1,756
Fund Balances - Ending	\$ -	\$ -	\$ 2,176	\$ 2,176

**Cassia County, Idaho**  
 Budgetary (GAAP Basis) Comparison Schedule  
 Jail Trust  
 For the Year Ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 3,353,859	\$ 3,353,859
Grants	-	-	9,315	9,315
Charges for Services	-	-	4,730	4,730
Other Income	-	-	114,319	114,319
Total Revenues	-	-	3,482,223	3,482,223
<b>Expenditures</b>				
Public Safety:				
Total Expenditures	-	-	-	-
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	3,482,223	3,482,223
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	-	(3,348,514)	(3,348,514)
Total Other Financing Sources (Uses)	-	-	(3,348,514)	(3,348,514)
Net Change in Fund Balances	-	-	133,709	133,709
Fund Balances - Beginning	-	-	732,062	732,062
Fund Balances - Ending	\$ -	\$ -	\$ 865,771	\$ 865,771

**Cassia County, Idaho**  
 Budgetary (GAAP Basis) Comparison Schedule  
 County Reserve  
 For the Year Ended September 30, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance
<b>Revenues</b>				
Payment in Lieu of Taxes	\$ -	\$ -	\$ 2,228,404	\$ 2,228,404
Investment Earnings (Losses)	-	-	2,780	2,780
Other Income	-	-	53,852	53,852
Total Revenues	-	-	2,285,036	2,285,036
<b>Expenditures</b>				
General Government:				
Total Expenditures	-	-	-	-
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	2,285,036	2,285,036
<b>Other Financing Sources (Uses)</b>				
Transfers Out	-	-	(1,508,022)	(1,508,022)
Total Other Financing Sources (Uses)	-	-	(1,508,022)	(1,508,022)
Net Change in Fund Balances	-	-	777,014	777,014
Fund Balances - Beginning	-	-	4,698,071	4,698,071
Fund Balances - Ending	\$ -	\$ -	\$ 5,475,085	\$ 5,475,085



**Cassia County, Idaho**  
Notes to Required Supplementary Information  
For the Year Ended September 30, 2020

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1. BUDGETS AND BUDGETARY ACCOUNTING

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

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

2. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The General Fund reports expenditures in excess of appropriations in the amount of \$284,467. The Justice Fund reports expenditures in excess of appropriations in the amount of \$417,591. The excess expenditures were funded with unanticipated revenues and with fund balance carryover. A budget was not adopted for the Jail Trust fund causing the full amount of expenditures to be in excess of appropriations.

**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
2020	0.2072814%	\$ 4,813,340	\$ 7,344,471	65.54%	93.79%
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, 2020

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
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, 2020

\* 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, 2020

	County Roads	Emergency Medical Services	Ambulance Services	District Court
<b>Assets</b>				
Cash and Cash Equivalents	\$ 188,601	\$ 34,731	\$ 151,511	\$ 695,236
Receivables				
Taxes	12,886	-	5,363	1,757
Intergovernmental	-	-	13,159	4,401
Total Assets	<u>\$ 201,487</u>	<u>\$ 34,731</u>	<u>\$ 170,033</u>	<u>\$ 701,394</u>
<b>Liabilities</b>				
Vouchers Payable	\$ 41,902	\$ -	\$ 18,517	\$ 7,162
Accrued Liabilities	5,665	-	-	10,528
Due to Other Funds	-	-	-	-
Total Liabilities	<u>47,567</u>	<u>-</u>	<u>18,517</u>	<u>17,690</u>
<b>Deferred Inflows</b>				
Unearned Revenue - Property Taxes	12,309	-	5,218	4,625
Total Deferred Inflows	<u>12,309</u>	<u>-</u>	<u>5,218</u>	<u>4,625</u>
<b>Fund Balances</b>				
Assigned	141,611	34,731	146,298	679,079
Unassigned	-	-	-	-
Total Fund Balances	<u>141,611</u>	<u>34,731</u>	<u>146,298</u>	<u>679,079</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 201,487</u>	<u>\$ 34,731</u>	<u>\$ 170,033</u>	<u>\$ 701,394</u>

**Cassia County, Idaho**  
Combining Balance Sheet -  
Nonmajor Special Revenue Funds  
September 30, 2020  
(continued)

	K-9 Expenses	Public Defender	Misdemeanor Probation	911 Communication
<b>Assets</b>				
Cash and Cash Equivalents	\$ 168	\$ -	\$ 93,043	\$ 814,438
Receivables				
Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Total Assets	<u>\$ 168</u>	<u>\$ -</u>	<u>\$ 93,043</u>	<u>\$ 814,438</u>
<b>Liabilities</b>				
Vouchers Payable	\$ -	\$ -	\$ 37,287	\$ 16,651
Accrued Liabilities	-	-	16,719	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>54,006</u>	<u>16,651</u>
<b>Deferred Inflows</b>				
Unearned Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Assigned	168	-	39,037	797,787
Unassigned	-	-	-	-
Total Fund Balances	<u>168</u>	<u>-</u>	<u>39,037</u>	<u>797,787</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 168</u>	<u>\$ -</u>	<u>\$ 93,043</u>	<u>\$ 814,438</u>

**Cassia County, Idaho**  
Combining Balance Sheet -  
Nonmajor Special Revenue Funds  
September 30, 2018  
(continued)

	Election Consolidation	Social Services	Community College	Fair Exhibit
<b>Assets</b>				
Cash and Cash Equivalents	\$ 231,194	\$ 775,854	\$ 668,398	\$ 11,172
Receivables				
Taxes	-	14,947	1,702	4,273
Intergovernmental	48,724	21,806	10,527	12,031
Total Assets	<u>\$ 279,918</u>	<u>\$ 812,607</u>	<u>\$ 680,627</u>	<u>\$ 27,476</u>
<b>Liabilities</b>				
Vouchers Payable	\$ 132,267	\$ 21,204	\$ -	\$ -
Accrued Liabilities	60	-	-	1,556
Due to Other Funds	-	-	-	198,825
Total Liabilities	<u>132,327</u>	<u>21,204</u>	<u>-</u>	<u>200,381</u>
<b>Deferred Inflows</b>				
Unearned Revenue - Property Taxes	48,724	14,487	1,673	4,166
Total Deferred Inflows	<u>48,724</u>	<u>14,487</u>	<u>1,673</u>	<u>4,166</u>
<b>Fund Balances</b>				
Assigned	98,867	776,916	678,954	-
Unassigned	-	-	-	(177,071)
Total Fund Balances	<u>98,867</u>	<u>776,916</u>	<u>678,954</u>	<u>(177,071)</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 279,918</u>	<u>\$ 812,607</u>	<u>\$ 680,627</u>	<u>\$ 27,476</u>

**Cassia County, Idaho**  
Combining Balance Sheet -  
Nonmajor Special Revenue Funds  
September 30, 2018  
(continued)

	Historical Society	Revaluation	Solid Waste	Waterways
<b>Assets</b>				
Cash and Cash Equivalents	\$ 26,593	\$ 358,999	\$ 661,691	\$ 69,330
Receivables				
Taxes	771	7,328	30,039	-
Intergovernmental	1,128	15,038	-	-
Total Assets	<u>\$ 28,492</u>	<u>\$ 381,365</u>	<u>\$ 691,730</u>	<u>\$ 69,330</u>
<b>Liabilities</b>				
Vouchers Payable	\$ -	\$ 1,093	\$ -	\$ 8,627
Accrued Liabilities	-	8,905	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>9,998</u>	<u>-</u>	<u>8,627</u>
<b>Deferred Inflows</b>				
Unearned Revenue - Property Taxes	749	7,126	29,103	-
Total Deferred Inflows	<u>749</u>	<u>7,126</u>	<u>29,103</u>	<u>-</u>
<b>Fund Balances</b>				
Assigned	27,743	364,241	662,627	60,703
Unassigned	-	-	-	-
Total Fund Balances	<u>27,743</u>	<u>364,241</u>	<u>662,627</u>	<u>60,703</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 28,492</u>	<u>\$ 381,365</u>	<u>\$ 691,730</u>	<u>\$ 69,330</u>

**Cassia County, Idaho**  
Combining Balance Sheet -  
Nonmajor Special Revenue Funds  
September 30, 2018  
(continued)

	Warrant Redemption	Weed & Pest	Snowmobile Licenses	Physical Facilities
<b>Assets</b>				
Cash and Cash Equivalents	\$ 2,737	\$ 530,728	\$ 114,482	\$ 100,727
Receivables				
Taxes	-	2,717	-	-
Intergovernmental	-	24,437	-	13,070
<b>Total Assets</b>	<u>\$ 2,737</u>	<u>\$ 557,882</u>	<u>\$ 114,482</u>	<u>\$ 113,797</u>
<b>Liabilities</b>				
Vouchers Payable	\$ -	\$ 25,573	\$ 6,373	\$ 14,400
Accrued Liabilities	-	7,251	-	-
Due to Other Funds	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>32,824</u>	<u>6,373</u>	<u>14,400</u>
<b>Deferred Inflows</b>				
Unearned Revenue - Property Taxes	-	2,675	-	13,070
<b>Total Deferred Inflows</b>	<u>-</u>	<u>2,675</u>	<u>-</u>	<u>13,070</u>
<b>Fund Balances</b>				
Assigned	2,737	522,383	108,109	86,327
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<u>2,737</u>	<u>522,383</u>	<u>108,109</u>	<u>86,327</u>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<u>\$ 2,737</u>	<u>\$ 557,882</u>	<u>\$ 114,482</u>	<u>\$ 113,797</u>



**Cassia County, Idaho**  
Combining Balance Sheet -  
Nonmajor Special Revenue Funds  
September 30, 2018  
(continued)

	DARE Trust	Invasive Species	Cassia County Benefits	Public Funds Defender Trust
<b>Assets</b>				
Cash and Cash Equivalents	\$ 675	\$ 6,959	\$ 1,557,981	\$ 142,116
Receivables				
Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Total Assets	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 1,557,981</u>	<u>\$ 142,116</u>
<b>Liabilities</b>				
Vouchers Payable	\$ -	\$ -	\$ 175,057	\$ -
Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>175,057</u>	<u>-</u>
<b>Deferred Inflows</b>				
Unearned Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Assigned	675	6,959	1,382,924	142,116
Unassigned	-	-	-	-
Total Fund Balances	<u>675</u>	<u>6,959</u>	<u>1,382,924</u>	<u>142,116</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 675</u>	<u>\$ 6,959</u>	<u>\$ 1,557,981</u>	<u>\$ 142,116</u>

**Cassia County, Idaho**  
Combining Balance Sheet -  
Nonmajor Special Revenue Funds  
September 30, 2018  
(continued)

	Narcotics Seized Assets Trust	Widow's Benefit Trust	Total Nonmajor Special Revenue Funds
<b>Assets</b>			
Cash and Cash Equivalents	\$ 71,461	\$ 17,534	\$ 7,326,359
Receivables			-
Taxes	-	-	81,783
Intergovernmental	-	-	164,321
Total Assets	<u>\$ 71,461</u>	<u>\$ 17,534</u>	<u>\$ 7,572,463</u>
<b>Liabilities</b>			
Vouchers Payable	\$ -	\$ -	\$ 506,113
Accrued Liabilities	-	-	50,684
Due to Other Funds	-	-	198,825
Total Liabilities	<u>-</u>	<u>-</u>	<u>755,622</u>
<b>Deferred Inflows</b>			
Unearned Revenue - Property Taxes	-	-	143,925
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>143,925</u>
<b>Fund Balances</b>			
Assigned	71,461	17,534	6,849,987
Unassigned	-	-	(177,071)
Total Fund Balances	<u>71,461</u>	<u>17,534</u>	<u>6,672,916</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 71,461</u>	<u>\$ 17,534</u>	<u>\$ 7,572,463</u>

**Cassia County, Idaho**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020

	County Roads	Emergency Medical Services	Ambulance Services	District Court
<b>Revenues</b>				
Property Taxes	\$ 50,666	\$ -	\$ 182,250	\$ 7,533
Intergovernmental	237,550	-	27,484	732
Grants	11,546	-	-	-
Charges for Services	3,058	8,316	-	298,235
Investment Earnings (Losses)	1,629	-	1,168	447
Other Income	14,503	-	7,362	19,450
Total Revenues	<u>318,952</u>	<u>8,316</u>	<u>218,264</u>	<u>326,397</u>
<b>Expenditures</b>				
Current:				
General Government	-	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	401,988	-	-	-
Public Safety	-	8,000	229,723	304,998
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Total Expenditures	<u>401,988</u>	<u>8,000</u>	<u>229,723</u>	<u>304,998</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(83,036)</u>	<u>316</u>	<u>(11,459)</u>	<u>21,399</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	23	-	-	-
Transfers In	75,000	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>75,023</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(8,013)</u>	<u>316</u>	<u>(11,459)</u>	<u>21,399</u>
Fund Balance - Beginning	149,624	34,415	157,757	657,680
Fund Balances - Ending	<u>\$ 141,611</u>	<u>\$ 34,731</u>	<u>\$ 146,298</u>	<u>\$ 679,079</u>

**Cassia County, Idaho**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020  
(continued)

	K-9 Expenses	Public Defender	Misdemeanor Probation	911 Communication
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Grants	2,050	-	-	-
Charges for Services	-	-	780,341	230,346
Investment Earnings (Losses)	-	-	-	5,915
Other Income	-	-	92,888	22,905
Total Revenues	2,050	-	873,229	259,166
<b>Expenditures</b>				
Current:				
General Government	-	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	3,762	-	826,731	209,548
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Total Expenditures	3,762	-	826,731	209,548
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(1,712)	-	46,498	49,618
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(1,712)	-	46,498	49,618
Fund Balance - Beginning	1,880	-	(7,461)	748,169
Fund Balances - Ending	\$ 168	\$ -	\$ 39,037	\$ 797,787

**Cassia County, Idaho**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020  
(continued)

	Election Consolidation	Social Services	Community College	Fair Exhibit
<b>Revenues</b>				
Property Taxes	\$ -	\$ 662,969	\$ 7,951	\$ 126,295
Intergovernmental	85,505	173,426	128,874	18,766
Grants	-	-	-	-
Charges for Services	-	-	450	-
Investment Earnings (Losses)	-	2,131	634	922
Other Income	-	210,493	210	5,064
Total Revenues	<u>85,505</u>	<u>1,049,019</u>	<u>138,119</u>	<u>151,047</u>
<b>Expenditures</b>				
Current:				
General Government	210,891	16,534	-	-
Indigent Assistance	-	888,735	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	-
Other Public Services	-	-	179,050	-
Culture and Recreation	-	-	-	58,795
Total Expenditures	<u>210,891</u>	<u>905,269</u>	<u>179,050</u>	<u>58,795</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(125,386)</u>	<u>143,750</u>	<u>(40,931)</u>	<u>92,252</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	40,000	-	-	26,272
Transfers Out	-	-	-	(138,432)
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>(112,160)</u>
Net Change in Fund Balances	<u>(85,386)</u>	<u>143,750</u>	<u>(40,931)</u>	<u>(19,908)</u>
Fund Balance - Beginning	<u>184,253</u>	<u>633,166</u>	<u>719,885</u>	<u>(157,163)</u>
Fund Balances - Ending	<u>\$ 98,867</u>	<u>\$ 776,916</u>	<u>\$ 678,954</u>	<u>\$ (177,071)</u>

**Cassia County, Idaho**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020  
(continued)

	Historical Society	Revaluation	Solid Waste	Waterways
<b>Revenues</b>				
Property Taxes	\$ 25,962	\$ 259,563	\$ 703,061	\$ -
Intergovernmental	3,962	39,439	-	-
Grants	-	-	-	24,490
Charges for Services	-	-	98,325	26,776
Investment Earnings (Losses)	125	1,331	5,342	-
Other Income	1,052	10,517	-	-
Total Revenues	<u>31,101</u>	<u>310,850</u>	<u>806,728</u>	<u>51,266</u>
<b>Expenditures</b>				
Current:				
General Government	-	302,434	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	56,291
Other Public Services	-	-	656,083	-
Culture and Recreation	41,924	-	-	-
Total Expenditures	<u>41,924</u>	<u>302,434</u>	<u>656,083</u>	<u>56,291</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(10,823)</u>	<u>8,416</u>	<u>150,645</u>	<u>(5,025)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	1,750	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,750</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(9,073)</u>	<u>8,416</u>	<u>150,645</u>	<u>(5,025)</u>
Fund Balance - Beginning	36,816	355,825	511,982	65,728
Fund Balances - Ending	<u>\$ 27,743</u>	<u>\$ 364,241</u>	<u>\$ 662,627</u>	<u>\$ 60,703</u>

**Cassia County, Idaho**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020  
(continued)

	Warrant Redemption	Weed & Pest	Snowmobile Licenses	Physical Facilities
<b>Revenues</b>				
Property Taxes	\$ -	\$ 5,222	\$ -	\$ -
Intergovernmental	-	(1,136)	-	-
Grants	-	30,000	-	-
Charges for Services	-	4,663	25,129	34,324
Investment Earnings (Losses)	-	1,217	-	-
Other Income	-	37,019	14	24,061
Total Revenues	-	76,985	25,143	58,385
<b>Expenditures</b>				
Current:				
General Government	-	-	-	195,743
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	-
Other Public Services	-	256,793	-	-
Culture and Recreation	-	-	36,014	-
Total Expenditures	-	256,793	36,014	195,743
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	(179,808)	(10,871)	(137,358)
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	165,000
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	165,000
Net Change in Fund Balances	-	(179,808)	(10,871)	27,642
Fund Balance - Beginning	2,737	702,191	118,980	58,685
Fund Balances - Ending	\$ 2,737	\$ 522,383	\$ 108,109	\$ 86,327

**Cassia County, Idaho**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020  
(continued)

	DARE Trust	Invasive Species	Cassia County Benefits	Public Funds Defender Trust
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	889,937
Grants	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings (Losses)	-	-	6,486	-
Other Income	-	-	1,118,466	589
Total Revenues	-	-	1,124,952	890,526
<b>Expenditures</b>				
Current:				
General Government	-	-	-	-
Indigent Assistance	-	-	-	-
Highways and Roads	-	-	-	-
Public Safety	-	-	-	797,946
Other Public Services	-	-	-	-
Culture and Recreation	-	-	-	-
Total Expenditures	-	-	-	797,946
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	1,124,952	92,580
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	1,124,952	92,580
Fund Balance - Beginning	675	6,959	257,972	49,536
Fund Balances - Ending	\$ 675	\$ 6,959	\$ 1,382,924	\$ 142,116



**Cassia County, Idaho**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended September 30, 2020  
(continued)

	Narcotics Seized Assets Trust	Widow's Benefit Trust	Total Nonmajor Special Revenue Funds
<b>Revenues</b>			
Property Taxes	\$ -	\$ -	\$ 2,031,472
Intergovernmental	-	-	1,604,539
Grants	-	-	68,086
Charges for Services	11,975	-	1,521,938
Investment Earnings (Losses)	-	281	27,628
Other Income	(22,490)	(1)	1,542,102
Total Revenues	<u>(10,515)</u>	<u>280</u>	<u>6,795,765</u>
<b>Expenditures</b>			
Current:			
General Government	-	-	725,602
Indigent Assistance	-	-	888,735
Highways and Roads	-	-	401,988
Public Safety	-	-	2,436,999
Other Public Services	-	-	1,091,926
Culture and Recreation	-	-	136,733
Total Expenditures	<u>-</u>	<u>-</u>	<u>5,681,983</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(10,515)</u>	<u>280</u>	<u>1,113,782</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Assets	-	-	23
Transfers In	-	-	308,022
Transfers Out	-	-	(138,432)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>169,613</u>
Net Change in Fund Balances	<u>(10,515)</u>	<u>280</u>	<u>1,283,395</u>
Fund Balance - Beginning	<u>81,976</u>	<u>17,254</u>	<u>5,389,521</u>
Fund Balances - Ending	<u>\$ 71,461</u>	<u>\$ 17,534</u>	<u>6,672,916</u>

**Cassia County, Idaho**

## Combining Statement of Changes in Fiduciary Net Position - Custodial Funds

For the Year Ended September 30, 2020

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
<b>Assets</b>			
Cash and Investments	\$ 455,889	\$ 23,307	\$ 479,196
Property Taxes Receivable	-	352,450	352,450
Total Assets	<u>455,889</u>	<u>375,757</u>	<u>831,646</u>
<b>Liabilities</b>			
Vouchers Payable	<u>382,289</u>	<u>22,819</u>	<u>405,108</u>
Total Liabilities	<u>382,289</u>	<u>22,819</u>	<u>405,108</u>
<b>Net Position</b>			
Restricted for:			
Individuals, Organizations, and other Governments	<u>73,600</u>	<u>352,938</u>	<u>426,538</u>
Total Net Position	<u><u>\$ 73,600</u></u>	<u><u>\$ 352,938</u></u>	<u><u>\$ 426,538</u></u>

**Cassia County, Idaho**  
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds  
For the Year Ended September 30, 2020

	Custodial Funds		
	Held for Other Governments	Taxing District Funds	Total Custodial Funds
<b>Additions:</b>			
Fees collected for other governments	\$ 4,884,591	\$ -	\$ 4,884,591
Property taxes collected for other governments	-	23,809,590	23,809,590
Investment Income	-	-	-
Total Additions	<u>4,884,591</u>	<u>23,809,590</u>	<u>28,694,181</u>
<b>Deductions</b>			
Fees distributed to other governments	5,099,398	-	5,099,398
Taxes distributed to other governments	-	23,823,365	23,823,365
Total Deductions	<u>5,099,398</u>	<u>23,823,365</u>	<u>28,922,763</u>
Change in Net Position	<u>(214,807)</u>	<u>(13,775)</u>	<u>(228,582)</u>
Net Position - Beginning	288,407	366,713	655,120
Net Position - Ending	<u>\$ 73,600</u>	<u>\$ 352,938</u>	<u>\$ 426,538</u>

**Cassia County, Idaho**  
Combining Statement of Changes in Fiduciary Net Position -  
Private Purpose Trusts Funds  
For the Year Ended September 30, 2020  
(continued)

	Private - Purpose Trust Fund			
	Auditor's Trust	Law Enforcement Trust	Court Interlock Trust	Total Private - Purpose Trust Funds
<b>Assets</b>				
Cash and Investments	\$ 65,175	\$ 10,394	\$ 18,704	\$ 94,273
Total Assets	65,175	10,394	18,704	94,273
<b>Liabilities</b>				
Total Liabilities	-	-	-	-
<b>Net Position</b>				
Restricted for:				
Individuals, Organizations, and other Governments	65,175	10,394	18,704	94,273
Total Net Position	<u>\$ 65,175</u>	<u>\$ 10,394</u>	<u>\$ 18,704</u>	<u>\$ 94,273</u>

**Cassia County, Idaho**  
Combining Statement of Changes in Fiduciary Net Position -  
Private Purpose Trusts Funds  
For the Year Ended September 30, 2020

	Private - Purpose Trust Fund			
	Auditor's Trust	Law Enforcement Trust	Court Interlock Trust	Total Private - Purpose Trust Funds
<b>Additions:</b>				
Contributions	\$ -	\$ -	\$ 1,489	\$ 1,489
Total Additions	-	-	1,489	1,489
<b>Deductions</b>				
Total Deductions	-	-	-	-
Change in Net Position	-	-	1,489	1,489
Net Position - Beginning	65,175	10,394	17,215	92,784
Net Position - Ending	<u>\$ 65,175</u>	<u>\$ 10,394</u>	<u>\$ 18,704</u>	<u>\$ 94,273</u>

## ***FEDERAL REPORTS***

**Cassia County, Idaho**  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2020

<u>Program Title</u>	<u>Federal CFDA 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		\$ 11,705
Total Forest Service Schools and Roads Cluster			<u>11,705</u>
Total U.S. Department of Agriculture			<u>11,705</u>
<u>U.S. Department of Interior</u>			
Payment in Lieu of Taxes	15.226		2,395,040
Bureau of Land Management - Noxious Weeds	15.230		<u>30,000</u>
Total U.S. Department of Interior			<u>2,425,040</u>
<u>U.S. Department of Justice</u>			
State Criminal Alien Assistance Program	16.606		9,315
Edward Byne Memorial Assistance Grant	16.738		<u>22,016</u>
Total U.S. Department of Justice			<u>31,331</u>
<u>U.S. Department of Treasury</u>			
Passed Through Idaho Controller's Office			
Coronavirus Relief Fund	21.019		<u>352,874</u>
Total U.S. Department of Justice			<u>352,874</u>
<u>U.S. Department of Homeland Security</u>			
Passed through State Department of Parks and Recreation:			
Boating Safety Financial Assistance	97.012	0348-1340	13,420
Passed Through Military Division			
Emergency Management Performance Grants	97.042	0348-1190	20,729
Homeland Security Grant Program	97.067	0348-1190	<u>23,295</u>
Total U.S. Department of Homeland Security			<u>57,444</u>
Total Federal Financial Assistance Expended			<u>\$ 2,878,394</u>

**Cassia County, Idaho**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2020

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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, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Cassia County, Idaho, it is not intended to and does not present the financial position or changes in Net Position of Cassia County, Idaho.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. INDIRECT COST RATE

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





**ZWYGART JOHN**  
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Commissioners  
Cassia County  
Burley, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cassia County, Idaho, as of and for the year ended September 30, 2020, 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 7, 2021.

**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 7, 2021



**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**

We have audited Cassia County, Idaho's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Cassia County, Idaho's major federal programs for the year ended September 30, 2020. 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.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

### ***Opinion on Each Major Federal Program***

In our opinion, Cassia County, Idaho, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

### **Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.* Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

*Zwysart John & Associates CPAS, PLLC*

Nampa, Idaho  
June 7, 2021

**Cassia County, Idaho**  
Schedule of Findings and Questioned Costs  
For the Year Ended September 30, 2020

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**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued:

Governement 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: Unqualified

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

☐ yes ☒ no

Identification of major programs:

CFDA Numbers

Name of Federal Program

15.226

Payment in Lieu of Taxes

21.019

Coronavirus Relief Fund

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

\$750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

**Cassia County, Idaho**  
Schedule of Findings and Questioned Costs ( Continued)  
For the Year Ended September 30, 2020

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**Section II - Financial Statement Findings**

No Matters Reported

**Section III - Findings and Questioned Costs for Federal Awards**

No Matters Reported