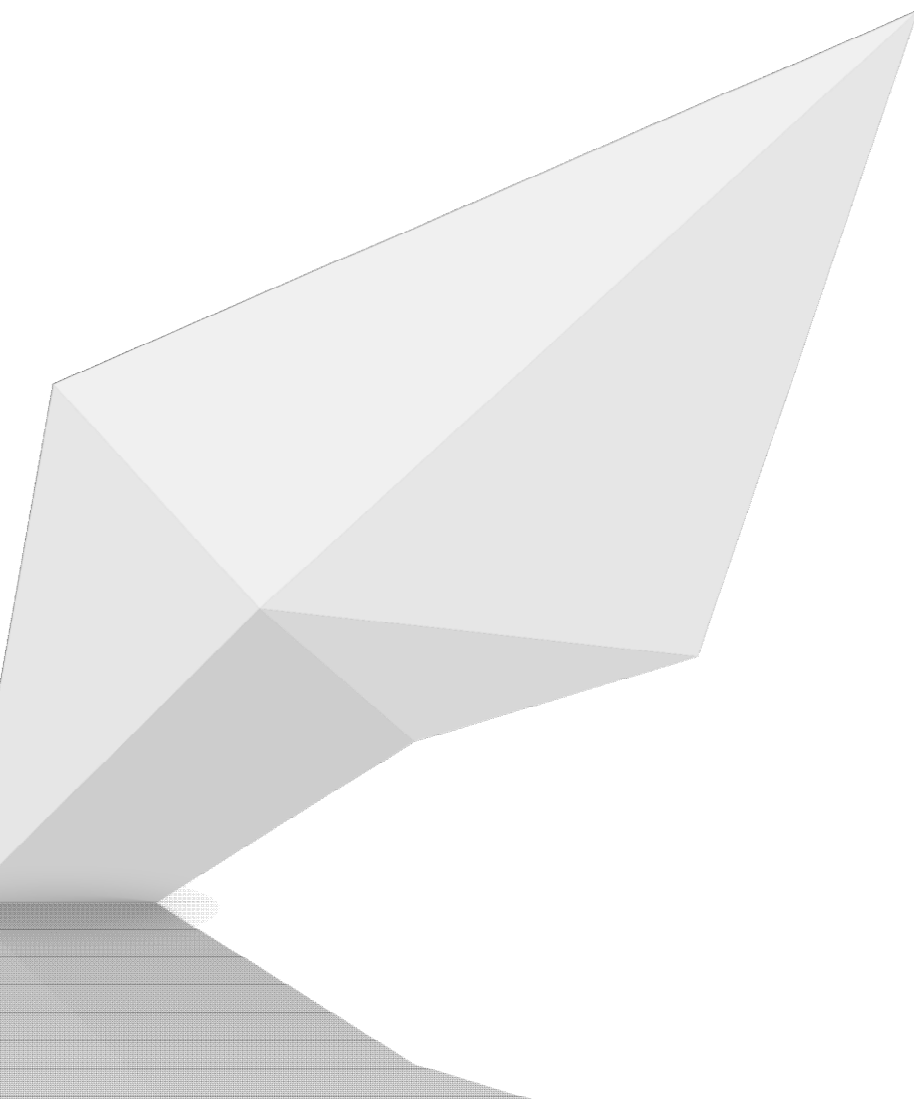


Bingham County, Idaho

Financial Statements and Supplementary
Information

Year Ended September 30, 2020



WIPFLI

Bingham County, Idaho

Year Ended September 30, 2020

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Bingham County, Idaho

Year Ended September 30, 2020

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Bingham County, Idaho

Management's Discussion and Analysis

The discussion and analysis of Bingham County, Idaho's (the "County") financial performance provides an overall review of the County's financial activities for the fiscal year ended September 30, 2020. The intent of the discussion and analysis is to look at the County's financial performance as a whole. Readers should also review the basic financial statements to enhance their understanding of the County's financial performance. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required, and supplementary information.

Financial Highlights for FY2020

- The assets of Bingham County, Idaho exceeded its liabilities at the close of fiscal year 2020 by \$25,209,147 (net position). Of this amount, \$11,964,967 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$475,920 in comparison with the prior year mainly due to normal governmental revenues in excess of expenditures.
- As of the close of fiscal year 2020, Bingham County, Idaho's governmental funds reported combined ending fund balances of \$15,498,574, a change of \$2,253,223 in comparison with the prior year. Approximately \$8,251,998 of this total amount is available for spending at the County's discretion (unassigned fund balance).
- As of the close of fiscal year 2020, Bingham County, Idaho's proprietary funds reported combined ending net position of \$3,652,490, a decrease of \$122,331 in comparison with the prior year.
- At the end of fiscal year 2020, unassigned fund balance for the General Fund was \$2,983,423.

Overview of the Financial Statements

This document serves as an introduction to the County's basic financial statements. There are three components to the basic financial statements - government wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary and supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

These statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector business, using the economic resources measurement focus and the accrual basis of accounting.

The *statement of net position* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of improvements or deterioration of the financial position of the County.

The *statement of activities* presents information that shows how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

Bingham County, Idaho

Management's Discussion and Analysis

These statements highlight the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, public safety, public works, health and sanitation, culture and recreation, education, and economic development. The County has two business-type activities including Solid Waste and 911 Emergency Communication.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Bingham County, Idaho can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The County's Governmental Funds during the reporting period use the modified accrual basis of accounting and activities are converted to the accrual basis of accounting for government-wide financial statement reporting purposes.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

The County maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for major funds, (the General, Justice, Road & Bridge, Road & Bridge Special Projects, and Payment in Lieu of Taxes Funds). All other non-major governmental funds are combined and presented in one column. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Bingham County, Idaho adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget for the major funds.

Proprietary Funds. The County maintains two proprietary funds (Solid Waste and 911 Emergency Communication Funds). Proprietary funds are reported in the same way as the government-wide financial statements.

Fiduciary Funds. The County also maintains two types of fiduciary funds (private purpose trust funds and agency funds), which are used to account for resources - almost exclusively cash and investments - held by the County for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is the same as that used for proprietary funds.

Notes to the Financial Statements

These provide additional information that is essential to gaining a full understanding of the data provided in the government-wide and fund financial statements.

Bingham County, Idaho

Management's Discussion and Analysis

Required Supplementary Information

This information addresses the County's infrastructure assets reported using the modified approach; budgetary comparison schedules of major funds; Multiyear Schedules of Changes in Net Pension Liability and Related Ratios; the Multiyear Schedules of IMRF Contributions; and Schedule of Other Postemployment Benefit Funding Progress. The County adopts an annual appropriated budget for its General Fund, Special Revenue Funds, Debt Service Fund, and Internal Service Fund. A budgetary comparison schedule has been provided for the General Fund and major Special Revenue Funds to demonstrate compliance with this budget. The IMRF pension schedules have been provided to present the County's progress in funding its obligation to provide pension benefits to County employees through the IMRF system.

Supplementary Information

This information as discussed earlier in connection with the General Fund, non-major governmental funds, and agency funds is presented immediately following the required supplementary information.

Government-Wide Financial Statement Analysis

As previously addressed, net position may serve the purpose over time as a useful indicator of financial position. To that end, the County's assets exceeded its liabilities by \$25,209,147 for FY2020. The following table represents a condensed Statement of Net Position of the County for governmental activities as of September 30, 2020 and 2019.

Condensed Statement of Net Position

<i>Years Ended September 30,</i>	Governmental Activities		Business-type Activities		Total Government Activities	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 17,184,290	\$ 14,764,288	\$ 3,228,917	\$ 3,295,011	\$ 20,413,207	\$ 18,059,299
Capital assets	11,666,132	12,214,553	1,578,048	1,605,490	13,244,180	13,820,043
Total assets	28,850,422	26,978,841	4,806,965	4,900,501	33,657,387	31,879,342
Deferred outflows of resources	1,791,823	861,517	93,794	44,882	1,885,617	906,399
Current and other liabilities	1,608,295	1,008,480	292,595	343,288	1,900,890	1,351,768
Pension plan payable	6,622,476	3,348,333	361,699	191,607	6,984,175	3,539,940
Other long-term liabilities	631,608	973,525	578,850	553,150	1,210,458	1,526,675
Total liabilities	8,862,379	5,330,338	1,233,144	1,088,045	10,095,523	6,418,383
Deferred inflows of resources	223,209	1,551,614	15,125	82,517	238,334	1,634,131
Net position:						
Net investment in capital assets	11,666,132	12,214,553	1,578,048	1,605,490	13,244,180	13,820,043
Unrestricted	9,890,525	8,743,853	2,074,442	2,169,331	11,964,967	10,913,184
Total net position	\$ 21,556,657	\$ 20,958,406	\$ 3,652,490	\$ 3,774,821	\$ 25,209,147	\$ 24,733,227

Bingham County, Idaho

Management's Discussion and Analysis

There is no portion of the County's net position that is considered restricted. Restricted net assets are resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$11,964,967, may be used to meet the government's ongoing obligations to citizens and creditors. The net position of the County, as a whole, changed \$475,920 from 2019 to 2020.

A portion of the County's net position is reflected in its investments in capital assets (i.e., land, buildings, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The County uses these assets to provide services. Therefore, these assets are not available for future spending. Although the County's investments in its capital assets are reported net of available debt, it is important to note that under this consideration the resources required to repay this type of debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these types of liabilities.

The following condensed financial information was derived from the Government-Wide Statement of Activities and reflects how the County's net position changed during the fiscal years.

Condensed Statement of Activities Governmental Activities

For the Years Ended September 30,	Governmental Activities		Business-type Activities	
	2020	2019	2020	2019
Revenues:				
Program revenues:				
Charges for services	\$ 2,663,601	\$ 2,670,013	\$ 2,918,462	\$ 2,805,498
Operating grants and contributions	7,370,171	7,247,536	87,569	150,462
Capital grants and contributions	-	-	689,229	-
General revenue:				
Property taxes	14,197,045	13,607,726	-	-
Public service taxes	3,264,997	3,102,412	-	-
Intergovernmental revenues	870,751	832,245	-	-
Earnings on investments	303,629	346,428	-	-
Miscellaneous	428,938	255,471	-	-
Total revenues	29,099,132	28,061,831	\$ 3,695,260	\$ 2,955,960
Expenses:				
General government	9,727,984	7,464,547	\$ -	\$ -
Public safety	8,396,356	7,923,156	-	-
Public works	5,862,465	5,108,836	-	-
Health and sanitation	2,854,940	2,639,798	-	-
Culture and recreation	340,856	413,540	-	-
Education	83,715	95,751	-	-
Conservation/economic development	644,540	579,573	-	-
Capital outlay	570,025	50,477	-	-
Solid waste	-	-	2,398,033	2,189,278
911 emergency communication	-	-	1,419,558	773,866
Total expenses	28,480,881	24,275,678	3,817,591	2,963,144
Revenues over (under) expenses	618,251	3,786,153	(122,331)	(7,184)
Other, special items, and transfers	(20,000)	(20,000)	-	-
Change in net position	\$ 598,251	\$ 3,766,153	\$ (122,331)	\$ (7,184)

Bingham County, Idaho

Management's Discussion and Analysis

Net position increased \$475,920 over the previous year. The County's 2020 total revenues come from a variety of sources including 48.8% from property taxes, and 11.2% comes from public service taxes. Another 9.2% comes from fees charged for services.

In the following table, we have presented the cost of each of the County's functions as well as the net cost (total cost less revenues generated by the activities) for each. Net costs help to show what functions are being covered by direct revenue and those that are covered by the net revenue of others.

For the years ended September 30,	2020		2019	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
<i>Governmental Activities</i>				
General government	\$ 9,727,984	\$ 6,968,121	\$ 7,464,547	\$ 4,703,016
Public safety	8,396,356	7,306,573	7,923,156	6,904,336
Public works	5,862,465	741,416	5,108,836	211,601
Health and sanitation	2,854,940	2,047,341	2,639,798	1,706,927
Culture and recreation	340,856	178,266	413,540	190,966
Education	83,715	(9,173)	95,751	11,233
Conservation/economic development	644,540	644,540	579,573	579,573
Capital outlay	570,025	570,025	50,477	50,477
Total governmental activities	28,480,881	18,447,109	24,275,678	14,358,129
<i>Business-type Activities</i>				
Solid waste	2,398,033	(115,556)	2,189,278	(232,736)
911 emergency communication	1,419,558	237,887	773,866	239,920
Total business activities	\$ 3,817,591	\$ 122,331	\$ 2,963,144	\$ 7,184

Charges for services, operating grants, and contributions of \$10,033,772 are received and used to fund the general government expenses of the County. The remaining \$18,447,109 in general government expenses is funded by property taxes, public service taxes, intergovernmental revenues, and other revenue sources.

Financial Analysis of the County's Major Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2020, the County's governmental funds reported combined ending fund balances of \$15,498,574, a change of \$2,253,223 in comparison with the previous fiscal year. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$2,983,423. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenses.

Bingham County, Idaho

Management's Discussion and Analysis

Unassigned fund balance represents 42.6% of total general fund expenses.

The general fund is the primary operating fund of the County. At September 30, 2020, the unassigned fund balance of the General Fund was \$2,983,423, while total fund balance was \$2,983,423. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

The fund balance of the General Fund increased by \$690,236 before transfers during the current fiscal year.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2020, amounts to \$13,244,180 (net of accumulated depreciation.) Capital assets include land, infrastructure, buildings, improvements other than buildings, machinery and equipment, and when applicable, construction in process.

Major capital transactions during the year were for the purchase of several road construction trucks and associated equipment, the purchase of several vehicles for the sheriff's department plus additional equipment for various departments. Additional information about the County's capital assets can be found in Note 4 of the financial statements.

The County has adopted an allowable alternative to reporting depreciation for its road network. Under this alternative method, referred to as the "modified approach," the County must maintain an asset management system and demonstrate that its highways and roads are being preserved at or above condition levels established by County policy. Infrastructure assets accounted for under the modified approach are not depreciated and maintenance and preservation costs are expensed.

The Bingham County Road and Bridge department manages its road network using a rating system. This system uses a measurement scale that considers the condition of the roads as denoted by pavement condition. During fiscal year 2017, the County switched to using the Paser Manual for asphalt road condition evaluation. This system rates paved roads on a scale from 10 (Excellent) to 1 (Failed). Prior to fiscal year 2017, the conditions were as follows: A paved road is considered to be in "A" or "Excellent" condition when it is new, in "B" or "Good" condition when only chip seals are required, in "C" or "Fair" condition when maintenance more than chip sealing is required, in "D" or "Poor" condition when it is uneven to drive on (overlay, etc.), and in "F" or "Failed" condition when it needs gravel, shoulders, widening, etc. and in "O" condition for all others.

It is Bingham County Road and Bridge's goal to maintain at least 50% of its road network at a category level of Fair or above, and allow no more than 10% at a category level of Failed. In order to achieve a complete condition assessment of all County roads within a period of three years, condition assessments are performed on approximately one-third of the roads annually. The most recent condition assessment, completed in 2015 and updated in fiscal year 2017, shows that 100.00% of the County's roads were in Fair or better condition.

Comparisons with the prior year reflected changes in assessment levels. Between the Road and Bridge and Road and Bridge – Special Projects funds, \$6,311,953 was budgeted to maintain eligible infrastructure assets and \$5,864,850 was spent.

Bingham County, Idaho

Management's Discussion and Analysis

The costs of construction and maintenance needed to maintain and replace aging and deteriorating infrastructure are reflected in the following table.

	Increased (decreased) costs for Road Departments		
	2020	2019	Difference
Road Oil CMS2 (per ton)	\$ 385	\$ 380	\$ 365
Diesel (per gal w/o taxes)	1.77	2.30	2.54
Gasoline (per gal w taxes)	1.96	2.40	2.42

Debt Administration. At September 30, 2020 and 2019, the County had no general obligation debt outstanding. Additional information about the County's long-term obligations can be found in Note 8 of the financial statements.

	2020	2019
Compensated absences	\$ 394,472	\$ 384,239
Landfill closure costs	578,850	553,150
Total	\$ 973,322	\$ 937,389

Economic Factors

The County is continuing to build and strengthen its tax base and economy not only by expanding existing businesses, but by attracting new businesses. Because of sound financial planning, good judgment, and restraint, County leadership has positioned itself to be able to continue to provide quality services as well as continue to work on planned capital improvements. In short, we are cautiously optimistic in our economic outlook for 2020.

Current Financial Issues and Concerns

Bingham County was created in 1885 and is located in southeastern Idaho and serves the cities of Blackfoot, Shelley, Firth, Basalt, and Aberdeen as well as surrounding rural unincorporated communities. Blackfoot serves as the county seat. The City of Atomic City residents voted in favor to disincorporate in the November 2020 election. Financial and physical assets from the city were put in trust with the county and will be liquidated during the upcoming year.

Rich volcanic soil and access to irrigation from the Snake and Blackfoot Rivers have made Bingham County a productive agriculturally based county. Although the County economy depends heavily on agriculture, the proximity to the Idaho National Laboratory, the Fort Hall Indian Reservation, and two larger cities, Idaho Falls to the north and Pocatello to the south, provide a wide variety of employment opportunities. The population for Bingham County was estimated at 47,493 for 2020. Real and personal property tax assessments, based on net taxable value, increased from \$2,204,942,514 in 2019 to \$2,303,847,606 in FY 2020. Low housing inventory in Bingham County and people relocating from other states, continue to push values up during this time period. Bingham County is seeing unprecedented growth, especially in the Shelley area of the county. Government employment provides 30% of the jobs in the County because of Idaho's State Hospital South, University of Idaho Agriculture Experiment Station, local school districts, cities, and Bingham County.

Bingham County, Idaho

Management's Discussion and Analysis

Current Financial Issues and Concerns (Continued)

COVID-19 Pandemic Response

February 2020 began with the United States' response to a growing world-wide pandemic called COVID-19. The concerns over sickness and death quickly spread across many states and Idaho was forced to address the concerns. On March 13, 2020, Governor Brad Little issued a Proclamation and state of emergency. The county also issued a state-of-emergency. In the weeks following, additional orders and stay-at-home orders were issued by the Governor. The courthouse was closed to the public for nearly four months except for specific appointments or emergency court hearings. County departments continued to serve the public through phone, internet and the county drop box as much as possible. Revenue estimates from the State of Idaho were projected to be 15% less than the previous year. Bingham County used those projections in creating the budget for FY 2020. We did not see the drop in highway user fees and sales tax revenue sharing as predicted and in fact saw an increase in those areas. A cost of living for employees was held for 6 months until the county could see the increase in revenue and then implemented the cost of living for employees in the remaining 6 months. Bingham County is proud of how we continued to serve the public and kept the government operating despite the shut-down in many sectors across Idaho and the United States.

Major non-governmental employers in the area include Basic American Foods, Bingham Memorial Hospital, Idaho Supreme Potatoes, Premier Technology, Spudnik Equipment, Wada Farms, Golden Valley Natural, Glanbia Foods, Walmart, Shoshone Bannock Tribal Enterprises, and Get Found First. The following companies have their headquarters in Bingham County: Premier Technology, Spudnik Equipment, First American Title, and Get Found First. Get Found First is a website and media company that has grown over the past year doing 4 million in sales with 60 employees. They are renovating a historical building in downtown Blackfoot as their new headquarters.

Patriot Field, a veteran's memorial park across from the courthouse dedicated in 2016, continues to draw visitors and community members. The nearly two acre park with nine flag poles, walking paths and memorial wall is a tribute to the veterans of Bingham County.

The County weathered the COVID-19 pandemic and continues to maintain a healthy financial position using conservative financial management principles with the understanding that this is the public's money and we are about the public's business. County leadership has positioned itself to be able to continue to provide quality services and to work on planned capital improvements.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Pamela W. Eckhardt, Clerk, Bingham County, 501 N. Maple, Room 107, Blackfoot, Idaho 83221 (208) 782-3160.

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Bingham County, Idaho
Blackfoot, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bingham 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; 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bingham County, Idaho as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters - Required Supplementary Information

Accounting principles generally accepted in the United States require that the management’s discussion and analysis, budgetary comparison information, and other required supplementary information on pages 1 through 8 and pages 48 through 58 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, 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 Matters - Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The combining and individual nonmajor fund financial statements and other schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021, on our consideration of the County’s internal control over financial reporting and 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 the County’s internal control over financial reporting and compliance.



Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
June 29, 2021

Bingham County, Idaho

Government-wide Statement of Net Position

September 30, 2020

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and investments	13,824,255	3,159,551	16,983,806
Receivables			
Property taxes	298,414		298,414
Intergovernmental	2,856,258		2,856,258
Other	205,363	69,366	274,729
Capital assets			
Land and infrastructure	4,091,237	99,150	4,190,387
Depreciable assets, net	7,574,895	1,478,898	9,053,793
Total assets	28,850,422	4,806,965	33,657,387
DEFERRED OUTFLOWS OF RESOURCES			
Changes of assumptions and other inputs - OPEB	87,219		87,219
Related to pensions	1,704,604	93,794	1,798,398
Total deferred outflows of resources	1,791,823	93,794	1,885,617
LIABILITIES			
Current liabilities			
Accounts payable	825,189	271,181	1,096,370
Accrued salaries and benefits	388,634	21,414	410,048
Noncurrent liabilities			
Due within one year			
Compensated absences	394,472		394,472
Due in more than one year			
Pension plan payable	6,622,476	361,699	6,984,175
Other post employment benefits	631,608		631,608
Landfill closure costs		578,850	578,850
Total liabilities	8,862,379	1,233,144	10,095,523
DEFERRED INFLOWS OF RESOURCES			
Differences between expected & actual experience - OPEB	8,780		8,780
Related to pensions	214,429	15,125	229,554
Total deferred inflows of resources	223,209	15,125	238,334
NET POSITION			
Net investment in capital assets	11,666,132	1,578,048	13,244,180
Unrestricted	9,890,525	2,074,442	11,964,967
Total net position	21,556,657	3,652,490	25,209,147

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Statement of Activities

For the Year Ended September 30, 2020

Functions / Programs	Program Revenues				Net Revenue (Expense) and Changes in Net Position		
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business-type Activities	Total
			Grants and Contributions	Grants and Contributions			
Governmental activities							
General government	9,727,984	1,465,715	1,294,148		(6,968,121)		(6,968,121)
Public safety	8,396,356	591,640	498,143		(7,306,573)		(7,306,573)
Public works	5,862,465	131,635	4,989,414		(741,416)		(741,416)
Health and sanitation	2,854,940	412,892	394,707		(2,047,341)		(2,047,341)
Culture and recreation	340,856	61,719	100,871		(178,266)		(178,266)
Education	83,715		92,888		9,173		9,173
Conservation/economic development	644,540				(644,540)		(644,540)
Capital outlay	570,025				(570,025)		(570,025)
Total governmental activities	<u>28,480,881</u>	<u>2,663,601</u>	<u>7,370,171</u>	<u>0</u>	<u>(18,447,109)</u>	<u>0</u>	<u>(18,447,109)</u>
Business-type activities							
Solid waste	2,398,033	2,471,140	42,449			115,556	115,556
911 emergency communications	1,419,558	447,322	45,120	689,229		(237,887)	(237,887)
Total business-type activities	<u>3,817,591</u>	<u>2,918,462</u>	<u>87,569</u>	<u>689,229</u>	<u>0</u>	<u>(122,331)</u>	<u>(122,331)</u>
Total primary government	<u>32,298,472</u>	<u>5,582,063</u>	<u>7,457,740</u>	<u>689,229</u>	<u>(18,447,109)</u>	<u>(122,331)</u>	<u>(18,569,440)</u>
Property taxes					14,197,045		14,197,045
Public service taxes					3,264,997		3,264,997
Grants not restricted to specific programs					870,751		870,751
Earnings on investments					303,629		303,629
Miscellaneous and contributions					428,938		428,938
Transfers					(20,000)		(20,000)
Total general revenues					<u>19,045,360</u>	<u>0</u>	<u>19,045,360</u>
Change in net position					598,251	(122,331)	475,920
Net position - beginning					20,958,406	3,774,821	24,733,227
Net position - ending					<u>21,556,657</u>	<u>3,652,490</u>	<u>25,209,147</u>

The accompanying notes are an integral part of this statement.

Bingham County, Idaho
Balance Sheet
Governmental Funds

September 30, 2020

	General	Road and Bridge	Justice	Road and Bridge Special Projects	Payment in Lieu of Taxes	Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	2,647,780	1,693,412	1,192,089	829,254	5,269,612	2,192,108	13,824,255
Receivables							
Property taxes	83,984	13,274	91,387	11,055		98,714	298,414
Intergovernmental	693,223	1,026,659	674,588	345,737		116,051	2,856,258
Other			2,149		202,939	275	205,363
Total assets	3,424,987	2,733,345	1,960,213	1,186,046	5,472,551	2,407,148	17,184,290
LIABILITIES							
Accounts payable	258,925	282,655	82,510	37,828	1,037	162,234	825,189
Accrued salaries and benefits	106,950	64,363	152,739			64,582	388,634
Total liabilities	365,875	347,018	235,249	37,828	1,037	226,816	1,213,823
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	75,689	11,944	82,370	9,964	202,939	88,987	471,893
FUND BALANCE							
Assigned		2,374,383	1,642,594	1,138,254	5,268,575	2,091,345	12,515,151
Unassigned	2,983,423						2,983,423
Total fund balances	2,983,423	2,374,383	1,642,594	1,138,254	5,268,575	2,091,345	15,498,574
Total liabilities, deferred inflows of resources, and fund balances	3,424,987	2,733,345	1,960,213	1,186,046	5,472,551	2,407,148	17,184,290

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

September 30, 2020

Total fund balances - governmental funds	15,498,574
<p>Amounts reported for governmental activities in the statement of net position are different due to the following items:</p>	
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.</p>	
The cost of the assets is \$30,620,556 and the accumulated depreciation is \$18,954,424.	11,666,132
Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures, and therefore are shown as unavailable in the funds.	268,954
Other receivables from the PILT fund will be collected but are not available soon enough to pay for the current period's expenditures, and therefore are shown as unavailable in the funds.	202,939
The net pension liability and the deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the Statement of Net Position: Net pension liability is \$6,622,476, deferred inflows of resources related to pensions is \$214,429 and deferred outflows of resources related to pensions is \$1,704,604.	(5,132,301)
Liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. These liabilities at year end consisted of:	
Compensated absences	(394,472)
Other post employment benefits obligations and related deferred inflows and outflows	(553,169)
<hr/>	
Total net position - governmental activities	21,556,657

The accompanying notes are an integral part of this statement.

Bingham County, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Year Ended September 30, 2020

REVENUES	General	Road and Bridge	Justice	Road and Bridge Special Projects	Payment in Lieu of Taxes	Nonmajor Funds	Total Governmental Funds
Property taxes	3,889,804	590,059	4,501,529	535,483		4,698,734	14,215,609
Licenses and permits	347,822		90,404			55,662	493,888
Intergovernmental revenue	2,107,411	3,918,293	1,900,397	1,229,267	890,751	596,208	10,642,327
Charges for services	514,945	91,735	409,652		4,607	297,694	1,318,633
Fines and forfeitures						229,188	229,188
Interest and dividend income	25		303,604				303,629
Miscellaneous and contributions	836,488	53,338	246,114	39,800	36,922	721,760	1,934,422
Total revenues	7,696,495	4,653,425	7,451,700	1,804,550	932,280	6,599,246	29,137,696
EXPENDITURES							
Current							
General government	4,640,110				1,230,676	2,479,265	8,350,051
Public safety	1,456,844		6,345,027			293,572	8,095,443
Public works		3,659,884		1,649,940		2,458	5,312,282
Health and sanitation	148,188					2,663,378	2,811,566
Culture and recreation						321,769	321,769
Education						83,715	83,715
Conservation/economic development	428,436					216,104	644,540
Capital outlay	332,681	548,669	221,658	6,357		135,742	1,245,107
Total expenditures	7,006,259	4,208,553	6,566,685	1,656,297	1,230,676	6,196,003	26,864,473
Revenues over (under) expenditures	690,236	444,872	885,015	148,253	(298,396)	403,243	2,273,223
OTHER FINANCING SOURCES (USES)							
Operating transfers						(20,000)	(20,000)
Net change in fund balance	690,236	444,872	885,015	148,253	(298,396)	383,243	2,253,223
Fund balance at October 1, 2019	2,293,187	1,929,511	757,579	990,001	5,566,971	1,708,102	13,245,351
Fund balance at September 30, 2020	2,983,423	2,374,383	1,642,594	1,138,254	5,268,575	2,091,345	15,498,574

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

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

For the Year Ended September 30, 2020

Total net change in fund balances - governmental funds	2,253,223
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Amounts reported for governmental activities in the statement of activities are different due to 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 estimated useful lives as depreciation expense. This is the amount by which depreciation expense of \$1,124,911 and net disposals of \$98,592 exceeded capital outlays of \$675,082 in the current period.	(548,421)
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Because some property taxes and a receivable from BURA will not be collected for several months after the County's fiscal year ends, they are not considered 'available' revenues in the governmental funds. Unavailable tax revenues decreased by \$18,564 this year and collections on the BURA receivable were \$20,000.	(38,564)
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In the Statement of Activities, certain operating expenses - compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This year vacation leave used exceeded vacation leave earned by this amount.	(10,233)
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Vested employee benefits are reported in the governmental funds when amounts are paid. The statements of activities reports the value of benefits earned during the year.

Change in net pension liability	(3,274,143)	
Change in deferred outflows of resources related to pensions	912,534	
Change in deferred inflows of resources related to pensions	1,326,209	
Change in OPEB	(22,354)	
		(1,057,754)

Total change in net position - governmental activities	598,251
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The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Statement of Net Position

Proprietary Funds

September 30, 2020

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
ASSETS			
Cash and cash equivalents	2,712,333	447,218	3,159,551
Receivables	33,931	35,435	69,366
Capital assets			
Land	99,150		99,150
Depreciable assets, net	1,044,559	434,339	1,478,898
Total assets	3,889,973	916,992	4,806,965
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	79,786	14,008	93,794
LIABILITIES			
Current liabilities			
Accounts payable	257,479	13,702	271,181
Accrued salaries and benefits	17,584	3,830	21,414
Noncurrent liabilities			
Pension plan payable	317,301	44,398	361,699
Landfill closure costs	578,850		578,850
Total liabilities	1,171,214	61,930	1,233,144
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	15,125		15,125
NET POSITION			
Net investment in capital assets	1,143,709	434,339	1,578,048
Unrestricted	1,639,711	434,731	2,074,442
Total net position	2,783,420	869,070	3,652,490

The accompanying notes are an integral part of this statement.

Bingham County, Idaho
Statement of Revenues, Expenditures, and Changes in Net Position
Proprietary Funds

For the Year Ended September 30, 2020

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
OPERATING REVENUES			
Operating grant from the State of Idaho		45,120	45,120
Charges for services	2,471,140	447,322	2,918,462
Rental and other income	42,449		42,449
Total operating revenues	2,513,589	492,442	3,006,031
OPERATING EXPENSES			
Salaries and wages	460,788	112,053	572,841
Employee benefits	234,258	47,018	281,276
Line charges		2,500	2,500
Subcontractor and other disposal costs	1,185,571		1,185,571
Maintenance and other vehicle costs	141,074	131,201	272,275
Supplies and other operating expenses	159,947	1,087,301	1,247,248
Depreciation	216,395	39,485	255,880
Total operating expenditures	2,398,033	1,419,558	3,817,591
Total operating revenues (expenses)	115,556	(927,116)	(811,560)
NON-OPERATING REVENUES (EXPENSES)			
Grants	1,408	687,821	689,229
Total non-operating revenues (expenses)	1,408	687,821	689,229
Change in net position	116,964	(239,295)	(811,560)
Net position at October 1, 2019	2,666,456	1,108,365	3,774,821
Net position at September 30, 2020	2,783,420	869,070	2,963,261

The accompanying notes are an integral part of this statement.

Bingham County, Idaho
Statement of Cash Flows
Proprietary Funds

For the Year Ended September 30, 2020

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	2,474,867	449,789	2,924,656
Cash payments for personnel costs	(647,094)	(147,958)	(795,052)
Cash payments for services and supplies	(1,439,622)	(1,298,242)	(2,737,864)
Other operating revenues	42,449	45,120	87,569
Net cash provided (used) by operations	430,600	(951,291)	(520,691)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
	0	0	0
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Cash receipts from grants for capital purposes	1,408	687,821	689,229
Acquisition of capital assets	(228,439)	0	(228,439)
Net cash provided (used) by capital and related financing activities	(227,031)	687,821	460,790
CASH FLOWS FROM INVESTING ACTIVITIES			
	0	0	0
Net increase (decrease) in cash and cash equivalents	203,569	(263,470)	(59,901)
Cash at beginning of year	2,508,764	710,688	3,219,452
Cash and cash equivalents at end of year	2,712,333	447,218	3,159,551

The accompanying notes are an integral part of this statement.

Bingham County, Idaho
Statement of Cash Flows
Proprietary Funds

For the Year Ended September 30, 2020

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
RECONCILIATION OF OPERATING			
INCOME TO NET CASH FLOWS			
FROM OPERATING ACTIVITIES			
Operating income (loss)	115,556	(927,116)	(811,560)
Depreciation expense	216,395	39,485	255,880
(Increase)/decrease in assets			
Receivables	3,727	2,467	6,194
Change in deferred outflows of resources	(37,848)	(11,064)	(48,912)
Increase/(decrease) in liabilities			
Accounts payable	21,270	(77,240)	(55,970)
Accrued payroll	5,009	268	5,277
Pension plan payable	135,797	34,295	170,092
Landfill closure costs	25,700		25,700
Change in deferred inflows of resources	(55,006)	(12,386)	(67,392)
Net cash flows from operating activities	430,600	(951,291)	(520,691)

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Statement of Fiduciary Net Position

September 30, 2020

	Private Purpose Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	3,260,713	447,599
Receivables		434,074
Total assets	3,260,713	881,673
LIABILITIES		
Accounts and other payables	572,537	447,599
Payable to taxing districts		434,074
Total liabilities	572,537	881,673
NET POSITION		
Held in trust for individuals, organizations, and other governments	2,688,176	0

The accompanying notes are an integral part of this statement.

Bingham County, Idaho
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Year Ended September 30, 2020

ADDITIONS

Licenses and permits	2,224,762
Intergovernmental revenue	10,513
Charges for services	185,426
Fines and forfeitures	717,318
Miscellaneous and contributions	3,601,154

Total additions 6,739,173

DEDUCTIONS

Trust remittance and other deductions	6,716,341
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TRANSFERS FROM (TO) OTHER FUNDS 20,000

Change in net position 42,832

Net position at October 1, 2019 2,645,344

Net position at September 30, 2020 2,688,176

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Introduction

Bingham County (the County) is organized and operates under the provisions of the Idaho Constitution and the accounting policies and practices of the County conform to accounting principles generally accepted in the United States as applied to governments.

The financial statements of the Bingham County, Idaho (the "County") have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The County's basic financial statements consist of government-wide financial statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial position. The significant accounting principles and policies utilized by the County are described below:

Reporting Entity

The scope of the reporting entity is intended to cover those funds under the direct jurisdiction of the governing boards, elected or appointed, that exercise substantial or total administrative and supervisory authority in their name and are considered to be substantially autonomous from Bingham County government. In addition, the County receives and disburses money from various agency accounts held for other entities. These accounts are maintained for others only in fiduciary funds and beyond that are not included in this report.

Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government as a whole. These statements include all nonfiduciary activities of the County. Governmental activities, which are normally supported by taxes, intergovernmental revenues, and other non-exchange transactions are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

The statement of net position presents the financial condition of the governmental and business-type activities of the County at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for 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, are presented as general revenues.

The statement of net position presents the reporting entity's assets, deferred outflow of resources, liabilities, and deferred inflows of resources, with the difference reported as net position (net investment in capital assets; restricted net position; or unrestricted net position). Net investment in capital assets consists of capital assets,

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

net of accumulated depreciation, and reduced by outstanding debt. Restricted net position results when constraints placed on net position use are imposed by third parties through constitutional provisions or enabling legislation.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

The County applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position are available. Depreciation expense that can be specifically identified by function is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Fund Financial Statements

The fund financial statements provide information about the County's funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

Governmental Fund Types

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources. Governmental fund types includes General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Funds. The County currently has no Capital Projects or Debt Services Funds. The County reports the following major governmental funds:

General Fund - This fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

Road and Bridge – These funds are used to account for maintenance of County roads and bridges and is funded primarily from State Highway User revenue as well as from general property tax revenues.

Justice Fund – This fund accounts for law enforcement activities of the County. It is funded primarily from general property tax revenues, prisoner housing, and grants.

Road and Bridge – Special Projects – This fund accounts for the maintenance and replacement of County roads and bridges and is primarily funded from State Highway User revenue as well as from general property tax revenues.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

PILT Fund – This fund accounts for internal restrictions of funds accumulated for County contingencies and future capital expansion of facilities or other capital projects. It is funded by federal “payment in lieu of taxes” revenues.

Additionally, the remaining governmental funds are considered to be non-major funds and are consolidated in a non-major funds column (on the combined fund statements). The non-major funds are displayed individually in combining schedules.

Proprietary Fund Types

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included on the Statement of Net Position. The County reports the following major proprietary funds:

Solid Waste Fund – This fund accounts for the transfer of solid waste and landfill operations of the County. It is funded primarily from user fees.

911 Emergency Communication – This fund accounts for the operation of emergency communications as primarily funded by charges to land-line and cell phone users.

Fiduciary Fund Types

Fiduciary Funds account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. The reporting focus is on net position and changes in net position.

Trust and Agency Funds

Expendable Trust Funds account for funds held in a trustee capacity. The accounting is essentially the same manner used for governmental funds. Agency funds are purely custodial in nature.

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financials statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities' column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

The government-wide and proprietary 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 transaction takes place. Nonexchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, 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, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements 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 (susceptible to accrual). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers all imposed nonexchange revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current fiscal year.

Expenditures are recognized when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, 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 debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes and other taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Control

The Idaho Constitution and the Idaho State Tax Commission prescribe the budget process and procedures for governmental subdivisions. Bingham County has satisfied the basic requirements prescribed in the following particulars:

- 1) Formulation of subsequent year budget requirements by internal County officers and personnel;
- 2) Perusal of formulated budgets by the County Commissioners and its clerk;
- 3) Presentation of preliminary and final budget requirements in formal news media of the County;
- 4) Open hearings to permit taxpayer input before such budgets are formally adopted;

Subsequent control budgets following adoption are accomplished through a budget-expenditures control system with interim status accounting and reporting made available to officers and employees for management purposes. Budgets are adopted on a cash basis of accounting. The County does not maintain a formal encumbrance accounting system.

The General and major Special Revenues Funds statements of revenues, expenditures, and changes in fund balance present a comparison of budgetary data to actual results. These reports utilize the same basis of accounting for both budgetary purposes and actual results.

Cash and Investments

The County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash also includes amounts held in the local government investment pool and money market accounts. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements. Investments of the primary government consist of certificates of deposits with original maturities of greater than three months, government agency bonds, and corporate bonds.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include:

Level 1, defined as observable inputs such as quoted market prices in active markets;

Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and

Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions.

The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Receivables

Property taxes are recognized as revenue in the period for which the taxes are levied. The tax levy is used to finance operations of the County's fiscal year ended September 30, 2020. All property taxes are considered due as of the second Monday in January and are levied on the second Monday in September. Taxes are payable in two installments on December 20 and June 20 of the following year. All taxes collected within 60 days of September 30, 2020 are considered available to pay current liabilities. Amounts not collected are deferred and recognized when they become available to the County.

The County's proprietary fund's accounts receivable are reported at their gross amount. The County estimates that the amount of uncollectible accounts would not be significant to the outstanding balance, therefore no amounts have been accrued for bad debt.

Other receivables in the governmental and proprietary funds are also recorded at gross. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category and it occurs on the government-wide statement of net position. The County reports deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and County contributions to pension plans subsequent to the measurement date of the collective net pension liability (asset).

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of item, one which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The second relates to the difference between projected and actual investment returns on the funds invested in the PERSI pension plan and is reported in the government-wide Statement of Net Position. The amount is deferred and recognized as an inflow of resources in the period that the amounts became available.

Capital Assets

Purchased or constructed capital assets, including property, plant, equipment, and infrastructure are reported at cost or estimated historical cost in the government-wide financial statements. The County defines capital assets as equipment assets with an initial cost of more than \$10,000; land and building assets with an initial cost of \$50,000 or more, and \$250,000 or more for infrastructure, and an estimated life in excess of one year.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Donated capital assets are recorded at their acquisition value at the date of donation. Renewals and betterments are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures in the governmental funds for equipment, vehicles, real property acquisitions, improvements, and infrastructure are recorded as capital outlay. Maintenance and repairs of a routine nature are charged to expenses/expenditures as incurred and are not capitalized.

Building, equipment, infrastructure, and other depreciable assets are depreciated using the straight-line method over estimated useful lives from 5 to 70 years. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, the County has included the value of all major infrastructure capitalized since 1980.

The County has adopted an allowable alternative to reporting depreciation for its roads network. Under this alternative method, referred to as the "modified approach," the County must maintain an asset management system and demonstrate that its roads are being preserved at or above condition levels established by County policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

Compensated Absences

Government Accounting Standards Board codification specifies that a liability should be accrued for leave benefits that meet the following conditions:

- The employer's obligation relative to employee rights to receive compensation for future absences is attributable to employee services already rendered
- The obligation related to rights that vest or accumulate
- Payment of the obligation is probable
- The amount can be reasonably estimated

The County records a liability for accrued vacation and sick time when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The County uses the vesting method to calculate the compensated absence liability.

In proprietary funds, compensated absences are expensed when earned. The entire amount of compensated absences is reported as a liability.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of applicable bond premium or discount.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pension Plan

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.

Other Post-Employment Benefits ("OPEB") Obligations

Employees who retire and have not yet become eligible for Federal Medicare coverage are eligible to purchase insurance through the County's healthcare plan. Although retirees pay their own premium, there is an implicit cost due to increased group premiums when retirees are included in County insurance plans. For the purpose of measuring the net other post-employment benefit liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, and other post-employment benefit expenses, information about fiduciary net position of the implicit medical benefit Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the County's policy to use externally restricted resources first.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the County Commissioners – the County’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Commissioners removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance: This classification reflects the amounts constrained by the County’s “intent” to be used for specific purposes, but the amounts are neither restricted nor committed. The County Commissioners has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Risk Management

The County is exposed to a considerable number of risks of loss, including: (a) damage to and loss of property and contents; (b) employee torts; (c) professional liability, i.e. errors and omissions; (d) environmental damage; (e) workers’ compensation, i.e. employee injuries; and (f) medical insurance costs of employees. Commercial policies transferring the risks of loss, except for relatively small deductible amounts, are purchased for property and content damage, employee torts, and professional liabilities. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID 19 Virus Crisis ("CV19 Crisis"). As of the date of issuance of the financial statements, the County had not yet suffered material adverse impact from the CV19 Crisis. The future impact of the CV19 Crisis on the County, cannot be reasonably estimated at this time.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Bingham County, Idaho

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements

GASB Statement No. 84, *Fiduciary Activities* establishes criteria for identifying fiduciary activities of all state and local governments. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The County has not determined the effect of this Statement.

GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The County has not determined the effect of this Statement.

Subsequent Events

The County has evaluated subsequent events through June 29, 2021, which is the date the financial statements were available to be issued. There were no subsequent-type events required to be disclosed.

Note 2: Cash and Investments

Deposits with Financial Institutions

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As of September 30, 2020, \$5,868,032, including the money market, was not insured or collateralized.

Investments

Custodial credit risk-investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The government utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested. The carrying value of the County's investments at year end was \$12,119,511 and the fair value was \$12,119,511. The amount not covered by insurance was \$3,747,745.

Bingham County, Idaho

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

The County invests in the Local Government Investment Pool (LGIP) through the Idaho State Treasurer. All funds are invested by the Idaho State Treasurer's office in accordance with Sections 67-1210 and 67-1210A of the Idaho Code. All investments for the LGIP are collateralized with securities held by the LGIP's safekeeping agent in the LGIP's name. The investments held by the LGIP are carried at cost, which is not materially different than fair value (determined by the Idaho State Treasurer's office). The investments are subject to risk from market and interest rate fluctuations. The County has included this in cash.

All of the County's investments that are measured or disclosed at cost, which is not materially different from fair value (as determined by the Idaho State Treasurer's office). All investments fall within Level 2 of the fair value hierarchy.

The County's investment accounts, including government agencies, commercial paper, corporate bonds, certificates of deposit, and money market funds, are held with Moreton Asset Management, MBS, Inc., ProEquities, and Edward Jones. The money market funds are included as cash in the financial statements. The weighted average duration was .71 years.

As of September 30, 2020, the County had the following investments showing the distribution by maturity and rating:

Investment Type	Remaining Maturity (in Years)			Total Fair Value	Rating
	12 Months or Less	1-5 Years	5-10 Years		
Asset-backed Securities	\$ 274,927	1,436,367	2,067,585	\$ 3,778,879	AAA/AA+
State Investment Pool	\$ 6,741,005			6,741,005	AAA
Certificates of Deposit	351,487	1,248,140		1,599,627	N/A
Total Investments	7,367,419	2,684,507	2,067,585	\$ 12,119,511	

Interest rate risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County does not have a written policy addressing credit risk, custodial credit risk, or interest risk.

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented above is the actual rating as of year-end for each investment type. The County follows the requirements of the Idaho Public Depository Law (Idaho Code Section, Title 57-100), and applicable investment rights and restrictions cited by Idaho Code Section, Title 67, 67-1210.

Concentration of credit risk. The County utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

Foreign Currency Risk. The County has no foreign currency risk for investments at year end.

Bingham County, Idaho

Notes to Financial Statements

Note 3: Interfund Balances and Activity

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) to use unrestricted revenues collected in the general or PILT funds to finance various programs accounted for in other funds in accordance with budgetary and other authorizations, and (3) to close out trust funds no longer deemed necessary by the county commissioners.

Interfund transfers at September 30, 2020, were as follows:

Fund	Transfer In	Transfer Out
Nonmajor fund -		
Ambulance Fund	-	20,000
Trust fund -		
Ambulance Vehicle Trust Fund	20,000	-
Total	20,000	20,000

Note 4: Capital Assets

Capital asset balances and activity for the year ended September 30, 2020, were as follows:

Governmental Activities:	Balance 09/30/19	Increases	Decreases and Transfers	Balance 09/30/20
Capital assets, not being depreciated:				
Land	1,847,408	-	-	1,847,408
Infrastructure	2,243,829	-	-	2,243,829
Total capital assets, not being depreciated	4,091,237	-	-	4,091,237
Capital assets, being depreciated:				
Infrastructure	3,041,625	-	-	3,041,625
Buildings and improvements	7,585,074	-	-	7,585,074
Machinery and equipment	16,043,535	675,082	(815,997)	15,902,620
Total capital assets, being depreciated	26,670,234	675,082	(815,997)	26,529,319
Accumulated depreciation:				
Infrastructure	(877,271)	(60,833)	-	(938,104)
Buildings and improvements	(5,294,063)	(186,531)	-	(5,480,594)
Machinery and equipment	(12,375,584)	(877,547)	717,405	(12,535,726)
Total accumulated depreciation	(18,546,918)	(1,124,911)	717,405	(18,954,424)
Total capital assets, being depreciated, net	8,123,316	\$ (449,829)	\$ (98,592)	\$ 7,574,895
Governmental activities capital assets, net	12,214,553	(449,829)	(98,592)	11,666,132

Bingham County, Idaho

Notes to Financial Statements

Note 4: Capital Assets (Continued)

Business-type Activities:	Balance 09/30/19	Increases	Decreases and Transfers	Balance 09/30/20
Capital assets, not being depreciated:				
Land	99,150	-	-	99,150
Capital assets, being depreciated:				
Buildings and improvements	\$ 1,457,139	\$ -	\$ -	\$ 1,457,139
Infrastructure	19,870	-	-	19,870
Machinery and equipment	1,137,516	228,439	(99,899)	1,266,056
Total capital assets, being depreciated	2,614,525	228,439	(99,899)	2,743,065
Accumulated depreciation:				
Buildings and improvements	(524,279)	(61,107)	-	(585,386)
Infrastructure	(795)	(397)	-	(1,192)
Machinery and equipment	(583,112)	(194,376)	99,899	(677,589)
Total accumulated depreciation	(1,108,186)	(255,880)	99,899	(1,264,167)
Total capital assets, being depreciated, net	\$ 1,506,339	\$ (27,441)	\$ -	\$ 1,478,898
Business-type activities capital assets, net	1,605,489	(27,441)	-	1,578,048
Depreciation expense was charged to the governmental functions as follows:				
Governmental activities:				
General government				211,353
Public safety				300,913
Public works				550,184
Health, welfare, and sanitation				43,374
Culture and recreation				19,087
Total depreciation expense, governmental activities				1,124,911
Business-Type activities:				
Solid waste (health and sanitation)				216,395
911 Emergency Communication (public safety)				39,485
Total depreciation expense, business-type activities				255,880
Total primary government				1,380,791

Bingham County, Idaho

Notes to Financial Statements

Note 5: Pension Plan

Plan Description

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

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

Pension Benefits

The Base Plan provides retirement, disability, death, and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020, it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The County's contributions were \$1,300,348 for the year ended September 30, 2020.

Bingham County, Idaho

Notes to Financial Statements

Note 5: Pension Plan (Continued)

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

At September 30, 2020, the 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. The County's proportion of the net pension liability was based on the County's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2020, the County's proportion was .300766 percent.

For the year ended September 30, 2020, the County recognized pension expense of \$2,529,357. At September 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 547,183	\$ 229,554
Changes in assumptions or other inputs	118,115	-
Net difference between projected and actual earnings on pension plan investments	800,521	-
County contributions subsequent to the measurement date	332,579	-
Total	\$ 1,798,398	\$ 229,554

\$332,579 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2021.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2019, the beginning of the measurement period ended June 30, 2019 is 4.8 years and 4.8 years 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:

<i>Year Ended September 30,</i>		
2021	\$	22,556
2022		294,201
2023		399,301
2024	\$	520,208

Bingham County, Idaho

Notes to Financial Statements

Note 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 expenses
Cost-of-living adjustments	1%

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

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

An experience study was performed for the period July 1, 2013, through June 30, 2017, which reviewed all economic and demographic assumptions other than 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 rates or expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Bingham County, Idaho

Notes to Financial Statements

Note 5: Pension Plan (Continued)

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

<i>Asset Class</i>	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00 %	2.80 %	0.55 %
Broad US Equities	55.00 %	8.55 %	6.30 %
Developed Foreign Equities	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 Expense		5.85 %	3.49 %

Investment Policy Assumptions from PERSI November 2019

Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.14 %
Portfolio Standard Deviation	14.16 %

Economic/Demographic Assumptions from Milliman 2018

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.05 %
Assumed Inflation	3.00 %
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	7.05 %

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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 period 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.

Bingham County, Idaho

Notes to Financial Statements

Note 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:

	1% Decrease (6.00%)	1% Decrease (7.00%)	1% Decrease (8.00%)
Employer's proportionate share of the net pension liability (asset)	\$ 14,322,629	\$ 6,984,175	\$ 916,469

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.

Payables to the pension plan

At September 30, 2020, the County reported payables to the defined benefit pension plan of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Note 6: Other Postemployment Benefits

Plan Description. Bingham County, Idaho's Post-Retirement Healthcare Plan is administered by the Government Employees Medical Plan (GemPlan). It is an agent multi-employer post-employment benefit healthcare plan GemPlan provides medical and prescription drug insurance coverage for eligible retirees and their eligible dependents. Eligible retirees include employees who are age 55 years and older and have completed 20 years of continuous service with the County. A retiree who retires with the Public Employee Retirement System of Idaho (PERSI) is eligible to keep the County's medical coverage as a retiree until age 65, or until the retiree is eligible for coverage under Medicare.

Once a retiree becomes eligible for Medicare, the spouse can continue medical coverage until the spouse is eligible for Medicare. Surviving spouses are eligible for medical benefits until age 65. The retiree is on the same medical plans as the County's active employees.

Funding Policy. The contribution requirement of plan members is established by the County's insurance committee in conjunction with its insurance provider. The required contribution is based on projected pay-as-you-go financing requirements.

Annual OPEB Cost and Net OPEB Obligation. The Net other post-employment benefit liability (NOL) was measured as of October 1, 2019, and the total other post-employment benefit liability was determined by an actuarial valuation as of October 1, 2018.

Funded Status and Funding Progress. The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multiyear trend information that shows

Bingham County, Idaho

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. The County does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-basis and there is not a trust for accumulating plan assets. The following actuarial methods and assumptions were used in the October 1, 2018, accounting valuation:

Valuation Timing	Actuarial valuations are performed biennially as of October 1 for accounting purposes only. The most recent valuation was performed as of October 1, 2018.
Actuarial Cost Method	Entry Age, level percentage of pay
Discount Rate	3.50%
Salary Rate Increase	3.00%
Health Care Trend	Medical with vision trend is 6.25% decreasing to 5% over five years. Dental and vision trending are not significant, so has not been included in this valuation.
Morality	RP-2014 adjusted to 2006 Total Dataset Mortality Tables with MP-2018 Generational Improvement Scale.

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. There have been no significant changes between the valuation date and the fiscal year end. Any significant changes during this period must be reflected as prescribed by GASB 75. The following table shows the total OPEB Liability of the County:

	2020	2019	2018
Total OPEB Liability	631,608 \$	589,286 \$	503,609
Covered employee payroll	9,538,805	9,260,976	10,099,385
Total OPEB liability as a % of covered-employee payroll	7.00 %	6.36 %	4.99 %
*Discount Rate	3.0 %	3.9 %	3.5 %

*The discount rate was based on the 20-year Municipal Bond Index at October 1, 2018.

Changes Since Prior Valuation

Plan Change: None

Plan Experience: Liability loss due to updated census data and claims and premiums different than expected.

Assumption Change: The discount rate changed from 3.9% to 3.0%.

Method Changes: None.

Bingham County, Idaho

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

Changes in Total OPEB Liability

<i>Changes in Total OPEB Liability</i>	Increase (Decrease) in Total OPEB Liability
Balance as of October 1, 2019	\$ 589,286
Changes for the year:	
Service cost	36,267
Interest on total OPEB liability	23,329
Assumption Changes	37,995
Expected benefit payments	(55,269)
Total September 30, 2020	\$ 631,608

Sensitivity Analysis

The following presents the total OPEB liability of the County, calculated using the discount rate of 7.0%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	1% Decrease (6.00%)	1% Decrease (7.00%)	1% Increase (8.00%)
Total September 30, 2020, OPEB Liability	\$ 684,733	\$ 631,608	\$ 582,552

The following presents the total OPEB liability of the County, calculated using the current healthcare cost trend rates as well as what the County's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease (6.00%)	1% Decrease (7.00%)	1% Increase (8.00%)
Total September 30, 2020, OPEB Liability	\$ 557,380	\$ 631,608	\$ 722,057

<i>OPEB Expense</i>	October 1, 2019 to September 30, 2020
Service cost	\$ 36,267
Interest on total OPEB liability	23,329
Liability gain or loss	13,890
Effect of assumptions, changes, or inputs	4,137
Total	\$ 77,623

Bingham County, Idaho

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

Other Post-Employment Benefits Expense and Deferred Outflows of Resources and Deferred Inflows for Resources Related to Other Post-employment Benefits

Schedule of Deferred Inflow/Outflow of Resources

	Original Amount	Date Established	Original Recognition Period	Amount Recognized	Deferred Inflow of Resources	Deferred Outflow of Resources
Differences between expected and actual experience/changes in assumptions	\$ -	Sept 30, 2018	-	\$ -	\$ -	\$ -
Assumption changes	70,165	Sept 30, 2019	6	(11,694)	(8,780)	55,557
Assumption changes	37,995	Sept 30, 2020	6	(6,333)	-	31,662
Total	\$ 108,160			\$ (18,027)	\$ (8,780)	\$ 87,219

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other post-employment benefits will be recognized in OPEB expense as follows:

Year Ending September 30,	Amount to Recognize*
2021	18,027
2022	18,027
2023	18,027
2024	18,028
2025	6,330

*Note that additional future deferred inflows and outflows of resources may impact these numbers.

Note 7: Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The County funds all amounts of compensation deferred under the plan, at the direction of the covered employee, through investments in fixed annuity contracts administered by PEBSO Deferred Compensation Plan Administrator.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County (without being restricted to the provisions of benefits under the plan), subject only to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant.

Note 8: Long-Term Obligations

Bingham County, Idaho

Notes to Financial Statements

Note 8: Long-Term Obligations (Continued)

Compensated Absences - The County's benefits include a provision for compensated absences. The liability for this benefit is liquidated by the fund in which the employee is paid from.

Landfill Post Closure Costs - Bingham County recalculated their post closure care testing liability for the Fielding, Aberdeen, and Rattlesnake Landfills during the 2020 fiscal year which resulted in an increase of \$59,729.

The following is a summary of the changes in long-term obligations for the year ended September 30, 2020:

	Balance at Oct 1, 2019	Additions	Reductions	Balance at Sept 30, 2020	Amounts due within one year
Compensated absences	384,239	10,233	-	394,472	394,472
Landfill closure costs	553,150	25,700	-	578,850	-
Total long-term obligations	937,389	35,933	-	973,322	394,472

Note 9: Closure and Postclosure Care Costs

Idaho IDAPA 16, Title 01, Chapter 6 and federal regulations require the Bingham County solid waste landfills to place a final cover on its solid waste landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste. The Fielding landfill with estimated monitoring costs of \$244,000 was closed at the beginning of the 2003 fiscal year. Aberdeen landfill is estimated to last approximately 60-80 years, an increase from an estimated 30 years, with projected closing costs of \$37,250 and post closure costs of \$81,600. The Rattlesnake landfill opened in 2003 and has an estimated life of approximately 140 years, with projected closing costs of \$63,000 and post closure cost of \$153,000. The Central Transfer Station is operated on an in and out basis with no waste accumulating; therefore, it is estimated to have an indefinite life, and estimated costs of closure and post closure care are \$0. The Bingham County solid waste landfill will recognize the remaining estimated cost of closure and post closure care as the remaining estimated capacity is filled. The estimated liability is based on what it would cost to perform all closure and post closure care of the current site in 2020 dollars. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Final cover will be put on portions of the landfill when they are ready for closure to reduce the final cover costs when the landfill is closed.

The Bingham County solid waste landfills are not required to fund contributions to a trust to finance closure and post closure care. The County may find that funding requirements may be inadequate or that additional post closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) and these costs may need to be covered by charges to future landfill users or from tax revenue.

Note 10: Deficit Fund Balance

There were no deficit fund balances in the major funds of the County at September 30, 2020.

Bingham County, Idaho

Notes to Financial Statements

Note 11: Fund Balance

As of September 30, 2020, there were no restricted or encumbered fund balances.

Note 12: Blackfoot Urban Renewal Agency Agreement

On May 24, 2005, the County entered into an agreement with the Blackfoot Urban Renewal Agency. The County purchased 25.22 acres of property located near Blackfoot, Idaho, on West Bridge Street near the Snake River and transferred the title to the Blackfoot Urban Renewal Agency with the understanding that it would be used for the development of a technology industrial park. The Agency agreed to pay annually to the County an amount of money equal to the property tax revenue of a subdivision located in the Parkway-Meridian Urban Renewal Area during such time that the Parkway-Meridian Urban Renewal area exists. In addition, the Agency also agreed to pay annually to the County an amount equal to the personal property tax revenue the County would normally receive each year on the personal property located within the Riverview Industrial Park until such time as the total amount expended is equal to the amount the County paid for the property or until such time as the Riverview Urban Renewal Area is terminated. As of September 30, 2020, the balance of the note receivable was \$202,939. Revenue will be recognized under the cost recovery method as payments are received. The remaining receivable balance will be reflected in the liability section as deferred revenue.

Note 13: Tax Abatements

The County enters into property tax abatement agreements with local businesses under Idaho Code 63-606A – Small Employer Growth Incentive Exemption. This Code allows localities to abate all or a portion of such property from property taxation when the investments in such property benefit the citizens within the county in a manner and to such a degree that to grant the exemption is necessary and just. The County’s reasoning for this abatement is for a variety of economic development purposes, including business relocation, retention, and expansion. Under this law, a 75% tax abatement was granted to Agri-Services for five years beginning in 2015 to encourage relocation and job-creation. The amount abated during the 2020 fiscal year was \$17,100.

A 75% tax abatement was granted to Trent Lott/Movie Mill Theater for five years beginning in 2019 to encourage community restoration and job-creation. The amount abated during the 2020 fiscal year was \$12,283.

In addition, a 75% tax abatement was granted to Premier Technology for five years beginning in March 1, 2019 to encourage community restoration and job-creation. The amount abated during the 2020 fiscal year was \$21,617.

Note 14: Hospital Lease and Transfer Agreement

Due to an Idaho State Supreme Court decision that prevents any government entity from issuing debt without voter approval, Bingham Memorial Hospital, a former component unit of Bingham County, transitioned from a county hospital to a nonprofit hospital. During the year ended June 30, 2007, BMH, Inc. (BMH) was incorporated as an Idaho nonprofit corporation in accordance with Section 501(c)(3) of the Internal Revenue Code. A hospital lease and transfer agreement between the County and BMH was executed on June 22, 2007. Under the terms of the Agreement and in compliance with Idaho Code Section 31-3513A, the County is leasing the hospital to BMH, effective July 1, 2007, and ending June 30, 2106. Under the provisions of this lease, BMH is leasing all facilities, operations, operating assets, acquired assets, charitable assets, and the offsetting liabilities at a rate of \$1 per year for 99 years. In addition, the County’s ownership interest in Bingham Land, LLC was transferred to BMH.

Bingham County, Idaho

Notes to Financial Statements

In conjunction with the Agreement, there was a liquid assets transfer agreement between the County and BMH that was effective July 1, 2007. The liquid assets transfer agreement stipulates three types of payments due from BMH to the County for consideration of the liquid assets transferred under the Agreement. The first of these payments was a \$150,000 payment due annually beginning July 1, 2008. The second payment was an amount equal to 5% of the "Excess of Revenues over Expenses" per BMH's audited financial statements, with a maximum payment of \$150,000 each year. This payment must be made within 150 days of each December 31 year-end, the new fiscal year-end of BMH, beginning with the year ending December 31, 2007. The final payment due from BMH to the County was related to indigent care claims, which were passed through to BMH. BMH was to reimburse the County up to \$150,000 per year for these payments. During 2015, an assignment and assumption agreement was entered in by the parties to the Agreement and the above terms were modified as described in the following paragraph.

Effective on August 25, 2015, Bingham County, Idaho and BMH, Inc. entered into an assignment and assumption agreement, whereby the County assigned its interests in CMRGO and DHHS to BMH. The parties further agreed that the real property and improvements which are owned by CMRGO shall be added to and be considered part of the original facilities under the hospital lease and transfer agreement. In consideration of such assignment and assumption a new payment structure was determined to be one annual payment not to exceed one-half of one percent ($\frac{1}{2}\%$) of BMH's annual net patient service revenue with a minimum fixed amount of \$400,000 plus up to \$100,000 for indigent care expense reimbursement. One effect of the above on the fiscal year ended September 30, 2015, government-wide statement of net position was that the investment in affiliates and the related equity in net position of affiliates no longer exists as the ownership was transferred to BMH and the existing assets are now considered part of the assets subject to the hospital lease.

As of September 1, 2018, the hospital approved a sublease through BMH to BF Medical Investments, LLC. The sublease has been in effect since 2015. Complete financial statements of BMH, Inc., known as Bingham Memorial Hospital, can be obtained from their administrative office at 98 Popular Street, Blackfoot, Idaho 83221.

Note 15: Jointly Governed Organization

In October 2004, Bingham County, Bonneville County, the City of Shelley, and the City of Ammon entered into a joint powers agreement to provide joint financing, design, acquisition, construction, management, and operation of a regional sewage treatment and disposal facility. A separate legal entity, Eastern Idaho Regional Wastewater Authority, was created. It is governed by a board made up of representatives from each of the members of the joint powers' agreement. Assets acquired by the members of the joint powers agreement for the Eastern Idaho Regional Wastewater Authority during the construction phase are donated to the Authority as that phase becomes operational.

The Board of the Eastern Idaho Regional Wastewater Authority assesses and collects from each participating member debt service fees, discharge/hookup fees, operation and maintenance fees, and fees to pay for costs in excess of defined equivalent residential unit (ERU) allocations each year. Each member must collect, as a minimum, debt service fees, discharge/hookup fees, and operation and maintenance fees established by the board and remit them to the Authority. Each member may also establish its own minimum operation and maintenance fees and discharge/hookup fees in addition to those determined by the board. Each member of the joint powers' agreement pays a percentage of the repair, operation, and maintenance of the facility and transmission lines.

Bingham County, Idaho

Notes to Financial Statements

Note 15: Jointly Governed Organization (Continued)

In the event of a federal, state, or local court action concerning the facility, each member will assume responsibility for such litigation in a direct proportion to the percentage of use of the system. If the facility needs to expand in the future and the Authority does not have adequate funds in their reserve fund accumulated from the discharge/hookup fees, each member of the joint powers agreement will pay additional funds necessary to construct and complete the next phase of the development of the facility.

During the 2009 – 2010 fiscal year, the facility began accepting flow from the City of Shelley, Bonneville County, and Bingham County. The Eastern Interceptor line was completed during the 2012 fiscal year and the Authority began accepting flow from the City of Ammon.

The Eastern Idaho Regional WasteWater Authority has a fiscal year end of September 30. Financial statements are available at: Eastern Idaho Regional WasteWater Authority, 618 East 1250 North, Shelley, Idaho 83274.

Required Supplemental Information

Bingham County, Idaho

Infrastructure Assets Reported Using the Modified Approach

September 30, 2020

As allowed by GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and analysis - for State and Local Governments, the County has adopted an alternative method for reporting costs associated with certain infrastructure assets. Under this alternative method, referred to as the "modified approach," infrastructure assets are not depreciated, and maintenance and preservation costs are expensed. The County capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and/or efficiency of infrastructure assets reported under the modified approach.

In order to utilize the modified approach, the County is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets;
- Perform and document replicable condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale,
- Estimate each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the County; and
- Document that the infrastructure assets are being preserved approximately at or above the condition levels established by the County.

Roads

Bingham County applies the modified approach to the 1,189.89 center lane miles of roads. The roads are owned and maintained by the County even though many of the roads are built on implied dedication or prescriptive easements. The goal of the County in conjunction with adopting the modified approach is to develop and provide a cost effective pavement maintenance and rehabilitation program that preserves the County's investment in its road network and enhances public transportation and safety.

The standards that Bingham County uses to evaluate the road conditions have been defined more clearly to the inspectors to improve the accuracy of the data. The County now utilizes a GIS/GPS system to measure the lengths of the roads and help eliminate errors in the data. Gravel roads have remained somewhat consistent from prior years. During fiscal year 2019, the County converted to the Paser system and completed a total assessment of road conditions. Over the course of fiscal years 2020 and 2021, the County intends to complete a more detailed assessment and long-term plan for County infrastructure.

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho

Infrastructure Assets Reported Using the Modified Approach

September 30, 2020

Measurement Scale

Gravel Roads	2020 Center Lane Miles
9-10 Only needs maintenance once a year and is safe	0
8 Requires occasional maintenance, needs only slight improvements	107.34
6-7 Adequate - will be needing gravel and other improvements in the future, but is okay for now	262.83
4-5 Needs gravel, etc.	115.29
1-3 Needs gravel, shoulders, widening, safety of road should be considered, etc.	46.15
Other (dirt)	0
Total gravel roads	531.61

Oiled Roads

9-10 Excellent	New and like-new	53.89
8 Very Good	Little or no maintenance required	290.15
6-7 Good	Some signs of aging, can extend life through sealcoat	225.24
4-5 Fair	Aging surface, but sound structural condition Needs work (overlay, strengthening, etc.)	89
1-3 Failed	Reconstruction needed	0
Not rated	Other (dirt)	0
Total oil roads		658.28

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho

Infrastructure Assets Reported Using the Modified Approach

September 30, 2020

Established Condition Level

It is the County's goal to maintain at least 50% of its roads/highways at or above the "fair" condition or better. Condition assessments are performed by geographic district within the network on approximately one third of the roads/highways each year in order to achieve a complete condition assessment at least once every three years. The last three assessments were December 2019, October 2015, and November 2013.

Assessed Conditions

The following table reports the center lane miles and the percentage of pavement meeting the "excellent" to "fair" condition ratings as assessed in 2013. The first year of implementation of these reporting standards was 2007. This chart reports a seven year trend analysis.

Bingham County Oil Road Condition Report						
Fiscal Year	Excellent Condition	Good Condition	Fair Condition	Total miles in Fair or Above Condition	Total Country Miles	% in Excellent to Fair Condition
2020	53.89	515.39	89.00	658.28	658.28	100.00%
2019	53.89	504.39	100.00	658.28	658.28	100.00%
2018	49.14	504.39	100.44	653.97	653.97	100.00%
2017	163.31	329.46	179.92	672.69	672.69	100.00%
2016	1.50	147.02	515.28	663.80	663.80	98.98%
2015	1.50	147.02	515.28	663.80	672.22	98.98%
2014	5.54	132.19	510.52	647.60	654.27	98.97%

During the 2011 fiscal year, the County implemented a GIS system to assist in tracking infrastructure in the County. Center-lane mileage was reassessed and adjusted from the prior year to reflect the more accurate information provided by the GIS system. In addition, the County changed how they were assessing road conditions. In prior years, if a road was chip-sealed, it was classified as "good". Now, the assessment is also based on some safety factors. This has changed the classification of some of the roads that were classified as "good" in prior years such that they are now classified as "fair". The information in the table above reflects the updated information, and had been further separated under the Pasar system.

The following table represents the County's estimated amounts needed to maintain and preserve its road network at or above its established condition levels, as well as the amounts actually spent on road maintenance and preservation, for the last six reporting periods (in thousands).

	2020	2019	2018	2017	2016	2015
Estimated spending	5,865	5,799	6,051	6,964	6,059	6,084
Actual spending	5,865	5,799	6,056	6,037	4,846	5,555

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds - General Fund

For the Year Ended September 30, 2020

	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Property taxes		3,878,307	11,497	3,889,804
Licenses and permits		347,822		347,822
Intergovernmental revenue		2,070,489	36,922	2,107,411
Charges for services		514,945		514,945
Interest and dividend income		25		25
Miscellaneous and contributions		714,861	121,627	836,488
Total revenues	0	7,526,449	170,046	7,696,495
EXPENDITURES				
General government	5,017,453	4,646,960	(6,850)	4,640,110
Public safety	1,460,226	1,449,726	7,118	1,456,844
Health and sanitation	160,590	146,556	1,632	148,188
Conservation/economic development	401,534	423,324	5,112	428,436
Capital outlay	379,866	329,481	3,200	332,681
Total expenditures	7,419,669	6,996,047	10,212	7,006,259
Revenues over (under) expenditures	(7,419,669)	530,402	159,834	690,236
Fund balance at October 1, 2019		<u>1,953,308</u>		<u>2,293,187</u>
Fund balance at September 30, 2020		<u><u>2,483,710</u></u>		<u><u>2,983,423</u></u>

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds - Road & Bridge Fund

For the Year Ended September 30, 2020

	Original & Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Property taxes		590,059	0	590,059
Intergovernmental revenue		3,918,293	0	3,918,293
Charges for services		91,735		91,735
Miscellaneous and contributions		53,338		53,338
Total revenues	0	4,653,425	0	4,653,425
EXPENDITURES				
Public works	4,003,453	3,659,884	0	3,659,884
Capital outlay	514,000	548,669		548,669
Total expenditures	4,517,453	4,208,553	0	4,208,553
Revenues over (under) expenditures	(4,517,453)	444,872	0	444,872
Fund balance at October 1, 2019		<u>1,929,511</u>		<u>1,929,511</u>
Fund balance at September 30, 2020		<u><u>2,374,383</u></u>		<u><u>2,374,383</u></u>

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds - Justice Fund

For the Year Ended September 30, 2020

	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Property taxes		4,501,529	0	4,501,529
Licenses and permits		90,404		90,404
Intergovernmental revenue		1,900,397	0	1,900,397
Charges for services		409,652		409,652
Interest and dividend income		303,604		303,604
Miscellaneous and contributions		246,114		246,114
Total revenues	0	7,451,700	0	7,451,700
EXPENDITURES				
Public safety	6,676,500	6,345,027	0	6,345,027
Debt service - principal			0	
Debt service - interest			0	
Capital outlay	213,240	221,658	0	221,658
Total expenditures	6,889,740	6,566,685	0	6,566,685
Revenues over (under) expenditures	(6,889,740)	885,015	0	885,015
Fund balance at October 1, 2019		<u>204,182</u>		<u>757,534</u>
Fund balance at September 30, 2020		<u><u>1,089,197</u></u>		<u><u>1,642,549</u></u>

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds - Road & Bridge, Special Projects Fund

For the Year Ended September 30, 2020

	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Property taxes		535,336	147	535,483
Intergovernmental revenue		1,199,552	29,715	1,229,267
Miscellaneous and contributions		39,800		39,800
Total revenues	0	1,774,688	29,862	1,804,550
EXPENDITURES				
Public works	1,789,500	1,649,978	(38)	1,649,940
Capital outlay	5,000	6,357		6,357
Total expenditures	1,794,500	1,656,335	(38)	1,656,297
Revenues over (under) expenditures	(1,794,500)	118,353	29,900	148,253
Fund balance at October 1, 2019		<u>684,100</u>		<u>990,001</u>
Fund balance at September 30, 2020		<u><u>802,453</u></u>		<u><u>1,138,254</u></u>

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds - Payment in Lieu of Taxes

For the Year Ended September 30, 2020

	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Charges for services		4,607		4,607
Intergovernmental revenue		890,751		890,751
Miscellaneous and contributions		36,922		36,922
Total revenues	0	932,280	0	932,280
EXPENDITURES				
General government	1,250,000	1,230,676	0	1,230,676
Total expenditures	1,250,000	1,230,676	0	1,230,676
Revenues over (under) expenditures	(1,250,000)	(298,396)	0	(298,396)
Fund balance at October 1, 2019		<u>5,566,971</u>		<u>5,566,971</u>
Fund balance at September 30, 2020		<u><u>5,268,575</u></u>		<u><u>5,268,575</u></u>

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho

Required Supplementary Information

Fiscal Year Ended September 30, 2020

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

	2020	2019	2018	2017	2016	2015
Employer's portion of net pension liability	0.30077%	0.30121%	0.31466%	0.32085%	0.33145%	0.32915%
Employers proportionate share of the net pension liability	6,984,175	3,539,939	4,641,287	5,043,135	6,719,033	4,334,367
Employer's covered payroll	10,655,324	10,444,333	10,099,385	9,960,832	9,693,958	8,950,566
Employer's proportional share of the net pension liability as a percentage of its covered payroll	65.55%	33.89%	45.96%	50.63%	69.31%	48.43%
Plan fiduciary net position as a percentage of the total pension liability	90.68%	90.68%	91.69%	90.68%	87.26%	91.38%

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

Data reported is measured as of June 30, 2020 (measurement date).

Schedule of Employer Contributions PERSI-Base Plan Last 10-Fiscal Years *

	2020	2019	2018	2017	2016	2015
Statutorily required contribution	1,300,675	1,205,834	1,154,360	1,128,064	1,097,356	1,076,655
Contributions in relation to the statutorily required contribution (deficiency) excess	1,300,348 (327)	1,206,300 466	1,154,301 (59)	1,135,675 7,611	1,097,356	1,043,636 (33,019)
Employer's covered payroll	10,793,985	10,458,235	10,099,385	9,960,832	9,693,958	8,950,566
Contributions as a percentage of covered payroll	12.05%	11.53%	11.43%	11.40%	11.32%	11.66%

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

Data reported is measured as of September 30, 2020.

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho

Required Supplementary Information

Fiscal Year Ended September 30, 2020

Schedule of Changes in Total OPEB Liability and Related Ratios

As of the measurement date of October 1, 2018	2020	2019	2018
Total OPEB Liability			
Service cost	36,267	29,283	25,319
Interest on total OPEB liability	23,329	18,098	17,454
Changes of benefit terms			
Assumption changes	37,995	(13,172)	
Differences between expected and actual experience	-	83,337	
Effect of assumption changes or inputs	-	-	
Expected benefit payments	(55,269)	(31,869)	(24,855)
Net change in total OPEB liability	42,322	85,677	17,918
Total OPEB liability, beginning	589,286	503,609	485,691
Total OPEB liability, ending	631,608	589,286	503,609
Covered employee payroll	9,538,805	9,260,976	10,099,385
Total OPEB liability as a % of covered employee payroll	7.00%	6.36%	4.99%

* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Independent Auditor's Report.

See Notes to Required Supplementary Information

Bingham County, Idaho
Notes to Required Supplementary Information
Budget to Actual Statements (with GAAP Differences)

September 30, 2020

1. The legally adopted budget for Bingham County – State of Idaho is based on the cash basis of accounting. Adjustments to the modified accrual basis of accounting are listed as GAAP differences.

2. Debt payments are reclassified from general operating expense to show principal and interest portions of cash payments.

3. Higher operating expenses may be reflected on the GAAP basis if equipment was purchased at year-end with a partial payment budgeted in the current year and an account payable booked to reflect the final payment in the subsequent year's budget.

4. Capital outlays that do not meet the capitalization policy levels are reclassified out of capital outlay and into another expenditure.

See Independent Auditor's Report.

Other Information

Bingham County, Idaho
All Nonmajor Funds
Combining Balance Sheet
September 30, 2020

	Airport	District Court	State Fair	Health District	Historical Society	Indigent Services	Parks and Recreation	Transitional Revaluation	Tort	Vetrans Memorial	Weeds	Waterways	Court Facility	Drug Court	Interlock Monitoring	Junior College	Consolidated Elections	Bingham County Lab	Bingham County Ambulance	East Idaho Partnership	Fuel Trust	Other Special Revenue	All Nonmajor Funds	
ASSETS																								
Cash and cash equivalents	20,006	259,949	10,275	37,911	23,460	152,473	192,322	213,746	353,783	8,723	173,417	93,587	45,691	55,034	27,175	92,573	276,896	95	25,742	102,107	8,373	18,770	2,192,108	
Receivables																								
Property taxes		17,925	240	8,881	979	16,956	4,521	12,642	10,731	131	6,881								18,827				98,714	
Intergovernmental		61,014					5,500					6,000	321			18,737			24,479				116,051	
Other																						275	275	
Total assets	20,006	338,888	10,515	46,792	24,439	169,429	202,343	226,388	364,514	8,854	180,298	99,587	46,012	55,034	27,175	111,310	276,896	95	69,048	102,107	8,373	19,045	2,407,148	
LIABILITIES																								
Accounts payable	26	11,843			88	69,092	23,134	14,821		1,023	3,183	834		15,439			3,626	95	10,742		8,073	215	162,234	
Accrued salaries and benefits		34,678				3,310	3,903	12,018			4,381	1,344		1,951			2,997							64,582
Total liabilities	26	46,521	0	0	88	72,402	27,037	26,839	0	1,023	7,564	2,178	0	17,390	0	0	6,623	95	10,742	0	8,073	215	226,816	
DEFERRED INFLOWS OF RESOURCES																								
Unavailable revenue	0	16,172	216	8,001	884	15,239	4,075	11,437	9,675	118	6,203													88,987
Total deferred inflows of resour	0	16,172	216	8,001	884	15,239	4,075	11,437	9,675	118	6,203	0	0	0	0	0	0	0	16,967	0	0	0	88,987	
FUND BALANCES																								
Assigned	19,980	276,195	10,299	38,791	23,467	81,788	171,231	188,112	354,839	7,713	166,531	97,409	46,012	37,644	27,175	111,310	270,273	0	41,339	102,107	300	18,830	2,091,345	
Total fund balances	19,980	276,195	10,299	38,791	23,467	81,788	171,231	188,112	354,839	7,713	166,531	97,409	46,012	37,644	27,175	111,310	270,273	0	41,339	102,107	300	18,830	2,091,345	
Total liabilities, deferred inflows of resources and fund balances	20,006	338,888	10,515	46,792	24,439	169,429	202,343	226,388	364,514	8,854	180,298	99,587	46,012	55,034	27,175	111,310	276,896	95	69,048	102,107	8,373	19,045	2,407,148	

See Independent Auditor's Report.

Bingham County, Idaho
All Nonmajor Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended September 30, 2020

	Airport	District Court	State Fair	Health District	Historical Society	Indigent Services	Parks and Recreation	Transitional Revaluation	Tort	Vetrans Memoria	Weeds	Waterway	Court Facility	Drug Court	Interlock Monitorin	Junior College	Consolidated Elections	Bingham County Lab	Bingham County Ambulance	East Idaho Partnership	Fuel Trust	Other Special Revenue	All Nonmajor Funds	
REVENUES																								
Property taxes		849,857	11,142	415,081	48,395	854,472	214,414	570,548	505,180	6,072	315,008								908,290			275	4,698,734	
Licenses and permits							55,662																	55,662
Intergovernmental revenue		316,602	54	2,030	238	4,182	23,049	2,792	2,476	30	1,539	57,439				91,349			94,428					596,208
Charges for services		178,485					6,057	8,676						31,074	2,940			57,570	12,892					297,694
Fines and forfeitures		212,883											16,305											229,188
Miscellaneous and contributions	320	63,110				294,067	10,000	132	8	500	2,069	10,091	321	37,925			136,220	10,084		19,477	135,525	1,911	721,760	
Total revenues	320	1,620,937	11,196	417,111	48,633	1,152,721	309,182	582,148	507,664	6,602	318,616	67,530	16,626	68,999	2,940	91,349	136,220	67,654	1,015,610	19,477	135,525	2,186	6,599,246	
EXPENDITURES																								
Current																								
General government		1,450,912						521,675	359,980	4,270			34,665				104,339			509		2,915	2,479,265	
Public safety														75,999	1,235			81,462			134,876			293,572
Public works	2,458																							2,458
Health and sanitation				409,231		1,259,506													994,641					2,663,378
Culture and recreation			11,000		38,987		222,395					49,387												321,769
Education																83,715								83,715
Conservation/economic development													214,558									1,546		216,104
Capital outlay		81,845					6,730	11,703					31,286					4,178						135,742
Total expenditures	2,458	1,532,757	11,000	409,231	38,987	1,259,506	229,125	533,378	359,980	4,270	245,844	49,387	34,665	75,999	1,235	83,715	108,517	81,462	994,641	509	134,876	4,461	6,196,003	
Revenues over (under) expenditures	(2,138)	88,180	196	7,880	9,646	(106,785)	80,057	48,770	147,684	2,332	72,772	18,143	(18,039)	(7,000)	1,705	7,634	27,703	(13,808)	20,969	18,968	649	(2,275)	403,243	
OTHER FINANCING SOURCES (USES)																								
Operating transfers																			(20,000)					(20,000)
Net change in fund balance	(2,138)	88,180	196	7,880	9,646	(106,785)	80,057	48,770	147,684	2,332	72,772	18,143	(18,039)	(7,000)	1,705	7,634	27,703	(13,808)	969	18,968	649	(2,275)	383,243	
Fund balance at October 1, 2019	22,118	188,015	10,103	30,911	13,821	188,573	91,174	139,342	207,155	5,381	93,759	79,266	64,051	44,644	25,470	103,676	242,570	13,808	40,370	83,139	(349)	21,105	1,708,102	
Fund balance at September 30, 2020	19,980	276,195	10,299	38,791	23,467	81,788	171,231	188,112	354,839	7,713	166,531	97,409	46,012	37,644	27,175	111,310	270,273		41,339	102,107	300	18,830	2,091,345	

See Independent Auditor's Report.

Bingham County, Idaho
Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
September 30, 2020

	Auditors Trust	Driver's License Trust	District Court Trust	Catastrophic Fund Trust	Development Agreement Trust	Insurance Trust	Idaho Transportation Trust	Dept. of Law Enforcement Trust	Vehicle Resistration Trust	Range Improvement Trust	Planning & Zoning Costs Trust	Narcotics Fund Trust	Narcotics Revolving Trust	Sheriff Revolving Trust
ASSETS														
Cash and cash equivalents	62,879	23,382	13,699	62,855	116,363	1,991,128	10,484	9,564	177,919	27,281	9,759	4,315	5,067	158,251
Total assets	62,879	23,382	13,699	62,855	116,363	1,991,128	10,484	9,564	177,919	27,281	9,759	4,315	5,067	158,251
LIABILITIES														
Accounts payable	39,998	23,355	13,265	15,853		264,914	148	859	172,096	3,800	49			
Total liabilities	39,998	23,355	13,265	15,853	0	264,914	148	859	172,096	3,800	49	0	0	0
NET POSITION														
Held in trust for individuals, organizations, and other governments	22,881	27	434	47,002	116,363	1,726,214	10,336	8,705	5,823	23,481	9,710	4,315	5,067	158,251

See Independent Auditor's Report.

Bingham County, Idaho
Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds

September 30, 2020

	Right of Way Use Fees Trust	Delinquent Mobile Home Trust	Prosecutors Trust	Clerk/ Recorder Trust	Restitution Trust	Sex Offender Fees Trust	Search & Rescue Trust	Community Service Prog. Trust	Court Fines and Fees	Magistrate Bond Trust	Ambulance Purchase Trust	Inmate Trust	Jail Trust	All Private Purpose Trust Funds
ASSETS														
Cash and cash equivalents	47,152		4,109	4,526	24,373	1,880	26,014	16,884	265	242,239	60,000	7,239	153,086	3,260,713
Total assets	47,152		4,109	4,526	24,373	1,880	26,014	16,884	265	242,239	60,000	7,239	153,086	3,260,713
LIABILITIES														
Accounts payable	100				19,656	1,880	1,040	183	14,751	590				572,537
Total liabilities	100	0	0	0	19,656	1,880	1,040	183	14,751	590	0	0	0	572,537
NET POSITION														
Held in trust for individuals, organizations, and other governments	47,052	0	4,109	4,526	4,717	0	24,974	16,701	(14,486)	241,649	60,000	7,239	153,086	2,688,176

See Independent Auditor's Report.

Bingham County, Idaho
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Year Ended September 30, 2020

	Auditors Trust	Driver's License Trust	District Court Trust	Catastrophic Fund Trust	Development Agreement Trust	Insurance Trust	Idaho Transportation Trust	Dept. of Law Enforcement Trust	Vehicle Registration Trust	Range Improvement Trust	Planning & Zoning Costs Trust	Narcotics Fund Trust	Narcotics Revolving Trust	Sheriff Revolving Trust
ADDITIONS														
Licenses and permits		253,770					1,724		1,959,541					9,727
Intergovernmental revenue														
Charges for services	108,840							13,826						
Fines and forfeitures													4,051	
Miscellaneous and contributions	124,071		342	36,334	22,000	3,000,299				2,231	8,040	3,705		119,734
Total additions	232,911	253,770	342	36,334	22,000	3,000,299	1,724	13,826	1,959,541	2,231	8,040	3,705	4,051	129,461
DEDUCTIONS														
Trust remittance	229,858	253,896	13,265	50,368	34,244	3,237,542	1,800	14,336	1,959,382	3,799	3,618		10,986	42,309
Total deductions	229,858	253,896	13,265	50,368	34,244	3,237,542	1,800	14,336	1,959,382	3,799	3,618	0	10,986	42,309
OTHER FINANCING SOURCES (USES)														
Operating transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additions over (under) deductions	3,053	(126)	(12,923)	(14,034)	(12,244)	(237,243)	(76)	(510)	159	(1,568)	4,422	3,705	(6,935)	87,152
Net Position at October 01, 2019	19,828	153	13,357	61,036	128,607	1,963,457	10,412	9,215	5,664	25,049	5,288	610	12,002	71,099
Net Position at September 30, 2020	22,881	27	434	47,002	116,363	1,726,214	10,336	8,705	5,823	23,481	9,710	4,315	5,067	158,251

See Independent Auditor's Report.

Bingham County, Idaho
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Year Ended September 30, 2020

	Right of Way Use Fees Trust	Delinquent Mobile Home Trust	Prosecutors Trust	Clerk/ Recorder Trust	Restitution Trust	Sex Offender Fees Trust	Search & Rescue Trust	Community Service Prog. Trust	Court Fines and Fees	Magistrate Bond Trust	Ambulance Purchase Trust	Inmate Trust	Jail Trust	All Private Purpose Trust Funds
ADDITIONS														
Licenses and permits														2,224,762
Intergovernmental revenue								10,513						10,513
Charges for services	46,070		122				16,568							185,426
Fines and forfeitures					482,353					230,914				717,318
Miscellaneous and contributions				193		5,920						2,631	275,654	3,601,154
Total additions	46,070	0	122	193	482,353	5,920	16,568	10,513	0	230,914	0	2,631	275,654	6,739,173
DEDUCTIONS														
Trust remittance	7,100	275	(1)	50	483,107	5,920	50,254	14,265	15,370	60,355			224,243	6,716,341
Total deductions	7,100	275	(1)	50	483,107	5,920	50,254	14,265	15,370	60,355	0	0	224,243	6,716,341
OTHER FINANCING SOURCES (USES)														
Operating transfers	0	0	0	0	0	0	0	0	0	0	20,000	0	0	20,000
Additions over (under) deductions	38,970	(275)	123	143	(754)		(33,686)	(3,752)	(15,370)	170,559	20,000	2,631	51,411	42,832
Net Position at October 01, 2019	8,082	275	3,986	4,383	5,471	0	58,660	20,453	884	71,090	40,000	4,608	101,675	2,645,344
Net Position at September 30, 2020	47,052	0	4,109	4,526	4,717	0	24,974	16,701	(14,486)	241,649	60,000	7,239	153,086	2,688,176

See Independent Auditor's Report.

Annual Federal Compliance Section

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
Bingham County, Idaho
Blackfoot, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States 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 business-type activities, each major fund, and the aggregate remaining fund information of Bingham County, Idaho as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Bingham County, Idaho's basic financial statements, and have issued our report thereon dated June 29, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bingham County, Idaho's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of Bingham 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 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 have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bingham 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*.

County's Response to Finding

Bingham County, Idaho's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the County's response and, accordingly, we express no opinion on the response.

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 Bingham County, Idaho'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 Bingham County, Idaho's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

June 29, 2021
Idaho Falls, Idaho

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

Bingham County, Idaho
Blackfoot, Idaho

Report on Compliance for Each Major Federal

We have audited Bingham 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 its major federal program for the year ended September 30, 2020. Bingham County, Idaho's major federal program is 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 and state statutes, regulations, and the terms and conditions of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Bingham 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 or state program occurred. An audit includes examining, on a test basis, evidence about Bingham 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 and state program. However, our audit does not provide a legal determination on Bingham County, Idaho's compliance.

Unmodified Opinion on the Major Federal Program

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

Report on Internal Control Over Compliance

Management of Bingham 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 Bingham County, Idaho's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 Bingham 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 the types of compliance requirements of the 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 the types of compliance requirements of the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2020-002 that we consider to be a material weakness.

Bingham County, Idaho's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and responses. Bingham County, Idaho's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



Wipfli LLP

June 29, 2021
Idaho Falls, Idaho

Bingham County, Idaho

Schedule of Findings and Questioned Costs

Year Ended September 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards (Uniform Guidance)

Yes No

Identification of major programs

<u>CFDA Number(s)</u>	<u>Federal Program or Cluster</u>
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

Bingham County, Idaho

Schedule of Findings and Questioned Costs (Continued)

1. **Audit Findings in Relation to Financial Statements**

2020-001 **INTERNAL CONTROLS OVER REVENUE RECOGNITION**

Criteria or Specific Requirement: Under GAAP reporting requirements, an organization should match revenues and expenditures where applicable. For federal expenditures, this may require the recording of additional accounts receivable amounts for future reimbursement requests.

Condition: The County did not appropriately report revenues and receivable balances in line with grant funds expended for the year. Some requests had been made near or after year end, or were made during the time of fieldwork, but these were not identified as cutoff AR balances.

Context: The County has received significant additional funding in the current year as a result of COVID related funding sources in addition to their grants in process. Some of these dollars came without any application process, and the deadlines for expenditures were tight. The County focused its attention on appropriately spending and tracking these dollars, and requesting reimbursement after all appropriate support had been gathered. They did not, however, identify the need to record offsetting receivables for expected reimbursements.

Effect: The County's revenues and accounts receivable balances were understated by approximately \$340,000.

Cause: Focus was on the expenditure side without recognition of the GAAP requirement to match associated reimbursement expectations.

Auditor's Recommendation: We recommend that the County create a process to oversee all federal grants to monitor use and recording of expected receipts. Further that this process would allow a year-end reconciliation of receipts and expenditures to ensure proper recording of receivables and revenues for any items not already recorded based on the date of expenditures rather than receipt of reimbursements.

View of Responsible Officials: The county has spent a great deal of time tracking the expenditures and reimbursements through the CARES Act with the State of Idaho Controller's Office. We are able to account for all funding. As was explained in the audit, we are now aware that GAAP requirements for federal funding are different than operating on a cash basis as some reimbursements should have been booked to the previous year. The county will work with the auditor to make the adjustment in next year's audit.

Bingham County, Idaho

Schedule of Findings and Questioned Costs (Continued)

2. Audit Findings and Questioned Costs in Relation to Federal Awards

2020-002

Federal Program Information:

Funding agency: Department of Treasury
Title: Coronavirus Relief Fund
CFDA number: 21.019
Award year and number: 2020

Criteria or Specific Requirement: An organization should have procedures in place to recognize the amount of federal dollars being spent, and to prepare a Schedule of Federal Awards necessary to be compliant with Uniform Guidance requirements.

Condition: The County did not finalize all requests for reimbursement until more than 4 months after their fiscal year end. They were not recognizing that these reimbursements should impact their FY20 SEFA and were instead thinking in terms of cash-basis receipts.

Context: The County has not historically received significant funding through grants and federal dollars. Due to COVID 19, the County spent over \$1 million in federal dollars in this fiscal year.

Questioned Costs: None

Effect: The County would not have included a complete SEFA in their financial report, and not all federal expenditures would have been included in their single audit test.

Cause: There was no mechanism or procedures which accumulate and reconcile reimbursement requests with revenue recorded and expenditures to be included in their SEFA population.

Repeat: No

Auditor's Recommendation: We recommend the County put into place a full accrual reconciliation process for federal dollar reimbursements requests to be able to create an accurate Schedule of Federal Expenditures.

View of Responsible Officials: The County has spent a great deal of time tracking the expenditures and reimbursements through the CARES Act with the State of Idaho Controller's Office. We are able to account for all funding. As was explained in the audit, we are now aware that GAAP requirements for federal funding are different than operating on a cash basis as some reimbursements should have been booked to the previous year. The county will work with the auditor to make the adjustment in next year's audit.

Bingham County, Idaho
Schedule of Expenditures of Federal Awards

Year Ended September 30, 2020

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Disbursements / Expenditures
United States Department of Housing and Urban Development			
Passed through Idaho Department of Commerce:			
Community Development Block Grant	14.228	B17DC160001	68,302
Total Idaho Department of Commerce			68,302
Total US Department of Housing and Urban Development			68,302
United States Department of Transportation			
Passed through Idaho Department of Transportation:			
Highway Planning and Construction	20.205		875
State and Community Highway Safety	20.600		6,071
National Priority Safety Programs	20.616		21,352
Total Idaho Department of Transportation			28,298
Total US Department of Transportation			28,298
United States Department of Treasury			
Passed through Idaho State Controller's Office:			
COVID-19 – Coronavirus Relief Fund	21.019	20-1892-0-1-806	1,146,115
Total Idaho State Controller's Office			1,146,115
Total US Department of Treasury			1,146,115
United States Department of Health and Human Services			
Passed through Idaho State Office of Drug Policy:			
Substance Abuse and Mental Health Services	93.243	1H79SP080981-01	15,624
Total Idaho State Office of Drug Policy			15,624
Total US Department of Health and Human Services			15,624
United States Department of Homeland Security			
Passed through Idaho State Department of Parks & Recreation:			
Boating Safety Financial Assistance	97.012	14.01.16	21,405
Total Idaho State Idaho State Department of Parks & Recreation			21,405
Passed through Idaho Military Division:			
Disaster Grants Public Assistance	97.036	FEMA-4310-DR-ID	93,075
Emergency Management Performance Grants	97.042	EMS2019EP00002	50,397
Homeland Security Grant Program	97.067	EMW2018SS00040	114,835
Total Idaho State Military Division			258,307
Total US Department of Homeland Security			279,712
Total Expenditures of Federal Awards			1,538,051

See Notes to Schedule of Expenditures of Federal Awards

Bingham County, Idaho

Notes to Schedule of Expenditures of Federal and State Awards

Year Ended September 30, 2020

Note 1: General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Bingham County under programs of the federal governments for the year ended September 30, 2020. The information in this schedule is presented in accordance with requirements of the 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 Bingham County, it is not intended to and does not present the financial position, changes in net assets or cash flows of Bingham County.

Note 2: Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3: Indirect Cost Rate

Bingham County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Sub-Recipients

Bingham County does not have any sub-recipients of federal awards.