

Financial Statements and  
Independent Auditor's Report

**Bingham County, Idaho**

*September 30, 2014*

# Bingham County, Idaho

Contents  
*September 30, 2014*

---

<b>INDEPENDENT AUDITOR’S REPORT</b> .....	1-2
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b> .....	3-10
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Statement of Net Position .....	11
Statement of Activities.....	12-13
Balance Sheet	
Governmental Funds.....	14-15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	16
Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds.....	17-18
Reconciliation of the Governmental Funds Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities .....	19
Statement of Net Position	
Proprietary Funds.....	20
Statement of Revenues, Expenditures, and Changes in Fund Balances Proprietary Funds.....	21
Statement of Cash Flows	
Proprietary Funds.....	22-23
Statement of Net Position	
Fiduciary Funds .....	24
Statement of Changes in Net Position	
Fiduciary Funds – Private Purpose Trust Funds .....	25
Notes to Financial Statements.....	26-42
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Infrastructure Assets Reported Using the Modified Approach.....	43-45
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget to Actual	
Governmental Funds.....	46-50
Notes to Required Supplementary Information .....	51

# Bingham County, Idaho

Contents  
September 30, 2014

---

## OTHER FINANCIAL INFORMATION

All Nonmajor Funds Combining Balance Sheet.....	52
All Nonmajor Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	53
All Fiduciary Fund Types - Private Purpose Trust Funds Combining Balance Sheet.....	54-55
All Fiduciary Fund Types - Private Purpose Trust Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balance .....	56-57

## SINGLE AUDIT SECTION

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	58-59
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 .....	60-61
Schedule of Findings and Questioned Costs.....	62-63
Schedule of Expenditures of Federal Awards.....	64
Notes to Schedule of Expenditures of Federal Awards .....	65
Summary Schedule of Prior Audit Findings .....	66

## 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, 2014, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 preparations 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, 2014, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and required supplementary information on pages 3 through 10 and pages 43 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, 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, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 November 4, 2015, 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 the 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*

Wipfli LLP  
CPAs and Consultants

Idaho Falls, Idaho  
November 4, 2015

# Bingham County, Idaho

## Management's Discussion and Analysis September 30, 2014

---

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, 2014. 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 2014 by \$33,045,035 (net position). Of this amount, \$14,444,095 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position decreased by \$548,700 in comparison with the prior year mainly due to normal governmental expenditures in excess of revenue.
- As of the close of fiscal year 2014, Bingham County, Idaho's governmental funds reported combined ending fund balances of \$10,629,977, a decrease of \$1,308,897 in comparison with the prior year. Approximately \$945,418 of this total amount is available for spending at the County's discretion (unassigned fund balance).
- As of the close of fiscal year 2014, Bingham County, Idaho's proprietary funds reported combined ending net position of \$4,311,989, an increase of \$195,017 in comparison with the prior year.
- At the end of fiscal year 2014, unassigned fund balance for the General Fund was \$945,418.
- During fiscal year 2014, Bingham County, Idaho incurred \$156,346 in new capital lease obligations and paid down \$128,006 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, 2014

---

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 does not have any business-type activities.

### **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 two categories: governmental 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 seven 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, 2014

---

### 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 \$33,045,035 as of September 30, 2014.

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, 2014, compared to 2013:

	<u>2014</u>	<u>2013</u>
Assets		
Current and other assets	<b>16,902,857</b>	17,658,811
Investment in affiliates	<b>5,910,814</b>	5,250,036
Capital assets	<b>12,881,442</b>	12,895,457
Total assets	<b>35,695,113</b>	35,804,304
Liabilities		
Current and other liabilities	<b>1,384,888</b>	732,250
Long-term liabilities	<b>1,265,190</b>	1,478,319
Total liabilities	<b>2,650,078</b>	2,210,569
Net position		
Net investment in capital assets	<b>12,690,126</b>	11,968,703
Equity in net position of affiliates	<b>5,910,814</b>	5,250,036
Unrestricted	<b>14,444,095</b>	16,374,996
Total net position	<b>33,045,035</b>	33,593,735

The restricted portion of the County's net position, \$0, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$14,444,095, may be used to meet the government's ongoing obligations to citizens and creditors.

The net position of the County, as a whole, decreased \$548,700 from \$33,593,735 at September 30, 2013, to \$33,045,035 at September 30, 2014.



# Bingham County, Idaho

## Management's Discussion and Analysis September 30, 2014

The following table shows the changes in net position for fiscal years 2014 and 2013.

	<b>2014</b>	2013
	<b>Governmental</b>	Governmental
	<b>Activities</b>	Activities
<b>Revenues</b>		
Program revenues		
Charges for services	2,035,122	4,333,792
Operating grants and contributions	5,292,121	3,618,039
General revenues		
Property taxes	11,153,723	11,600,308
Public service taxes	2,605,023	2,596,631
Intergovernmental revenues	793,688	753,912
Earnings on investments	156,913	125,090
Miscellaneous	11,353	563,390
Total revenues	22,047,943	23,591,162
<b>Expenses</b>		
General government	6,531,778	6,271,297
Public safety	7,585,537	7,394,106
Public works	5,570,152	5,154,990
Health and sanitation	2,784,869	4,423,967
Culture and recreation	335,114	382,409
Education	79,250	71,600
Conservation/economic development	539,098	559,501
Interest on long-term debt	6,640	6,813
Total expenses	23,432,438	24,264,683
<b>Other, special items, and transfers</b>		
Earnings of affiliates	660,778	1,495,320
Distributions from equity of affiliates		(1,200,000)
Gain (loss) on sale of assets		27,828
Transfers in (out)	(20,000)	260,539
Change in net position	(743,717)	(89,834)

Governmental activities decreased the County's net position by \$743,717 in fiscal year 2014 and \$89,834 in 2013.

Property taxes account for the largest revenue source for the County. Property taxes totaled \$11,153,723 and \$11,600,308 in 2014 and 2013, representing approximately 50.6% and 49.2% respectively, of total County revenues.

In 2014, the County restated its business activities for solid waste and emergency communication to appropriately reflect as proprietary funds, where in 2013 these two funds were reflected as governmental funds. This change had no effect on the overall primary government net position at the beginning of fiscal year ended September 30, 2014. Please refer to footnote R for further information regarding the restatement.

# Bingham County, Idaho

## Management's Discussion and Analysis September 30, 2014

The following table shows the County's cost of services and net cost of services for fiscal year 2014.

	Total Cost of Services	Net Cost of Services
General government	6,531,778	5,175,565
Public safety	7,585,537	5,973,009
Public works	5,570,152	2,164,104
Health and sanitation	2,784,869	2,113,091
Culture and recreation	335,114	117,589
Education	79,250	17,027
Conservation/economic development	539,098	538,170
Interest on long-term debt	6,640	6,640
Total	23,432,438	16,105,195

Charges for services, operating grants and contributions of \$7,327,243 are received and used to fund the general government expenses of the County. The remaining \$16,105,195 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, 2014, the County's governmental funds reported combined ending fund balances of \$10,629,977, a decrease of \$1,308,897 in comparison with the prior year. Approximately 8.9% of this total amount, \$945,418, 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, 2014, unassigned fund balance of the General Fund was \$945,418, while total fund balance is \$945,418. 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 decreased by \$418,563 during the current fiscal year. The key factors in this are:

- Charges for services decreased by \$191,399
- Expenditures increased by \$74,236

# Bingham County, Idaho

## Management's Discussion and Analysis September 30, 2014

---

**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 amended on September 22, 2014 to increase the expenditure budget for the Justice Fund and Consolidated Elections. Total expenditure budget changes are as follows.

Justice Fund	32,000
Consolidated Elections	<u>20,000</u>
Total expenditure budget changes	<u><u>52,000</u></u>

### 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, 2014, amounts to \$12,881,442 (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 caterpillar tractor, chip spreader, 11 vehicles, 22 digital image scanners and construction on a building in Aberdeen. Additional information about the County's capital assets can be found in Note C 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. 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 2013, shows that 98.98% 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, \$5,904,584 was budgeted to maintain eligible infrastructure assets and \$5,258,796 was spent.

# Bingham County, Idaho

## Management's Discussion and Analysis September 30, 2014

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>2014</u>	<u>2013</u>	<u>Difference</u>
Road Oil CRS2 (per ton)	340	429	(89)
Diesel (per gal w/o taxes)	2	3	(1)
Gasoline (per gal w/o taxes)	2	3	(1)

**Debt Administration.** At September 30, 2014 and 2013, the County had no general obligation debt outstanding. The County's long-term debt decreased by \$202,678 during the 2014 fiscal year.

	<u>2014</u>	<u>2013</u>
Compensated absences	<b>525,213</b>	551,565
Capital leases	<b>191,316</b>	162,976
Accrued interest		3,811
Landfill closure costs	<b>548,661</b>	759,967
Total	<b><u>1,265,190</u></b>	<b><u>1,478,319</u></b>

### 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 2015.

### CURRENT FINANCIAL ISSUES AND CONCERNS

Bingham County 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 is estimated at 45,269 for 2014 with the average unemployment rate at 4.5%. Real and personal property tax assessments, based on net taxable value, have increased from \$1,799,099,647 in 2013 to \$1,835,750,325 in 2014. The 2014 fiscal year property tax revenue is based on the 2013 values. Tax collections remain stable.

Government employment provides 30% of the jobs in the County because of Idaho's State Hospital South, University of Idaho Agricultural Experiment Station, local school districts, and Bingham County.

# **Bingham County, Idaho**

Management's Discussion and Analysis  
*September 30, 2014*

---

Major non-governmental employers in the area include Basic American Foods, Bingham Memorial Hospital, Idaho Supreme Potatoes, Nonpareil, Premier Technology, Spudnik Equipment, Wada Farms, Walmart and Shoshone Bannock Tribal Enterprises.

The J.R. Simplot's Aberdeen potato processing plant closed during 2014 and negatively impacted the economy of that community. Golden Valley Foods will begin operation of a new plant in Shelley in 2015 with plans to hire 200 plus employees. Premier Technology, Spudnik Equipment, and first American Title also have their headquarters in Blackfoot.

The County continues to maintain a healthy financial position with strong reserve levels, conservative financial management and availability of additional reserves outside the general fund. County leadership has positioned itself to be able to continue to provide quality services as well as continue 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, 2014*

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Cash and investments	9,936,238	4,273,709	14,209,947
Receivables			
Property taxes	457,810		457,810
Intergovernmental	1,646,777		1,646,777
Other	499,333	88,990	588,323
Investment in affiliates	5,910,814		5,910,814
Capital assets			
Land and infrastructure	4,029,743	99,150	4,128,893
Depreciable assets, net	8,142,714	609,835	8,752,549
 Total assets	 <u>30,623,429</u>	 <u>5,071,684</u>	 <u>35,695,113</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	1,173,854	211,034	1,384,888
Noncurrent liabilities			
Due within one year			
Capital lease obligations	117,082		117,082
Compensated absences	525,213		525,213
Due in more than one year			
Capital lease obligations	74,234		74,234
Landfill closure costs		548,661	548,661
 Total liabilities	 <u>1,890,383</u>	 <u>759,695</u>	 <u>2,650,078</u>
<b>EQUITY IN NET POSITION OF AFFILIATES</b>	<u>5,910,814</u>		<u>5,910,814</u>
<b>NET POSITION</b>			
Net investment in capital assets	11,981,141	708,985	12,690,126
Restricted	0		0
Unrestricted	10,841,091	3,603,004	14,444,095
 Total net position	 <u>22,822,232</u>	 <u>4,311,989</u>	 <u>27,134,221</u>
 Total net position and equity in net position of affiliates	 <u>28,733,046</u>	 <u>4,311,989</u>	 <u>33,045,035</u>

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Statement of Activities  
For the Year Ended September 30, 2014

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	6,531,778	940,196	416,017	
Public safety	7,585,537	630,064	982,464	
Public works	5,570,152	46,929	3,359,119	
Health and sanitation	2,784,869	384,246	287,532	
Culture and recreation	335,114	33,687	183,838	
Education	79,250		62,223	
Conservation/economic development	539,098		928	
Interest on long-term debt	6,640			
Total governmental activities	23,432,438	2,035,122	5,292,121	0
Business-type activities				
Solid waste	1,648,810	1,812,187	4,980	
911 emergency communications	579,346	492,333	113,673	
Total business-type activities	2,228,156	2,304,520	118,653	0
Total primary government	23,432,438	2,035,122	5,292,121	0

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

Total general revenues

Change in net position

Net position - beginning, as restated

Net position - ending

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Statement of Activities  
For the Year Ended September 30, 2014

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
5,175,565		5,175,565
5,973,009		5,973,009
2,164,104		2,164,104
2,113,091		2,113,091
117,589		117,589
17,027		17,027
538,170		538,170
6,640		6,640
16,105,195		16,105,195
	(168,357)	(168,357)
	(26,660)	(26,660)
	(195,017)	(195,017)
16,105,195	(195,017)	15,910,178
11,153,723		11,153,723
2,605,023		2,605,023
793,688		793,688
156,913		156,913
660,778		660,778
11,353		11,353
(20,000)		(20,000)
15,361,478	0	15,361,478
(743,717)	195,017	(548,700)
29,476,763	4,116,972	33,593,735
28,733,046	4,311,989	33,045,035

The accompanying notes are an integral part of this statement.



# Bingham County, Idaho

Balance Sheet  
Governmental Funds  
September 30, 2014

---

	<u>General</u>	<u>Road and Bridge</u>	<u>Justice</u>
<b>ASSETS</b>			
Cash and cash equivalents	741,581	491,823	873,302
Receivables			
Property taxes	127,040	36,487	133,441
Intergovernmental	397,418	665,491	334,334
Other			309
			<u>309</u>
Total assets	<u>1,266,039</u>	<u>1,193,801</u>	<u>1,341,386</u>
 <b>LIABILITIES</b>			
Accounts payable	<u>211,505</u>	<u>127,139</u>	<u>161,711</u>
Total liabilities	<u>211,505</u>	<u>127,139</u>	<u>161,711</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	<u>109,116</u>	<u>31,614</u>	<u>115,214</u>
 <b>FUND BALANCE</b>			
Restricted			
Committed			
Assigned		1,035,048	1,064,461
Unassigned	<u>945,418</u>		
Total fund balances	<u>945,418</u>	<u>1,035,048</u>	<u>1,064,461</u>
Total liabilities, deferred inflows of resources and fund balances	<u>1,266,039</u>	<u>1,193,801</u>	<u>1,341,386</u>

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Balance Sheet  
Governmental Funds  
September 30, 2014

Road and Bridge Special Projects	Payment in Lieu of Taxes	Nonmajor Funds	Total Governmental Funds
761,127	4,435,021	2,633,384	9,936,238
29,740		131,102	457,810
181,344		68,190	1,646,777
	443,885	55,139	499,333
<u>972,211</u>	<u>4,878,906</u>	<u>2,887,815</u>	<u>12,540,158</u>
<u>103,743</u>	<u>299,085</u>	<u>270,671</u>	<u>1,173,854</u>
<u>103,743</u>	<u>299,085</u>	<u>270,671</u>	<u>1,173,854</u>
<u>25,538</u>	<u>342,939</u>	<u>111,906</u>	<u>736,327</u>
<u>842,930</u>	<u>4,236,882</u>	<u>2,505,238</u>	<u>9,684,559</u>
<u>842,930</u>	<u>4,236,882</u>	<u>2,505,238</u>	<u>945,418</u>
<u>842,930</u>	<u>4,236,882</u>	<u>2,505,238</u>	<u>10,629,977</u>
<u>972,211</u>	<u>4,878,906</u>	<u>2,887,815</u>	<u>12,540,158</u>

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, 2014*

---

Total fund balances - governmental funds	10,629,977
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 \$28,741,143 and the accumulated depreciation is \$15,859,701.	12,172,457
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.	393,388
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.	342,939
Investments in affiliates do not represent current financial resources and therefore are not reported as assets in governmental funds.	5,910,814
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	(525,213)
Capital lease obligations	<u>(191,316)</u>
Total net position - governmental activities	<u><u>28,733,046</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, 2014

<b>REVENUES</b>	General	Road and Bridge	Justice
Property taxes	3,277,044	734,290	3,315,062
Licenses and permits	169,088		79,574
Intergovernmental revenue	1,515,862	2,601,895	1,784,543
Charges for services	311,966	1,322	352,738
Fines and forfeitures	400		
Interest and dividend income	15,773		141,140
Net increase in investments			
Miscellaneous and contributions	188,773	27,587	30,890
Total revenues	5,478,906	3,365,094	5,703,947
 <b>EXPENDITURES</b>			
Current			
General government	3,949,165		
Public safety	1,392,828		5,698,302
Public works		3,239,054	
Health and sanitation	132,421		
Culture and recreation			
Education			
Conservation/economic development	348,348		
Debt Service			
Principal			128,006
Interest and fees			10,451
Capital outlay	74,707	319,048	264,792
Total expenditures	5,897,469	3,558,102	6,101,551
Revenues over (under) expenditures	(418,563)	(193,008)	(397,604)
 <b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from capital leases			156,346
Operating transfers			400,000
Revenues and other financing sources over (under) expenditures	(418,563)	(193,008)	158,742
Fund balance at October 1, 2013	1,363,981	1,228,056	905,719
Fund balance at September 30, 2014	945,418	1,035,048	1,064,461

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, 2014

Road and Bridge Special Projects	Payment in Lieu of Taxes	Nonmajor Funds	Total Governmental Funds
823,927		3,027,017	11,177,340
		33,612	282,274
897,471	793,688	709,308	8,302,767
		463,426	1,129,452
		179,031	179,431
			156,913
<u>26,079</u>	<u>101,246</u>	<u>488,808</u>	<u>863,383</u>
<u>1,747,477</u>	<u>894,934</u>	<u>4,901,202</u>	<u>22,091,560</u>
			6,366,927
	302,932	2,114,830	7,279,903
		188,773	4,941,613
1,696,754		5,805	2,671,936
		2,539,515	286,502
		286,502	79,250
		79,250	533,945
		185,597	128,006
			10,451
<u>2,696</u>	<u>431,810</u>	<u>145,217</u>	<u>1,238,270</u>
<u>1,699,450</u>	<u>734,742</u>	<u>5,545,489</u>	<u>23,536,803</u>
<u>48,027</u>	<u>160,192</u>	<u>(644,287)</u>	<u>(1,445,243)</u>
			156,346
	<u>(400,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>
48,027	(239,808)	(664,287)	(1,308,897)
<u>794,903</u>	<u>4,476,690</u>	<u>3,169,525</u>	<u>11,938,874</u>
<u>842,930</u>	<u>4,236,882</u>	<u>2,505,238</u>	<u>10,629,977</u>

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, 2014*

---

Total net change in fund balances - governmental funds	(1,308,897)
--	-------------

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 \$1,060,869 exceeded capital outlays of \$1,047,216 in the current period.	(13,653)
--	----------

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 \$43,766 and this amount this year and collections on the BURA receivable were \$20,000.	(83,766)
---	----------

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.	26,350
---	--------

The earnings of affiliates as reflected in the statement of activities are not recorded in the fund statements of revenues, expenditures and changes in fund balances.	660,778
--	---------

Repayment of capital lease obligations of \$128,006 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 \$156,346 is an other financing source in the governmental funds, but it increases long-term liabilities in the statement of net position.	(28,340)
--	----------

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported in governmental funds:

Change in accrued landfill postclosure costs	
Change in accrued interest	<u>3,811</u>

Total change in net position - governmental activities	<u><u>(743,717)</u></u>
--	-------------------------

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

## Statement of Net Position Proprietary Funds September 30, 2014

---

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
<b>ASSETS</b>			
Cash and cash equivalents	2,587,055	1,686,654	4,273,709
Receivables	52,021	36,969	88,990
Capital assets			
Land	99,150		99,150
Depreciable assets, net	<u>609,835</u>		<u>609,835</u>
 Total assets	 <u><u>3,348,061</u></u>	 <u><u>1,723,623</u></u>	 <u><u>5,071,684</u></u>
 <b>LIABILITIES</b>			
Current liabilities			
Accounts payable	132,295	78,739	211,034
Noncurrent liabilities			
Landfill closure costs	<u>548,661</u>		<u>548,661</u>
 Total liabilities	 <u><u>680,956</u></u>	 <u><u>78,739</u></u>	 <u><u>759,695</u></u>
 <b>NET POSITION</b>			
Invested in capital assets, net position	708,985		708,985
Unrestricted	<u>1,958,120</u>	<u>1,644,884</u>	<u>3,603,004</u>
 Total net position	 <u><u>2,667,105</u></u>	 <u><u>1,644,884</u></u>	 <u><u>4,311,989</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, 2014

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
<b>OPERATING REVENUES</b>			
Operating grant from the state of Idaho		113,673	113,673
Charges for services	1,812,187	492,333	2,304,520
Rental and other income	4,980		4,980
 Total revenues	 <u>1,817,167</u>	 <u>606,006</u>	 <u>2,423,173</u>
 <b>OPERATING EXPENDITURES</b>			
Salaries and wages	388,911		388,911
Employee benefits	119,125		119,125
Line charges		61,574	
Subcontractor and other disposal costs	1,073,905		1,073,905
Maintenance and other vehicle costs	101,565	140,613	242,178
Supplies and other operating expenses	144,410	377,159	521,569
Landfill closure costs	(211,306)		(211,306)
Depreciation	32,200		32,200
 Total expenditures	 <u>1,648,810</u>	 <u>579,346</u>	 <u>1,777,671</u>
 Revenues over (under) expenditures	 <u>168,357</u>	 <u>26,660</u>	 <u>645,502</u>
 Revenues and other financing sources over (under) expenditures	 168,357	 26,660	 195,017
 Net position at October 1, 2013, as restated	 <u>2,498,748</u>	 <u>1,618,224</u>	 <u>4,116,972</u>
 Net position at September 30, 2014	 <u><u>2,667,105</u></u>	 <u><u>1,644,884</u></u>	 <u><u>4,311,989</u></u>

The accompanying notes are an integral part of this statement.



# Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Proprietary Funds  
 For the Year Ended September 30, 2014

	Solid Waste	911 Emergency Communication	Total Proprietary Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers and users	1,804,981	493,557	2,298,538
Cash payments for personnel costs	(508,036)		(508,036)
Cash payments for services and supplies	(1,307,842)	(512,927)	(1,820,769)
Other operating revenues	4,980	113,673	118,653
Net cash provided (used) by operations	(5,917)	94,303	88,386
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(31,840)		(31,840)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net increase in cash and cash equivalents	(37,757)	94,303	56,546
Cash at beginning of year	2,624,812	1,592,351	4,217,163
Cash and cash equivalents at end of year	2,587,055	1,686,654	4,273,709

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Proprietary Funds  
For the Year Ended September 30, 2014

---

	<u>Solid Waste</u>	<u>911 Emergency Communication</u>	<u>Total Proprietary Funds</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating Income (loss)	168,357	26,660	195,017
Add depreciation expense	32,200		32,200
(Increase)/decrease in assets			
Receivables	(7,206)	1,224	(5,982)
Increase/(decrease) in liabilities			
Accounts payable	12,037	66,419	78,456
Landfill closure costs	(211,306)		(211,306)
Net cash flows from operating activities	<u>(5,918)</u>	<u>94,303</u>	<u>88,385</u>

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Statement of Net Position  
Fiduciary Funds  
September 30, 2014

---

	Private Purpose Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	2,493,008	131,234
Receivables		691,840
	<hr/>	<hr/>
Total assets	2,493,008	823,074
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Accounts and other payables	352,004	131,234
Payable to taxing districts		691,840
	<hr/>	<hr/>
Total liabilities	352,004	823,074
	<hr/>	<hr/>
<b>NET POSITION</b>		
Held in trust for individuals, organizations, and other governments	2,141,004	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, 2014

---

**ADDITIONS**

Licenses and permits	1,390,001
Intergovernmental revenue	16,556
Charges for services	152,323
Fines and forfeitures	196,269
Miscellaneous and contributions	<u>2,933,333</u>

Total additions	<u>4,688,482</u>
-----------------	------------------

**DEDUCTIONS**

Trust remittance and other deductions	<u>4,276,892</u>
---------------------------------------	------------------

**TRANSFERS FROM (TO) OTHER FUNDS**

	<u>20,000</u>
--	---------------

Change in net position	431,590
------------------------	---------

Net position - October 1, 2013	<u>1,709,414</u>
--------------------------------	------------------

Net position - September 30, 2014	<u><u>2,141,004</u></u>
-----------------------------------	-------------------------

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## 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 of America 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.

In June 1999, the GASB issued and approved Statements No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments* and GASB Statement No. 37, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments: Omnibus*. These statements establish new financial reporting requirements for state and local governments, public colleges, and universities throughout the United States. They require new information and restructure much of the information that governments have presented in the past. Certain significant changes in the statement include the following:

- Financial statements are prepared using the full accrual accounting method for all County activities.

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 capacity and beyond that capacity 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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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 are 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.

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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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.

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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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.

*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 receivables include 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, 2014, 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 does not have any items that qualify for reporting in this category.



# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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 one type of item, 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.

*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.

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 June 1999, the Government Accounting Standards Board (GASB) issued Statement No. 34 which requires the inclusion of infrastructure capital assets in government's basic financial statements. Phase 2 governments, those with total annual revenues of \$10,000,000 up to \$100,000,000, should retroactively report all major general infrastructure assets for fiscal years beginning after June 15, 2006. In accordance with GASB Statement No. 34, the County has included the value of all major infrastructure capitalized since 1980 beginning with the 2006 – 2007 basic financial statements.

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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

*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.

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, 2014, unrecorded fund liabilities included approximately \$525,213 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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

12. 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.

13. 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.

14. 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, 2014. During 2014, there were no transfers between governmental and business-type activities.

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.

15. 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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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.

16. 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 \$2,000 petty cash) as of September 30, 2014, totaled \$17,057,960, of which \$12,019,050 represented demand deposits and simple time certificates of deposits, \$5,005,123 represented investments in government backed securities, investment certificates of deposits, and mortgage-backed securities, and \$33,784 represented deposits in the State of Idaho Local Government Investment Pool. Of the total deposits for the County, \$14,209,947 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 \$12,019,050 and the bank balance was \$11,521,261. The amount not covered by FDIC insurance was \$9,467,868. As of September 30, 2014, County funds in demand deposits were collateralized with the Federal Reserve to \$2,053,393.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

**NOTE B CASH AND INVESTMENTS, continued**

Investments

The carrying value of the County's investments at year end was \$5,038,910 and the fair value was \$5,102,849. The amount not covered by insurance was \$4,102,849.

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>&lt; 1 year</u>	<u>1 – 5 years</u>	<u>&gt; 5 years</u>	<u>Rating</u>
Federal Farm Credit	964,981			964,981	AA+/Aaa/AAA
FHLMC	139,900			139,900	AA+/Aaa/AAA
FNMA	1,534,628		299,561	1,235,067	AA+/Aaa/AAA
FHLB	2,320,706		98,630	2,222,076	AA+/Aaa
State Investment Pool	33,784	33,784			N/A
TVA	108,850			108,850	AA+/Aaa/AAA
Certificates of Deposit	833,485		733,485	100,000	N/A
Total Investments	<u>5,936,334</u>	<u>33,784</u>	<u>1,131,676</u>	<u>4,770,874</u>	

**NOTE C INTERFUND TRANSFERS**

Inter-fund transfers for the year ended September 30, 2014, consisted of the following:

<u>Transfer to:</u>	<u>Justice</u>	<u>Ambulance Vehicle Trust</u>	<u>Totals</u>
<u>Transfer from:</u>			
PILT	400,000		400,000
Ambulance		20,000	20,000
	<u>400,000</u>	<u>20,000</u>	<u>420,000</u>

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 and (2) to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

## NOTE D CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2014 was as follows:

	Balance 10-1-2013	Additions	Deletions	Balance 9-30-2014
<u>Governmental Activities</u>				
Capital assets, not being depreciated				
Land	1,885,064			1,885,064
Infrastructure	2,243,829			2,243,829
Total capital assets, not being depreciated	4,128,893	0	0	4,128,893
Capital assets, being depreciated				
Infrastructure	2,996,525	45,100		3,041,625
Buildings and improvements	8,615,313	55,000		8,670,313
Machinery and equipment	12,457,044	978,956	(535,688)	12,900,312
Total capital assets, being depreciated	24,068,882	1,079,056	(535,688)	24,612,250
Less accumulated depreciation for				
Infrastructure	(512,276)	(60,832)		(573,108)
Buildings and improvements	(4,653,324)	(218,994)		(4,872,318)
Machinery and equipment	(10,136,720)	(813,243)	535,688	(10,414,275)
Total accumulated depreciation	(15,302,320)	(1,093,069)	535,688	(15,859,701)
Total capital assets, being depreciated, net	8,766,562	(14,013)	0	8,752,549
Governmental activity, capital assets, net	12,895,455	(14,013)	0	12,881,442

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

<u>Governmental activities</u>	
General government	191,201
Public safety	305,634
Public works	468,527
Health, welfare, and sanitation	41,742
Culture and recreation	48,612
Conservation and economic development	5,153
Total governmental activities	1,060,869
<u>Business-type activities</u>	
Solid waste (health and sanitation)	32,220
Total primary government	1,093,069

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE E RETIREMENT PLAN

Public Employee Retirement System of Idaho (PERSI) – The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% (2.3% police/firefighter) of the average monthly salary for the highest consecutive 42 months.

PERSI issues publicly available stand-alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website [www.persi.ida.gov](http://www.persi.ida.gov).

The actuarially determined contribution requirements of Bingham County and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended September 30, 2014, the required contribution rate as a percentage of covered payroll for members was 6.79% for general members and 8.36% for police/firefighters. The employer rate as a percentage of covered payroll was 11.32% for general members and 11.66% for police/firefighter members. Bingham County's employer contributions required and paid were \$999,253, \$928,669, and \$895,356 for the three years ended September 30, 2014, 2013, and 2012 respectively.

## 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 PEBSCO 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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

## NOTE G LONG-TERM DEBT

### Long-term Obligation Activity:

General long-term obligations of the County include capital leases. During the year ending September 30, 2014, the following changes occurred in long-term debt:

	Balance 10/01/2013	Additions	Reductions	Balance 09/30/2014	Amounts due within one year
Governmental activities					
Compensated absences	551,565		(26,352)	525,213	525,213
Capital leases	162,976	156,346	(128,006)	191,316	117,082
Accrued interest	3,811		(3,811)	0	
Landfill closure costs	759,967		(211,306)	548,661	
<b>Total governmental activities</b>	<b>1,478,319</b>	<b>156,346</b>	<b>(369,475)</b>	<b>1,265,190</b>	<b>642,295</b>

### Landfill Post Closure Costs

Bingham County recalculated their post closure care testing liability for the Fielding, Aberdeen and Rattlesnake Landfills during the 2014 fiscal year which resulted in a decrease of \$211,306.

### 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 varying from three to four years and interest ranging from 5.95% to 6.6%. These agreements provided current-year additions to long-term obligations, valued at cost, and totaling \$156,346. 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, 2014:

	Governmental Activities	Capital Assets Under Capital Leases
Machinery and equipment	416,414	416,414
<b>Total capital leases</b>	<b>416,414</b>	<b>416,414</b>

Obligations of governmental activities under capital leases as of September 30, 2014, were as follows:

Year Ended September 30	Governmental Activities		
	Principal	Interest	Total
2015	117,082	11,818	128,900
2016	74,234	4,486	78,720
<b>Total</b>	<b>191,316</b>	<b>16,304</b>	<b>207,620</b>



# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## **NOTE H 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 The Fielding landfill with estimated monitoring costs of \$297,160 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, but 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 2014 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 I 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, 2014, the balance of the note receivable was \$342,939. 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 J RESTRICTED AND ENCUMBERED FUND BALANCES**

As of September 30, 2014, there were no restricted or encumbered fund balances.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## **NOTE K 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 L RELATED PARTY TRANSACTIONS**

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

## **NOTE M DEFICITS AND INTERFUND TRANSACTIONS**

As of September 30, 2014, in the governmental fund statements there were no deficits. As of September 30, 2014, in the governmental fund statements, there were no inter-fund receivables.

## **NOTE N 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 is a \$150,000 payment due annually beginning July 1, 2008. The second payment is 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 is related to indigent care claims, which will be passed through to BMH. BMH will reimburse the County up to \$150,000 per year for these payments. Subsequent to year end, an assignment and assumption agreement was entered in by the parties to the Agreement and the above terms were modified as described in the subsequent events footnote below.

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, 2014

---

## NOTE O INVESTMENTS IN UNCONSOLIDATED AFFILIATES

The County owns interests in two entities which have some relationship to the existing and future operations of Bingham Memorial Hospital. The ownership interests in CMRGO, LLC (CMRGO) and Doctors and Hospital Health System of Idaho LLC (DHHS) are booked by the County as investments under the equity method.

The table below sets forth the carrying values of the County's equity investments in CMRGO and DHHS, the County's share of their earnings or losses and the distributions received, as of and for the year ended September 30, 2014. The County accounts for its investment in unconsolidated affiliates by the equity method. The County records its share of such earnings (loss) in the Statement of Activities as "Equity in earnings of affiliates" and the carrying value of the County's investment in commercial entities is recorded in the Statement of Net Position as "Equity in net position of affiliates".

	<u>CMRGO</u>	<u>DHHS</u>	<u>Total</u>
Equity in net position of affiliates, 09/30/2013	1,768,370	3,481,666	5,250,036
2014 Equity in earnings of affiliates	<u>337,107</u>	<u>323,671</u>	<u>660,778</u>
Equity in net position of affiliates, 09/30/2014	<u>2,105,477</u>	<u>3,805,337</u>	<u>5,910,814</u>

Even though the above equity interests were specifically excluded from the hospital lease and transfer agreement, the Agreement stipulates that distributions from CMRGO and DHHS to the County will be paid to BMH, and BMH will pay any obligations the County has to CMRGO and DHHS. See also the subsequent event disclosure below.

## NOTE P 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.

# Bingham County, Idaho

Notes to Financial Statements  
September 30, 2014

---

## NOTE P JOINT VENTURE AGREEMENT, continued

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

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

The Eastern Idaho Regional 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 Q 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 R PRIOR YEAR RESTATEMENT

The County's business-type activities for its solid waste and 911 emergency communication funds, which were previously reported as governmental funds, were appropriately restated in the current year presentation. There was no effect on the government-wide beginning net position for the primary government as a result of this restatement. Net position of the 911 emergency communication fund at the beginning of the year was not restated as there were no differences between the modified accrual basis of accounting used for governmental funds and the full accrual method of accounting used for proprietary funds. Net position of the solid waste fund was restated as follows:

Beginning fund balance, as originally presented	2,549,369
Adjustment to beginning capital assets - land	99,150
Adjustment to beginning depreciable assets, net	610,196
Adjustment to beginning landfill closure costs	<u>(759,967)</u>
Beginning net position, as restated	<u>2,498,748</u>

# Bingham County, Idaho

Notes to Financial Statements  
*September 30, 2014*

---

**NOTE S MATERIAL VIOLATION OF FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS**

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

**NOTE T SUBSEQUENT EVENTS**

Management of the County evaluated subsequent events through November 4, 2015, which was the date the financial statements were available to be issued.

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 (½%) 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 will be that the investment in affiliates and the related equity in net position of affiliates will no longer exist as the ownership was transferred to MBH and the existing assets are now considered part of the assets subject to the hospital lease.

There were no other subsequent type events, identified by management of the County that is required to be disclosed.

**REQUIRED SUPPLEMENTARY INFORMATION**

# Bingham County, Idaho

## Notes to Required Supplementary Information Infrastructure Assets Reported Using the Modified Approach *September 30, 2014*

---

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 1,199 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 method for evaluating the roads changed significantly from October 2010 to September 2011. Errors have been corrected and adjustments have been made to utilize the previous years' data to show the changes in the condition of the County's roads. 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. However, there has been a major adjustment for years prior to 2011 for the oiled roads to reflect the changes. The numbers for prior years have been adjusted to reflect the maintenance activities and the oxidation that occurs on the roads.

# Bingham County, Idaho

Notes to Required Supplementary Information  
 Infrastructure Assts Reported Using the Modified Approach  
 September 30, 2014

Measurement Scale

<u>Gravel Roads</u>	<u>2014 Center Lane Miles</u>
A Only needs maintenance once a year and is safe	2
B Requires occasional maintenance, needs only slight improvements	88.69
C Adequate - will be needing gravel and other improvements in the future, but is okay for now	265.83
D Needs gravel, etc.	140.29
F Needs gravel, shoulders, widening, safety of road should be considered, etc.	45.48
O Other (dirt)	<u>0</u>
Total gravel roads	<u><u>542.29</u></u>

Oiled Roads

A	Excellent	New	5.54
B	Good	Good condition - only chip seals required	132.19
C	Fair	Maintenance - more than chip sealing (patching)	510.52
D	Poor	Leveling course road that is uneven to drive on (overlay, ect.)	8.42
F	Failed	Reconstruction needed	0
O	Not rated	Other (dirt)	<u>0</u>
Total oil roads			<u><u>656.67</u></u>



# Bingham County, Idaho

Notes to Required Supplementary Information  
 Infrastructure Assets Reported Using the Modified Approach  
 September 30, 2014

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 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 November 15, 2013, October 22, 2012, and October 28, 2011.

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 six 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
2014	5.54	132.19	510.52	648.25	656.67	98.72%
2013	0	105.9	541.7	647.6	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%
2010	65.08	339.79	234.54	639.41	651.84	98.09%
2009	61.84	437.49	143.51	642.84	651.84	98.61%

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.

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).

	2014	2013	2012	2011	2010	2009
Estimated spending	5,904	5,922	5,971	5,904	6,064	6,738
Actual spending	5,257	4,723	4,626	4,660	5,348	5,475

# Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 -Budget and Actual-  
 Governmental Funds  
 For the Year Ended September 30, 2014

	General Fund			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
<b>REVENUES</b>				
Property taxes		3,268,121	8,923	3,277,044
Licenses and permits		169,088		169,088
Intergovernmental revenue		1,511,212	4,650	1,515,862
Charges for services		311,966		311,966
Fines and forfeitures		400		400
Interest and dividend income		49,872	(34,099)	15,773
Miscellaneous and contributions		188,773		188,773
	0	5,499,432	(20,526)	5,478,906
<b>EXPENDITURES</b>				
General government	4,310,576	3,929,090	20,075	3,949,165
Public safety	1,519,962	1,387,492	5,336	1,392,828
Health and sanitation	137,070	132,316	105	132,421
Conservation/economic development	361,551	348,238	110	348,348
Capital outlay	73,800	74,014	693	74,707
	6,402,959	5,871,150	26,319	5,897,469
Revenues over (under) expenditures	(6,402,959)	(371,718)	(46,845)	(418,563)
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers		(9,051)	9,051	
Revenues and other financing sources over (under) expenditures and other uses	(6,402,959)	(380,769)	(37,794)	(418,563)
Fund balance at October 1, 2013		1,122,350		1,363,981
Fund balance at September 30, 2014		741,581		945,418

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance  
-Budget and Actual-  
Governmental Funds  
*For the Year Ended September 30, 2014*

	Road and Bridge			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
<b>REVENUES</b>				
Property taxes		727,396	6,894	734,290
Intergovernmental revenue		2,567,052	34,843	2,601,895
Charges for services		1,322		1,322
Miscellaneous and contributions		30,587	(3,000)	27,587
Total revenues	0	3,326,357	38,737	3,365,094
<b>EXPENDITURES</b>				
Public works	3,562,085	3,302,832	(63,778)	3,239,054
Capital outlay	257,000	248,223	70,825	319,048
Total expenditures	3,819,085	3,551,055	7,047	3,558,102
Revenues over (under) expenditures	(3,819,085)	(224,698)	31,690	(193,008)
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers		9,051	(9,051)	
Revenues and other financing sources over (under) expenditures and other uses	(3,819,085)	(215,647)	22,639	(193,008)
Fund balance at October 1, 2013		707,470		1,228,056
Fund balance at September 30, 2014		491,823		1,035,048

The accompanying notes are an integral part of this statement.

## Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 -Budget and Actual-  
 Governmental Funds  
 For the Year Ended September 30, 2014

	Justice			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
<b>REVENUES</b>				
Property taxes	0	3,297,431	17,631	3,315,062
Licenses and permits	0	76,380	3,194	79,574
Intergovernmental revenue	0	1,725,879	58,664	1,784,543
Charges for services	0	350,153	2,585	352,738
Interest and dividend income	0	101,233	39,907	141,140
Miscellaneous and contributions	0	42,238	(11,348)	30,890
	0	5,593,314	110,633	5,703,947
<b>EXPENDITURES</b>				
Public safety	5,909,141	5,668,771	29,531	5,698,302
Debt service - principal			128,006	128,006
Debt service - interest			10,451	10,451
Capital outlay	297,000	246,903	17,889	264,792
	6,206,141	5,915,674	185,877	6,101,551
Revenues over (under) expenditures	(6,206,141)	(322,360)	(75,244)	(397,604)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital leases			156,346	156,346
Operating transfers		400,000		400,000
Revenues and other financing sources over (under) expenditures and other uses	(6,206,141)	77,640	81,102	158,742
Fund balance at October 1, 2013		795,662		905,719
Fund balance at September 30, 2014		873,302		1,064,461

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance  
-Budget and Actual-  
Governmental Funds  
*For the Year Ended September 30, 2014*

	Road and Bridge Special Projects			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
<b>REVENUES</b>				
Property taxes		828,934	(5,007)	823,927
Intergovernmental revenue		897,264	207	897,471
Miscellaneous and contributions		26,079		26,079
Total revenues	0	1,752,277	(4,800)	1,747,477
<b>EXPENDITURES</b>				
Public works	1,920,499	1,696,754		1,696,754
Capital outlay	165,000	1,936	760	2,696
Total expenditures	2,085,499	1,698,690	760	1,699,450
Revenues over (under) expenditures	(2,085,499)	53,587	(5,560)	48,027
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers			0	
Revenues and other financing sources over (under) expenditures and other uses	(2,085,499)	53,587	(5,560)	48,027
Fund balance at October 1, 2013		707,540		794,903
Fund balance at September 30, 2014		761,127		842,930

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 -Budget and Actual-  
 Governmental Funds  
 For the Year Ended September 30, 2014

	Payment in Lieu of Taxes			
	Original and Final Budget	Budgetary Basis Actual	GAAP Differences	GAAP Basis Actual
<b>REVENUES</b>				
Intergovernmental revenue		793,688		793,688
Miscellaneous and contributions		300	100,946	101,246
Total revenues	0	793,988	100,946	894,934
<b>EXPENDITURES</b>				
General government	750,000	730,893	(427,961)	302,932
Capital outlay			431,810	431,810
Total expenditures	750,000	730,893	3,849	734,742
Revenues over (under) expenditures	(750,000)	63,095	97,097	160,192
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers		(400,000)	0	(400,000)
Revenues and other financing sources over (under) expenditures and other uses	(750,000)	(336,905)	97,097	(239,808)
Fund balance at October 1, 2013		4,771,926		4,476,690
Fund balance at September 30, 2014		4,435,021		4,236,882

The accompanying notes are an integral part of this statement.

# Bingham County, Idaho

Notes to Required Supplementary Information  
Budget to Actual Statements (with GAAP Differences)  
*September 30, 2014*

---

- 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, 2014

	Airport	District Court	State Fair	Juvenile Corrections	Health District	Historical Society	Indigent Services	Parks and Recreation	Revaluation	Tort	Weeds	Waterways	Court Facility	Drug Court	Interlock Monitoring	Junior College	Consolidated Elections	Bingham County Lab	Youth Court Services	Rural Addressing	Bingham County Ambulance	Other Special Revenue	All Nonmajor Funds
<b>ASSETS</b>																							
Cash and cash equivalents	21,064	282,903	10,421	180,977	163,701	27,368	434,556	187,863	78,939	550,655	6,251	60,429	35,855	68,861	28,692	29,478	102,448	188,323	38,563	60,292	52,285	23,460	2,633,384
Receivables																							
Property taxes	15	20,075	262		21,974	989	28,149	5,404	16,108	2,191	7,622										28,313		131,102
Intergovernmental					16,587			19,906								12,528					19,169		68,190
Other		51,693																3,171				275	55,139
<b>Total assets</b>	<b>21,079</b>	<b>354,671</b>	<b>10,683</b>	<b>180,977</b>	<b>202,262</b>	<b>28,357</b>	<b>462,705</b>	<b>213,173</b>	<b>95,047</b>	<b>552,846</b>	<b>13,873</b>	<b>60,429</b>	<b>35,855</b>	<b>68,861</b>	<b>28,692</b>	<b>42,006</b>	<b>102,448</b>	<b>191,494</b>	<b>38,563</b>	<b>60,292</b>	<b>99,767</b>	<b>23,735</b>	<b>2,887,815</b>
<b>LIABILITIES</b>																							
Accounts payable	5	29,705		2,908	28,419		114,819	11,044	34,458		3,458	446		1,652	105	14,950	936	9,991	293	1,685	15,797		270,671
<b>Total liabilities</b>	<b>5</b>	<b>29,705</b>	<b>0</b>	<b>2,908</b>	<b>28,419</b>	<b>0</b>	<b>114,819</b>	<b>11,044</b>	<b>34,458</b>	<b>0</b>	<b>3,458</b>	<b>446</b>	<b>0</b>	<b>1,652</b>	<b>105</b>	<b>14,950</b>	<b>936</b>	<b>9,991</b>	<b>293</b>	<b>1,685</b>	<b>15,797</b>	<b>0</b>	<b>270,671</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>																							
Unavailable revenue	11	17,545	222		18,856	850	24,260	4,612	13,820	1,591	6,521											23,618	111,906
<b>Total deferred inflows of resources</b>	<b>11</b>	<b>17,545</b>	<b>222</b>	<b>0</b>	<b>18,856</b>	<b>850</b>	<b>24,260</b>	<b>4,612</b>	<b>13,820</b>	<b>1,591</b>	<b>6,521</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,618</b>	<b>0</b>	<b>111,906</b>
<b>FUND BALANCES</b>																							
Assigned	21,063	307,421	10,461	178,069	154,987	27,507	323,626	197,517	46,769	551,255	3,894	59,983	35,855	67,209	28,587	27,056	101,512	181,503	38,270	58,607	60,352	23,735	2,505,238
<b>Total fund balances</b>	<b>21,063</b>	<b>307,421</b>	<b>10,461</b>	<b>178,069</b>	<b>154,987</b>	<b>27,507</b>	<b>323,626</b>	<b>197,517</b>	<b>46,769</b>	<b>551,255</b>	<b>3,894</b>	<b>59,983</b>	<b>35,855</b>	<b>67,209</b>	<b>28,587</b>	<b>27,056</b>	<b>101,512</b>	<b>181,503</b>	<b>38,270</b>	<b>58,607</b>	<b>60,352</b>	<b>23,735</b>	<b>2,505,238</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>21,079</b>	<b>354,671</b>	<b>10,683</b>	<b>180,977</b>	<b>202,262</b>	<b>28,357</b>	<b>462,705</b>	<b>213,173</b>	<b>95,047</b>	<b>552,846</b>	<b>13,873</b>	<b>60,429</b>	<b>35,855</b>	<b>68,861</b>	<b>28,692</b>	<b>42,006</b>	<b>102,448</b>	<b>191,494</b>	<b>38,563</b>	<b>60,292</b>	<b>99,767</b>	<b>23,735</b>	<b>2,887,815</b>

**Bingham County, Idaho**

All Nonmajor Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended September 30, 2014

	Airport	District Court	State Fair	Juvenile Corrections	Health District	Historical Society	Indigent Services	Parks and Recreation	Revaluation	Tort	Weeds	Waterways	Court Facility	Drug Court	Interlock Monitoring	Junior College	Consolidated Elections	Bingham County Lab	Youth Court Services	Rural Addressing	Bingham County Ambulance	Other Special Revenue	All Nonmajor Funds	
<b>REVENUES</b>																								
Property taxes	173	413,471	6,201		516,144	25,294	655,259	157,710	336,945	5,952	177,431										732,437		3,027,017	
Licenses and permits								33,612																33,612
Intergovernmental revenue	1,788	230,962	11,822	54,859	33,032	25,133	62,904	88,546	1,749		928	58,337				62,223						77,025		709,308
Charges for services		176,096			162,706			75										94,541	5,580	6,285	13,263			463,426
Fines and forfeitures		159,881											19,150											179,031
Miscellaneous and contributions		21,985		316	34,127	1	167,063	300						72,660			124,850	28,600	34,006			4,900		488,808
<b>Total revenues</b>	<b>1,961</b>	<b>1,002,395</b>	<b>18,023</b>	<b>55,175</b>	<b>746,009</b>	<b>50,428</b>	<b>885,226</b>	<b>280,243</b>	<b>338,694</b>	<b>5,952</b>	<b>178,359</b>	<b>58,337</b>	<b>19,150</b>	<b>72,660</b>	<b>4,880</b>	<b>62,223</b>	<b>124,850</b>	<b>123,141</b>	<b>39,586</b>	<b>6,285</b>	<b>822,725</b>	<b>4,900</b>	<b>4,901,202</b>	
<b>EXPENDITURES</b>																								
Current																								
General government		1,162,131		21,079					411,337	377,812			43,356				94,724			5,361		1,098		2,116,898
Public safety														58,166	12,003			101,426	17,178					188,773
Public works	5,805																							5,805
Health and sanitation					849,933		906,448														781,066			2,537,447
Culture and recreation			9,887			28,644		201,103				46,868												286,502
Education																79,250								79,250
Conservation/economic development											185,597													185,597
Capital outlay		2,323		50,000			2,374	19,002	10,312		14,315						17,143	13,063		16,685				145,217
<b>Total expenditures</b>	<b>5,805</b>	<b>1,164,454</b>	<b>9,887</b>	<b>71,079</b>	<b>849,933</b>	<b>28,644</b>	<b>908,822</b>	<b>220,105</b>	<b>421,649</b>	<b>377,812</b>	<b>199,912</b>	<b>46,868</b>	<b>43,356</b>	<b>58,166</b>	<b>12,003</b>	<b>79,250</b>	<b>111,867</b>	<b>114,489</b>	<b>17,178</b>	<b>22,046</b>	<b>781,066</b>	<b>1,098</b>	<b>5,545,489</b>	
Revenues over (under) expenditures	(3,844)	(162,059)	8,136	(15,904)	(103,924)	21,784	(23,596)	60,138	(82,955)	(371,860)	(21,553)	11,469	(24,206)	14,494	(7,123)	(17,027)	12,983	8,652	22,408	(15,761)	41,659	3,802	(644,287)	
<b>OTHER FINANCING SOURCES (USES)</b>																								
Operating transfers																					(20,000)		(20,000)	
Revenues and other financing sources over (under) expenditures	(3,844)	(162,059)	8,136	(15,904)	(103,924)	21,784	(23,596)	60,138	(82,955)	(371,860)	(21,553)	11,469	(24,206)	14,494	(7,123)	(17,027)	12,983	8,652	22,408	(15,761)	21,659	3,802	(664,287)	
Fund balance at October 1, 2013	24,907	469,480	2,325	193,973	258,911	5,723	347,222	137,379	129,724	923,115	25,447	48,514	60,061	52,715	35,710	44,083	88,529	172,851	15,862	74,368	38,693	19,933	3,169,525	
Fund balance at September 30, 2014	21,063	307,421	10,461	178,069	154,987	27,507	323,626	197,517	46,769	551,255	3,894	59,983	35,855	67,209	28,587	27,056	101,512	181,503	38,270	58,607	60,352	23,735	2,505,238	

**Bingham County, Idaho**

All Fiduciary Fund Types - Private Purpose Trust Funds  
 Combining Balance Sheet  
 September 30, 2014

	<u>Auditors Trust</u>	<u>Driver's License Trust</u>	<u>Scholarship Trust</u>	<u>District Court Trust</u>	<u>Magistrate Court Trust</u>	<u>Catastrophic Fund Trust</u>	<u>Development Agreement Trust</u>	<u>Insurance Trust</u>	<u>Traditional Housing Trust</u>	<u>Idaho Transportation Trust</u>	<u>Dept. of Law Enforcement Trust</u>	<u>Vehicle Resistration Trust</u>	<u>Range Improvement Trust</u>	<u>Planning &amp; Zoning Costs Trust</u>	<u>Narcotics Revolving Trust</u>	<u>Sheriff Revolving Trust</u>	<u>Right of Way Use Fees Trust</u>
<b>ASSETS</b>																	
Cash and cash equivalents	<u>53,658</u>	<u>17,061</u>	<u>143</u>	<u>4,824</u>	<u>10,329</u>	<u>100,613</u>	<u>45,769</u>	<u>1,702,833</u>	<u>7,754</u>	<u>10,324</u>	<u>7,850</u>	<u>100,283</u>	<u>21,385</u>	<u>31,079</u>	<u>11,843</u>	<u>1,581</u>	<u>8,282</u>
Total assets	<u>53,658</u>	<u>17,061</u>	<u>143</u>	<u>4,824</u>	<u>10,329</u>	<u>100,613</u>	<u>45,769</u>	<u>1,702,833</u>	<u>7,754</u>	<u>10,324</u>	<u>7,850</u>	<u>100,283</u>	<u>21,385</u>	<u>31,079</u>	<u>11,843</u>	<u>1,581</u>	<u>8,282</u>
<b>LIABILITIES</b>																	
Accounts payable	<u>34,158</u>	<u>19,161</u>			<u>104</u>			<u>189,612</u>		<u>367</u>	<u>2,584</u>	<u>95,094</u>		<u>289</u>			
Total liabilities	<u>34,158</u>	<u>19,161</u>	<u>0</u>	<u>0</u>	<u>104</u>	<u>0</u>	<u>0</u>	<u>189,612</u>	<u>0</u>	<u>367</u>	<u>2,584</u>	<u>95,094</u>	<u>0</u>	<u>289</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET POSITION</b>																	
Held in trust for individuals, organizations, and other governments	<u>19,500</u>	<u>(2,100)</u>	<u>143</u>	<u>4,824</u>	<u>10,225</u>	<u>100,613</u>	<u>45,769</u>	<u>1,513,221</u>	<u>7,754</u>	<u>9,957</u>	<u>5,266</u>	<u>5,189</u>	<u>21,385</u>	<u>30,790</u>	<u>11,843</u>	<u>1,581</u>	<u>8,282</u>

**Bingham County, Idaho**

All Fiduciary Fund Types - Private Purpose Trust Funds  
Combining Balance Sheet  
September 30, 2014

	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
<b>ASSETS</b>																	
Cash and cash equivalents	3,906	6,113	50	4,690	20,220	560	1,934	11,567	25,772	4,558	45	91,078	267	80,000	12,245	94,392	2,493,008
Total assets	3,906	6,113	50	4,690	20,220	560	1,934	11,567	25,772	4,558	45	91,078	267	80,000	12,245	94,392	2,493,008
<b>LIABILITIES</b>																	
Accounts payable					5,374	560		3,440	68			1,193					352,004
Total liabilities	0	0	0	0	5,374	560	0	3,440	68	0	0	1,193	0	0	0	0	352,004
<b>NET POSITION</b>																	
Held in trust for individuals, organizations, and other governments	3,906	6,113	50	4,690	14,846	0	1,934	8,127	25,704	4,558	45	89,885	267	80,000	12,245	94,392	2,141,004

**Bingham County, Idaho**  
All Fiduciary Fund Types - Private Purpose Trust Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended September 30, 2014

	Auditors Trust	Driver's License Trust	Scholarship Trust	District Court Trust	Magistrate Court Trust	Catastrophic Fund Trust	Development Agreement Trust	Insurance Trust	Traditional Housing Trust	Idaho Transportation Trust	Dept. of Law Enforcement Trust	Vehicle Resistration Trust	Range Improvement Trust	Planning & Zoning Costs Trust	Narcotics Revolving Trust	Sheriff Revolving Trust	Right of Way Use Fees Trust
<b>ADDITIONS</b>																	
Licenses and permits		193,549								3,395		1,193,057					
Charges for services	113,337										18,414						3,300
Fines and forfeitures															10,184		
Miscellaneous and contributions	94,048			0	2,991	97,248	10,000	2,713,526	3,600			0	2,360	5,425		0	
Total additions	207,385	193,549	0	0	2,991	97,248	10,000	2,713,526	3,600	3,395	18,414	1,193,057	2,360	5,425	10,184	0	3,300
<b>DEDUCTIONS</b>																	
Intergovernment expenditures		209,434															
Trust remittance	204,853			20,311	103	35,736	0	2,248,338	0	2,827	24,763	1,285,528	3,500	2,769	18,744	0	4,800
Total expenditures	204,853	209,434	0	20,311	103	35,736	0	2,248,338	0	2,827	24,763	1,285,528	3,500	2,769	18,744	0	4,800
<b>OTHER FINANCING SOURCES (USES)</b>																	
Operating transfers																	0
Revenues and other financing sources over (under) expenditures	2,532	(15,885)		(20,311)	2,888	61,512	10,000	465,188	3,600	568	(6,349)	(92,471)	(1,140)	2,656	(8,560)		(1,500)
Fund balance at October 1, 2013	16,968	13,785	143	25,135	7,337	39,101	35,769	1,048,033	4,154	9,389	11,615	97,660	22,525	28,134	20,403	1,581	9,782
Fund balance at September 30, 2014	19,500	(2,100)	143	4,824	10,225	100,613	45,769	1,513,221	7,754	9,957	5,266	5,189	21,385	30,790	11,843	1,581	8,282

**Bingham County, Idaho**

All Fiduciary Fund Types - Private Purpose Trust Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended September 30, 2014

	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
<b>ADDITIONS</b>																	
Licenses and permits																	1,390,001
Intergovernmental revenue									16,556								16,556
Charges for services	532							16,740									152,323
Fines and forfeitures					107,019							79,066					196,269
Miscellaneous and contributions		75				3,600						460					2,933,333
<b>Total additions</b>	<b>532</b>	<b>75</b>	<b>0</b>	<b>0</b>	<b>107,019</b>	<b>3,600</b>	<b>0</b>	<b>16,740</b>	<b>16,556</b>	<b>0</b>	<b>0</b>	<b>79,526</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,688,482</b>
<b>DEDUCTIONS</b>																	
Intergovernment expenditures																	209,434
Trust remittance	459				96,138	4,880	478	16,997	24,363		16	71,855					4,067,458
<b>Total expenditures</b>	<b>459</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>96,138</b>	<b>4,880</b>	<b>478</b>	<b>16,997</b>	<b>24,363</b>	<b>0</b>	<b>16</b>	<b>71,855</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,276,892</b>
<b>OTHER FINANCING SOURCES (USES)</b>																	
Operating transfers														20,000			20,000
Revenues and other financing sources over (under) expenditures	73	75			10,881	(1,280)	(478)	(257)	(7,807)		(16)	7,671		20,000			431,590
Fund balance at October 1, 2013	3,833	6,038	50	4,690	3,965	1,280	2,412	8,384	33,511	4,558	61	82,214	267	60,000	12,245	94,392	1,709,414
Fund balance at September 30, 2014	<u>3,906</u>	<u>6,113</u>	<u>50</u>	<u>4,690</u>	<u>14,846</u>	<u>0</u>	<u>1,934</u>	<u>8,127</u>	<u>25,704</u>	<u>4,558</u>	<u>45</u>	<u>89,885</u>	<u>267</u>	<u>80,000</u>	<u>12,245</u>	<u>94,392</u>	<u>2,141,004</u>

Single Audit Section

**Bingham County, Idaho**

*September 30, 2014*

**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 of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bingham County, Idaho as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise Bingham County, Idaho's basic financial statements, and have issued our report thereon dated November 4, 2015.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Bingham County, Idaho's internal control over financial reporting (internal control) 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 Bingham County, Idaho'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 Bingham County, Idaho'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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as item 2014-1.



## **Bingham County, Idaho's Response to Findings**

Bingham County, Idaho's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Bingham County, Idaho's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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

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  
November 4, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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 compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended September 30, 2014. Bingham County, Idaho's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for 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 of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Bingham County, Idaho's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for 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, 2014.

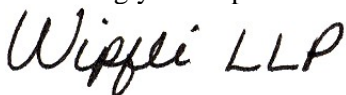
## ***Report on Internal Control over Compliance***

Management of Bingham County, Idaho is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered Bingham County, Idaho's internal control over compliance with the types of compliance requirements that could have a direct and material effect on the major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 but, not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Bingham County, Idaho's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirements 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 would not necessarily identify all deficiencies in internal control 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 results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 2014-1.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing on internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly this report is not suitable for any other purpose.



Wipfli LLP  
CPAs and Consultants

Idaho Falls, Idaho  
November 4, 2015

# Bingham County, Idaho

## Schedule of Findings and Questioned Costs Fiscal Year Ended September 30, 2014

### 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 section 510(a) of Circular A-133?

\_\_\_\_\_ X \_\_\_\_\_ Yes \_\_\_\_\_ 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:

\$ 300,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ Yes \_\_\_\_\_ X \_\_\_\_\_ No

# Bingham County, Idaho

## Schedule of Findings and Questioned Costs Fiscal Year Ended September 30, 2014

---

### SECTION II - FINDINGS - FINANCIAL STATEMENT AUDITS

#### Finding 2014-1

*Criteria:* Idaho Code Section, Title 67-450B requires that each governmental entity meeting minimum requirements submit a copy of a completed audit report within nine months after the end of the audit period. The Office of Management and Budget Circular No. A-133 also requires an audit report submission within nine months after the end of the audit period.

*Condition:* Bingham County, Idaho did not submit its fiscal years ended September 30, 2014 and 2013 reports timely to the State of Idaho and the U.S. Federal Audit Clearinghouse.

*Cause:* The audits of the County were not completed in a time frame that allowed it to meet the above criteria.

*Effect:* There are no know questioned costs or other ramifications as a result of the above condition.

*Recommendation:* Attention should be given to ensure audits are completed in a manner as to allow the above mentioned reports to be submitted timely.

*Response:* Certain transactions relating to the County's investment in an affiliate and ownership in an LLC required additional time and research to ensure proper accounting treatment. There was also a change in personnel at the County as well as a change in auditors that resulted in additional time to complete the audit. The County has also now placed additional monitoring procedures to ensure that the audit packages are completed and submitted timely.

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

Finding 2014-1 See description of finding 2014-1 in Section II above.

# Bingham County, Idaho

## Schedule of Expenditures of Federal Awards Fiscal Year Ended September 30, 2014

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Disbursements/ Expenditures
<b>U.S. Department of Agriculture</b>		
<u>Passed through the State of Idaho Department of Education</u>		
School Breakfast Program	10.553	2,779
National School Lunch Program	10.555	3,278
Total U.S. Department of Agriculture and Child Nutrition Cluster		6,057
<b>U.S. Department of the Interior</b>		
<u>Direct program</u>		
Payment in Lieu of Taxes	15.226	1,033,496
Total U.S. Department of the Interior		1,033,496
<b>U.S. Department of Justice</b>		
<u>Passed through the State of Idaho Department of Juvenile Corrections</u>		
Juvenile Accountability Incentive Block Grants	16.523	7,653
Total U.S. Department of Justice		7,653
<b>U.S. Department of Transportation</b>		
<u>Passed through the State of Idaho Department of Transportation</u>		
Highway Planning and Construction	20.205	6,364
New Freedom Program	20.521	1,640
State and Community Highway Safety	20.600	6,969
Alcohol Traffic Safety & Drunk Driving Prevention	20.601	7,408
National Priority Safety Programs	20.616	4,203
Total U.S. Department of Transportation		26,584
<b>U.S. Department of Homeland Security</b>		
<u>Passed through the State of Idaho Military Division and Dept. of Parks</u>		
Boating Safety Financial Assistance	97.012	15,745
Flood Mitigation Assistance	97.029	14,461
Emergency management Performance Grants	97.042	37,956
Homeland Security Grant Program	97.067	150,216
Total U.S. Department of Homeland Security		218,378
Total Expenditures of Federal Awards		1,292,168

# Bingham County, Idaho

## Notes to Schedule of Expenditures of Federal Awards *Fiscal Year Ended September 30, 2014*

---

### **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, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. 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 OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursements.

### **NOTE C NONMONETARY TRANSACTIONS**

Nonmonetary assistance is reported for the Child Nutrition Cluster at fair market value of commodities received which is established by the State Department of Education.

# **Bingham County, Idaho**

## **Summary of Schedule of Prior Audit Findings** *Fiscal Year Ended September 30, 2014*

---

No prior year findings.