

Bingham County, Idaho

Financial Statements and
Supplementary Information

Year ended September 30, 2017

WIPFLi^{LLP}
CPAs and Consultants

Bingham County, Idaho

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September 30, 2017

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Bingham County, Idaho

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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, 2017, 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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 3 through 10 and pages 44 through 53 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 and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 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 and the schedule of expenditures of federal awards 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 and the schedule of expenditures of federal awards 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 26, 2018, 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 26, 2018

Bingham County, Idaho

Management's Discussion and Analysis September 30, 2017

This 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, 2017. 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.

FINANCIAL HIGHLIGHTS

- The assets of the Bingham County, Idaho exceeded its liabilities at the close of fiscal year 2017 by \$19,455,097 (net position). Of this amount, \$6,100,747 (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 \$529,464 in comparison with the prior year mainly due to normal governmental revenues in excess of expenditures.
- As of the close of fiscal year 2017, Bingham County, Idaho's governmental funds reported combined ending fund balances of \$8,547,161, a decrease of \$513,836 in comparison with the prior year. Approximately \$4,366,446 of this total amount is available for spending at the County's discretion (unassigned fund balance).
- As of the close of fiscal year 2017, Bingham County, Idaho's proprietary funds reported combined ending net position of \$3,423,861, an increase of \$272,635 in comparison with the prior year.
- At the end of fiscal year 2017, unassigned fund balance for the General Fund was \$854,090.
- During fiscal year 2017, Bingham County, Idaho incurred \$121,559 in new capital lease obligations and paid down \$101,265 on prior capital lease obligations.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of three parts: Management's Discussion and Analysis, the Basic Financial Statements, and Required Supplementary Information. The Management's Discussion and Analysis is intended to serve as an introduction to the County's basic financial statements.

Government-Wide Financial Statements

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

The *statement of net position* presents information on all of Bingham County, Idaho'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 whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing 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 only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Bingham County, Idaho

Management's Discussion and Analysis September 30, 2017

Both of the government-wide financial statements distinguish functions of Bingham County, Idaho that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities.)

The governmental activities of Bingham County, Idaho 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. Bingham County, Idaho, 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 the County's near-term financing requirements.

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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Bingham County, Idaho maintains five major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in balances for the General Fund, Justice, Road and Bridge, Road and Bridge Special Projects, and Payment in Lieu of Taxes which are major governmental funds.

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. Proprietary funds are used to account for the County's business-type activities. The two major proprietary funds are the Solid Waste and 911 Emergency Communication Funds.

Fiduciary Funds. Bingham County, Idaho maintains two types of fiduciary funds, private purpose trust funds and agency funds. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the County's programs.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Bingham County, Idaho

Management's Discussion and Analysis September 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$19,455,097 as of September 30, 2017.

The largest portion of the County's net position is reflected in its net investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment.) The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, if any, it should be noted that the resources needed to repay this debt, if any, must be provided from other sources, since the capital assets themselves cannot be used to liquidate those liabilities.

The following table provides a summary of the County's net position as of September 30, 2017, compared to 2016:

	<u>2017</u>	<u>2016</u>
Assets		
Current and other assets	13,326,251	14,102,765
Capital assets	13,485,103	12,559,462
Total assets	26,811,354	26,662,227
Deferred outflows of resources		
Related to pensions	1,080,701	3,697,425
Liabilities		
Current and other liabilities	1,586,004	1,423,084
Pension plan payable	5,043,135	6,719,033
Other long-term liabilities	1,051,320	1,094,368
Total liabilities	7,680,459	9,236,485
Deferred inflows of resources		
Related to pensions	756,499	2,197,534
Net position		
Net investment in capital assets	13,354,350	12,449,003
Unrestricted	6,100,747	6,476,630
Total net position	19,455,097	18,925,633

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, \$6,100,747, may be used to meet the government's ongoing obligations to citizens and creditors.

The net position of the County, as a whole, increased \$529,464 from \$18,925,633 at September 30, 2016, to \$19,455,097 at September 30, 2017.

Bingham County, Idaho

Management's Discussion and Analysis September 30, 2017

The following table shows the changes in net position for fiscal years 2017 and 2016.

	2017	2016	2017	2016
	Governmental	Governmental	Business-type	Business-type
	Activities	Activities	Activities	Activities
Revenues				
Program revenues				
Charges for services	2,187,906	2,204,485	2,439,153	2,272,064
Operating grants and contributions	6,306,312	6,302,589	96,785	59,545
General revenues				
Property taxes	12,244,708	11,433,867		
Public service taxes	2,774,856	2,659,866		
Intergovernmental revenues	797,261	778,884		
Earnings on investments	229,492	147,062		
Miscellaneous	67,249	233,479		
Total revenues	24,607,784	23,760,232	2,535,938	2,331,609
Expenses				
General government	6,733,229	7,622,420		
Public safety	8,244,859	8,338,519		
Public works	5,349,726	5,111,441		
Health and sanitation	2,546,245	2,309,220		
Culture and recreation	344,665	346,260		
Education	51,601	9,900		
Conservation/economic development	647,655	509,679		
Capital outlay	427,639			
Solid waste			1,810,654	2,297,316
911 Emergency communication			452,649	601,863
Interest on long-term debt	6,422	5,669		
Total expenses	24,352,041	24,253,108	2,263,303	2,899,179
Revenues over (under) expenses	255,743	(492,876)	272,635	(567,570)
Other, special items, and transfers				
Transfers in (out)	1,086	(20,000)		
Change in net position	256,829	(512,876)	272,635	(567,570)

Governmental activities increased the County's net position by \$256,829 in fiscal year 2017 and decreased by \$512,876 in 2016.

Property taxes account for the largest revenue source for the County. Property taxes totaled \$12,244,708 and \$11,433,867 in 2017 and 2016, representing approximately 49.8% and 48.1% respectively, of total County revenues from governmental activities.

Bingham County, Idaho

Management's Discussion and Analysis September 30, 2017

The following table shows the County's cost of services and net cost of services for fiscal year 2017.

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Governmental Activities		
General government	6,733,229	4,766,376
Public safety	8,244,859	7,225,236
Public works	5,349,726	833,970
Health and sanitation	2,546,245	1,756,751
Culture and recreation	344,665	214,815
Education	51,601	(21,041)
Conservation/economic development	647,655	647,655
Capital outlay	427,639	427,639
Interest on long-term debt	6,422	6,422
Total governmental activities	<u>24,352,041</u>	<u>15,857,823</u>
Business-type Activities		
Solid waste	1,810,654	(248,278)
911 Emergency communication	452,649	(24,357)
	<u>2,263,303</u>	<u>(272,635)</u>

Charges for services, operating grants, and contributions of \$8,494,218 are received and used to fund the general government expenses of the County. The remaining \$15,857,823 in general government expenses is funded by property taxes, public service taxes, intergovernmental revenues, and other revenue sources.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

As of September 30, 2017, the County's governmental funds reported combined ending fund balances of \$8,547,161, a decrease of \$513,836 in comparison with the prior year. Approximately 51.1% of this total amount, \$4,366,446, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending because it has already been obligated for a variety of governmental purposes.

The General Fund is the chief operating fund of the County. At September 30, 2017, unassigned fund balance of the General Fund was \$854,090, while total fund balance is \$854,090. 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 County's General Fund increased by \$202,127 during the current fiscal year.

Bingham County, Idaho

Management's Discussion and Analysis September 30, 2017

Budgetary Highlights. By state statute, the Board of County Commissioners adopts the annual operating budget for the County effective the first day of October. The budget was not amended during 2017.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2017, amounts to \$13,485,103 (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 a several road construction trucks, a major renovation to the dispatch center, the purchase of land and building for the weed department, and 9 new vehicles plus additional equipment for the justice department. Additional information about the County's capital assets can be found in Note D 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, \$6,963,745 was budgeted to maintain eligible infrastructure assets and \$6,036,906 was spent.

Bingham County, Idaho

Management's Discussion and Analysis September 30, 2017

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

	<u>Increased (decreased) costs for Road Departments</u>		
	<u>2017</u>	<u>2016</u>	<u>Difference</u>
Road Oil CRS2 (per ton)	340	310	30
Diesel (per gal w/o taxes)	1.82	1.64	.18
Gasoline (per gal w taxes)	1.92	1.82	.10

Debt Administration. At September 30, 2017 and 2016, the County had no general obligation debt outstanding. The County's long-term debt decreased by \$43,048 during the 2016 fiscal year.

	<u>2017</u>	<u>2016</u>
Compensated absences	399,346	435,248
Capital leases	130,753	110,459
Landfill closure costs	521,221	548,661
Total	<u>1,051,320</u>	<u>1,094,368</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County is continuing to build and strengthen its tax base and economy not only by expanding existing businesses, but by attracting new businesses. New home construction is increasing and the County is optimistic that new subdivisions will bring new businesses and residents. 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 2018.

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, Atomic City, Basalt, and Aberdeen as well as surrounding rural unincorporated communities. Blackfoot serves as the county seat. 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 45,927 for 2017 with the average unemployment rate at 3.0%. Real and personal property tax assessments, based on net taxable value, increased from \$1,862,819,811 in 2016 to \$1,894,004,451 in 2017. Tax collections remain stable.

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 *September 30, 2017*

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, and Shoshone Bannock Tribal Enterprises. Premier Technology, Spudnik Equipment, and First American Title have their headquarters in Bingham County.

Bingham Memorial in partnership with the Idaho Kidney Institute dedicated a new dialysis center in Blackfoot adjacent to the Bingham Memorial Campus. The new 8,000 square foot treatment center will serve the residents of Eastern Idaho.

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 project was funded with county funds matched with funds from the Blackfoot Urban Renewal Agency.

The winter of 2017 was especially harsh with high snowfall and increased expenses related to snowplowing and snow removal. In the spring the county dealt with flooding and potential levy issues on the Snake River from the high snow melt. The county has been working with FEMA and the State of Idaho to recover some of the costs associated with this act of nature.

The County continues to maintain a healthy financial position using conservative financial management principles. 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.

Bingham County, Idaho

Government-wide Statement of Net Position

September 30, 2017

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and investments	7,753,156	2,744,282	10,497,438
Receivables			
Property taxes	357,079		357,079
Intergovernmental	2,131,721		2,131,721
Other	263,136	76,877	340,013
Capital assets			
Land and infrastructure	4,091,237	99,150	4,190,387
Depreciable assets, net	7,806,620	1,488,096	9,294,716
 Total assets	 <u>22,402,949</u>	 <u>4,408,405</u>	 <u>26,811,354</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	<u>1,023,816</u>	<u>56,885</u>	<u>1,080,701</u>
LIABILITIES			
Current liabilities			
Accounts payable	1,115,825	201,368	1,317,193
Accrued salaries and benefits	255,249	13,562	268,811
Noncurrent liabilities			
Due within one year			
Capital lease obligations	90,274		90,274
Compensated absences	399,346		399,346
Due in more than one year			
Pension plan payable	4,777,677	265,458	5,043,135
Capital lease obligations	40,479		40,479
Landfill closure costs		521,221	521,221
 Total liabilities	 <u>6,678,850</u>	 <u>1,001,609</u>	 <u>7,680,459</u>
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	<u>716,679</u>	<u>39,820</u>	<u>756,499</u>
NET POSITION			
Net investment in capital assets	11,767,104	1,587,246	13,354,350
Unrestricted	<u>4,264,132</u>	<u>1,836,615</u>	<u>6,100,747</u>
 Total net position	 <u><u>16,031,236</u></u>	 <u><u>3,423,861</u></u>	 <u><u>19,455,097</u></u>

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Statement of Activities
For the Year Ended September 30, 2017

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	6,733,229	1,076,607	890,246	
Public safety	8,244,859	617,994	401,629	
Public works	5,349,726	35,952	4,479,804	
Health and sanitation	2,546,245	411,983	377,511	
Culture and recreation	344,665	45,370	84,480	
Education	51,601		72,642	
Conservation/economic development	647,655			
Capital outlay	427,639			
Interest on long-term debt	6,422			
Total governmental activities	24,352,041	2,187,906	6,306,312	0
Business-type activities				
Solid waste	1,810,654	2,013,519	45,413	
911 Emergency communications	452,649	425,634	51,372	
Total business-type activities	2,263,303	2,439,153	96,785	0
Total primary government	24,352,041	2,187,906	6,306,312	0

General revenues
 Property taxes
 Public service taxes
 Grants not restricted to specific programs
 Earnings on investments
 Miscellaneous and contributions
 Transfers

Total general revenues

Change in net position

Net position - beginning

Net position - ending

Bingham County, Idaho

Statement of Activities
For the Year Ended September 30, 2017

Net Revenue (Expense) and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
(4,766,376)		(4,766,376)
(7,225,236)		(7,225,236)
(833,970)		(833,970)
(1,756,751)		(1,756,751)
(214,815)		(214,815)
21,041		21,041
(647,655)		(647,655)
(427,639)		(427,639)
(6,422)		(6,422)
(15,857,823)	0	(15,857,823)
	248,278	248,278
	24,357	24,357
0	272,635	272,635
(15,857,823)	272,635	(15,585,188)
12,244,708		12,244,708
2,774,856		2,774,856
797,261		797,261
229,492		229,492
67,249		67,249
1,086		1,086
16,114,652	0	16,114,652
256,829	272,635	529,464
15,774,407	3,151,226	18,925,633
16,031,236	3,423,861	19,455,097

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Balance Sheet
Governmental Funds
September 30, 2017

	<u>General</u>	<u>Road and Bridge</u>	<u>Justice</u>
ASSETS			
Cash and cash equivalents	609,007	377,247	116,674
Receivables			
Property taxes	109,073	17,473	111,858
Intergovernmental	493,120	891,747	374,492
Other			197
	<u>1,211,200</u>	<u>1,286,467</u>	<u>603,221</u>
Total assets	<u><u>1,211,200</u></u>	<u><u>1,286,467</u></u>	<u><u>603,221</u></u>
 LIABILITIES			
Accounts payable	186,819	266,197	152,411
Accrued salaries and benefits	74,605	38,951	103,851
	<u>261,424</u>	<u>305,148</u>	<u>256,262</u>
Total liabilities	<u>261,424</u>	<u>305,148</u>	<u>256,262</u>
 DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	95,686	16,246	102,052
	<u>95,686</u>	<u>16,246</u>	<u>102,052</u>
 FUND BALANCE			
Assigned		965,073	244,907
Unassigned	854,090		
	<u>854,090</u>	<u>965,073</u>	<u>244,907</u>
Total fund balances	<u>854,090</u>	<u>965,073</u>	<u>244,907</u>
	<u><u>1,211,200</u></u>	<u><u>1,286,467</u></u>	<u><u>603,221</u></u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>1,211,200</u></u>	<u><u>1,286,467</u></u>	<u><u>603,221</u></u>

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Balance Sheet
Governmental Funds
September 30, 2017

Road and Bridge Special Projects	Payment in Lieu of Taxes	Nonmajor Funds	Total Governmental Funds
874,939	4,393,892	1,381,397	7,753,156
15,751		102,924	357,079
296,506		75,856	2,131,721
	262,939		263,136
1,187,196	4,656,831	1,560,177	10,505,092
17,802	131,536	361,060	1,115,825
		37,842	255,249
17,802	131,536	398,902	1,371,074
14,331	262,939	95,603	586,857
1,155,063	750,000	1,065,672	4,180,715
	3,512,356		4,366,446
1,155,063	4,262,356	1,065,672	8,547,161
1,187,196	4,656,831	1,560,177	10,505,092

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, 2017

Total fund balances - governmental funds	8,547,161
Amounts reported for governmental activities in the statement of net position are different due to the following items:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$29,087,712 and the accumulated depreciation is \$17,189,855	11,897,857
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.	323,918
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.	262,939
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 \$4,777,677, deferred inflows of resources related to pensions is \$716,679 and deferred outflows of resources related to pensions is \$1,023,816.	(4,470,540)
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	(399,346)
Capital lease obligations	<u>(130,753)</u>
Total net position - governmental activities	<u><u>16,031,236</u></u>

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, 2017

REVENUES	General	Road and Bridge	Justice
Property taxes	3,639,856	526,694	3,903,964
Licenses and permits	245,601		86,840
Intergovernmental revenue	1,861,165	3,512,755	1,569,752
Charges for services	312,078	1,044	380,592
Fines and forfeitures	180		
Interest and dividend income	75,742		153,750
Miscellaneous and contributions	543,300	39,653	32,852
Total revenues	6,677,922	4,080,146	6,127,750
 EXPENDITURES			
Current			
General government	4,465,094		
Public safety	1,475,584		6,224,703
Public works		3,331,194	
Health and sanitation	145,631		
Culture and recreation			
Education			
Conservation/economic development	385,458		
Debt service			
Principal			101,265
Interest and fees			6,422
Capital outlay	76,911	1,087,847	327,595
Total expenditures	6,548,678	4,419,041	6,659,985
Revenues over (under) expenditures	129,244	(338,895)	(532,235)
 OTHER FINANCING SOURCES (USES)			
Proceeds from capital leases			121,559
Operating transfers	72,883	600,000	300,000
Revenues and other financing sources over (under) expenditures	202,127	261,105	(110,676)
Fund balance at October 1, 2016	651,963	703,968	355,583
Fund balance at September 30, 2017	854,090	965,073	244,907

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, 2017

Road and Bridge Special Projects	Payment in Lieu of Taxes	Nonmajor Funds	Total Governmental Funds
492,306		3,680,122	12,242,942
		45,352	377,793
1,105,251	817,261	533,383	9,399,567
		347,463	1,041,177
		199,629	199,809
			229,492
16,200	13,150	490,083	1,135,238
1,613,757	830,411	5,296,032	24,626,018
	508,865	2,202,311	7,176,270
		230,309	7,930,596
1,601,685		2,567	4,935,446
		2,365,218	2,510,849
		318,949	318,949
		51,601	51,601
		260,087	645,545
			101,265
			6,422
4,616		88,587	1,585,556
1,606,301	508,865	5,519,629	25,262,499
7,456	321,546	(223,597)	(636,481)
			121,559
(600,000)	(283,871)	(87,926)	1,086
(592,544)	37,675	(311,523)	(513,836)
1,747,607	4,224,681	1,377,195	9,060,997
1,155,063	4,262,356	1,065,672	8,547,161

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
September 30, 2017

Total net change in fund balances - governmental funds	(513,836)
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 \$1,050,593 is exceeded by capital outlays of \$1,342,623 in the current period.	292,030
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 increased by \$1,766 this year and collections on the BURA receivable were \$20,000.	(18,234)
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 earned exceeded vacation leave used by this amount.	35,902
The pension benefits are reported in the governmental funds when paid but in the Statement of Activities when earned. The change in the pension liability is \$1,592,787. The change in deferred outflows of resources related to pensions is \$1,369,534. The change in deferred inflows of resources related to pensions is \$(2,481,060).	481,261
Repayment of capital lease obligations of \$101,265 is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, proceeds from capital lease obligations of \$121,559 is an other financing source in the governmental funds, but it increases long-term liabilities in the statement of net position.	<u>(20,294)</u>
Total change in net position - governmental activities	<u><u>256,829</u></u>

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Statement of Net Position Proprietary Funds September 30, 2017

	<u>Solid Waste</u>	<u>911 Emergency Communication</u>	<u>Total Proprietary Funds</u>
ASSETS			
Cash and cash equivalents	1,875,225	869,057	2,744,282
Receivables	47,481	29,396	76,877
Capital assets			
Land	99,150		99,150
Depreciable assets, net	<u>935,301</u>	<u>552,795</u>	<u>1,488,096</u>
Total assets	<u>2,957,157</u>	<u>1,451,248</u>	<u>4,408,405</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	<u>51,515</u>	<u>5,370</u>	<u>56,885</u>
LIABILITIES			
Current liabilities			
Accounts payable	195,338	6,030	201,368
Accrued salaries and benefits	10,828	2,734	13,562
Noncurrent liabilities			
Pension plan payable	240,399	25,059	265,458
Landfill closure costs	<u>521,221</u>		<u>521,221</u>
Total liabilities	<u>967,786</u>	<u>33,823</u>	<u>1,001,609</u>
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	<u>36,061</u>	<u>3,759</u>	<u>39,820</u>
NET POSITION			
Invested in capital assets, net position	1,034,451	552,795	1,587,246
Unrestricted	<u>970,374</u>	<u>866,241</u>	<u>1,836,615</u>
Total net position	<u><u>2,004,825</u></u>	<u><u>1,419,036</u></u>	<u><u>3,423,861</u></u>

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, 2017

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
OPERATING REVENUES			
Operating grant from the State of Idaho		51,372	51,372
Charges for services	2,013,469	425,634	2,439,103
Rental and other income	45,413		45,413
	2,058,882	477,006	2,535,888
OPERATING EXPENDITURES			
Salaries and wages	449,051	75,880	524,931
Employee benefits	222,370	14,811	237,181
Line charges		84,284	84,284
Subcontractor and other disposal costs	721,304		721,304
Maintenance and other vehicle costs	167,550	81,170	248,720
Supplies and other operating expenses	111,806	157,019	268,825
Depreciation	138,573	39,485	178,058
	1,810,654	452,649	2,263,303
Revenues over (under) expenditures	248,228	24,357	272,585
OTHER FINANCING SOURCES (USES)			
Operating transfers	50		50
Revenues and other financing sources over (under) expenditures	248,278	24,357	272,635
Net position at October 1, 2016	1,756,547	1,394,679	3,151,226
Net position at September 30, 2017	2,004,825	1,419,036	3,423,861

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, 2017

	<u>Solid Waste</u>	<u>911 Emergency Communication</u>	<u>Total Proprietary Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	2,014,599	439,056	2,453,655
Cash payments for personnel costs	(717,562)	(64,509)	(782,071)
Cash payments for services and supplies	(1,093,264)	(356,411)	(1,449,675)
Other operating revenues	45,413	51,372	96,785
	<u>249,186</u>	<u>69,508</u>	<u>318,694</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	<u>0</u>	<u>0</u>	<u>0</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	<u>(219,339)</u>	<u>(592,280)</u>	<u>(811,619)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>0</u>	<u>0</u>	<u>0</u>
Net increase (decrease) in cash and cash equivalents	29,847	(522,772)	(492,925)
Cash at beginning of year	<u>1,845,378</u>	<u>1,391,829</u>	<u>3,237,207</u>
Cash and cash equivalents at end of year	<u><u>1,875,225</u></u>	<u><u>869,057</u></u>	<u><u>2,744,282</u></u>

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, 2017

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	248,228	24,357	272,585
Depreciation expense	138,573	39,485	178,058
(Increase)/decrease in assets			
Receivables	1,130	13,422	14,552
Change in deferred outflows of resources	141,033	(5,370)	135,663
Increase/(decrease) in liabilities			
Accounts payable	(65,164)	(33,938)	(99,102)
Accrued payroll	(3,745)	2,734	(1,011)
Pension plan payable	(108,169)	25,059	(83,110)
Landfill closure costs	(27,440)		(27,440)
Change in deferred inflows of resources	(75,260)	3,759	(71,501)
 Net cash flows from operating activities	 249,186	 69,508	 318,694

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Statement of Net Position
Fiduciary Funds
September 30, 2017

	Private Purpose Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	3,618,726	437,412
Receivables		512,504
	<hr/>	<hr/>
Total assets	3,618,726	949,916
	<hr/>	<hr/>
LIABILITIES		
Accounts and other payables	447,740	437,893
Payable to taxing districts		512,023
	<hr/>	<hr/>
Total liabilities	447,740	949,916
	<hr/>	<hr/>
NET POSITION		
Held in trust for individuals, organizations, and other governments	3,170,986	0
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Statement of Changes in Net Position
Fiduciary Funds - Private Purpose Trust Funds
For the Year Ended September 30, 2017

ADDITIONS

Licenses and permits	1,858,383
Intergovernmental revenue	15,149
Charges for services	166,624
Fines and forfeitures	406,227
Miscellaneous and contributions	<u>3,450,800</u>

Total additions	<u>5,897,183</u>
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DEDUCTIONS

Trust remittance and other deductions	<u>5,496,372</u>
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TRANSFERS FROM (TO) OTHER FUNDS	<u>(1,136)</u>
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Change in net position	399,675
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Net position at October 1, 2016	<u>2,771,311</u>
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Net position at September 30, 2017	<u><u>3,170,986</u></u>
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The accompanying notes are an integral part of this statement.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

1. General. The financial statements listed in the table of contents have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental entities. 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.

2. 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.
3. Government-Wide and Fund Financial Statements. The County's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the County as a whole, while the fund statements focus on individual funds.

Government-Wide Financial Statements

The government-wide statements present information on all non-fiduciary activities of the government. The County's activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the County's non-fiduciary assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Net position is restricted when constraints placed upon it are either externally imposed or are imposed by constitutional provisions or enabling legislation.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The County does not allocate general government (indirect) expenses to other functions. 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 revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements

The financial transactions of the County are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for governmental, proprietary, and fiduciary funds. For governmental and proprietary funds, the emphasis is on major funds, with each displayed in a separate column.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The County reports the following major governmental funds:

- *General Fund* - The fund is the principal operating fund of the County. It is used to account for all financial resources not required to be accounted for in another fund.
- *Road and Bridge* - This fund accounts 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.
- *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.

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.

4. Governmental Fund Types. Governmental funds account for the County’s general activities including current expendable financial resources (except for those accounted for in proprietary funds), and are those through which most governmental functions of the County are financed. The following are the County’s governmental fund types:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specific purposes.

Capital Projects Funds – Capital Projects Funds are used to account for the financial resources used to acquire major capital assets (other than those financed by proprietary funds). The County currently has no capital projects funds.

Debt Service Funds – Debt Service Funds are used to account for the accumulation and disbursement of resources used for the repayment of general long-term debt principal, interest, and related costs. The County currently has no debt service funds.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

5. Proprietary Fund Types – Enterprise Funds. Enterprise Funds account for operations that meet one of two criteria: 1) the activity runs in a manner similar to private business enterprises. Moreover, the intent of the governing body is that the ongoing operating costs (including depreciation) of providing goods or services to the public are financed or recovered primarily through user charges, or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The County currently has the following major enterprise 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.
6. 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.
7. 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.
8. Measurement Focus / Basis of Accounting. The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Other revenues are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary and fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund.

Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating items, such as interest expense and investment earnings, result from non-exchange transactions or ancillary activities.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred.

9. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Balances/Net Position. Following are the County's significant policies regarding recognition and reporting of certain assets, liabilities, and equity.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Cash and Investments. Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term investments with original maturities of three months or less from the purchase date. Investments include pooled investments and certificates of deposit with original maturities greater than three months.

Receivables. Receivables include amounts due from other governments, and miscellaneous receivables. Receivables from other governments are reasonably assured; accordingly, no allowance for uncollectible accounts has been established.

Taxes Receivable. Taxes receivable includes current and delinquent property taxes receivable as well as interest and penalties on the delinquent property taxes receivable. Property taxes are levied in September of each year and become payable on December 20 and June 20 of the following year for real property taxes and December 20 for personal property taxes.

Property taxes attach as an enforceable lien as of December 20 following levy in September. Therefore, no amount has been set aside for an allowance of doubtful accounts. Property taxes not collected before December 1, 2017, are classified as deferred revenue.

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 type of item, which arises only under the accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item Deferred Outflow of Resources Related to Pensions is reported in the government-wide Statement of Net Position. This amount is deferred and recognized as an outflow of resources in the period that the amounts become available.

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 only has two types of items, 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 two sources: property taxes and special assessments. These amounts are 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. The County defines a capital asset as an asset with an initial cost of \$10,000 or more for equipment, \$50,000 or more for land and buildings, \$250,000 or more for infrastructure and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair value on the date of donation.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Capital assets purchased in governmental funds are recorded as expenditures in the governmental fund statements; however, interest expense for capital asset construction related to governmental activities is not capitalized. Interest expense incurred during construction of capital assets related to business-type activities is capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life 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.

Long-term Obligations. In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

Net Position/Fund Balances. The difference between assets plus deferred outflows and liabilities plus deferred inflows is reported as net position on the government-wide, proprietary fund, and fiduciary fund statements, and reported as fund balance on the governmental fund statements.

10. Budgets and Budgetary Accounting. The Idaho Constitution and the Idaho Department of Revenue and Taxation 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.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

11. Compensated Absences and Post-Employment Benefits. Accumulated unpaid vacation and other employee benefits are accrued when incurred in proprietary funds on the accrual basis of accounting. Such amounts are not accrued in governmental funds on the modified accrual basis of accounting. At September 30, 2017, unrecorded fund liabilities included approximately \$399,346 of total leave time accumulations and are considered normal to the County operation.

Vacation and compensatory leave are recorded as an expenditure when used in governmental funds and as an expense when earned in proprietary funds and in the government-wide statements. A liability for unused vacation and compensatory leave is recorded in the government-wide Statement of Net Position.

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

13. Revenues and Expenditures / Expenses. Under the modified accrual basis of accounting, revenues are recognized in governmental funds when "measurable and available". Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. Bingham County considers property tax revenues to be "available" if they are collected within 60 days after year-end. Grants and similar items are recognized as revenue when all eligibility requirements have been met. All other revenues, including sales taxes, are considered to be available if they are collected within 30 days of the fiscal year-end. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

In proprietary funds and government-wide statements, revenues are recognized when earned.

14. Expenditures / Expense Recognition. In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisition and construction are reported as expenditures in the period they are acquired.

In proprietary funds and government-wide statements, expenses are recorded when the related liability is incurred.

Proprietary funds distinguish operating revenues and expenses as the revenues and expenses generally resulting from provision of services in connection with an operation. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

When an expenditure or expense is incurred for purposes for which both restricted and unrestricted resources are available, the County generally uses restricted resources first, then unrestricted resources.

15. Interfund Activity and Balances. In general, eliminations have been made to minimize the double-counting of internal activity. In the government-wide statements, there were no interfund receivables or payables as of September 30, 2017. During 2017, there were no transfers between governmental and business-type activities.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

For the Governmental Fund Statements inter-fund transactions for goods and services provided and used are reported as revenues and expenditures/expenses in the funds involved. Cash transfers between funds of the County are reported as other financing sources and uses in the governmental fund statements.

16. Non-spendable and Spendable Fund Balances. Fund balance is separated into non-spendable and spendable fund balances. Non-spendable fund balance includes amounts that cannot be spent because they are either: (1) not in spendable form or (2) legally or contractually required to be maintained intact. Spendable amounts are classified into restricted, committed, assigned, and unassigned.

The following is a list of non-spendable and spendable fund balance designations for Bingham County:

Non-spendable: Fund balances associated with inventories, prepaids, long-term loans, notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).

Restricted: Fund balances that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balances that can be used only for the specific purposes determined by a formal action of the Board of County Commissioners (the County's highest level of decision-making authority).

Assigned: Fund balances that are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned: Fund balances that include all spendable amounts not contained in the other classifications.

17. Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles 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 expenses during the reporting period. Actual results could differ from those estimates.

NOTE B CASH AND INVESTMENTS

Cash deposits and investments reported by the County Treasurer (including \$2,500 petty cash) as of September 30, 2017, totaled \$14,540,808, of which \$6,677,955 represented demand deposits and simple time certificates of deposits, \$6,827,820 represented investments in government backed securities, investment certificates of deposits, and mortgage-backed securities, and \$1,035,034 represented deposits in the State of Idaho Local Government Investment Pool. Of the total deposits for the County, \$7,753,156 was allocated to governmental funds.

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.

Deposits

At year end, the carrying amount of the County's deposits with financial institutions was \$7,038,416 and the bank balance was \$6,751,470. The amount not covered by FDIC insurance was \$5,153,019. As of September 30, 2017, County funds in demand deposits were collateralized with the Federal Reserve to \$1,598,451.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE B CASH AND INVESTMENTS, continued

Investments

The carrying value of the County's investments at year end was \$7,872,034 and the fair value was \$7,865,811. The amount not covered by insurance was \$3,843,284.

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 does not have a written policy addressing credit risk, custodial credit risk, or interest risk.

At year end, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>< 1 year</u>	<u>1 – 5 years</u>	<u>> 5 years</u>	<u>Rating</u>
US Agencies	1,738,225		593,470	1,144,755	AA+/Aaa/AAA
Asset-backed Securities	3,692,688	311,668	1,544,907	1,836,113	AA+/Aaa/AAA
State Investment Pool	1,035,034	1,035,034			N/A
Certificates of Deposit	1,399,864	1,399,864			N/A
Total Investments	<u>7,865,811</u>	<u>2,746,566</u>	<u>2,138,377</u>	<u>2,980,868</u>	

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

All of the County's investments that are measured or disclosed at fair value fall within Level 1.

NOTE C INTERFUND TRANSFERS

Inter-fund transfers for the year ended September 30, 2017, consisted of: transfers in the amount of \$300,000 from the Payment in Lieu of Taxes (PILT) fund to the Justice fund; transfer from the Ambulance Fund to the Ambulance Vehicle Trust Fund in the amount of \$20,000; transfer from various trust funds to PILT to close these fund, and transfer from the Rural Addressing fund of \$72,883 to the General fund. 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.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE D CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2017 was as follows:

	Balance 10-1-2016	Additions	Deletions	Balance 9-30-2017
Capital assets, not being depreciated				
Land	1,933,745	12,813		1,946,588
Infrastructure	2,243,829			2,243,829
Total capital assets, not being depreciated	4,177,574	12,813	0	4,190,387
Capital assets, being depreciated				
Infrastructure	3,041,626			3,041,626
Buildings and improvements	8,471,923	717,101		9,189,024
Machinery and equipment	14,332,399	1,424,379	(838,288)	14,918,490
Total capital assets, being depreciated	25,845,948	2,141,480	(838,288)	27,149,139
Less accumulated depreciation for				
Infrastructure	(694,773)	(60,833)		(755,606)
Buildings and improvements	(5,107,210)	(252,559)		(5,359,769)
Machinery and equipment	(11,662,077)	(915,259)	838,288	(11,739,048)
Total accumulated depreciation	(17,464,060)	(1,228,651)	838,288	(17,854,423)
Total capital assets, being depreciated, net	8,381,888	912,829	0	9,294,716
Governmental activity, capital assets, net	12,559,462	925,642	0	13,485,103

Depreciation expense was charged to current function of the primary government as follows:

<u>Governmental activities</u>	
General government	213,827
Public safety	314,263
Public works	459,280
Health, welfare, and sanitation	35,397
Culture and recreation	25,716
Conservation and economic development	2,110
Total governmental activities	1,050,593
<u>Business-type activities</u>	
Solid waste (health and sanitation)	138,573
911 Emergency Communication (public safety)	39,485
Total primary government	1,228,651

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE E 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 September 30, 2017, it was 6.79% and 8.36% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The County's contributions were \$1,128,064 for the year ended September 30, 2017.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE E PENSION PLAN, continued

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

At September 30, 2017, the County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County 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, 2017, the County's proportion was .3208452 percent.

For the year ended September 30, 2017, the County recognized pension expense of \$1,135,675. At September 30, 2017, 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	698,633	454,344
Changes in assumptions or other inputs	93,261	
Net difference between projected and actual earnings on pension plan investments		302,155
County contributions subsequent to the measurement date	288,806	
Total	1,080,700	756,499

\$288,806 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, 2018.

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, 2016, the beginning of the measurement period ended June 30, 2017, is 4.9 years and 5.5 years for the measurement period June 30, 2016.

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:

Year ended June 30:	
2018	(310,060)
2019	437,906
2020	98,541
2021	(330,994)

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE E 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, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

An experience study was performed for the period July 1, 2007, through June 30, 2013, which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009, through June 30, 2013. The Total Pension Liability as of June 30, 2017, is based on the results of an actuarial valuation date of July 1, 2017.

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.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2017.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE E PENSION PLAN, continued

<u>Asset Class</u>	<u>Expected Return*</u>	<u>Expected Risk</u>	<u>Strategic Normal</u>	<u>Strategic Ranges</u>
Equities			70%	66%-77%
Broad Domestic Equity	9.15%	19.00%	55%	50%-65%
International	9.25%	20.20%	15%	10%-20%
Fixed Income	3.05%	3.75%	30%	23%-33%
Cash	2.25%	.9%	0%	0%-5%
<u>Total Fund</u>	<u>Expected Return*</u>	<u>Expected Inflation</u>	<u>Expected Real Return</u>	<u>Expected Risk</u>
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

*Expected arithmetic return net of fees and expenses

Actuarial Assumptions

Assumed Inflation - Mean	3.25%
Assumed Inflation – Standard Deviation	2.00%
Portfolio Arithmetic Mean Return	8.42%
Portfolio Long-Term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.40%
Long-Term Expected Geometric Rate of return, Net of Investment Expenses	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be 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.

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 7.10%, 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 (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Employer's proportionate share of the net pension liability (asset)	11,721,284	5,043,135	(506,583)

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE E PENSION PLAN, continued

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, 2017, the County reported no payables to the defined benefit pension plan.

NOTE F 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 PEBSICO 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 G LITIGATION AND CONTINGENT LIABILITIES

Various claims and lawsuits are pending against the County. These claims and lawsuits are presently handled by the County's insurance company and the probability of potential loss in excess of insurance coverage is remote.

NOTE H DEFICITS AND INTERFUND TRANSACTIONS

As of September 30, 2017, in the governmental fund statements there were no funds with a deficit. As of September 30, 2017, in the governmental fund statements, there were no inter-fund receivables.

NOTE I RELATED PARTY TRANSACTIONS

The County has not been directly involved in related party transactions that would violate the Idaho Code or Federal Regulations.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE J LONG-TERM DEBT

Long-term Obligation Activity:

General long-term obligations of the County include capital leases. During the year ending September 30, 2017, the following changes occurred in long-term debt:

	Balance 10/01/2016	Additions	Reductions	Balance 9/30/2017	Amounts due within one year
Governmental activities					
Compensated absences	435,248		(35,902)	399,346	399,346
Capital leases	110,459	121,559	(101,265)	130,753	90,274
Landfill closure costs	548,661		(27,440)	521,221	
Total governmental activities	1,094,368	121,559	(164,607)	1,051,320	489,620

Landfill Post Closure Costs

Bingham County recalculated their post closure care testing liability for the Fielding, Aberdeen, and Rattlesnake Landfills during the 2017 fiscal year which resulted in a decrease of \$27,440.

Capital Leases

Capital equipment leases are arranged through lease financing agreements with Ford Motor Credit Company. The arrangements provide for an initial down payment with annual payments for three years and interest ranging from 5.75% to 6.0%. These agreements provided current-year additions to long-term obligations, valued at cost, and totaling \$121,559. All additions to capital equipment are financed through current revenues.

The schedule below is an analysis of assets under capital leases as of September 30, 2017:

	Governmental Activities	Capital Assets Under Capital Leases
Machinery and equipment	277,572	277,572
Total capital leases	277,572	277,572

Obligations of governmental activities under capital leases as of September 30, 2017, were as follows:

Year Ended September 30	Governmental Activities		
	Principal	Interest	Total
2018	90,274	7,419	97,693
2019	40,479	2,277	42,756
Total	130,753	9,696	140,449

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE K 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 \$262,200 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 \$9,831 and post closure costs of \$72,760. The Rattlesnake landfill opened in 2003 and has an estimated life of approximately 140 years, with projected closing costs of \$19,510 and post closure cost of \$149,400. 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 2017 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 L 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, 2017, the balance of the note receivable was \$262,939. 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 M RESTRICTED AND ENCUMBERED FUND BALANCES

As of September 30, 2017, there were no restricted or encumbered fund balances.

NOTE N MATERIAL VIOLATION OF FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS

There are no known violations of direct finance-related legal and contractual provisions.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE O 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. In addition, funds are being accumulated in the Tort Fund as a contingency. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE P 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.

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, 2017, 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.

Bingham County, Idaho

Notes to Financial Statements
September 30, 2017

NOTE Q JOINT VENTURE AGREEMENT

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.

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

NOTE R 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 and taxing districts 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 2017 fiscal year was \$25,767.

NOTE S SUBSEQUENT EVENTS

Management of the County evaluated subsequent events through June 26, 2018, which was the date the financial statements were available to be issued. There were no subsequent type events, identified by management of the County that are required to be disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

Bingham County, Idaho

Infrastructure Assets Reported Using the Modified Approach *September 30, 2017*

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 1,217.3 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 2017 and moving toward 2018, the County is working to upgrade their tracking system and improve the efficiency of their evaluations. They have modified their condition rating scale to be more sensitive using the Paser system which has double the categories previously used.

Bingham County, Idaho

Infrastructure Assets Reported Using the Modified Approach September 30, 2017

Measurement Scale

<u>Gravel Roads</u>	<u>2017 Center Lane Miles</u>
9-10 Only needs maintenance once a year and is safe	2
8 Requires occasional maintenance, needs only slight improvements	96.34
6-7 Adequate - will be needing gravel and other improvements in the future, but is okay for now	257.83
4-5 Needs gravel, etc.	140.29
1-3 Needs gravel, shoulders, widening, safety of road should be considered, etc. Other (dirt)	46.15 <u>0</u>
Total gravel roads	<u><u>542.61</u></u>

Oiled Roads

9-10 Excellent	New and like-new	1.12
8 Very Good	Little or no maintenance required	162.19
6-7 Good	Some signs of aging, can extend life through sealcoat	329.46
4-5 Fair	Aging surface, but sound structural condition Needs work (overlay, strengthening, etc.)	0
1-3 Failed	Reconstruction needed	0
Not rated	Other (dirt)	<u>0</u>
Total oil roads		<u><u>492.77</u></u>

See Independent Auditor's Report.

Bingham County, Idaho

Infrastructure Assets Reported Using the Modified Approach September 30, 2017

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 October 2015, November 2013, and October 2012.

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
2017	163.31	329.46	179.92	672.69	672.69	100.00%
2016	1.50	147.02	515.28	663.80	663.80	100.00%
2015	1.50	147.02	515.28	663.80	663.80	100.00%
2014	5.54	132.19	510.52	648.25	656.67	98.72%
2013	0.00	105.90	541.70	647.60	654.27	98.98%
2012	5.54	129.46	510.52	645.52	652.19	98.98%
2011	5.54	107.08	533.75	646.37	653.04	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).

	2017	2016	2015	2014	2013	2012
Estimated spending	6,964	6,059	6,084	5,904	5,922	5,971
Actual spending	6,037	4,846	5,555	5,257	4,723	4,626

See Independent Auditor's Report.

Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance
 -Budget and Actual-
 Governmental Funds
 For the Year Ended September 30, 2017

	General Fund			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Property taxes		3,613,900	25,956	3,639,856
Licenses and permits		245,601		245,601
Intergovernmental revenue		1,840,338	20,827	1,861,165
Charges for services		312,078		312,078
Fines and forfeitures		180		180
Interest and dividend income		75,742		75,742
Miscellaneous and contributions		542,776	524	543,300
Total revenues	0	6,630,615	47,307	6,677,922
EXPENDITURES				
General government	4,804,131	4,475,036	(9,942)	4,465,094
Public safety	1,488,886	1,454,519	21,065	1,475,584
Health and sanitation	144,701	145,819	(188)	145,631
Conservation/economic development	392,501	378,689	6,769	385,458
Capital outlay	92,500	76,911	0	76,911
Total expenditures	6,922,719	6,530,974	17,704	6,548,678
Revenues over (under) expenditures	(6,922,719)	99,641	29,603	129,244
OTHER FINANCING SOURCES (USES)				
Operating transfers	0	72,883	0	72,883
Revenues and other financing sources over (under) expenditures and other uses	(6,922,719)	172,524	29,603	202,127
Fund balance at October 1, 2016		407,282		651,963
Fund balance at September 30, 2017		579,806		854,090

See Independent Auditor's Report.

Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds
For the Year Ended September 30, 2017

	Road and Bridge				
	Original Budget	Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES					
Property taxes			521,577	5,117	526,694
Intergovernmental revenue			3,337,433	175,322	3,512,755
Charges for services			1,044		1,044
Miscellaneous and contributions			49,559	(9,906)	39,653
Total revenues	0	0	3,909,613	170,533	4,080,146
EXPENDITURES					
Public works	3,720,245	3,550,245	3,328,541	2,653	3,331,194
Capital outlay	259,000	1,029,000	1,087,847		1,087,847
Total expenditures	3,979,245	4,579,245	4,416,388	2,653	4,419,041
Revenues over (under) expenditures	(3,979,245)	(4,579,245)	(506,775)	167,880	(338,895)
OTHER FINANCING SOURCES (USES)					
Operating transfers	0	600,000	599,959	41	600,000
Revenues and other financing sources over (under) expenditures and other uses	(3,979,245)	(3,979,245)	93,184	167,921	261,105
Fund balance at October 1, 2016			43,433		703,968
Fund balance at September 30, 2017			136,617		965,073

See Independent Auditor's Report.

Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds
For the Year Ended September 30, 2017

	Justice			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Property taxes		3,869,695	34,269	3,903,964
Licenses and permits		86,840		86,840
Intergovernmental revenue		1,557,258	12,494	1,569,752
Charges for services		380,592		380,592
Interest and dividend income		153,750		153,750
Miscellaneous and contributions		32,852	0	32,852
		<u>0</u>	<u>46,763</u>	<u>6,127,750</u>
EXPENDITURES				
Public safety	6,513,266	6,218,665	6,038	6,224,703
Debt service - principal			101,265	101,265
Debt service - interest			6,422	6,422
Capital outlay	225,000	313,723	13,872	327,595
		<u>6,738,266</u>	<u>127,597</u>	<u>6,659,985</u>
Revenues over (under) expenditures	(6,738,266)	(451,401)	(80,834)	(532,235)
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases			121,559	121,559
Operating transfers		300,000		300,000
		<u>0</u>	<u>40,725</u>	<u>(110,676)</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>(6,738,266)</u>	(151,401)	<u>40,725</u>	(110,676)
Fund balance at October 1, 2016		<u>355,583</u>		<u>355,583</u>
Fund balance at September 30, 2017		<u>204,182</u>		<u>244,907</u>

See Independent Auditor's Report.

Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance
-Budget and Actual-
Governmental Funds
For the Year Ended September 30, 2017

	Road and Bridge Special Projects			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Property taxes		483,520	8,786	492,306
Intergovernmental revenue		1,272,238	(166,987)	1,105,251
Charges for services				
Miscellaneous and contributions		16,200		16,200
Total revenues	0	1,771,958	(158,201)	1,613,757
EXPENDITURES				
Public works	2,334,500	1,615,129	(13,444)	1,601,685
Capital outlay	50,000	5,389	(773)	4,616
Total expenditures	2,384,500	1,620,518	(14,217)	1,606,301
Revenues over (under) expenditures	(2,384,500)	151,440	(143,984)	7,456
OTHER FINANCING SOURCES (USES)				
Operating transfers		(600,000)	0	(600,000)
Revenues and other financing sources over (under) expenditures and other uses	(2,384,500)	(448,560)	(143,984)	(592,544)
Fund balance at October 1, 2016		1,321,448		1,747,607
Fund balance at September 30, 2017		872,888		1,155,063

See Independent Auditor's Report.

Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance
 -Budget and Actual-
 Governmental Funds
 For the Year Ended September 30, 2017

	Payment in Lieu of Taxes			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
REVENUES				
Intergovernmental revenue		817,261		817,261
Miscellaneous and contributions		13,150		13,150
Total revenues	0	830,411	0	830,411
EXPENDITURES				
General government	750,000	501,844	7,021	508,865
Total expenditures	750,000	501,844	7,021	508,865
Revenues over (under) expenditures	(750,000)	328,567	(7,021)	321,546
OTHER FINANCING SOURCES (USES)				
Operating transfers	0	(283,871)	0	(283,871)
Revenues and other financing sources over (under) expenditures and other uses	(750,000)	44,696	(7,021)	37,675
Fund balance at October 1, 2016		4,234,265		4,224,681
Fund balance at September 30, 2017		4,278,961		4,262,356

See Independent Auditor's Report.

Bingham County, Idaho

Pension Plan Required Supplementary Information

Fiscal Year Ended September 30, 2017

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's portion of net pension liability	0.32085%	0.33145%	0.32915%
Employers proportionate share of the net pension liability	5,043,135	6,719,033	4,334,367
Employer's covered-employee payroll	9,960,832	9,693,958	8,950,566
Employer's proportional share of the net pension liability as a percentage of its covered-employee payroll	50.63%	69.31%	48.43%
Plan fiduciary net position as a percentage of the total pension liability	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, 2017 (measurement date).

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	1,128,064	1,097,356	1,076,655
Contributions in relation to the statutorily required contribution	1,135,675	1,097,356	1,043,636
Contribution (deficiency) excess	7,611	0	(33,019)
Employer's covered payroll	9,960,832	9,693,958	8,950,566
Contributions as a percentage of covered payroll	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, 2017.

See Independent Auditor's Report.

Bingham County, Idaho

Notes to Required Supplementary Information
Budget to Actual Statements (with GAAP Differences)
September 30, 2017

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.

OTHER FINANCIAL INFORMATION

Bingham County, Idaho

All Nonmajor Funds
Combining Balance Sheet
September 30, 2017

	Airport	District Court	State Fair	Health District	Historical Society	Indigent Services	Parks and Recreation	Transitional Revaluation	Tort	Vetans Memorial	Weeds	Waterways	Court Facility	Drug Court	Interlock Monitoring	Junior College	Colsolidated Elections	Bingham County Lab	Youth Court Services	Rural Addressing	Bingham County Ambulance	East Idaho Partnership	Other Special Revenue	All Nonmajor Funds
ASSETS																								
Cash and cash equivalents	26,740	124,199	9,723	21,422	8,096	441,179	22,700	57,425	9,497	235	17,706	52,032	33,504	40,013	21,165	71,721	226,454	66,155	45,779	614	23,274	40,428	21,336	1,381,397
Receivables																								
Property taxes	183	19,251	297	10,936	640	26,415	3,629	11,860	861	36	6,934										21,882			102,924
Intergovernmental		25,514					5,500					2,130				15,132		4,200	1,835		21,545			75,856
Total assets	26,923	168,964	10,020	32,358	8,736	467,594	31,829	69,285	10,358	271	24,640	54,162	33,504	40,013	21,165	86,853	226,454	70,355	47,614	614	66,701	40,428	21,336	1,560,177
LIABILITIES																								
Accounts payable		33,203				140,543	20,526	40,762	2,342		7,974	759	8,173		250	95,713	1,811	116	614		8,274			361,060
Accrued salaries and benefits		20,646				2,181	2,749	6,199			3,459	110	1,327			735	195	241						37,842
Total liabilities	0	53,849	0	0	0	142,724	23,275	46,961	2,342	0	11,433	869	0	9,500	0	250	96,448	2,006	357	614	8,274	0	0	398,902
DEFERRED INFLOWS OF RESOURCES																								
Unavailable revenue	170	17,593	271	10,151	587	23,842	3,252	10,857	1,393		6,304										21,183			95,603
Total deferred inflows of resources	170	17,593	271	10,151	587	23,842	3,252	10,857	1,393		6,304										21,183			95,603
FUND BALANCES																								
Assigned	26,753	97,522	9,749	22,207	8,149	301,028	5,302	11,467	6,623	271	6,903	53,293	33,504	30,513	21,165	86,603	130,006	68,349	47,257		37,244	40,428	21,336	1,065,672
Total fund balances	26,753	97,522	9,749	22,207	8,149	301,028	5,302	11,467	6,623	271	6,903	53,293	33,504	30,513	21,165	86,603	130,006	68,349	47,257	0	37,244	40,428	21,336	1,065,672
Total liabilities, deferred inflows of resources and fund balances	26,923	168,964	10,020	32,358	8,736	467,594	31,829	69,285	10,358	271	24,640	54,162	33,504	40,013	21,165	86,853	226,454	70,355	47,614	614	66,701	40,428	21,336	1,560,177

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, 2017

	Airport	District Court	State Fair	Health District	Historical Society	Indigent Services	Parks and Recreation	Transitional Revaluation	Tort	Vettrans Memorial	Weeds	Waterways	Court Facility	Drug Court	Interlock Monitorin	Junior College	Colsolidated Elections	Bingham County Lab	Youth Court Services	Rural Addressing	Bingham County Ambulance	East Idaho Partnership	Other Special Revenue	All Nonmajor Funds			
REVENUES																											
Property taxes	167	626,778	9,849	229,778	20,260	1,155,385	177,481	389,245	26,575	1,281	251,848														791,475	3,680,122	
Licenses and permits							45,352																			45,352	
Intergovernmental revenue		265,645	61	1,370	124	7,184	23,108	2,388	154	8	1,553	60,353				71,089										100,346	533,383
Charges for services		173,200		67			18							34,301	3,386			108,369	4,506	11,700					11,916	347,463	
Fines and forfeitures		180,779											18,850													199,629	
Miscellaneous and contributions	289	11,378			(1)	268,611	835		16,946		3,125			45,291			112,841	6,392	8,097	1,498		10,496	4,285		490,083		
Total revenues	456	1,257,780	9,910	231,215	20,383	1,431,180	246,794	391,633	43,675	1,289	256,526	60,353	18,850	79,592	3,386	71,089	112,841	114,761	12,603	13,198	903,737	10,496	4,285		5,296,032		
EXPENDITURES																											
Current																											
General government		1,270,692						422,861	344,812	1,823			8,674				148,000			2,907		542	2,000			2,202,311	
Public safety														86,929	3,652			129,703	10,025							230,309	
Public works	2,567																									2,567	
Health and sanitation				388,404		1,105,174																				871,640	2,365,218
Culture and recreation			9,888		30,000		229,729					49,332														318,949	
Education																51,601										51,601	
Conservation/economic development											257,802														2,285	260,087	
Capital outlay		847				525	15,000	1,805			10,410							60,000								88,587	
Total expenditures	2,567	1,271,539	9,888	388,404	30,000	1,105,699	244,729	424,666	344,812	1,823	268,212	49,332	8,674	86,929	3,652	51,601	148,000	189,703	10,025	2,907	871,640	542	4,285		5,519,629		
Revenues over (under) expenditures	(2,111)	(13,759)	22	(157,189)	(9,617)	325,481	2,065	(33,033)	(301,137)	(534)	(11,686)	11,021	10,176	(7,337)	(266)	19,488	(35,159)	(74,942)	2,578	10,291	32,097	9,954			(223,597)		
OTHER FINANCING SOURCES (USES)																											
Operating transfers		4,957					299														(72,883)	(20,000)		(299)		(87,926)	
Revenues and other financing sources over (under) expenditures	(2,111)	(8,802)	22	(157,189)	(9,617)	325,481	2,364	(33,033)	(301,137)	(534)	(11,686)	11,021	10,176	(7,337)	(266)	19,488	(35,159)	(74,942)	2,578	(62,592)	12,097	9,954	(299)		(311,523)		
Fund balance at October 1, 2016	28,864	106,324	9,727	179,396	17,766	(24,453)	2,938	44,500	307,760	805	18,589	42,272	23,328	37,850	21,431	67,115	165,165	143,291	44,679	62,592	25,147	30,474	21,635		1,377,195		
Fund balance at September 30, 2017	26,753	97,522	9,749	22,207	8,149	301,028	5,302	11,467	6,623	271	6,903	53,293	33,504	30,513	21,165	86,603	130,006	68,349	47,257		37,244	40,428	21,336		1,065,672		

Bingham County, Idaho

All Fiduciary Fund Types - Private Purpose Trust Funds
Combining Balance Sheet
September 30, 2017

	Auditors Trust	Driver's License Trust	Scholarship Trust	District Court Trust	Magistrate Court Trust	Catastrophic Fund Trust	Interlock Device Trust	Development Agreement Trust	Insurance Trust	Transitional Housing 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	Right of Way Use Fees Trust
ASSETS																			
Cash and cash equivalents	55,588	17,797	143	4,824	16,105	61,218		55,900	2,568,333		11,237	7,018	125,763	22,963	44,006	9,100	6,605	24,111	11,982
Total assets	55,588	17,797	143	4,824	16,105	61,218	0	55,900	2,568,333	0	11,237	7,018	125,763	22,963	44,006	9,100	6,605	24,111	11,982
LIABILITIES																			
Accounts payable	35,461	19,924	143		350				218,411		168	722	120,419		343	7,930		21,454	600
Total liabilities	35,461	19,924	143	0	350	0	0	0	218,411	0	168	722	120,419	0	343	7,930	0	21,454	600
NET POSITION																			
Held in trust for individuals, organizations, and other governments	20,127	(2,127)	0	4,824	15,755	61,218	0	55,900	2,349,922	0	11,069	6,296	5,344	22,963	43,663	1,170	6,605	2,657	11,382

Bingham County, Idaho

All Fiduciary Fund Types - Private Purpose Trust Funds
Combining Balance Sheet
September 30, 2017

	Prosecutors Trust	Clerk/Recorder Trust	Four Seasons Trust	Juvenile Restitution Trust	Restitution Trust	Sex Offender Fees Trust	Sheriff's Reserve Trust	Search & Rescue Trust	Community Service Prog. Trust	Predatory Animal Control Trust	C.E.R.T. Trust	Magistrate Bond Trust	Juvenile Service Parent Project Trust	Ambulance Purchase Trust	Inmate Trust	Jail Trust	All Private Purpose Trust Funds
ASSETS																	
Cash and cash equivalents	1,257	5,950			18,770	1,760		18,903	15,786			293,783		140,000	5,003	74,821	3,618,726
Total assets	1,257	5,950	0	0	18,770	1,760	0	18,903	15,786	0	0	293,783	0	140,000	5,003	74,821	3,618,726
LIABILITIES																	
Accounts payable					12,892	1,760						7,163					447,740
Total liabilities	0	0	0	0	12,892	1,760	0	0	0	0	0	7,163	0	0	0	0	447,740
NET POSITION																	
Held in trust for individuals, organizations, and other governments	1,257	5,950	0	0	5,878	0	0	18,903	15,786	0	0	286,620	0	140,000	5,003	74,821	3,170,986

Bingham County, Idaho
All Fiduciary Fund Types - Private Purpose Trust Funds
Combining Statement of Revenues, Expenditures and Changes in Net Position
For the Year Ended September 30, 2017

	Auditors Trust	Driver's License Trust	Scholarship Trust	District Court Trust	Magistrate Court Trust	Catastrophic Fund Trust	Interlock Device Trust	Development Agreement Trust	Insurance Trust	Transitional Housing 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	Right of Way Use Fees Trust
ADDITIONS																			
Licenses and permits		290,563									1,273		1,566,547						
Intergovernmental revenue																			
Charges for services	106,134											11,300							3,400
Fines and forfeitures																	7,883		
Miscellaneous and contributions	70,980				(8,437)	47,637	15	23,207	3,200,412					3,622	12,510	2,188		17,646	
Total additions	177,114	290,563	0	0	(8,437)	47,637	15	23,207	3,200,412	0	1,273	11,300	1,566,547	3,622	12,510	2,188	7,883	17,646	3,400
DEDUCTIONS																			
Intergovernment expenditures					4,912		15				1,584		1,566,590						
Trust remittance	174,277	290,607	143			42,747		50,097	2,921,718			12,147		3,801	7,283	9,298	9,210	28,660	3,900
Total deductions	174,277	290,607	143	0	4,912	42,747	15	50,097	2,921,718	0	1,584	12,147	1,566,590	3,801	7,283	9,298	9,210	28,660	3,900
OTHER FINANCING SOURCES (USES)																			
Operating transfers										(16,129)				4,558				1,658	
Additions over (under) deductions	2,837	(44)	(143)		(13,349)	4,890		(26,890)	278,694	(16,129)	(311)	(847)	(43)	4,379	5,227	(7,110)	(1,327)	(9,356)	(500)
Net Position at October 01, 2016	17,290	(2,083)	143	4,824	29,104	56,328	0	82,790	2,071,228	16,129	11,380	7,143	5,387	18,584	38,436	8,280	7,932	12,013	11,882
Net Position at September 30, 2017	20,127	(2,127)	0	4,824	15,755	61,218	0	55,900	2,349,922	0	11,069	6,296	5,344	22,963	43,663	1,170	6,605	2,657	11,382

See Independent Auditor's Report.

Bingham County, Idaho

All Fiduciary Fund Types - Private Purpose Trust Funds
 Combining Statement of Revenues, Expenditures and Changes in Net Position
 For the Year Ended September 30, 2017

	Prosecutors Trust	Clerk/Recorder Trust	Four Seasons Trust	Juvenile Restitution Trust	Restitution Trust	Sex Offender Fees Trust	Sheriff's Reserve Trust	Search and Rescue Trust	Community Service Prog. Trust	Predatory Animal Control Trust	C.E.R.T. Trust	Magistrate Bond Trust	Juvenile Service Parent Project Trust	Ambulance Purchase Trust	Inmate Trust	Jail Trust	All Private Purpose Trust Funds
ADDITIONS																	
Licenses and permits																	1,858,383
Intergovernmental revenue									15,149								15,149
Charges for services	440							45,350									166,624
Fines and forfeitures					118,340							280,004					406,227
Miscellaneous and contributions		(135)				5,520						270			2,338	73,027	3,450,800
Total additions	440	(135)	0	0	118,340	5,520	0	45,350	15,149	0	0	280,274	0	0	2,338	73,027	5,897,183
DEDUCTIONS																	
Intergovernment expenditures																	1,573,101
Trust remittance		33			121,325	5,520		42,497	19,732			68,692				111,584	3,923,271
Total deductions	0	33	0	0	121,325	5,520	0	42,497	19,732	0	0	68,692	0	0	0	111,584	5,496,372
OTHER FINANCING SOURCES (USES)																	
Operating transfers	0	0	(50)	(4,690)	0	0	(1,613)	0	0	(4,558)	(45)	0	(267)	20,000	0	0	(1,136)
Revenues and other financing sources over (under) expenditures	440	(168)	(50)	(4,690)	(2,985)	0	(1,613)	2,853	(4,583)	(4,558)	(45)	211,582	(267)	20,000	2,338	(38,557)	399,675
Net Position at October 01, 2016	817	6,118	50	4,690	8,863	0	1,613	16,050	20,369	4,558	45	75,038	267	120,000	2,665	113,378	2,771,311
Net Position at September 30, 2017	1,257	5,950	0	0	5,878	0	0	18,903	15,786	0	0	286,620	0	140,000	5,003	74,821	3,170,986

See Independent Auditor's Report.

Single Audit Section

September 30, 2017



**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***

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

We have audited, in accordance with the 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 (the County) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 26, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
June 26, 2018



INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited Bingham County, Idaho’s (the County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on the County’s major federal program for the year ended September 30, 2017. 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 statutes, regulations, and the terms and conditions of its grant awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of Bingham County, Idaho’s major federal program 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County’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 the major federal program. However, our audit does not provide a legal determination on Bingham County, Idaho’s compliance.

Opinion on Each Major Federal Program

In our opinion, Bingham County, Idaho complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2017.

Report on Internal Control over Compliance

Management of the County 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 each major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
June 26, 2018

Bingham County, Idaho

Schedule of Findings and Questioned Costs Fiscal Year Ended September 30, 2017

SECTION I - SUMMARY OF INDEPENDENT AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified.

Internal control over financial reporting:

- Material weakness (es) identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness (es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X No

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

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

_____ Yes X No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

15.226

Payment in Lieu of Taxes

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

 \$ 750,000

Auditee qualified as low-risk auditee?

 X Yes _____ No

Bingham County, Idaho

Schedule of Findings and Questioned Costs
Fiscal Year Ended September 30, 2017

SECTION II - FINDINGS - FINANCIAL STATEMENT AUDITS

None

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

Bingham County, Idaho

Schedule of Expenditures of Federal Awards Fiscal Year Ended September 30, 2017

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Disbursements/ Expenditures
U.S. Department of Justice		
Passed through the State of Idaho Department of Juvenile Corrections Juvenile Justice and Delinquency Prevention	16.540	514
Total U.S. Department of Justice and Juvenile Correction		514
U.S. Department of the Interior		
Direct program		
Payment in Lieu of Taxes	15.226	792,736
Total U.S. Department of the Interior		792,736
U.S. Department of Transportation		
Passed through the State of Idaho Department of Transportation		
State and Community Highway Safety	20.600	15,566
National Priority Safety Programs	20.616	19,043
Total U.S. Department of Transportation		34,609
U.S. Department of Homeland Security		
Passed through the State of Idaho Military Division and Dept. of Parks		
Boating Safety Financial Assistance	97.012	12,602
Emergency Management Performance Grants	97.042	34,443
Homeland Security Grant Program	97.067	80,618
Total U.S. Department of Homeland Security		127,663
Total Expenditures of Federal Awards		955,522

Bingham County, Idaho

Notes to Schedule of Expenditures of Federal Awards *Fiscal Year Ended September 30, 2017*

NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County under programs of the federal government for the year ended September 30, 2017. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance issued by the Office of Management and Budget (OMB). Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position or changes in net assets of the County.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as described in Note A to the County's financial statements. 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 reimbursements.

NOTE C INDIRECT COST RATE

The County has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

Bingham County, Idaho

Summary of Schedule of Prior Audit Findings *Fiscal Year Ended September 30, 2017*

None