

Boise County, Idaho
Balance Sheet -
Governmental Funds
September 30, 2017

	General	Road and Bridge	Justice Fund	Solid Waste
Assets				
Cash and Cash Equivalents	\$ 3,350,491	\$ 1,785,128	\$ 1,987,834	\$ 1,314,949
Receivables, Net:				
Taxes	128,601	1,313	124,316	64,971
Interest	9,648	0	0	0
Due from Other Governments	45,553	312,942	111,777	0
Accounts	31,745	0	52,374	0
Prepaid Items	21,660	0	0	0
Total Assets	<u>3,587,698</u>	<u>2,099,383</u>	<u>2,276,301</u>	<u>1,379,920</u>
Deferred Outflows	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets and Deferred Outflows	<u>\$ 3,587,698</u>	<u>\$ 2,099,383</u>	<u>\$ 2,276,301</u>	<u>\$ 1,379,920</u>
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Salaries and Benefits Payable	30,084	24,194	39,393	1,743
Personnel Settlement Liability	0	0	0	24,000
Unearned Revenue	0	0	0	0
Total Liabilities	<u>30,084</u>	<u>24,194</u>	<u>39,393</u>	<u>25,743</u>
Deferred Inflows				
Unavailable Property Taxes	<u>123,155</u>	<u>1,261</u>	<u>118,876</u>	<u>62,018</u>
Fund Balances				
Nonspendable	21,660	0	0	0
Restricted	0	2,049,228	2,118,032	1,059,609
Committed	1,689,000	24,700	0	132,550
Assigned	1,325,000	0	0	100,000
Unassigned	398,799	0	0	0
Total Fund Balances	<u>3,434,459</u>	<u>2,073,928</u>	<u>2,118,032</u>	<u>1,292,159</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 3,587,698</u>	<u>\$ 2,099,383</u>	<u>\$ 2,276,301</u>	<u>\$ 1,379,920</u>

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

Boise County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

difference between governmental fund assets plus deferred outflows and liabilities plus deferred inflows is reported as fund balance.

The County reports the following major governmental funds:

- *General fund.* This is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.
- *Road and Bridge fund.* This fund accounts for repairs and maintenance of roads and bridges and construction of new roads and bridges.
- *Justice fund.* This fund accounts for all activity related to public safety as well as the operations of the Prosecuting Attorney's office.
- *Solid Waste fund.* This fund accounts for solid waste management services.
- *Bond fund.* This fund accounts for the resources used to pay any issued bond securities.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The types of fiduciary funds include: Expendable Trust, Nonexpendable Trust, Pension Trust, and Agency Funds. Of the four categories, the County has only Agency Funds. Agency Funds are custodial in nature (assets plus deferred outflows equal liabilities plus deferred inflows) and do not involve measurement or results of operations.

Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet. The County uses the following fund balance categories in the governmental fund Balance Sheet:

- *Nonspendable.* Assets that cannot be converted to cash (prepaid items), assets that cannot be converted to cash soon enough to pay current expenditures (long-term receivables or assets held

Boise County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

for resale), or resources that must be maintained intact (endowment principal or capital of a revolving loan).

- *Restricted.* Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Committed.* Balances constrained to a specific purpose by the County's highest level of decision-making authority (the Board of Commissioners). A resolution is required to impose a constraint and is also required to remove a constraint.
- *Assigned.* Limitations imposed on balances through intentions of either the Board of Commissioners or a body or official designated by the Board of Commissioners.
- *Unassigned.* Balances available for any purpose

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position/fund balances available to finance the program. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

It is also the County's policy that when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the County considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

The purpose of restricted fund balances are detailed as follows:

Fund	Purpose
Road and Bridge	Revenues in this fund come from Federal forest funds, state highway user funds, other intergovernmental revenue, some property tax revenue, and other revenues that are to be used for maintaining and improving roads and bridges within the County.
Justice	Revenues in this fund come from property taxes, charges for services, intergovernmental revenue, grants, and other revenues that are to be used for public safety services.
Solid Waste	Revenues in this fund come from special fees, charges for services, and other revenues that are to be used for sanitation and disposal of the County's solid waste. Also, funds are restricted by the EPA for the estimated remaining post-closure landfill costs.
Bond fund	Revenues in this fund come from property taxes that are to be used to pay down the 2012 C Bond Series.
Nonmajor Special Revenue Funds	Revenues in these funds come from levied property taxes, intergovernmental revenue, grants, charges for services, and other revenues that are to be used for public assistance and safety, health and welfare, maintenance and improvement of public ways and facilities, district and magistrate court activities, culture and recreation, education, and other governmental type activities.

The purpose of committed fund balances are detailed as follows:

- *Minimum fund balance.* The County maintains a prudent level of financial resources to protect against current and future risks, ensure stable tax rates, address long-term financial planning, preserve bond ratings, and to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unexpected one-time expenditures. The ranges set for each fund are based on the predictability of revenues, volatility of expenditures, and liquidity

Boise County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

requirements and shall be reviewed periodically. The range set for all County funds is to be maintained at a level between 10% and 30% of actual operating revenues. The amounts determined from this calculation are considered committed fund balance.

- *Subsequent year's expenditures.* This is the amount needed to support the next year's budget when expenditures exceed revenues and taxes.
- *Cash basis.* This is calculated as the estimated fund balance needed to fund the County's operations through the first three months of the next fiscal year due to timing differences between receipt of revenues and disbursement of expenditures.

The assigned fund balance within the General fund is the amount the Clerk has estimated will be needed for capital improvements, capital replacements, matching contributions for road/bridge projects scheduled in future years, disaster/emergency funds, technology initiatives, extraordinary legal costs, and extraordinary professional service costs. The remaining assigned fund balances are amounts the Clerk has estimated will be needed for capital improvements in the Solid Waste fund, capital replacements in the East Boise County Ambulance fund, and Snowmobile GV8-B fund.

Assets and Liabilities

Cash and Cash Equivalents and Investments

The County's cash and cash equivalents are generally considered short-term, highly liquid investments with a maturity of three months or less from the purchase date.

Investments are recorded at fair value in accordance with GASB Statement No. 72 – *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Idaho Code authorizes the County to invest any available funds in obligations issued or guaranteed by the United States Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements.

The State of Idaho Local Government Investment Pool (LGIP) operates in accordance with appropriate state laws and regulations. The reported value of the County's cash in the LGIP is the same as the fair value of the LGIP shares.

Accounts Receivable

Accounts receivable of the governmental activities consists of property taxes, sales taxes, use taxes, state grants, federal grants, ambulance, and other miscellaneous receivables.

The allowance for doubtful accounts for the governmental activities is \$220,729 as of September 30, 2017. This allowance is derived from historical data on the collections of ambulance receivables.

Property Taxes

In accordance with Idaho law, ad-valorem property taxes are levied in September for each calendar year. Taxes are recorded by the County using the modified accrual basis of accounting. Levies are made on or before the 2nd Monday of September. All of the personal property taxes and one-half of the real property taxes are due on or before the 20th of December. The remaining one-half of the real property tax is due on or before June 20th of the following year. A lien is filed on property three years from the date of delinquency.