

BONNER COUNTY, IDAHO

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2023

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Independent Auditor's Report

Board of Commissioners
Bonner County, Idaho
Sandpoint, Idaho

Report on the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Bonner County (the County), Idaho, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Adverse Opinion on Discretely Presented Component Unit

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements do not present fairly the financial position of the discretely presented component units of the Bonner County, Idaho, as of September 30, 2023, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities, Each Major Fund, and Aggregate Remaining Fund Information

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 Bonner County, Idaho, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bonner County, Idaho, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified opinions.

Matters Giving Rise to Adverse Opinion on the Discretely Presented Component Unit

Due to changes in personnel at the Bonner County Fair, the Discretely Presented Component Unit of the County, there was no single complete record of all transactions for the fiscal year. This caused the year ending accounting records to be incomplete. The effects of the incomplete records on Bonner County's legally separate component unit on the discretely presented component unit has not been determined.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bonner County, Idaho's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Bonner County, Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bonner County, Idaho's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison information, schedule of County's proportionate share of the net pension liability, and schedule of County contributions on pages 7 – 16 and 60 - 66 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bonner County, Idaho's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is 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. The 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 accompanying supplementary information, as described in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024 on our consideration of Bonner County, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bonner County, Idaho's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
June 27, 2024

Bonner County, Idaho

Sandpoint, Idaho

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2023

As management of Bonner County, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Bonner County for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented herein in conjunction with additional information that has been furnished in the accompanying *Notes to Financial Statements* which are a part of this audit report. Comparative analysis will be done on key elements of governmental funds and enterprise funds in this MD&A.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to Bonner County's basic financial statements. Our basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements: These statements give a broad overview of Bonner County's finances.

The *statement of net position* (SONP) presents information on all County governmental and business-type assets, deferred outflow of resources, liabilities, and deferred inflow of resources, with the difference reported utilizing the technical phrase "net position".

The *statement of activities* (SOA) presents information on all County governmental and business-type revenue and expenses, with the difference reported as a change in net position.

Both above noted government-wide financial statements distinguish functions of Bonner County 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 Bonner County include all its general operating costs for all functions except its Solid Waste department. The business-type activities of the County include its Solid Waste operations.

The government-wide financial statements contain information relative only to Bonner County itself and none of the 54 other taxing districts and 5 urban renewal districts housed within its boundaries. They are separate political parts of the State of Idaho and are not considered political parts of the County.

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. A detailed explanation of these funds can be found in Note 1 of this report. Bonner County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - This category includes the operations for all departments except for Solid Waste.

Proprietary Funds - The Solid Waste operations are our only Proprietary Fund.

Fiduciary Funds - The Fiduciary Funds are those dollars that we hold in trust for other agencies and taxing districts.

Notes to Financial Statements: For an overview of Bonner County and its operations, one should refer to the *Notes to Financial Statements*, which are an integral part of this report. There, discussion is had concerning the structure of the various offices; how and why our funds are established; when we call for

budgets; how changes to a budget can be made once adopted; information concerning our long-term debt, capital assets, and leases.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* concerning Bonner County's progress in funding its obligations.

Government-wide Financial Analysis

Bonner County can provide a comparative analysis of the government-wide data presented in compliance with the requirements of the Governmental Accounting Standards Board (GASB). The comparisons are found in tables throughout this section. As you examine the tables, you will find all our activities, except Solid Waste, listed under Governmental Activities. Solid Waste information is located under the headings noted as Business-type Activities. Our Ambulance Service (EMS) is shown separately since it is a stand-alone taxing district, even though governed by the Board of County Commissioners.

Table 1 – summarizes the County's net position for 2023 compared to 2022:

Condensed Statements of Net Position							
	Governmental Activities		Business-type Activities		Total County		% Change
	2023	2022	2023	2022	2023	2022	2022 to 2023
Current & other assets	\$ 79,071,160	\$ 72,350,498	\$ 12,362,460	\$ 11,064,275	\$ 91,433,620	\$ 83,414,773	9.6%
Capital assets	\$ 50,684,979	\$ 48,971,136	\$ 6,212,720	\$ 3,367,528	\$ 56,897,699	\$ 52,338,664	8.7%
Deferred outflows of resources	\$ 9,926,553	\$ 13,246,869	\$ 439,120	\$ 592,317	\$ 10,365,673	\$ 13,839,186	-25.1%
Total assets and deferred outflows of	\$139,682,692	\$134,568,503	\$19,014,300	\$15,024,120	\$158,696,992	\$149,592,623	6.1%
Current and other liabilities	\$ 7,366,898	\$ 5,435,964	\$ 993,800	\$ 620,670	\$ 8,360,698	\$ 6,056,634	38.0%
Noncurrent liabilities	\$ 29,734,997	\$ 30,135,342	\$ 4,842,917	\$ 1,649,746	\$ 34,577,914	\$ 31,785,088	8.8%
Deferred inflows of resources	\$ 40,271,439	\$ 43,575,068	\$ 5,174,223	\$ 5,059,436	\$ 45,445,662	\$ 48,634,504	-6.6%
Total liabilities and deferred inflows of resources	77,373,334	79,146,374	11,010,940	7,329,852	88,384,274	86,476,226	2.2%
Net position							
Net investment in capital assets	\$ 47,882,580	\$ 44,595,355	\$ 3,669,113	\$ 2,874,648	\$ 51,551,693	\$ 47,470,003	8.6%
Restricted for:							
Gen. Gov.	\$ 1,671,727	\$ 4,611,679		\$ -	\$ 1,671,727	\$ 4,611,679	-63.8%
Public Safety	\$ 9,823,796	\$ 9,509,962		\$ -	\$ 9,823,796	\$ 9,509,962	3.3%
Road & Bridge	\$ 4,728,934	\$ 3,288,152		\$ -	\$ 4,728,934	\$ 3,288,152	43.8%
Emergency Med. Svc.	\$ 2,067,002	\$ 1,006,585		\$ -	\$ 2,067,002	\$ 1,006,585	105.3%
Debt. Service	\$ -	\$ -	\$ 664	\$ 664	\$ 664	\$ 664	0.0%
Historical Soc. & Rec.	\$ 507,369	\$ 425,131		\$ -	\$ 507,369	\$ 425,131	19.3%
Health & welfare	\$ 398,724	\$ 446,751		\$ -	\$ 398,724	\$ 446,751	-10.8%
Weeds	\$ 30,724	\$ 16,517		\$ -	\$ 30,724	\$ 16,517	86.0%
Self funded health ins.	\$ 996,549	\$ 22,933		\$ -	\$ 996,549	\$ 22,933	4245.5%
Road Construction	\$ 607,959	\$ 476,343		\$ -	\$ 607,959	\$ 476,343	27.6%
Capital Projects	\$ 241	\$ 241		\$ -	\$ 241	\$ 241	0.0%
Unrestricted	\$ (6,406,247)	\$ (8,977,520)	\$ 4,333,583	\$ 4,818,956	\$ (2,072,664)	\$ (4,158,564)	50.2%
Total net position	62,309,358	55,422,129	8,003,360	7,694,268	70,312,718	63,116,397	11.4%

As noted earlier, Bonner County's net position, when reviewed over time, may serve as a useful indicator of Bonner County's financial position. In the case of Bonner County, assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by \$70,312,718 (\$62,309,358 in governmental activities and \$8,003,360 in business-type activities) as of September 30, 2023. A portion of the county's net position represents (73.4%) in Net Investments in Capital Assets. 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, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (29.7%) represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets (\$2,072,664) may be used to meet the County's ongoing obligations to citizens and creditors. The unrestricted balance is negative as of September 30, 2023, due to the county's net pension liability of \$26,102,075. This liability is long term in nature and will be paid as required by PERSI on an ongoing basis.

At the end of the current fiscal year, the County can report positive balances in two of the three categories of net position for the government.

Table 2 – shows the changes in net position for 2023 and 2022:

Changes in Net Position							
	Governmental Activities		Business-type Activities		Total County		Total % change
	2023	2022	2023	2022	2023	2022	2023/22
Revenues							
Program revenues:							
Charges for services	\$ 6,355,128	\$ 5,992,498	\$ 4,715,124	\$4,417,414	\$ 11,070,252	\$ 10,409,912	6.3%
Operating grants & contributions	\$10,273,929	\$ 6,378,647		-	\$ 10,273,929	\$ 6,378,647	61.1%
Capital grants & contributions	\$ 721,641	\$ 1,186,783		-	\$ 721,641	\$ 1,186,783	-39.2%
General revenues:							
Property taxes:	\$35,608,512	\$ 33,646,529		-	\$ 35,608,512	\$ 33,646,529	5.8%
Other taxes			\$ 5,162,951	\$5,051,095	\$ 5,162,951	\$ 5,051,095	2.2%
Inter-governmental	\$12,903,679	\$ 11,488,163		-	\$ 12,903,679	\$ 11,488,163	12.3%
Contributions to Self-Funded Health Ins	\$ 4,943,278	\$ 4,570,635		-	\$ 4,943,278	\$ 4,570,635	8.2%
Other Revenues	\$ 4,067,031	\$ 4,016,300	\$ 7,236	(21,953)	\$ 4,074,267	\$ 3,994,347	2.0%
Total Revenues	\$74,873,198	\$ 67,279,555	\$ 9,885,311	\$9,446,556	\$ 84,758,509	\$ 76,726,111	10.5%
Expenses							
General government	\$19,427,189	\$ 21,520,064	\$ -	\$ -	\$ 19,427,189	\$ 21,520,064	-9.7%
Public safety	\$29,139,342	\$ 25,565,896	\$ -	\$ -	\$ 29,139,342	\$ 25,565,896	14.0%
Emergency Med. Svc.	\$ 5,314,584	\$ 5,128,954	\$ -	\$ -	\$ 5,314,584	\$ 5,128,954	3.6%
Road & Bridge	\$11,441,983	\$ 11,638,868	\$ -	\$ -	\$ 11,441,983	\$ 11,638,868	-1.7%
Weeds	\$ 193,592	\$ 151,866	\$ -	\$ -	\$ 193,592	\$ 151,866	27.5%
Health	\$ 507,552	\$ 334,537	\$ -	\$ -	\$ 507,552	\$ 334,537	51.7%
Welfare	\$ 43,239	\$ 76,492	\$ -	\$ -	\$ 43,239	\$ 76,492	-43.5%
Junior college	\$ 130,393	\$ 145,213	\$ -	\$ -	\$ 130,393	\$ 145,213	-10.2%
Historical society & recreation	\$ 888,362	\$ 1,037,793	\$ -	\$ -	\$ 888,362	\$ 1,037,793	-14.4%
Capital outlay	\$ 637,801	\$ 312,582	\$ -	\$ -	\$ 637,801	\$ 312,582	104.0%
Amortization	\$ 143,795	\$ 118,103	\$ -	\$ -	\$ 143,795	\$ 118,103	0.0%
Interest on Long-term debt	\$ 118,139	\$ 155,543	\$ -	\$ -	\$ 118,139	\$ 155,543	-24.0%
Solid waste			\$ 9,576,221	\$8,497,415	\$ 9,576,221	\$ 8,497,415	12.7%
Total expenses	\$67,985,971	\$ 66,185,911	\$ 9,576,221	\$8,497,415	\$ 77,562,192	\$ 74,683,326	3.9%
Change in net position	\$ 6,887,227	\$ 1,093,644	\$ 309,090	\$ 949,141	\$ 7,196,317	\$ 2,042,785	252.3%

Governmental Activities

Charges for services were one of the County's largest program revenue, accounting for \$6,355,128 or 8.5% of total governmental revenues. These charges are for fees for real estate transfers, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, and licenses and permits.

The County's operating grant & contributions revenues from federal, state, and local sources made up \$10,273,929 or 12.1% of total governmental revenues.

Property tax revenues account for \$35,608,512 of the \$74,873,198 total revenues for governmental activities or 47.56% of total revenues.

The largest program was Public Safety, accounting for \$29,139,342 and representing 42.86% of total governmental expenses. Road and Bridge accounted for \$11,441,983 of the \$67,985,971 total expenses for governmental activities, or 16.8% of total expenses.

Table 3, for governmental activities, indicates the total cost of services and the net cost of services. The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Of the total charges for services revenues of \$6,355,128, \$1,462,556 was received and used to fund the general government expenses of \$19,427,189 of the County. The remaining \$48,553,541 in net governmental activity costs are funded by property taxes, sales taxes, and intergovernmental revenues.

Table 3 – summaries of the governmental activities’ costs of services for 2023 and 2022:

Condensed Statement of Activities						
	Total Cost of Services		% Change	Net Cost of Services		% Change
	2023	2022	2022-2023	2023	2022	2022-2023
General government	\$ 9,912,361	\$ 21,520,064	-53.9%	\$ 18,108,428	\$ 15,879,798	14.0%
Public safety	\$ 25,168,961	\$ 25,565,896	-1.6%	\$ 25,832,746	\$ 20,835,560	24.0%
Emergency Med. Svc.	\$ 2,899,972	\$ 5,128,954	-43.5%	\$ 3,774,030	\$ 2,883,572	30.9%
Road & Bridge	\$ 10,041,769	\$ 11,638,868	-13.7%	\$ 11,441,983	\$ 10,774,017	6.2%
Weeds	\$ 193,592	\$ 151,866	27.5%	\$ 193,592	\$ 151,866	27.5%
Health	\$ 507,552	\$ 334,537	51.7%	\$ 507,552	\$ 334,537	51.7%
Welfare	\$ 43,239	\$ 76,492	-43.5%	\$ 43,239	\$ 76,492	-43.5%
Junior college	\$ 130,393	\$ 145,213	-10.2%	\$ 130,393	\$ 145,213	-10.2%
Historical Society & Rec.	\$ 837,699	\$ 1,037,793	-19.3%	\$ 837,699	\$ 960,700	-12.8%
Capital outlay	\$ 637,801	\$ 312,582	104.0%	\$ 637,801	\$ 312,582	104.0%
Amortization	\$ 143,795	\$ 118,103	0.0%	\$ 143,997	\$ 118,103	0.0%
Interest on long-term debt	\$ 118,139	\$ 155,543	-24.0%	\$ 118,139	\$ 155,543	-24.0%
Total Cost	\$ 50,635,273	\$ 66,185,911	-23.5%	\$ 61,769,599	\$ 52,627,983	17.4%

Business-Type Activities

The net position for business-type activities increased by \$309,090 during the year and charges for services revenue was \$4,715,124.

Governmental Funds: The major funds include our General (Current rent Expense), Justice, Road and Bridge, Grants, and the Ambulance District funds. The Ambulance District increased their overall fund balance from last year.

Proprietary Fund: During fiscal year 2023, actual revenues exceeded expenses by \$309,090 for the Solid Waste fund.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data presented in the governmental-wide financial statements. These notes to the financial statements can be found at the end of the audit report.

Capital Assets

Capital assets are tangible and intangible assets, such as land, buildings, improvements to land or buildings, machinery, equipment, and infrastructure, that are used in operations and that have initial useful lives extending beyond a single annual reporting period.

The total net capital assets increased by \$4,559,035 across all funds, including Solid Waste. This amount represents the book value of assets less accumulated depreciation.

Long-Term Debt

Long-term liabilities are the debt incurred by the County. The debt typically has a maturity date that extends beyond a single annual reporting cycle. Additional information on long-term debt can be found in notes 5 and 6 in the basic financial statements.

Please see the tables titled Condensed Statements of Net Position and Expenses and Net Cost of Governmental Activities for further detail regarding these comments. These tables are an integral part of the Managements' Discussion and Analysis report.

Bonner County has a right of use lease related to the Administration building.

Budget Variations

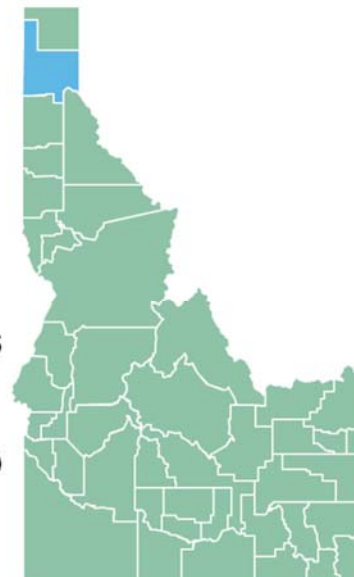
Developing a budget is not an exact science. It is the best estimate available at the time of projection of the revenues you anticipate receiving and of the expenses you estimate will be incurred during the next fiscal year. For the fiscal year ended September 30, 2023, no funds had expenditures in excess of appropriations.

Bonner County Fairgrounds

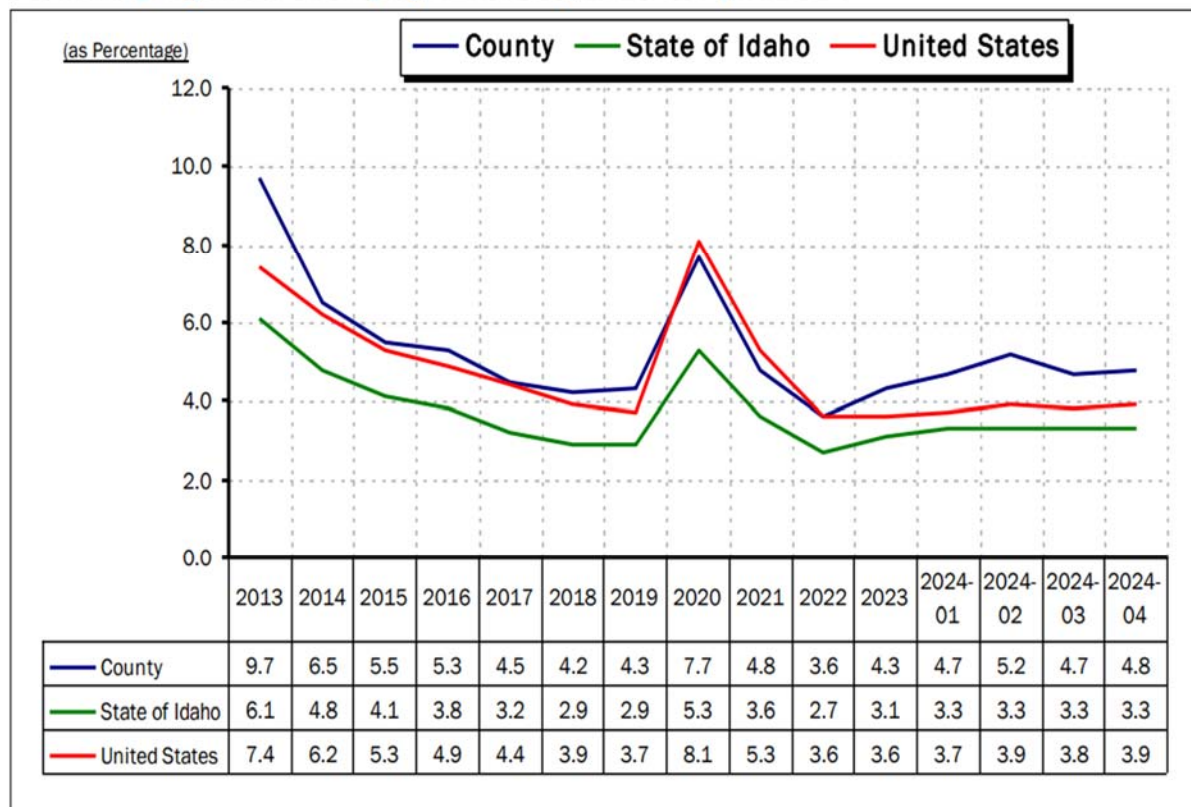
Effective October 1, 2022, the Bonner County Fairgrounds is being treated as a discrete component unit on the government-wide financial statements. The Bonner County Fairgrounds is operated by a 5-member board appointed by the Board of County Commissioners. The Fairgrounds Board is responsible for the day-to-day operations of the Fair, operates separately from county operations, and is required to submit a budget to the Board of County Commissioners annually. The fair operates with 2 revenue components, property taxes assessed, collected and appropriated by the county to fund salaries, benefits and a small amount of fair expenses. The other revenue component is derived from the annual Fair & Rodeo, camping revenues, facility rentals, and various events throughout the year. Revenue and operating expenses related to the other revenue component do not flow through the county's financial system and are maintained separately.

Bonner County Economic Overview

Civilian Labor Force (Apr 2024)	22,959
Unemployment Rate (Apr 2024)	4.8%
Population (2023)	52,547
Median Household Income (2022)	\$61,816
Per Capita Personal Income (2022)	\$51,980
Poverty Rate (2022)	11.9%

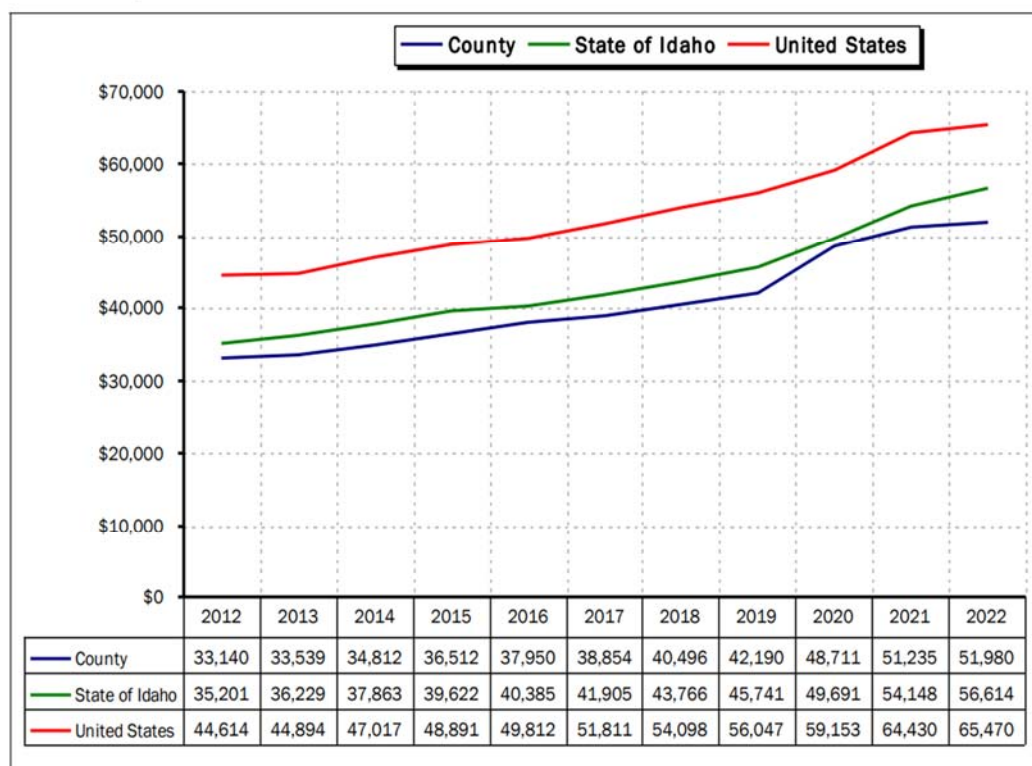


Seasonally-Adjusted Unemployment Rate, 2013 to April 2024



Source: Idaho Department of Labor- Local Area Unemployment Statistics (LAUS)

Real Per Capita Income, 2012 to 2022



Source: U.S. Bureau of Economic Analysis

County Operations

Bonner County complies with Idaho County Budget Law (Title 31, Chapter 16) and Government Accounting Standards Board (GASB) standards as required by Idaho Code.

Human Resources (HR):

For Plan Year October 2022 – September 2023, Bonner County's final loss ratio was 98.7% resulting in a \$59,725 surplus for the year. The total paid claims decreased from the prior year (\$4,951,208 for the 2021-2022 plan year vs. \$4,296,706 for the 2022-2023 plan year). Of this amount, the number and severity of high-cost claimants also decreased (18 claimants totaling \$2,209,356 for the 2021-2022 plan year vs. 15 claimants totaling \$1,525,209 for the 2022-2023 plan year). The high-cost claimant spend represented nearly 45% of the total spend for 2021-2022 whereas for 2022-2023 it represents 35% of the total spend.

Bonner County's loss ratio for the Delta Dental self-funded plan for the 2022-2023 plan year was 89.6% resulting in a \$26,385 surplus for the year. This plan has been consistently performing in 85-90% loss ratio for 3 consecutive years and is within budget.

Through 7 months of the 2023-2024 plan year, Bonner County's loss ratio is 73.7% resulting in a \$872,820 surplus for the year. The total costs are down 8.7% compared to the same time period last year. However, we are aware of several emerging high-cost claimants that are expected to increase the loss ratio in the coming months. Currently, only 1 high-cost claimant exceeding 75K in paid claims is reported through 4/30/2024. The dental loss ratio remains steady at 86% even after an increase in spending for April (131% loss ratio for the month). MMA performed projections for total costs for 2024-2025 and

recommends keeping budgeted rates the same with no plan changes other than the IRS requirements for the HSA plan.

Risk Management & Liability Insurance:

Bonner County's Self-Insured Retention (SIR) program entered its sixth year for the 2022-2023 fiscal year with continued success. Many public entities across the US faced rising liability and property insurance costs. Bonner County was able to secure Liability insurance with at a reduced cost:

2021-2022 \$349,201

2022-2023 \$343,396, a 1.6% decrease, continued with Travelers Insurance.

Property Insurance continued with Liberty Mutual for the 2022-2023 fiscal year.

2021-2022 \$228,714

2022-2023 \$248,854, an 8.8% increase over the previous year

Cyber Insurance is getting more difficult to procure due to the market realizing increased loss potential. HSB Specialty, Bonner County's previous insurance company left the market for cyber insurance, Bonner County switched to Coalition Insurance for the 2022-2023 year.

2021-2022 \$6,859

2022-2023 \$18,240 a 166% increase over the previous year

Bonner County's workers compensation insurance experience modifier rate (MOD) raised from 0.96 for the 2022 calendar year to 1.13 in the 2023 calendar year due to the addition of the higher loss year of 2021 and losing the lower loss year of 2018. The loss ratio for 2022 calendar year was 40.21 and 39.10 for the 2023 calendar year. (Any loss ratio under 100 means losses were less than premium, a ratio over 100 means losses were greater than the premium.) Loss ratios in the 40s are excellent.

Bonner County's risk management activities were continued with minimal changes from previous years. Departments completed 2022-2023 training plans, employees completed annual refresher training on the Bonner County Center of Excellence website, new hire orientation and other departmental specific trainings continued, and Risk Management continued to provide safety and risk consulting services to all departments.

Summary: The Bonner County Elected Officials and Department Heads continued the positive risk management activities that allow Bonner County to continue the loss reduction successes of the past.

Road & Bridge:

Bonner County Road and Bridge completed several projects in fiscal 2023. These projects consisted of: Rebuild and new asphalt on 3.5 miles of East Dufort Road. Asphalt on Forest siding road at the Railroad crossing with 100-foot aprons, .5 miles asphalt on Bear Paw Road and .3 miles of asphalt on Peterson Road., all new guardrail on the hill off the highway on Bear Paw Road. We also completed 46 miles of chip seal, 300 miles of Mag on our gravel roads. Our department has plans to apply asphalt to the remaining 1.7 miles of Sunnyside Road as well as several asphalt aprons in the town of Blanchard in Fiscal 2024 along with another 45+ miles of chip seal, 300 miles of mag, Striping half of the 45 mph roads and several other construction projects in all 3 districts Including two bridges (Rapid Lightning Bridge Number 5 and Grouse Creek Bridge over Grouse Creek) These bridges are full replacements.

Planning:

The main efforts by the Planning Department in 2023 were focused on the Comprehensive Plan Update and processing land use applications. The Planning Commission drafted eleven components of the Comprehensive Plan and ten were adopted by the Board of County Commissioners in 2023. Major steps left in the project include the Land Use component, updates to the Compressive Plan Map, and updates

to the Zoning Map. Additionally, 1145 building location permit applications were received compared to 1419 in 2022. Throughout 2023 there were 412 land use applications received: 81 land divisions, 91 quasi-judicial files, and 240 administrative land use files. Land use applications dropped 24% year-over-year due mainly to a significant reduction in Minor Land Division applications.

EMS:

During the year 2023 Bonner County EMS handled 4,629 calls for service, which resulted in over 1.3 million in billing revenue. Our Sandpoint station, slated for replacement Sept 2024, continues to account for the highest call volume each year, finishing 2023 handling 39% of all calls. BCEMS chute times (911 dispatch to enroute) remained at 1 minute and 33 seconds which is well below the set 2 minute benchmark. As a State of Idaho Time Sensitive Emergency (TSE) designated EMS agency, crews did an outstanding job, hitting all required critical time benchmarks for Trauma, Stroke and STEMI emergencies. 2023 saw implementation of a narcotics tracking program (OPIQ/NARC) which tracks our scheduled narcotics from supplier to end user. This program is critical in assuring the integrity of our medication inventory.

Solid Waste:

Bonner County Solid Waste began construction at the Colburn facility in May of 2023. Projects to be completed are relocating and paving the metal pile area, construction of a new tipping floor and rehabilitation of the current tipping floor. Once completed customers that visit Colburn will dump directly on the tipping floor rather than the container site. These projects are scheduled to be completed in August 2024. Solid waste tonnage increased by 9.8% from 2022 and the 10 attended sites had approximately 530,580 visitors.

Requests for Information

This financial report is designed to provide a general overview of Bonner 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:

Board of County Commissioners
Bonner County Administrative Office Building
1500 Hwy 2, Suite 308
Sandpoint, Idaho 83864

Bonner County, Idaho
Statement of Net Position
September 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Fair Board
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 33,376,174	\$ 6,615,943	\$ 39,992,117	\$ 376,692
Receivables, Net:				
Taxes	1,109,581	-	1,109,581	-
Special Assessments	-	162,405	162,405	-
Unbilled Taxes	37,772,715	-	37,772,715	-
Unbilled Special Assessments	-	5,174,223	5,174,223	-
Interest	70,646	-	70,646	-
Fees	877	-	877	-
Accounts Receivable	760,726	396,654	1,157,380	2,768
Prepaid Items	821,448	12,719	834,167	-
Due From Other Governments	4,539,724	(148)	4,539,576	-
Due From Other Funds	527,993	-	527,993	-
Total Current Assets	<u>78,979,884</u>	<u>12,361,796</u>	<u>91,341,680</u>	<u>379,460</u>
Restricted Assets:				
Deposits	91,276	-	91,276	-
Cash On Deposit with Fiscal Agent	-	664	664	-
Capital Assets:				
Land	4,773,942	518,416	5,292,358	-
Construction in Progress	4,523,423	3,797,060	8,320,483	-
Depreciable Assets, Net of Accumulated Depreciation	39,935,883	1,897,244	41,833,127	31,804
Right-of-Use Facility	1,508,775	-	1,508,775	-
Right-of-Use Equipment	204,854	-	204,854	-
Less: Accumulated Amortization	(261,898)	-	(261,898)	-
Total Capital Assets	<u>50,684,979</u>	<u>6,212,720</u>	<u>56,897,699</u>	<u>31,804</u>
Total Assets	<u>129,756,139</u>	<u>18,575,180</u>	<u>148,331,319</u>	<u>411,264</u>
Deferred Outflows				
Pension Related Items	9,926,553	439,120	10,365,673	-
Total Deferred Outflows	<u>9,926,553</u>	<u>439,120</u>	<u>10,365,673</u>	<u>-</u>
Liabilities				
Current Liabilities:				
Warrants Payable	71,516	-	71,516	54,432
Accounts Payable	3,631,067	905,045	4,536,112	-
Accrued Payroll	1,044,323	55,032	1,099,355	-
Accrued Retirement Payable	117,755	4,643	122,398	-
Accrued Interest	39,715	4,551	44,266	-
Due To Other Funds	527,993	-	527,993	-
IBNR Claims Liability	343,921	-	343,921	-
Right of Use Liability, Due Within One Year	131,107	-	131,107	-
Long-Term Financing, Due Within One Year	1,459,501	24,529	1,484,030	22,268
Total Current Liabilities	<u>7,366,898</u>	<u>993,800</u>	<u>8,360,698</u>	<u>76,700</u>
Long-Term Liabilities:				
Compensated Absences	2,110,833	81,164	2,191,997	-
Right of Use Liability, Due After One Year	1,296,360	-	1,296,360	-
Long-Term Financing, Due After One Year	1,342,898	51,164	1,394,062	-
Interim Financing	-	3,593,420	3,593,420	-
Net Pension Liability	24,984,906	1,117,169	26,102,075	-
Total Noncurrent Liabilities	<u>29,734,997</u>	<u>4,842,917</u>	<u>34,577,914</u>	<u>-</u>
Total Liabilities	<u>37,101,895</u>	<u>5,836,717</u>	<u>42,938,612</u>	<u>76,700</u>
Deferred Inflows				
Unavailable Tax Revenue	37,772,715	-	37,772,715	-
Unavailable Special Assessment Revenue	-	5,174,223	5,174,223	-
Deferred Grant Revenue	2,498,724	-	2,498,724	-
Pension Related Items	-	-	-	-
Total Deferred Inflows	<u>40,271,439</u>	<u>5,174,223</u>	<u>45,445,662</u>	<u>-</u>
Net Position				
Invested in Capital Assets, Net of Related Debt	47,882,580	3,669,113	51,551,693	9,536
Restricted for:				
General Government	1,671,727	-	1,671,727	-
Public Safety	9,823,796	-	9,823,796	-
Emergency Medical Services	2,067,002	-	2,067,002	-
Road and Bridge	4,728,934	-	4,728,934	-
Weeds	30,724	-	30,724	-
Health and Welfare	398,724	-	398,724	-
Historical Society and Recreation	507,369	-	507,369	-
Debt Service	-	664	664	-
Self-Funded Insurance	996,549	-	996,549	-
Road Construction	607,959	-	607,959	-
Capital Outlay	241	-	241	-
Unrestricted (Deficit) Surplus	(6,406,247)	4,333,583	(2,072,664)	325,028
Total Net Position	<u>\$ 62,309,358</u>	<u>\$ 8,003,360</u>	<u>\$ 70,312,718</u>	<u>\$ 334,564</u>

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

Bonner County, Idaho
Statement of Activities
For the Year Ended September 30, 2023

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component
		Charges for	Operating	Capital	Primary Government			Unit
	Expenses	Services and	Grants and	Grants and	Governmental	Business-type	Total	Fair Board
		Sales	Contributions	Contributions	Activities	Activities		
Primary Government:								
Governmental Activities:								
General Government	\$ 19,427,189	\$ 1,462,556	\$ 7,950,014	\$ 102,258	\$ (9,912,361)	\$ -	\$ (9,912,361)	\$ -
Public Safety	29,139,342	3,301,355	669,026	-	(25,168,961)	-	(25,168,961)	-
Emergency Medical Services	5,314,584	1,540,554	874,058	-	(2,899,972)	-	(2,899,972)	-
Road and Bridge	11,441,983	-	780,831	619,383	(10,041,769)	-	(10,041,769)	-
Weeds	193,592	-	-	-	(193,592)	-	(193,592)	-
Health	507,552	-	-	-	(507,552)	-	(507,552)	-
Welfare	43,239	-	-	-	(43,239)	-	(43,239)	-
Junior College	130,393	-	-	-	(130,393)	-	(130,393)	-
Historical Society and Recreation	888,362	50,663	-	-	(837,699)	-	(837,699)	-
Capital Outlay	637,801	-	-	-	(637,801)	-	(637,801)	-
Amortization	143,795	-	-	-	(143,795)	-	(143,795)	-
Interest on Long-Term Debt	118,139	-	-	-	(118,139)	-	(118,139)	-
Total Government Activities	67,985,971	6,355,128	10,273,929	721,641	(50,635,273)	-	(50,635,273)	-
Business-type Activities:								
Solid Waste	9,576,221	4,715,124	-	-	-	(4,861,097)	(4,861,097)	-
Total Business Activities	9,576,221	4,715,124	-	-	-	(4,861,097)	(7,473,307)	-
Total Primary Government	\$ 77,562,192	\$ 11,070,252	\$ -	\$ -	(50,635,273)	(4,861,097)	(55,496,370)	-
Component Units								
Fair Board	\$ 441,622	\$ 530,047	\$ 141,861	\$ -				230,286

General Revenues:				
Property Taxes	35,608,512	-	35,608,512	-
Special Assessments	-	5,162,951	5,162,951	-
Intergovernmental	12,903,679	-	12,903,679	-
License and Permits	1,223,488	-	1,223,488	-
Fines	126,273	-	126,273	-
Contributions to Self-Funded Insurance	4,943,278	-	4,943,278	-
Miscellaneous	992,213	2,486	994,699	10,407
Gain (Loss) on Sale of Asset	818	4,750	5,568	-
Investments Income	1,724,239	-	1,724,239	3
Total General Revenues and Special Items	<u>57,522,500</u>	<u>5,170,187</u>	<u>62,692,687</u>	<u>10,410</u>
Change in Net Position	6,887,227	309,090	7,196,317	240,696
Net Position, Beginning of Year	55,422,131	7,694,270	63,116,401	93,868
Net Position, End of Year	<u>\$ 62,309,358</u>	<u>\$ 8,003,360</u>	<u>\$ 70,312,718</u>	<u>\$ 334,564</u>

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

Bonner County, Idaho

Balance Sheet -
Governmental Funds
September 30, 2023

	General	Justice	Road and Bridge	Grants	Ambulance District	Nonmajor Funds	Total Governmental Funds
Assets							
Cash and Cash Equivalents	\$ 9,021,884	\$ 7,383,128	\$ 3,937,378	\$ 2,083,915	\$ 1,962,384	\$ 7,537,153	\$ 31,925,842
Receivables, Net:							
Taxes	169,418	479,813	186,429	-	88,879	185,042	1,109,581
Unbilled Taxes	3,723,648	17,809,907	6,336,927	-	3,010,440	6,891,793	37,772,715
Interest	65,686	-	-	60	-	4,900	70,646
Fees	-	-	-	-	-	877	877
Accounts	-	118,981	88,855	201	484,421	68,268	760,726
Prepaid Items	136,727	7,497	25,438	-	35,192	616,594	821,448
Due From Other Governments	511,716	870,397	1,512,034	1,266,139	2,624	376,814	4,539,724
Due From Other Funds	-	120,897	-	-	-	266,486	387,383
Total Assets	<u>\$ 13,629,079</u>	<u>\$ 26,790,620</u>	<u>\$ 12,087,061</u>	<u>\$ 3,350,315</u>	<u>\$ 5,583,940</u>	<u>\$ 15,947,927</u>	<u>\$ 77,388,942</u>
Liabilities							
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ 57,725	\$ 13,791	\$ 71,516
Accounts Payable	888,262	657,104	740,881	527,758	248,943	366,981	3,429,929
Accrued Payroll	198,703	461,611	106,198	3,448	110,446	163,917	1,044,323
Accrued Retirement Payable	20,953	52,200	11,008	1,613	13,958	18,023	117,755
Due To Other Funds.	114,695	-	-	272,688	-	-	387,383
Total Liabilities	<u>1,222,613</u>	<u>1,170,915</u>	<u>858,087</u>	<u>805,507</u>	<u>431,072</u>	<u>562,712</u>	<u>5,050,906</u>
Deferred Inflows							
Deferred Grant Revenue	-	-	-	2,498,724	-	-	2,498,724
Deferred revenue	148,747	419,720	163,113	-	75,426	162,083	969,089
Unavailable Tax Revenue	3,723,648	17,809,907	6,336,927	-	3,010,440	6,891,793	37,772,715
Total Deferred Inflows	<u>3,872,395</u>	<u>18,229,627</u>	<u>6,500,040</u>	<u>2,498,724</u>	<u>3,085,866</u>	<u>7,053,876</u>	<u>41,240,528</u>
Fund Balances							
Nonspendable	136,727	7,497	25,438	-	35,192	616,594	821,448
Assigned	1,535,000	1,949,981	821,459	-	778,820	350,000	5,435,260
Restricted For:							
General Governmental	-	-	-	-	-	3,432,094	3,432,094
Public Safety	-	5,432,600	-	46,084	-	2,387,634	7,866,318
Road and Bridge	-	-	3,882,037	-	-	-	3,882,037
Emergency Medical Services	-	-	-	-	1,252,990	-	1,252,990
Historical Society and Recreation	-	-	-	-	-	507,369	507,369
Health and Welfare	-	-	-	-	-	398,724	398,724
Weeds	-	-	-	-	-	30,724	30,724
Road Construction	-	-	-	-	-	607,959	607,959
Capital Projects	-	-	-	-	-	241	241
Unassigned	6,862,344	-	-	-	-	-	6,862,344
Total Fund Balances	<u>8,534,071</u>	<u>7,390,078</u>	<u>4,728,934</u>	<u>46,084</u>	<u>2,067,002</u>	<u>8,331,339</u>	<u>31,097,508</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 13,629,079</u>	<u>\$ 26,790,620</u>	<u>\$ 12,087,061</u>	<u>\$ 3,350,315</u>	<u>\$ 5,583,940</u>	<u>\$ 15,947,927</u>	<u>\$ 77,388,942</u>

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

Bonner County, Idaho
Reconciliation of the Balance Sheet of the
Governmental Funds to the Statement of Net Position
September 30, 2023

Total Fund Balances - Governmental Funds	\$ 31,097,508
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Amounts reported for governmental activities in the Statement of Net Position are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. Those assets consist of:

Land and Nondepreciable Infrastructure	\$ 9,297,365	
Cost of Depreciable Capital Assets	542,533,701	
Accumulated Depreciation	<u>(502,597,818)</u>	
		49,233,248

Right-of-use lease assets used in governmental activities are not financial resources and therefore are not reported as assets in government funds.

Cost of right-of-use lease assets	\$ 1,713,629	
Accumulated amortization	<u>(261,898)</u>	
		1,451,731

Property taxes and special fees receivable will be collected this year, but are not available soon enough to pay for current period expenditures and, therefore, are deferred in the funds.	969,089
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Net position of internal service funds are included in government-wide Statement of Net Position	996,549
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Long-term liabilities, applicable to the County's governmental activities, are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Position.

Compensated Absences	\$ (2,110,833)	
Right-of-use lease liability	(1,427,467)	
Accrued Interest	(39,715)	
Long-term financing	<u>(2,802,399)</u>	
		(6,380,414)

The County participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.

Net Pension Liability	\$ (24,984,906)	
Pension Related Deferred Inflows	-	
Pension Related Deferred Outflows	<u>9,926,553</u>	
		<u>(15,058,353)</u>

Net Position of Governmental Activities	<u>\$ 62,309,358</u>
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The accompanying notes are an integral
part of the financial statements.

Bonner County, Idaho
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2023

	General	Justice	Road and Bridge	Grants	Ambulance District	Nonmajor Funds	Total Governmental Funds
Revenues							
Property Taxes	\$ 5,286,494	\$ 15,753,194	\$ 5,813,267	\$ -	\$ 2,870,709	\$ 6,012,466	\$ 35,736,130
Intergovernmental	2,011,393	4,148,915	6,327,496	9,578,326	-	1,833,119	23,899,249
Licenses and Permits	601,996	373,395	-	-	-	248,097	1,223,488
Charges for Services	1,412,209	1,195,082	-	-	1,540,554	2,207,283	6,355,128
Fines	-	-	-	-	-	126,273	126,273
Investment Income	1,584,414	-	-	-	83,923	52,909	1,721,246
Miscellaneous	141,719	197,784	105,674	-	21,149	525,887	992,213
Total Revenues	11,038,225	21,668,370	12,246,437	9,578,326	4,516,335	11,006,034	70,053,727
Expenditures							
Current:							
General Government	9,325,751	-	-	-	-	3,631,873	12,957,624
Public Safety	359,231	20,195,832	-	2,359,989	-	4,334,705	27,249,757
Emergency Medical	-	-	-	-	4,908,068	-	4,908,068
Road and Bridge	-	-	10,117,595	-	-	285,069	10,402,664
Weeds	-	-	-	-	-	144,308	144,308
Health	-	-	-	-	-	507,552	507,552
Welfare	-	-	-	-	-	43,239	43,239
Junior College	-	-	-	-	-	130,393	130,393
Historical Society and Recreation	-	-	-	-	-	897,302	897,302
Capital Outlay	2,059,380	722,155	657,736	-	636,879	251,452	4,327,602
Debt Service:							
Principal	-	-	215,870	-	92,462	-	308,332
Interest	-	-	80,835	-	16,104	-	96,939
Total Expenditures	11,744,362	20,917,987	11,072,036	2,359,989	5,653,513	10,225,893	61,973,780
Excess (Deficiency) of Revenues Over Expenditures	(706,137)	750,383	1,174,401	7,218,337	(1,137,178)	780,141	8,079,947
Other Financing Sources (Uses)							
Proceeds From Long-Term Financing	-	-	363,900	-	-	-	363,900
Gain/(Loss) on Sale of Assets	8,900	-	-	-	-	-	8,900
Transfers In	5,153,825	-	60,657	-	2,279,690	145,000	7,639,172
Transfers (Out)	-	-	-	(7,308,622)	-	(630,550)	(7,939,172)
Total Other Financing Sources (Uses)	5,162,725	-	424,557	(7,308,622)	2,279,690	(485,550)	72,800
Net Change in Fund Balances	4,456,588	750,383	1,598,958	(90,285)	1,142,512	294,591	8,152,747
Fund Balances - Beginning	4,077,483	6,639,695	3,129,976	136,369	924,490	8,036,507	22,944,761
Fund Balances - Ending	\$ 8,534,071	\$ 7,390,078	\$ 4,728,934	\$ 46,084	\$ 2,067,002	\$ 8,331,098	\$ 31,097,508

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

Bonner County, Idaho
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of the Governmental
Funds to the Statement of Activities
For the Year Ended September 30, 2023

Total Net Change in Fund Balance - Governmental Funds \$ 8,152,747

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. The cost and related accumulated depreciation, when capital assets are disposed are also not reported in the governmental funds. In the current period these amounts are:

Capital Outlay	\$ 3,689,801	
Depreciation Expense	(4,782,968)	
Cost of Disposed Capital Assets, Net of Accum. Depreciation	(8,082)	
Net		(1,101,249)

Because some property taxes and special fees will not be collected for several months after the County's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the Statement of Activities. (127,618)

Net change of internal service funds not reflected in governments funds are included in the Statement of Activities 973,616

Accrued interest on long-term debt reported in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in accrued interest. 2,741,070

The repayment of principal of municipal leases consumes the current financial resources of governmental funds. The repayment of principal, however, has no effect on Net Assets. (21,200)

Some capital additions were financed through municipal leases payable. In governmental funds, a municipal lease payable arrangement is considered a source of financing, but in the statement of Net Position, the municipal lease obligation is reported as a liability. 241,137

Long-term compensated absences and other post-employment benefits reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in long-term compensated absences and other post-employment benefits. (108,861)

The County participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities. (3,862,415)

Change in Net Assets of Governmental Activities \$ 6,887,227

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

Bonner County, Idaho
Statement of Net Position - Solid Waste Fund
September 30, 2023

Assets

Current Assets:

Cash and Cash Equivalents	\$ 6,615,943
Special Assessments Receivable, Net	162,405
Unbilled Special Assessments Receivable, Net	5,174,223
Accounts Receivable, Net	396,654
Prepaid Items	12,719
Due from Other Governments	(148)
Restricted Assets:	
Cash on Deposit with Fiscal Agent	664
Total Current Assets	<u>12,362,460</u>

Noncurrent Assets:

Capital Assets:

Land	518,416
Construction in Progress	3,797,060
Depreciable Assets, Net	<u>1,897,244</u>
Total Noncurrent Assets	<u>6,212,720</u>

Total Assets	<u>18,575,180</u>
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Deferred Outflows

Pension Related Items	<u>439,120</u>
Total Deferred Outflows	<u>439,120</u>

Liabilities

Current Liabilities:

Accounts Payable	905,045
Accrued Payroll	55,032
Accrued Retirement Payable	4,643
Accrued Interest	4,551
Current Portion - Debt	<u>24,529</u>
Total Current Liabilities	<u>993,800</u>

Noncurrent Liabilities:

Compensated Absences	81,164
Bonds and Notes Payable	51,164
Interim financing	3,593,420
Net Pension Liability	<u>1,117,169</u>
Total Long-term Liabilities	<u>4,842,917</u>

Total Liabilities	<u>5,836,717</u>
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Deferred Inflows

Unbilled Special Assessment Revenue	5,174,223
Pension Related Items	<u>-</u>
Total Deferred Inflows	<u>5,174,223</u>

Net Position

Net Investment in Capital Assets	2,543,607
Restricted for Debt Service	664
Unrestricted	<u>5,459,089</u>
Total Net Position	<u>\$ 8,003,360</u>

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

Bonner County, Idaho
Statement of Revenues, Expenses, and Changes
in Net Position - Solid Waste Fund
For the Year Ended September 30, 2023

Operating Revenues

Charges for Services	\$ 4,715,124
Miscellaneous Income	2,486
Total Operating Revenues	<u>4,717,610</u>

Operating Expenses

Salaries	1,166,124
Benefits	712,126
Other Services and Charges	7,295,310
Depreciation	402,661
Total Operating Expenses	<u>9,576,221</u>

Operating Income (Loss)	<u>(4,858,611)</u>
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Nonoperating Revenues (Expenses)

Special Assessments	5,162,951
Gain (Loss) on Disposal of Assets	4,750
Total Nonoperating Revenues (Expenses)	<u>5,167,701</u>

Change in Net Position	309,090
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Net Position - Beginning	<u>7,694,270</u>
Net Position - Ending	<u><u>\$ 8,003,360</u></u>

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

Bonner County, Idaho
Statement of Cash Flows -
Solid Waste Fund
For the Year Ended September 30, 2023

Cash Flows From Operating Activities

Receipts from Customers	\$ 4,703,932
Payments to Suppliers	(6,939,743)
Payments to Employees for Services	(1,702,164)
Net Cash Provided (Used) by Operating Activities	<u>(3,937,975)</u>

Cash Flows From Noncapital

Financing Activities

Special Assessments	<u>5,185,516</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,185,516</u>

Cash Flows From Capital and Related

Financing Activities

Purchases and Construction of Capital Assets	(3,247,853)
Cash Received from Interim Financing	3,200,095
Disposal of Capital Assets	4,750
Principal Paid on Capital Debt	<u>(23,862)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(66,870)</u>

Cash Flows From Investing Activities

	<u>-</u>
Net Increase in Cash and Cash Equivalents	1,180,671

Cash and Cash Equivalents, Beginning

	<u>5,435,936</u>
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Cash and Cash Equivalents, Ending	<u><u>\$ 6,616,607</u></u>
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Displayed As:

Cash and Cash Equivalents	\$ 6,615,943
Cash on Deposit with Fiscal Agent	664
	<u><u>\$ 6,616,607</u></u>

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

Bonner County, Idaho
Statement of Cash Flows -
Solid Waste Fund (continued)
For the Year Ended September 30, 2023

Reconciliation of Operating Income (Loss) to Net
Cash Provided (Used) by Operating Activities:

Operating Income (Loss)	\$ (4,858,611)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	402,661
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(13,958)
(Increase) Decrease in Prepaids	(6,756)
(Increase) Decrease in Due from Other Governments	280
(Increase) Decrease in Deferred Outflows - Pension	153,197
Increase (Decrease) in Accounts Payable	362,252
Increase (Decrease) in Other Payable	71
Increase (Decrease) in Accrued Payroll	(82,128)
Increase (Decrease) in Compensated Absences	81,164
Increase (Decrease) in Retirement Payable	(387)
Increase (Decrease) in Net Pension Liability	29,096
Increase (Decrease) in Deferred Inflows - Pension	(4,856)
Net Cash Provided by Operating Activities	<u><u>\$ (3,937,975)</u></u>

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

Bonner County, Idaho
Statement of Net Position - Internal Service Funds
September 30, 2023

	Self-Funded Medical Insurance	Self-Funded Dental Insurance	Total
Assets			
Cash and Cash Equivalents	\$ 1,397,364	\$ 52,968	\$ 1,450,332
Due to Other Funds	-	-	-
Restricted Assets:			
Deposits	91,276	-	91,276
Total Assets	<u>1,488,640</u>	<u>52,968</u>	<u>1,541,608</u>
Liabilities			
Accounts Payable	201,138	-	201,138
IBNR Claims Liability	333,316	10,605	343,921
Total Current Liabilities	<u>534,454</u>	<u>10,605</u>	<u>545,059</u>
Net Position			
Restricted:			
Self-Funded Insurance	954,186	42,363	996,549
Total Net Position	<u><u>\$ 954,186</u></u>	<u><u>\$ 42,363</u></u>	<u><u>\$ 996,549</u></u>

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

Bonner County, Idaho
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Internal Service Funds
For the Year Ended September 30, 2023

	Self-Funded Medical Insurance	Self-Funded Dental Insurance	Total
Operating Revenues			
Contributions - Employer	\$ 3,960,653	\$ 209,346	\$ 4,169,999
Contributions - Employee	739,531	33,748	773,279
Total Operating Revenues	<u>4,700,184</u>	<u>243,094</u>	<u>4,943,278</u>
Operating Expenses			
Administrative Expenses	668,772	71,534	740,306
Medical Claims	2,389,111	-	2,389,111
Dental Claims	-	151,462	151,462
Pharmacy Claims	980,424	-	980,424
COBRA Administration Fees	11,328	24	11,352
Total Operating Expenses	<u>4,049,635</u>	<u>223,020</u>	<u>4,272,655</u>
Operating Income (Loss)	<u>650,549</u>	<u>20,074</u>	<u>670,623</u>
Nonoperating Revenues (Expenses)			
Interest Earned	2,993	-	2,993
Transfers In	300,000	-	300,000
Transfers Out	-	-	-
Total Nonoperating Revenues (Expenses)	<u>302,993</u>	<u>-</u>	<u>302,993</u>
Change in Net Position	953,542	20,074	973,616
Net Position - Beginning	644	22,289	22,933
Net Position - Ending	<u>\$ 954,186</u>	<u>\$ 42,363</u>	<u>\$ 996,549</u>

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

Bonner County, Idaho
Statement of Cash Flows -
Internal Service Funds
For the Year Ended September 30, 2023

	Self-Funded Medical Insurance	Self-Funded Dental Insurance	Total
Cash Flows From Operating Activities			
Contributions	\$ 4,700,184	\$ 243,094	\$ 4,943,278
Cash Paid For Benefits	(3,828,596)	(152,532)	(3,981,128)
Cash Paid For Administration	(680,100)	(71,558)	(751,658)
Net Cash Provided (Used) by Operating Activities	<u>191,488</u>	<u>19,004</u>	<u>210,492</u>
Cash Flows From Noncapital Financing Activities			
Cash Received From (Paid To) Other Funds	<u>1,205,876</u>	<u>-</u>	<u>1,205,876</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,205,876</u>	<u>-</u>	<u>1,205,876</u>
Cash Flows From Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows From Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	1,397,364	19,004	1,416,368
Cash and Cash Equivalents, Beginning	<u>-</u>	<u>33,964</u>	<u>33,964</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 1,397,364</u></u>	<u><u>\$ 52,968</u></u>	<u><u>\$ 1,450,332</u></u>
Displayed As:			
Cash and Cash Equivalents	<u><u>\$ 1,397,364</u></u>	<u><u>\$ 52,968</u></u>	<u><u>\$ 1,450,332</u></u>
	<u><u>\$ 1,397,364</u></u>	<u><u>\$ 52,968</u></u>	<u><u>\$ 1,450,332</u></u>

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

Bonner County, Idaho
Statement of Cash Flows -
Internal Service Funds (continued)
For the Year Ended September 30, 2023

	Self-Funded Medical Insurance	Self-Funded Dental Insurance	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 650,549	\$ 20,074	\$ 670,623
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
Increase (Decrease) in Accounts Payable	(31,018)	(7,538)	(38,556)
Increase (Decrease) in IBNR Claims Liability	(428,043)	6,468	(421,575)
Net Cash Provided by Operating Activities	<u>\$ 191,488</u>	<u>\$ 19,004</u>	<u>\$ 210,492</u>

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

Bonner County, Idaho
Statement of Fiduciary Net Position
September 30, 2023

	<u>Custodial Funds</u>
Assets	
Cash and Investments	\$ 3,318,066
Property Taxes Receivable	1,283,965
Total Assets	<u>4,602,031</u>
Liabilities	
Warrants and Accounts Payable	2,020,349
Due to Other Governments	695,497
Total Liabilities	<u>2,715,846</u>
Net Position	
Restricted for:	
Individuals, Organizations,	
or Other Governments	1,886,185
Total Net Position	<u><u>\$ 1,886,185</u></u>

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

Bonner County, Idaho
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2023

	<u>Custodial Funds</u>
Additions:	
Property taxes collected for other governments	\$ 32,126,384
Fees collected for other governments	<u>8,625,974</u>
Total Additions	<u>40,752,358</u>
Deductions:	
Taxes distributed to other governments	36,246,089
Fees distributed to other governments	<u>4,230,574</u>
Total Deductions	<u>40,476,663</u>
Change in Net Position	275,695
Net Position - Beginning	<u>1,610,490</u>
Net Position - Ending	<u><u>\$ 1,886,185</u></u>

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

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bonner County, Idaho (the County) was formed February 21, 1907 by an act of the Congress of the United States. The County provides the following services as provided by law: public safety, emergency medical services, road and bridge, weeds, health and social services, welfare, education, culture and recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of Bonner County, Idaho have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The County operates under a commissioner form of government, with supervision of various departments by elected officials as provided by the State Constitution. For financial reporting purposes, management has considered all potential component units which are controlled by, or whose boards are appointed by, the Board of County Commissioners. Control by the County was determined on the basis of budget adoption; the selection of management; the ability to significantly influence operations; accountability for fiscal matters; and other factors. Based on these criteria there was two component units. The Ambulance District, included in the County's report, which is reported within the special revenue funds and is reported as a major fund. The Fair Board, is presented as a discretely presented component unit in the government-wide statements.

- *Ambulance District of Bonner County* is a blended component unit and is responsible for providing emergency medical services and medical transportation to the residents of the County. The Ambulance District's governing body is the same as that of Bonner County's governing body, the Board of County Commissioners. The County has the ability to significantly impose its will over the Ambulance District. Management of the Ambulance District consists of those individuals responsible for the day-to-day operations of the County; and the Ambulance District provides services wholly within the boundaries of the County with the intention of providing medical services to the residents of the County. Therefore, the Ambulance District is presented as a blended component unit and is grouped as a special revenue fund.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *Bonner County Fair Board* was created for the purpose of conducting fair activities within the County. The Fair Board is governed by a board appointed by the County Commissioners and the County is able to impose its will on the organization. The Fair Board was audited along with the County and its financial statements are presented as a discretely presented component unit.

B. Basis of Presentation

Government-Wide Statements – The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall County government, except for fiduciary activities. Both governmental activities, which are generally financed through taxes, intergovernmental revenues, and other non-exchange revenues, and business-type activities, which are financed in whole or in part by fees charged to external parties for goods or services, are included.

The Statement of Net Position presents the County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets or the related debt obligations.

Restricted net position consists of net position that has constraints in place on its use externally by grant provisions or law. Assigned net position is further classified as either net position restricted by enabling legislation or net position that is otherwise restricted.

Unrestricted net position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources that are imposed by management, but can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (governmental activities) or identifiable activity (business-type activities) is offset by program revenues.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable with a particular function.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Program revenues include (1) charges paid by the recipients of goods or services offered by the programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported, instead, as general revenues.
- Indirect expenses have been allocated to the programs which best represent the nature of the expenditures as determined by management.

Fund Financial Statements – The fund financial statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category (governmental, proprietary and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- Current Expense Fund: This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- Justice Fund: This fund accounts for the services and equipment used to provide for the public safety of the County.
- Road and Bridge Fund: This fund accounts for the design, construction and maintenance of the County roads.
- Grants Fund: This fund accounts for numerous grants the County receives.
- Ambulance District: This fund accounts for the revenues earned and services provided for medical care.

The County reports the following proprietary funds:

- Solid Waste Fund: This fund accounts for revenues and expenses that are related to providing solid waste disposal services to County residents. Operating revenues are comprised of all activities other than investing and capital related revenues.
- Self-Funded Medical Insurance Fund: This fund accounts for revenues and expenses that are related to providing self-funded medical expenses.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Self-Funded Dental Insurance Fund: This fund accounts for revenues and expenses that are related to providing self-funded dental expenses.

Additionally, the County reports the following fiduciary fund types:

- Custodial Funds: These funds report resources held for other governmental agencies, taxing districts and special purpose trusts on a short-term basis in a purely custodial capacity.

C. Basis of Accounting

The government-wide, proprietary 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 gives (or receives) value without directly receiving (or giving) equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. State support and grant revenues are susceptible to accrual.

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 revenue available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Claims, judgments, and compensated absences are recognized as expenditures only to the extent they are normally expected to be paid from existing unrestricted fund balance. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under long-term financing arrangements are reported as other financing sources.

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 resources available to finance the program. It is the County's policy to first apply restricted resources to such programs, followed by unrestricted resources.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets – Budgets are adopted on a basis consistent with governmental accounting principles. Annual appropriated budgets are adopted for the current expense, special revenue and debt service proprietary a public hearing is held.

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

1. Prior to the first Monday in August, the County Clerk submits to the County Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and sources of funding. It is published publicly on or before the third week in August.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to the first Tuesday after the first Monday of September, the budget is legally adopted by the Commission.

Cash and Cash Equivalents – Cash and cash equivalents includes amounts in demand deposits and short-term investments that do not meet the definition of an investment per GASB 72. State statute and commission investment policy authorizes the County to invest in obligations of the U.S. Treasury, the State of Idaho or county, city or other taxing districts of the State of Idaho. Commercial paper, corporate bonds, repurchase agreements, and investments are stated at cost. Interest income is defined as non-operating revenue.

Statement of Cash Flows – For the purposes of the statement of cash flows, all proprietary funds are considered highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Allowance for Uncollectible Amounts – No allowance for uncollectible amounts has been deemed necessary as of September 30, 2023 except for the ambulance district that recorded an allowance of \$96,173.

Encumbrances – The County does not follow the practice of encumbering funds at year-end.

Inventory – Inventory is valued at zero. All costs of expendable supplies are expensed when the supplies are purchased.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Short-Term Interfund Receivables/Payables – During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These short-term receivables and payables are classified as "due from other funds" or "due to other funds" on the governmental funds Balance Sheet. To the extent possible, these balances have been eliminated on the Statement of Net Position.

Capital Assets – Capital assets are reported at actual or estimated historical cost based on appraisals of deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

The Board of Commissioners has set a capitalization threshold of \$5,000. All purchases and improvement to facilities that are not considered repairs are capitalized and depreciated using the straight-line method in the governmental and proprietary funds. Useful lives are as follows:

Buildings	40 years
Improvements other than buildings	10-20 years
Equipment	5-10 years
Infrastructure	20 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized.

Compensated absences – County employees are granted paid time off (PTO) in varying amounts. In the event of termination, an employee is reimbursed for accumulated PTO up to a maximum of 160-320 hours for employees depending on length of service. Employees are also reimbursed for up to 25% of their catastrophic sick leave account balances if they are over the age of 55 and had 5 years of continuous services. See Note 6 for more detail.

Long Term Obligations – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type of Statement of Net Position.

Deferred Revenue – Deferred revenue in the governmental funds represents property taxes receivable recorded but not collected within 60 days of the end of the accounting period.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Grant Revenue – Deferred grant revenue in the Grants Fund represents grant money that has been received but not yet earned.

Unavailable Tax Revenue – Unavailable tax revenue represents the property taxes levied for 2023 that are measurable but unavailable to the County, therefore recorded as a deferred inflow of resources in both governmental fund and government-wide financial statements.

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

Restricted Resources – The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance – In the fund statements, *nonspendable* fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers (grants or lenders) or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the current expense fund, *assigned* fund balances represent the remaining amount that is not restricted or committed. The Board of Commissioners are the body authorized to assign amounts to a specific purpose, and typically do so when a specific revenue source is received and a special revenue fund is thereby established. *Unassigned* fund balance is the residual classification for the government's current expense fund and includes all spendable amounts not contained in the other classifications. The County applies committed resources, then assigned resources, then unassigned resources when an expenditure is incurred for purposes for which all fund balance classifications are available.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted balances are as follows:

- The County levies for, and receives, restricted funds for various governmental services. The County has segregated these amounts into the following functions/programs: general government, public safety, road and bridge, emergency medical services, debt service, historical society and recreation, health and welfare, weeds, self-funded insurance, road construction and capital projects.

Nonspendable balances are as follows:

- Prepaid items – Liability insurance, software licenses, etc.

Assigned balances are as follows:

- The County has assigned funds consisting of the use of fund balance to balance the 2023-2024 budget in the amount of \$5,435,260.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events – The County has evaluated subsequent events through the date of the audit report. This is the date the financial statements were available to be issued. The County has concluded that no material subsequent events have occurred.

2. CASH AND INVESTMENTS

The elected State Treasurer, following Idaho Code, is authorized to sponsor an investment pool that the County voluntarily participates in. The Local Government Investment Pool was established as a cooperative endeavor to enable public entities of the state of Idaho to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Local Government Investment Pool (State Pool) is managed by the State of Idaho Treasurer's office. The funds of the State Pool are invested in certificates of deposit, repurchase agreements, and U.S. Government securities. The certificates of deposit are federally insured. The U.S. Government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank. The State Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments. An annual audit of the Local Government Investment Pool is conducted by the State Legislative Auditor's Office. The Legislative Auditor of the State of Idaho has full access to the records of the State Pool.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

2. CASH AND INVESTMENTS (continued)

Participants have overnight availability to their funds, up to \$10 million. Withdrawals of \$10 million or more require three business days' notification.

Through an "Automatic Commercial Investment Sweep and Daily Repurchase Agreement" dated in December 2012 with Umpqua Bank, and a "Master Repurchase Agreement" dated in June 2015 with Mountain West Bank and a "Collateralization Program" dated in August 2013 with Wells Fargo, the County invests idle cash in repurchase agreements that are not insured by the FDIC. However, the repurchase agreements are fully collateralized with an undivided, fractional interest in obligations of, or obligations that are fully guaranteed by, the United States Government, its agencies, or instrumentalities. Title to the securities is vested in the bank. The bank repurchases the undivided, fractional interest from the County on the next banking day.

Credit Risk - The County's investment policy requires individual investments to have a credit rating of A or better by Standard and Poor's Corporation or an equivalent nationally recognized statistical rating organization. All investments meet this requirement. The Local Government Investment Pool is not rated.

Concentration of Credit Risk - The County's investment policy currently limits the balance of investments with a single issuer to 50% of the County's total funds. As of September 30, 2022, the following issuers hold more than 5% of the County's total portfolio: State of Idaho Investment Pool - 40%, Umpqua Bank - 45%, Mountain West Bank - 8% and Multi-Bank Securities, Inc. - 7%.

Custodial Credit Risk – Deposits - This is the risk that in the event of a bank failure, the County's deposits may not be available. As of September 30, 2023, the County's had no deposits that Bank exceed the FDIC insured limit of \$250,000.

Custodial Credit Risk – Investments - This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. The County is exposed to custodial credit risk because it has repurchase agreement investments of \$18,533,817 that are uninsured, unregistered, and held by Umpqua Bank, \$5,251,099 that are that are uninsured, unregistered, and held by Mountain West Bank. Umpqua Bank and Mountain West Bank are the counterparties for the repurchase agreements. However, the risk is mitigated, because the repurchase agreements are fully collateralized by U.S. Government securities, with the collateral held in trust by Federal Home Loan Bank in Umpqua Bank and Mountain West Bank's name. The Federal Home Loan Bank is an independent safekeeping agent unaffiliated with Umpqua Bank and Mountain West Bank.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

2. CASH AND INVESTMENTS (continued)

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from changes in interest rates, the Treasurer may invest funds of the County that are not identified as operating funds, in investments with maturities longer than 450 days, but not to exceed four years. The County's investments are in compliance with this policy. The County assumes that its callable investments will not be called. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by holding all investments to maturity. The following table presents the County's exposure to credit risk in accordance with the Segmented Time Distribution method.

Account	Under 30 Days	31 - 365 Days	1 to 5 Years	Market	Cost	Percent of Total
Umpqua Bank						
Repurchase agreements						
Treasurer's account	\$ 16,776,042	\$ -	\$ -	\$ 16,776,042	\$ 16,776,042	38.73%
Ambulance account	1,762,384	-	-	1,762,384	1,762,384	4.07%
Checking accounts						
Ambulance checking	200,000	-	-	200,000	200,000	0.46%
General checking	140,000	-	-	140,000	140,000	0.32%
Fair association	156,210	-	-	156,210	156,210	0.36%
Drug Restitution	70,928	-	-	70,928	70,928	0.16%
4H	7,125	-	-	7,125	7,125	0.02%
Magistrate	67,768	-	-	67,768	67,768	0.16%
Prosecutors	343	-	-	343	343	0.00%
Law foundation	5,445	-	-	5,445	5,445	0.01%
Medical	-	-	-	-	-	0.00%
Mountain West Bank						
Repurchase agreements	5,251,099	-	-	5,251,099	5,251,099	12.12%
Checking accounts						
Treasurer's checking	10,000	-	-	10,000	10,000	0.02%
Fair association	-	-	-	-	-	0.00%
Nationwide Retirement Solutions	194,960	-	-	194,960	194,960	0.45%
State of Idaho						
Local government investment pool	-	13,055,468	-	13,055,468	13,055,468	30.14%
Multi-Bank Securities, Inc.	-	-	5,603,230	5,603,230	5,756,474	12.94%
Cash on Hand	9,845	-	-	9,845	9,845	0.02%
Total Cash and Investments	<u>\$ 24,652,149</u>	<u>\$ 13,055,468</u>	<u>\$ 5,603,230</u>	<u>\$ 43,310,847</u>	<u>\$ 43,464,091</u>	<u>100.00%</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

2. CASH AND INVESTMENTS (continued)

The composition of the cash and investments accounts in the financial statements is as follows:

Cash on hand	\$ 9,845
Bank deposits	852,779
Carrying value of investments:	
Repurchase agreements	23,789,525
LGIP	13,055,468
Multi-Bank Securities	5,603,230
Total cash and investments	<u>\$43,310,847</u>

3. PROPERTY TAX

The County's property tax is recognized as an asset at the time the County has an enforceable legal claim to the resources (January 1st of each year) and the revenue is recognized in the period for which the taxes are levied. For FY2023, the County has recognized the 2022 levy as revenue and the tax year 2023 levy as an asset.

Tax Year 2022 Levy (FY2023 Revenue)

The market value upon which the 2022 levy was based was \$14,807,364,517 for the County and Ambulance District. The market value was \$11,775,384,043 for the Road and Bridge fund.

The property tax was levied in October 2022 and was due in two equal installments on December 20th and June 20th.

The total tax levy (per \$100 of value) for the year was as follows:

	Percentage	Amount
County	17.80922%	\$ 26,370,764
Ambulance District	1.87172%	\$ 2,771,525
Road and Bridge	4.94448%	\$ 5,822,314

Tax Year 2023 Levy (FY2023 Asset)

The property tax levy for 2023 has been recorded as an asset in the amount of \$37,772,715. This levy is for the FY2024 operations and has been presented as unavailable property tax revenue.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

3. PROPERTY TAX (continued)

Deferred Revenue

Total taxes receivable as of September 30, 2023	\$ 814,987
Less: Taxes collected by November 30, 2023	<u>(95,764)</u>
Total deferred tax revenue	<u>\$ 719,223</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

Governmental activities:

	Balance 9/30/2022	Additions	Disposals	Balance 9/30/2023
Capital Assets Not Being Depreciated:				
Land	\$ 4,693,648	\$ 80,294	\$ -	\$ 4,773,942
Construction in progress	<u>2,965,577</u>	<u>2,542,353</u>	<u>(984,506)</u>	<u>4,523,423</u>
Total Historical Cost	<u>7,659,225</u>	<u>2,622,647</u>	<u>(984,506)</u>	<u>9,297,365</u>
Capital Assets Being Depreciated:				
Infrastructure	465,496,064	1,303,083	-	466,799,147
Biological	7,000	7,000	-	14,000
Building and improvements	36,172,073	1,270,306	-	37,442,379
Machinery and equipment	<u>36,203,625</u>	<u>2,509,090</u>	<u>(434,541)</u>	<u>38,278,175</u>
Total Historical Cost	<u>537,878,762</u>	<u>5,089,479</u>	<u>(434,541)</u>	<u>542,533,701</u>
Less: Accumulated Depreciation				
Infrastructure	452,711,719	1,184,180	-	453,895,899
Biological	2,100	1,167	-	3,267
Building and improvements	19,525,292	1,464,916	-	20,990,208
Machinery and equipment	<u>25,815,131</u>	<u>2,119,477</u>	<u>(226,164)</u>	<u>27,708,444</u>
Total Acc. Depr.	<u>498,054,242</u>	<u>4,769,740</u>	<u>(226,164)</u>	<u>502,597,818</u>
Net Depreciable Assets	<u>39,824,520</u>	<u>319,739</u>	<u>(208,377)</u>	<u>39,935,883</u>
Governmental Activities				
Capital Assets - Net	<u>\$ 47,483,745</u>	<u>\$ 2,942,386</u>	<u>\$ (1,192,883)</u>	<u>\$ 49,233,248</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

4. CAPITAL ASSETS (continued)

During 2023, depreciation expense was charged to functions as follows:

Governmental Activities:

General Government	\$ 1,260,350
Public Safety	707,262
Emergency Medical Services	322,843
Road and Bridge	2,409,145
Historical Society and Recreation	70,140
	<u>\$ 4,769,740</u>

Business-type activities:

	Balance 9/30/2022	Additions	Disposals	Balance 9/30/2023
Capital Assets Not Being Depreciated:				
Land and Infrastructure	\$ 518,416	\$ -	\$ -	\$ 518,416
Construction in progress	549,207	3,247,853	-	3,797,060
Total Historical Cost	<u>1,067,623</u>	<u>3,247,853</u>	<u>-</u>	<u>4,315,476</u>
Capital Assets Being Depreciated:				
Building and improvements	5,224,759	-	-	5,224,759
Machinery and equipment	1,539,009	-	-	1,539,009
Total Historical Cost	<u>6,763,768</u>	<u>-</u>	<u>-</u>	<u>6,763,768</u>
Less: Accumulated Depreciation				
Building and improvements	3,242,302	306,197	-	3,548,500
Machinery and equipment	1,221,560	96,465	-	1,318,024
Total Acc. Depr.	<u>4,463,862</u>	<u>402,661</u>	<u>-</u>	<u>4,866,524</u>
Net Depreciable Assets	<u>2,299,906</u>	<u>(402,661)</u>	<u>-</u>	<u>1,897,244</u>
Governmental Activities				
Capital Assets - Net	<u>\$ 3,367,529</u>	<u>\$ 2,845,192</u>	<u>\$ -</u>	<u>\$ 6,212,720</u>

During 2023, \$402,661 depreciation expense was charged to Solid Waste.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

5. RIGHT-OF-USE LEASE ASSETS/LIABILITIES

During the year ended September 30, 2023, the following changes occurred in right-of-use lease assets:

	Balance 9/30/2022	Additions	Modifications & Remeasurements	Subtractions	Balance 9/30/2023
Right-of-Use Lease Assets					
Facility	\$ 1,508,775	\$ -	\$ -	\$ -	\$ 1,508,775
Equipment	83,448	121,406	-	-	204,854
Total Right-of-Use Lease Assets	<u>1,592,223</u>	<u>121,406</u>	<u>-</u>	<u>-</u>	<u>1,713,629</u>
Less: Accumulated Amortization					
Facility	99,306	99,307	-	-	198,613
Equipment	18,797	44,488	-	-	63,285
Total Accumulated Amortization	<u>118,103</u>	<u>143,795</u>	<u>-</u>	<u>-</u>	<u>261,898</u>
Total Right-of-Use Assets, net	<u>\$ 1,474,120</u>	<u>\$ (22,389)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,451,731</u>

Total lease expense for the year ended September 30, 2023 is as follows:

Lease expense

Amortization expense by class

Facility	\$ 99,307
Equipment	44,488
Total amortization expense	<u>143,795</u>
Interest on lease liabilities	<u>29,841</u>
Total amortization expense	<u>\$ 173,636</u>

During the year ended September 30, 2023, the following changes occurred in the right-of-use lease liability:

	Balance 9/30/2022	Additions	Subtractions	Balance 9/30/2023	Amounts Due Within One Year
Right-of-Use Lease Liabilities					
Facility	\$ 1,364,025	\$ -	\$ (79,189)	\$ 1,284,836	\$ 81,496
Equipment	64,631	121,406	(43,406)	142,631	49,611
Total Right-of-Use Lease Liabilities	<u>\$ 1,428,656</u>	<u>\$ 121,406</u>	<u>\$ (122,595)</u>	<u>\$ 1,427,467</u>	<u>\$ 131,107</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

5. RIGHT-OF-USE LEASE ASSETS/LIABILITIES (continued)

Future minimum annual payments as of September 30, 2023 are as follows:

Year Ending September 30,	Principal	Interest	Total Payment
2024	\$ 131,107	\$ 22,222	\$ 153,329
2025	125,216	25,578	150,794
2026	126,391	22,916	149,307
2027	100,378	20,426	120,804
2028	77,139	18,654	95,793
Thereafter	867,236	96,678	963,914
Total Future Payments	<u>\$ 1,427,467</u>	<u>\$ 206,474</u>	<u>\$ 1,633,941</u>

6. COMPENSATED ABSENCES

Changes in compensated absences throughout the year are as follows:

	9/30/2022	Increase	Decrease	9/30/2023
Governmental activities	\$ 2,001,972	\$ 2,531,149	\$ (2,422,288)	\$ 2,110,833
Business-type activities	92,655	133,019	(144,510)	81,164
	<u>\$ 2,094,627</u>	<u>\$ 2,664,168</u>	<u>\$ (2,566,798)</u>	<u>\$ 2,191,997</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

7. LONG-TERM OBLIGATIONS

The County finances various vehicles and equipment through long-term financing arrangements all of which are payable for from governmental funds. The long-term financing arrangements are arranged through agreements with various banks and financing institutions.

Changes in long-term obligations for the year ended September 30, 2023, are as follows:

Description	Maturity	Rate	9/30/2022	Increase	Decrease	9/30/2023	Current Portion
<u>Governmental Activities:</u>							
John Deere Grader 772G	2023	2.35%	\$ 200,294	\$ -	\$(200,294)	\$ -	\$ -
John Deere Grader 772GP	2024	3.74%	228,203	-	(22,021)	206,182	206,180
6 CAT 140 Motor Graders	2024	3.32%	1,226,440	-	(124,069)	1,102,371	1,102,778
2021 CAT 140 AWD Motor Grader	2026	3.17%	134,266	-	(5,799)	128,467	5,867
2 - 2022 John Deere 772 Grader	2027	3.99%	668,445	-	(32,684)	635,761	33,988
4 - 2109 AEV Traumahawk	2027	3.16%	489,477	-	(92,462)	397,015	94,735
2022 John Deere 772 GP	2028	4.55%	-	363,900	(31,297)	332,603	15,953
			<u>\$ 2,947,125</u>	<u>\$ 363,900</u>	<u>\$(508,626)</u>	<u>\$ 2,802,399</u>	<u>\$ 1,459,501</u>
<u>Business-type Activities:</u>							
Bond Anticipation Note	2025	1.78%	\$ 393,325	\$ 3,200,095	\$ -	\$ 3,593,420	\$ -
Case Backhoe 580SN WT 4WD	2026	2.78%	99,555	-	(23,862)	75,693	24,529
			<u>\$ 492,880</u>	<u>\$ 3,200,095</u>	<u>\$(23,862)</u>	<u>\$ 3,669,113</u>	<u>\$ 24,529</u>

Debt service requirements as of September 30, 2023, are as follows:

Year Ending September 30,	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Municipal Lease</u>		<u>Bonds and Municipal Lease</u>	
	Principal	Interest	Principal	Interest
2024	\$ 1,459,501	\$ 102,659	\$ 24,529	\$ 2,139
2025	155,843	52,318	3,618,646	142
2026	271,704	46,761	25,938	731
2027	651,475	37,506	-	-
2028	263,876	12,192	-	-
	<u>\$ 2,802,399</u>	<u>\$ 251,436</u>	<u>\$ 3,669,113</u>	<u>\$ 3,012</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund receivables and payables as of September 30, 2023 was as follows:

Fund	Interfund Receivable	Interfund Payable
Current Expense Fund	\$ -	\$ 114,695
Airport Fund	266,486	-
Justice Fund	120,897	-
Grants Fund	-	272,688
	<u>\$ 387,383</u>	<u>\$ 387,383</u>

The primary purpose of interfund transfers is to redistribute money as deemed appropriate by management. Operating transfers between funds occurred as follows:

Fund	Transfer Out	Transfer In
Current Expense Fund	\$ -	\$ 5,153,825
Road and Bridge Fund	-	60,657
Junior College Fund	630,550	-
Tort Fund	-	65,000
Priest Lake Snowmobile Fund	-	10,000
Waterways Fund	-	70,000
Grants Fund	7,308,622	-
Self-Funded Medical Insurance Fund	-	300,000
Ambulance District	-	2,279,690
	<u>\$ 7,939,172</u>	<u>\$ 7,939,172</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

9. DEFERRED COMPENSATION

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 at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

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 participant or beneficiary) solely the property of the participant. The assets and liabilities relating to this deferred compensation plan have been excluded from the County's financial statements.

10. DEFINED BENEFIT PENSION PLAN

Plan Description

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

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

Pension Benefits

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

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

10 **DEFINED BENEFIT PENSION PLAN (continued)**

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for public safety. As of June 30, 2023 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. Bonner County, Idaho's contributions were \$3,264,150 the year ended September 30, 2023.

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

At September 30, 2023, Bonner County, Idaho reported a liability (asset) for its proportionate share of the net pension liability (asset.) The net pension liability (asset) was measured as of June 30, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. Bonner County, Idaho's proportion of the net pension liability (asset) was based on Bonner County, Idaho's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2023 Bonner County, Idaho's proportion was 0.65407740 percent.

For the year ended September 30, 2023, Bonner County, Idaho recognized pension expense/(revenue) of \$7,039,377 . At September 30, 2023, Bonner County, Idaho reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

10 DEFINED BENEFIT PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,474,093	\$ -
Changes in assumptions or other inputs	2,584,655	-
Net difference between projected and actual earnings on pension plan investments	2,450,064	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions.	105,862	-
Bonner County, Idaho's contributions subsequent to the measurement date	750,999	-
Total	\$10,365,673	\$ -

\$750,999 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2023.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2023, the beginning of the measurement period ended June 30, 2022, is 4.6 years and 4.4 for measurement period June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

For the Year Ended September 30:	PERSI
2024	\$ 4,202,833
2025	1,619,411
2026	4,948,617
2027	(405,188)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

10 **DEFINED BENEFIT PENSION PLAN (continued)**

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return	6.35%, net of investment expense
Cost-of-living adjustments	1%

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries – Males Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries – Females Pub-2010 General Tables, increased 21%
Teachers – Males Pub-2010 Teacher Tables, increased 12%
Teachers – Females Pub-2010 Teacher Tables, increased 21%
Fire & Police – Males Pub-2010 Safety Tables, increased 21%
Fire & Police – Females Pub-2010 Safety Tables, increased 26%
Disabled Members – Males Pub-2010 Disabled Tables, increased 38%
Disabled Members – Females Pub-2010 Disabled Tables, increased 36%

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2023, is based on the results of an actuarial valuation date of July 1, 2023.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2023.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

10 DEFINED BENEFIT PENSION PLAN (continued)

Asset Class	
Fixed Income	30.00%
US/Global Equity	55.00%
International Equity	15.00%
Cash	0.00%
Total	100.00%

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate.

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	\$ 46,945,656	\$ 26,102,075	\$ 9,066,356

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

11. SELF-FUNDED INSURANCE PLANS

Medical Insurance - Beginning October 2018, the County began partially self-insuring the cost of employee healthcare benefits. The County self-insures the first \$100,000 in claims per eligible participant. The County also purchases annual stop-loss insurance coverage for all claims in excess of \$100,000 per participant. An accrual for claims that have been incurred but not reported (IBNR claims liability), the claim liability is re-evaluated periodically to take into consideration recently settled claims, frequency of claims, and other economic and social factors.

Changes in the County's claim liability amounts are as follows:

IBNR claims liability, beginning of year	\$ 761,359
Current year claims and changes in estimates	3,369,535
Claims payments	<u>(3,797,578)</u>
IBNR claims liability, end of year	<u>\$ 333,316</u>

Dental Insurance - Beginning October 2019, the County began self-insuring the cost of employee dental benefits. An accrual for claims that have been incurred but not reported (IBNR claims liability), the claim liability is re-evaluated periodically to take into consideration recently settled claims, frequency of claims, and other economic and social factors.

Changes in the County's claim liability amounts are as follows:

IBNR claims liability, beginning of year	\$ 4,137
Current year claims and changes in estimates	151,462
Claims payments	<u>(144,994)</u>
IBNR claims liability, end of year	<u>\$ 10,605</u>

12. CONTINGENT LIABILITIES AND COMMITMENTS

Grants

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

12 CONTINGENT LIABILITIES AND COMMITMENTS (continued)

Lawsuits

There are two types of lawsuits which the County is presently defending. The first type involves insured claims against the County that are both defended and indemnified by the County's insurance carrier. Details involving this type of lawsuit can be obtained by contacting the County's risk manager. The County is presently self-insured for the first \$500,000 per claim. The second type of lawsuit facing the County involves uninsured claims. Presently the County is not defending any significant uninsured lawsuits. Management of the County will vigorously defend against both insured and uninsured claims. Presently there are no materially significant adverse claims pending against Bonner which would be covered through self- insurance.

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance.

13. RISK MANAGEMENT

The County accounts for the majority of transactions involving insurance claims, deductibles, and expenses in the tort fund, which is reported as part of the Special Revenue Funds. This fund has the power to levy an annual property tax to provide funds to pay for related expenditures.

Beginning October 2018, the County began a self-insured retention (SIR) program. In FY2023, the County is responsible to pay the first \$500,000 (per occurrence/wrongful act/accident) of a General Liability claim and \$100,000 for an auto, property, or equipment claim and the SIR program has an aggregate limit of \$10,000,000.

The County employs a risk manager, in concert with the County attorney, whose duties include drafting and reviewing contracts, monitoring and defending claims, and evaluating the adequacy of insurance coverage. The risk manager informs and educates employees of responsibilities regarding prevention of loss exposure related to their duties.

Insurance is maintained through Travelers Insurance Company. Travelers is an insurance company serving private and public entities and provides insurance for, general liability, auto liability, physical damage, and public officials' insurance. Liberty Mutual provides insurance for Bonner County property loss.

As of June 27, 2024, the County had a variety of outstanding claims. Currently, there four claims that have the potential of exceeding the SIR level.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

14. TURNBULL TRUST

Harp S. Turnbull has created a testamentary trust in favor of the Bonner County Road and Bridge Department. This trust is administered by the Idaho Community Foundation which has the sole authority to distribute interest amounts it deems appropriate annually for important County road projects. The County received \$154,158 during the year end September 30, 2022. The estate is not yet closed and more contributions from the trust are expected. The Board of County Commissioners is grateful for Mr. Turnbull's philanthropic kindness to the traveling public of Bonner County. The County Commissioners will utilize future revenues for important County road projects, consistent with the intent of Mr. Turnbull.

15. TAX ABATEMENT

Bonner County enters into property tax abatements with local businesses under Idaho Code

§63-602NN. Under the Code, the County may grant property tax abatements of up to 100 percent of plant investments that meet all tax incentive criteria as defined in I.C. §63-602NN (2).

For the County's fiscal year ended September 30, 2023, the following agreements are as follows:

- A 75% reduction in assessed value for investment in buildings or structural components of buildings which are included in the assessed value of the project for that particular tax year, effective for five years starting in tax year 2019. The total amount of exemption not to exceed \$3.16 million of assessed value effect for five (5) years starting in tax year 2019. For tax year 2022, the total exemption value was \$517,545.
- A 50% reduction in assessed value for investment in buildings or structural components of buildings which are included in the assessed value of the project for that particular tax year, effective for five years starting in tax year 2019. The total amount of exemption not to exceed \$8.49 million of assessed value effect for five (5) years starting in tax year 2019. For tax year 2022, the total exemption value was \$1,537,698.
- A 50% reduction in assessed value for investment in buildings or structural components of buildings which are included in the assessed value of the project for that particular tax year, effective for five years starting in tax year 2019. The total amount of exemption not to exceed \$10.96 million of assessed value effect for five (5) years starting in tax year 2019. For tax year 2022, the total exemption value was \$1,751,422.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2023

15 TAX ABATEMENT (continued)

- A 75% reduction in assessed value for investment in buildings or structural components of buildings which are included in the assessed value of the project for that particular tax year, effective for five years starting in tax year 2019. The total amount of exemption not to exceed \$2.07 million of assessed value effect for five (5) years starting in tax year 2019. For tax year 2022, the total exemption value was \$455,138.

The tax abatement described above does not reduce the property tax levied by the County, rather, the market value used to set the levy rate was fractionally lower than if the abatement agreement was not in place.

REQUIRED SUPPLEMENTARY INFORMATION

Bonner County, Idaho
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Current Expense
For the Year Ended September 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Taxes	\$ 3,677,181	\$ 3,677,181	\$ 5,286,494	\$ 1,609,313
Intergovernmental	6,859,070	6,859,070	2,011,393	(4,847,677)
Licenses and Permits	670,845	670,845	601,996	(68,849)
Charges for Services	1,465,825	1,465,825	1,412,209	(53,616)
Interest Income	200,000	200,000	1,584,414	1,384,414
Miscellaneous	53,340	53,340	141,719	88,379
Total Revenues	<u>12,926,261</u>	<u>12,926,261</u>	<u>11,038,225</u>	<u>(1,888,036)</u>
Expenditures				
Current:				
General Government	10,143,719	10,143,719	9,325,751	817,968
Public Safety	447,388	464,418	359,231	105,187
Capital Outlay	6,260,967	6,260,967	2,059,380	4,201,587
Total Expenditures	<u>16,852,074</u>	<u>16,869,104</u>	<u>11,744,362</u>	<u>5,124,742</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,925,813)</u>	<u>(3,942,843)</u>	<u>(706,137)</u>	<u>3,236,706</u>
Other Financing Sources (Uses)				
Proceeds From Sale of Capital Asset	-	-	8,900	8,900
Transfers In	630,550	630,550	5,153,825	4,523,275
Total Other Financing Sources (Uses)	<u>630,550</u>	<u>630,550</u>	<u>5,162,725</u>	<u>4,532,175</u>
Net Change in Fund Balances	(3,295,263)	(3,312,293)	4,456,588	7,768,881
Fund Balances - Beginning	3,295,263	3,312,293	4,080,483	768,190
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,537,071</u>	<u>\$ 8,537,071</u>

Bonner County, Idaho
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Justice Fund
For the Year Ended September 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Taxes	\$ 17,423,657	\$ 17,423,657	\$ 15,753,194	\$ (1,670,463)
Intergovernmental	2,885,000	2,885,000	4,148,915	1,263,915
Licenses and Permits	375,000	375,000	373,395	(1,605)
Charges for Services	1,492,180	1,492,180	1,195,082	(297,098)
Miscellaneous	120,284	120,284	197,784	77,500
Total Revenues	<u>22,296,121</u>	<u>22,296,121</u>	<u>21,668,370</u>	<u>(627,751)</u>
Expenditures				
Current:				
Public Safety	22,598,613	22,467,193	20,195,832	2,271,361
Capital Outlay	898,120	1,050,120	722,155	327,965
Total Expenditures	<u>23,496,733</u>	<u>23,517,313</u>	<u>20,917,987</u>	<u>2,599,326</u>
Net Change in Fund Balances	(1,200,612)	(1,221,192)	750,383	1,971,575
Fund Balances - Beginning	1,200,612	1,221,192	6,639,695	5,418,503
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,390,078</u>	<u>\$ 7,390,078</u>

Bonner County, Idaho
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Road and Bridge Fund
For the Year Ended September 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Taxes	\$ 6,327,970	\$ 6,327,970	\$ 5,813,267	\$ (514,703)
Intergovernmental	4,201,026	4,201,026	6,327,496	2,126,470
Miscellaneous	70,000	70,000	105,674	35,674
Total Revenues	<u>10,598,996</u>	<u>10,598,996</u>	<u>12,246,437</u>	<u>1,647,441</u>
Expenditures				
Current:				
Roads and Bridge	10,274,177	12,243,900	10,117,595	2,126,305
Capital Outlay	250,000	280,642	657,736	(377,094)
Debt Service:				
Principal	305,000	305,000	215,870	89,130
Interest	-	-	80,835	(80,835)
Total Expenditures	<u>10,829,177</u>	<u>12,829,542</u>	<u>11,072,036</u>	<u>1,757,506</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(230,181)</u>	<u>(2,230,546)</u>	<u>1,174,401</u>	<u>3,404,947</u>
Other Financing Sources (Uses)				
Proceeds From Long-Term Financing	-	-	363,900	363,900
Transfers In	-	-	60,657	60,657
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>424,557</u>	<u>424,557</u>
Net Change in Fund Balances	(230,181)	(2,230,546)	1,598,958	3,829,504
Fund Balances - Beginning	230,181	2,230,546	3,129,976	899,430
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,728,934</u>	<u>\$ 4,728,934</u>

Bonner County, Idaho
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Grants Fund
For the Year Ended September 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Intergovernmental	\$ 3,000,000	\$ 3,000,000	\$ 9,578,326	\$ 6,578,326
Total Revenues	<u>3,000,000</u>	<u>3,000,000</u>	<u>9,578,326</u>	<u>6,578,326</u>
Expenditures				
Current:				
Public Safety	3,000,000	3,000,000	2,359,989	640,011
Total Expenditures	<u>3,000,000</u>	<u>3,000,000</u>	<u>2,359,989</u>	<u>640,011</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>7,218,337</u>	<u>7,218,337</u>
Other Financing Sources (Uses)				
Transfers (Out)	-	-	(7,308,622)	(7,308,622)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(7,308,622)</u>	<u>(7,308,622)</u>
Net Change in Fund Balances	-	-	(90,285)	(90,285)
Fund Balances - Beginning	-	-	136,369	136,369
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,084</u>	<u>\$ 46,084</u>

Bonner County, Idaho
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Ambulance District
For the Year Ended September 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Taxes	\$ 15,735	\$ 15,735	\$ 2,870,709	\$ 2,854,974
Intergovernmental	2,279,690	2,279,690	-	(2,279,690)
Charges for Services	1,300,000	1,300,000	1,540,554	240,554
Interest Income	3,000	3,000	83,923	80,923
Miscellaneous	16,000	16,000	21,149	5,149
Total Revenues	<u>3,614,425</u>	<u>3,614,425</u>	<u>4,516,335</u>	<u>901,910</u>
Expenditures				
Current:				
Emergency Medical Expenses	4,384,937	4,600,937	4,908,068	(307,131)
Capital Outlay	2,466,690	2,928,929	636,879	2,292,050
Debt Service:				
Principal	108,566	108,566	92,462	16,104
Interest	-	-	16,104	(16,104)
Total Expenditures	<u>6,960,193</u>	<u>7,638,432</u>	<u>5,653,513</u>	<u>1,984,919</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,345,768)</u>	<u>(4,024,007)</u>	<u>(1,137,178)</u>	<u>2,886,829</u>
Other Financing Sources (Uses)				
Transfers In	-	-	2,279,690	2,279,690
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,279,690</u>	<u>2,279,690</u>
Net Change in Fund Balances	(3,345,768)	(4,024,007)	1,142,512	5,166,519
Fund Balances - Beginning	<u>3,345,768</u>	<u>4,024,007</u>	<u>924,490</u>	<u>(3,099,517)</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,067,002</u>	<u>\$ 2,067,002</u>

Bonner County, Idaho
Notes to Required Supplementary Information
For the Year Ended September 30, 2023

1. BUDGETS AND BUDGETARY ACCOUNTING

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

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

Bonner County, Idaho
Schedule of Required Supplemental Information
Public Employees Retirement System of Idaho
Last 10 - Fiscal Years*

Schedule of the County's Proportionate Share of Net Pension Liability

Year	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Employee Payroll	County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.6540774%	\$ 26,102,075	\$ 27,084,581	96.37%	83.83%
2022	0.6454387%	25,422,268	25,227,005	100.77%	83.09%
2021	0.6426216%	(507,529)	23,769,291	-2.14%	100.36%
2020	0.6339533%	14,721,234	22,374,323	65.80%	88.22%
2019	0.6224781%	7,105,414	20,944,598	33.92%	93.79%
2018	0.6053360%	8,928,812	19,294,118	46.28%	91.69%
2017	0.5979120%	9,398,150	18,394,362	51.09%	90.68%
2016	0.5813633%	11,785,127	16,841,635	69.98%	87.26%
2015	0.5581300%	7,349,664	15,484,685	47.46%	91.38%
2014	0.5483179%	4,036,478	14,713,655	27.43%	94.95%

Data reported is measured as of June 30, 2023

Schedule of County Contributions

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	County's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2023	\$ 3,264,150	\$ 3,264,150	\$ -	\$ 27,084,581	12.05%
2022	3,039,030	3,039,030	-	25,227,006	12.05%
2021	2,863,423	2,863,423	-	23,769,291	12.05%
2020	2,695,375	2,695,375	-	22,374,323	12.05%
2019	2,393,260	2,393,260	-	20,944,598	11.43%
2018	2,204,666	2,204,666	-	19,294,118	11.43%
2017	2,102,207	2,102,207	-	18,394,362	11.43%
2016	1,924,753	1,924,753	-	16,841,635	11.43%
2015	1,769,663	1,769,663	-	15,484,685	11.43%
2014	1,681,546	1,681,546	-	14,713,655	11.43%

Data reported is measured as of September 30, 2023

SUPPLEMENTAL INFORMATION

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
For the Year Ended September 30, 2023

	Total Nonmajor Special Revenue Funds	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 7,536,912	\$ 241	\$ 7,537,153
Receivables, Net:			
Taxes	185,042	-	185,042
Unbilled Taxes	6,891,793	-	6,891,793
Interest	4,900	-	4,900
Fees	877	-	877
Accounts	68,268	-	68,268
Prepaid Items	616,594	-	616,594
Due From Other Governments	376,814	-	376,814
Due From Other Funds	266,486	-	266,486
Total Assets	<u>\$ 15,947,686</u>	<u>\$ 241</u>	<u>\$ 15,947,927</u>
Liabilities			
Warrants Payable	\$ 13,791	\$ -	\$ 13,791
Accounts Payable	366,981	-	366,981
Accrued Payroll	163,917	-	163,917
Accrued Retirement Payable	18,023	-	18,023
Total Liabilities	<u>562,712</u>	<u>-</u>	<u>562,712</u>
Deferred Inflows			
Deferred revenue	162,083		162,083
Unavailable Tax Revenue	6,891,793	-	6,891,793
Total Deferred Inflows	<u>7,053,876</u>	<u>-</u>	<u>7,053,876</u>
Fund Balances			
Nonspendable	616,594	-	616,594
Assigned	350,000	-	350,000
Restricted For:			
General Governmental	3,432,094	-	3,432,094
Public Safety	2,387,634		2,387,634
Historical Society and Recreation	507,369		507,369
Health and Welfare	398,724		398,724
Weeds	30,724		30,724
Road Construction	607,959		607,959
Capital Projects	-	241	241
Unassigned	-		-
Total Fund Balances	<u>8,331,098</u>	<u>241</u>	<u>8,331,339</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 15,947,686</u>	<u>\$ 241</u>	<u>\$ 15,947,927</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2023

	Airport	Elections	Drug Court	District Court	County Fair
Assets					
Cash and Cash Equivalents	\$ 467,503	\$ 616,403	\$ 88,978	\$ 842,132	\$ 235,376
Receivables, Net:					
Taxes	4,356	-	-	60,134	12,636
Unbilled Taxes	227,910	-	-	1,921,720	466,134
Interest	-	-	-	-	-
Fees	-	-	-	-	-
Accounts	16,590	-	-	-	-
Prepaid Items	450	-	-	-	-
Due From Other Governments	-	36,025	7,273	112,513	-
Due From Other Funds	266,486	-	-	-	-
Total Assets	<u>\$ 983,295</u>	<u>\$ 652,428</u>	<u>\$ 96,251</u>	<u>\$ 2,936,499</u>	<u>\$ 714,146</u>
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	24,718	2,590	889	60,814	-
Accrued Payroll	6,318	6,102	-	57,076	7,825
Accrued Retirement Payable	659	636	-	6,592	657
Total Liabilities	<u>31,695</u>	<u>9,328</u>	<u>889</u>	<u>124,482</u>	<u>8,482</u>
Deferred Inflows					
Deferred Revenue	3,735	-	-	52,754	11,064
Unavailable Tax Revenue	227,910	-	-	1,921,720	466,134
Total Deferred Inflows	<u>231,645</u>	<u>-</u>	<u>-</u>	<u>1,974,474</u>	<u>477,198</u>
Fund Balances					
Nonspendable	450	-	-	-	-
Assigned	200,000	-	-	150,000	-
Restricted For:					
General Governmental	519,505	643,100	-	-	-
Public Safety	-	-	95,362	687,543	-
Historical Society and Recreation	-	-	-	-	228,466
Health and Welfare	-	-	-	-	-
Weeds	-	-	-	-	-
Road Construction	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>719,955</u>	<u>643,100</u>	<u>95,362</u>	<u>837,543</u>	<u>228,466</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 983,295</u>	<u>\$ 652,428</u>	<u>\$ 96,251</u>	<u>\$ 2,936,499</u>	<u>\$ 714,146</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2023
(continued)

	911	Court Facility	Court Interlock Device	Health District	Historical Society
Assets					
Cash and Cash Equivalents	\$ 1,588,968	\$ 165,443	\$ 27,092	\$ 55,074	\$ 5,368
Receivables, Net:					
Taxes	-	-	-	14,152	785
Unbilled Taxes	-	-	-	510,095	25,569
Interest	4,900	-	-	-	-
Fees	-	-	-	-	-
Accounts	51,576	-	-	-	-
Prepaid Items	23,205	-	-	-	-
Due From Other Governments	-	1,110	-	-	-
Due From Other Funds	-	-	-	-	-
Total Assets	<u>\$ 1,668,649</u>	<u>\$ 166,553</u>	<u>\$ 27,092</u>	<u>\$ 579,321</u>	<u>\$ 31,722</u>
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	190,470	-	61	-	-
Accrued Payroll	39,433	-	-	-	-
Accrued Retirement Payable	4,396	-	-	-	-
Total Liabilities	<u>234,299</u>	<u>-</u>	<u>61</u>	<u>-</u>	<u>-</u>
Deferred Inflows					
Deferred Revenue	-	-	-	12,370	687
Unavailable Tax Revenue	-	-	-	510,095	25,569
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>522,465</u>	<u>26,256</u>
Fund Balances					
Nonspendable	23,205	-	-	-	-
Assigned	-	-	-	-	-
Restricted For:					
General Governmental	-	-	-	-	-
Public Safety	1,411,145	166,553	27,031	-	-
Historical Society and Recreation	-	-	-	-	5,466
Health and Welfare	-	-	-	56,856	-
Weeds	-	-	-	-	-
Road Construction	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>1,434,350</u>	<u>166,553</u>	<u>27,031</u>	<u>56,856</u>	<u>5,466</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,668,649</u>	<u>\$ 166,553</u>	<u>\$ 27,092</u>	<u>\$ 579,321</u>	<u>\$ 31,722</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2023
(continued)

	Indigent and Charity	Junior College	Revaluation	Tort	Weeds
Assets					
Cash and Cash Equivalents	\$ 341,801	\$ 1,024,708	\$ 611,106	\$ 478,780	\$ 25,799
Receivables, Net:					
Taxes	-	-	40,807	41,891	4,855
Unbilled Taxes	-	-	1,585,642	1,792,324	166,456
Interest	-	-	-	-	-
Fees	-	-	-	-	-
Accounts	-	-	-	-	-
Prepaid Items	-	-	-	592,289	-
Due From Other Governments	-	88,105	54,390	-	10,075
Due From Other Funds	-	-	-	-	-
Total Assets	<u>\$ 341,801</u>	<u>\$ 1,112,813</u>	<u>\$ 2,291,945</u>	<u>\$ 2,905,284</u>	<u>\$ 207,185</u>
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ 13,791	\$ -
Accounts Payable	-	66,275	6,334	5,470	2,928
Accrued Payroll	(67)	-	34,714	-	2,551
Accrued Retirement Payable	-	-	3,809	-	266
Total Liabilities	<u>(67)</u>	<u>66,275</u>	<u>44,857</u>	<u>19,261</u>	<u>5,745</u>
Deferred Inflows					
Deferred Revenue	-	-	35,852	36,620	4,260
Unavailable Tax Revenue	-	-	1,585,642	1,792,324	166,456
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>1,621,494</u>	<u>1,828,944</u>	<u>170,716</u>
Fund Balances					
Nonspendable	-	-	-	592,289	-
Assigned	-	-	-	-	-
Restricted For:					
General Governmental	-	1,046,538	625,594	464,790	-
Public Safety	-	-	-	-	-
Historical Society and Recreation	-	-	-	-	-
Health and Welfare	341,868	-	-	-	-
Weeds	-	-	-	-	30,724
Road Construction	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>341,868</u>	<u>1,046,538</u>	<u>625,594</u>	<u>1,057,079</u>	<u>30,724</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 341,801</u>	<u>\$ 1,112,813</u>	<u>\$ 2,291,945</u>	<u>\$ 2,905,284</u>	<u>\$ 207,185</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2023
(continued)

	<u>Parks and Recreation</u>	<u>Special Highway</u>	<u>Snowmobile Priest Lake</u>	<u>Snowmobile Sandpoint</u>	<u>Waterways</u>
Assets					
Cash and Cash Equivalents	\$ 92,278	\$ 545,458	\$ 98,667	\$ 52,379	\$ 40,633
Receivables, Net:					
Taxes	5,410	-	-	-	-
Unbilled Taxes	195,943	-	-	-	-
Interest	-	-	-	-	-
Fees	-	-	-	-	-
Accounts	102	-	-	-	-
Prepaid Items	-	-	-	-	650
Due From Other Governments	-	62,500	-	-	4,823
Due From Other Funds	-	-	-	-	-
Total Assets	<u>\$ 293,733</u>	<u>\$ 607,958</u>	<u>\$ 98,667</u>	<u>\$ 52,379</u>	<u>\$ 46,106</u>
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	2,383	-	-	1,347	2,702
Accrued Payroll	4,774	(1)	354	-	4,838
Accrued Retirement Payable	504	-	-	-	504
Total Liabilities	<u>7,661</u>	<u>(1)</u>	<u>354</u>	<u>1,347</u>	<u>8,044</u>
Deferred Inflows					
Deferred Revenue	4,741	-	-	-	-
Unavailable Tax Revenue	195,943	-	-	-	-
Total Deferred Inflows	<u>200,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	-	-	650
Assigned	-	-	-	-	-
Restricted For:					
General Governmental	-	-	-	-	-
Public Safety	-	-	-	-	-
Historical Society and Recreation	85,388	-	98,313	51,032	37,412
Health and Welfare	-	-	-	-	-
Weeds	-	-	-	-	-
Road Construction	-	607,959	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>85,388</u>	<u>607,959</u>	<u>98,313</u>	<u>51,032</u>	<u>38,062</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 293,733</u>	<u>\$ 607,958</u>	<u>\$ 98,667</u>	<u>\$ 52,379</u>	<u>\$ 46,106</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2023
(continued)

	Special County Projects	Drainage District	Translator District	Total
Assets				
Cash and Cash Equivalents	\$ 107,313	\$ 24,992	\$ 661	\$ 7,536,912
Receivables, Net:				
Taxes	-	5	11	185,042
Unbilled Taxes	-	-	-	6,891,793
Interest	-	-	-	4,900
Fees	-	257	620	877
Accounts	-	-	-	68,268
Prepaid Items	-	-	-	616,594
Due From Other Governments	-	-	-	376,814
Due From Other Funds	-	-	-	266,486
Total Assets	<u>\$ 107,313</u>	<u>\$ 25,254</u>	<u>\$ 1,292</u>	<u>\$ 15,947,686</u>
Liabilities				
Warrants Payable	\$ -	\$ -	\$ -	\$ 13,791
Accounts Payable	-	-	-	366,981
Accrued Payroll	-	-	-	163,917
Accrued Retirement Payable	-	-	-	18,023
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>562,712</u>
Deferred Inflows				
Deferred Revenue	-	-	-	162,083
Unavailable Tax Revenue	-	-	-	6,891,793
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,053,876</u>
Fund Balances				
Nonspendable	-	-	-	616,594
Assigned	-	-	-	350,000
Restricted For:				
General Governmental	107,313	25,254	-	3,432,094
Public Safety	-	-	-	2,387,634
Historical Society and Recreation	-	-	1,292	507,369
Health and Welfare	-	-	-	398,724
Weeds	-	-	-	30,724
Road Construction	-	-	-	607,959
Unassigned	-	-	-	-
Total Fund Balances	<u>107,313</u>	<u>25,254</u>	<u>1,292</u>	<u>8,331,098</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 107,313</u>	<u>\$ 25,254</u>	<u>\$ 1,292</u>	<u>\$ 15,947,686</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2023

	Total Nonmajor Special Revenue Funds	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$ 6,012,466	\$ -	\$ 6,012,466
Intergovernmental	1,833,119	-	1,833,119
License and Permits	248,097	-	248,097
Charges for Services	2,207,283	-	2,207,283
Fines	126,273	-	126,273
Interest Income	52,909	-	52,909
Miscellaneous	525,887	-	525,887
Total Revenues	<u>11,006,034</u>	<u>-</u>	<u>11,006,034</u>
Expenditures			
General Government	3,631,873	-	3,631,873
Public Safety	4,334,705	-	4,334,705
Road and Bridge	285,069	-	285,069
Weeds	144,308	-	144,308
Health	507,552	-	507,552
Welfare	43,239	-	43,239
Junior College	130,393	-	130,393
Historical Society and Recreation	897,302	-	897,302
Capital Outlay	251,452	-	251,452
Total Expenditures	<u>10,225,893</u>	<u>-</u>	<u>10,225,893</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>780,141</u>	<u>-</u>	<u>780,141</u>
Other Financing Sources (Uses)			
Transfers In	145,000	-	145,000
Transfers (Out)	(630,550)	-	(630,550)
Total Other Financing Sources (Uses)	<u>(485,550)</u>	<u>-</u>	<u>(485,550)</u>
Net Change in Fund Balances	294,591	-	294,591
Fund Balances - Beginning	8,036,507	241	8,036,748
Fund Balances - Ending	<u>\$ 8,331,098</u>	<u>\$ 241</u>	<u>\$ 8,331,339</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2023

	Airport	Elections	Drug Court	District Court	County Fair
Revenues					
Property Taxes	\$ 125,326	\$ -	\$ -	\$ 1,989,100	\$ 404,877
Intergovernmental	1,248	521,087	-	468,113	4,187
License and Permits	-	-	-	-	-
Charges for Services	50,347	-	8,336	48,404	-
Fines	-	-	-	126,273	-
Interest Income	-	-	-	-	-
Miscellaneous	115,732	737	28,584	134,712	-
Total Revenues	<u>292,653</u>	<u>521,824</u>	<u>36,920</u>	<u>2,766,602</u>	<u>409,064</u>
Expenditures					
General Government	372,618	447,747	-	-	-
Public Safety	-	-	13,435	2,432,223	-
Road and Bridge	-	-	-	-	-
Weeds	-	-	-	-	-
Health	-	-	-	-	-
Welfare	-	-	-	-	-
Junior College	-	-	-	-	-
Historical Society and Recreation	-	-	-	-	317,633
Capital Outlay	-	1,788	-	17,881	22,888
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>372,618</u>	<u>449,535</u>	<u>13,435</u>	<u>2,450,104</u>	<u>340,521</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(79,965)</u>	<u>72,289</u>	<u>23,485</u>	<u>316,498</u>	<u>68,543</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers (Out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(79,965)	72,289	23,485	316,498	68,543
Fund Balances - Beginning	799,920	570,811	71,877	521,045	159,923
Fund Balances - Ending	<u>\$ 719,955</u>	<u>\$ 643,100</u>	<u>\$ 95,362</u>	<u>\$ 837,543</u>	<u>\$ 228,466</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2023

	911	Court Facility	Court Interlock Device	Health District	Historical Society
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ 507,470	\$ 25,236
Intergovernmental	-	-	-	5,302	262
License and Permits	-	-	-	-	-
Charges for Services	2,035,283	14,250	-	-	-
Fines	-	-	-	-	-
Interest Income	52,909	-	-	-	-
Miscellaneous	-	-	3,774	-	-
Total Revenues	<u>2,088,192</u>	<u>14,250</u>	<u>3,774</u>	<u>512,772</u>	<u>25,498</u>
Expenditures					
General Government					
Public Safety	1,883,712	-	5,374	-	-
Road and Bridge	-	-	-	-	-
Weeds	-	-	-	-	-
Health	-	-	-	507,552	-
Welfare	-	-	-	-	-
Junior College	-	-	-	-	-
Historical Society and Recreation	-	-	-	-	25,000
Capital Outlay	187,629	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>2,071,341</u>	<u>-</u>	<u>5,374</u>	<u>507,552</u>	<u>25,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>16,851</u>	<u>14,250</u>	<u>(1,600)</u>	<u>5,220</u>	<u>498</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers (Out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	16,851	14,250	(1,600)	5,220	498
Fund Balances - Beginning	1,417,499	152,303	28,631	51,636	4,968
Fund Balances - Ending	<u>\$ 1,434,350</u>	<u>\$ 166,553</u>	<u>\$ 27,031</u>	<u>\$ 56,856</u>	<u>\$ 5,466</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2023

	Indigent and Charity	Junior College	Revaluation	Tort	Weeds
Revenues					
Property Taxes	\$ 7	\$ -	\$ 1,266,248	\$ 1,317,578	\$ 160,272
Intergovernmental	-	417,484	210,879	13,553	1,652
License and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines	-	-	-	-	-
Interest Income	-	-	-	-	-
Miscellaneous	410	-	-	-	1,217
Total Revenues	<u>417</u>	<u>417,484</u>	<u>1,477,127</u>	<u>1,331,131</u>	<u>163,141</u>
Expenditures					
General Government	-	-	1,429,030	1,380,588	-
Public Safety	-	-	-	-	-
Road and Bridge	-	-	-	-	-
Weeds	-	-	-	-	144,308
Health	-	-	-	-	-
Welfare	43,239	-	-	-	-
Junior College	-	130,393	-	-	-
Historical Society and Recreation	-	-	-	-	-
Capital Outlay	-	-	3,817	-	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>43,239</u>	<u>130,393</u>	<u>1,432,847</u>	<u>1,380,588</u>	<u>144,308</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(42,822)</u>	<u>287,091</u>	<u>44,280</u>	<u>(49,457)</u>	<u>18,833</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	65,000	-
Transfers (Out)	-	(630,550)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(630,550)</u>	<u>-</u>	<u>65,000</u>	<u>-</u>
Net Change in Fund Balances	(42,822)	(343,459)	44,280	15,543	18,833
Fund Balances - Beginning	384,690	1,389,997	581,314	1,041,536	11,891
Fund Balances - Ending	<u>\$ 341,868</u>	<u>\$ 1,046,538</u>	<u>\$ 625,594</u>	<u>\$ 1,057,079</u>	<u>\$ 30,724</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2023

	Parks and Recreation	Special Highway	Snowmobile Priest Lake	Snowmobile Sandpoint	Waterways
Revenues					
Property Taxes	\$ 178,526	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,852	187,500	-	-	-
License and Permits	-	-	58,993	28,312	160,792
Charges for Services	50,663	-	-	-	-
Fines	-	-	-	-	-
Interest Income	-	-	-	-	-
Miscellaneous	-	229,184	11,537	-	-
Total Revenues	<u>231,041</u>	<u>416,684</u>	<u>70,530</u>	<u>28,312</u>	<u>160,792</u>
Expenditures					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Road and Bridge	-	285,069	-	-	-
Weeds	-	-	-	-	-
Health	-	-	-	-	-
Welfare	-	-	-	-	-
Junior College	-	-	-	-	-
Historical Society and Recreation	198,968	-	70,204	36,359	215,209
Capital Outlay	-	-	-	-	17,449
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>198,968</u>	<u>285,069</u>	<u>70,204</u>	<u>36,359</u>	<u>232,658</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>32,073</u>	<u>131,615</u>	<u>326</u>	<u>(8,047)</u>	<u>(71,866)</u>
Other Financing Sources (Uses)					
Transfers In	-	-	10,000	-	70,000
Transfers (Out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>70,000</u>
Net Change in Fund Balances	32,073	131,615	10,326	(8,047)	(1,866)
Fund Balances - Beginning	53,315	476,344	87,987	59,079	39,928
Fund Balances - Ending	<u>\$ 85,388</u>	<u>\$ 607,959</u>	<u>\$ 98,313</u>	<u>\$ 51,032</u>	<u>\$ 38,062</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2023

	Special County Projects	Drainage District	Translator District	Total
Revenues				
Property Taxes	\$ -	\$ 3,607	\$ 34,219	\$ 6,012,466
Intergovernmental	-	-	-	1,833,119
License and Permits	-	-	-	248,097
Charges for Services	-	-	-	2,207,283
Fines	-	-	-	126,273
Interest Income	-	-	-	52,909
Miscellaneous	-	-	-	525,887
Total Revenues	-	3,607	34,219	11,006,034
Expenditures				
General Government	-	1,890	-	3,631,873
Public Safety	(39)	-	-	4,334,705
Road and Bridge	-	-	-	285,069
Weeds	-	-	-	144,308
Health	-	-	-	507,552
Welfare	-	-	-	43,239
Junior College	-	-	-	130,393
Historical Society and Recreation	-	-	33,929	897,302
Capital Outlay	-	-	-	251,452
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	(39)	1,890	33,929	10,225,893
Excess (Deficiency) of Revenues Over Expenditures	39	1,717	290	780,141
Other Financing Sources (Uses)				
Transfers In	-	-	-	145,000
Transfers (Out)	-	-	-	(630,550)
Total Other Financing Sources (Uses)	-	-	-	(485,550)
Net Change in Fund Balances	39	1,717	290	294,591
Fund Balances - Beginning	107,274	23,537	1,002	8,036,507
Fund Balances - Ending	<u>\$ 107,313</u>	<u>\$ 25,254</u>	<u>\$ 1,292</u>	<u>\$ 8,331,098</u>

Bonner County, Idaho
Nonmajor Special Revenue Funds
Supplemental Schedule of Revenue and Expenditures - Budget and Actual
For the Year Ended September 30, 2023

	Budgeted Revenue	Actual Revenue	Budgeted Expenditures	Actual Expenditures	Other Financing Sources and Uses	Beginning Fund Balance	Ending Fund Balance
Airport	\$ 407,626	\$ 292,653	\$ 606,053	\$ 372,618	\$ -	\$ 799,920	\$ 719,955
Elections	495,335	521,824	495,335	449,535	-	570,811	643,100
Drug Court	22,000	36,920	22,000	13,435	-	71,877	95,362
District Court	2,360,876	2,766,602	3,296,122	2,450,104	-	521,045	837,543
County Fair	455,476	409,064	425,414	340,521	-	159,923	228,466
911	2,826,620	2,091,692	3,258,453	2,074,841	-	1,417,499	1,434,350
Court Facilities	13,000	14,250	13,000	-	-	152,303	166,553
Court Interlock Device	5,400	3,774	5,400	5,374	-	28,631	27,031
Health District	497,493	512,772	507,551	507,552	-	51,636	56,856
Historical Society	25,000	25,498	25,000	25,000	-	4,968	5,466
Indigent and Charity	37,478	417	53,373	43,239	-	384,690	341,868
Junior College	290,000	417,484	290,000	760,943	(630,550)	1,389,997	1,046,538
Revaluation	1,705,755	1,477,127	1,505,893	1,432,847	-	581,314	625,594
Tort	1,740,418	1,396,131	1,670,418	1,380,588	65,000	1,041,536	1,057,079
Weeds	161,461	163,141	161,461	144,308	-	11,891	30,724
Parks and Recreation	207,658	231,041	207,658	198,968	-	53,315	85,388
Special Highway	370,000	416,684	395,374	285,069	-	476,344	607,959
Snowmobile - Priest Lake	45,000	80,530	72,140	70,204	10,000	87,987	98,313
Snowmobile - Sandpoint	30,000	28,312	44,802	36,359	-	59,079	51,032
Waterways	165,000	230,792	287,419	232,658	70,000	39,928	38,062
Special County Projects	-	39	-	-	-	107,274	107,313
Drainage District	-	3,607	-	1,890	-	23,537	25,254
Translator District	-	34,219	-	33,929	-	1,002	1,292
Total	<u>\$ 11,861,596</u>	<u>\$ 11,154,573</u>	<u>\$ 13,342,866</u>	<u>\$ 10,859,982</u>	<u>\$ (485,550)</u>	<u>\$ 8,036,507</u>	<u>\$ 8,331,098</u>

FEDERAL REPORTS

Bonner County, Idaho
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Flowthrough Number</u>	<u>Program Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Passed through State Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553	202221N109947	\$ 3,337
National School Lunch Program	10.555	202221N109947	1,684
Total Child Nutrition Cluster			<u>5,021</u>
Direct			
Forest Service Schools and Roads Cluster			
Schools and Roads - Grants to Counties	10.666		<u>60,443</u>
Total Forest Service Schools and Roads Cluster			<u>60,443</u>
Water and Waste Disposal Systems for Rural Communities	10.760		3,246,536
Passed through State Department of Lands			
Cooperative Forestry Assistance			
Cooperative Forestry Assistance	10.664	20-DG-11010000-021	176,053
Cooperative Forestry Assistance	10.664	17-DG-11010000-011	<u>26,403</u>
Total Cooperative Forestry Assistance			<u>202,456</u>
State & Private Forestry Hazardous Fuel Reduction Program	10.697	18-DG-11010000-011	179,211
State & Private Forestry Cooperative Fire Assistance	10.698	19-DG-11010000-024	<u>117,039</u>
Passed through State Department of Agriculture			<u>3,810,706</u>
<u>U.S. Department of Interior</u>			
Direct			
Payment in Lieu of Taxes	15.226		<u>960,561</u>
Total U.S. Department of Interior			<u>960,561</u>
<u>U.S. Department of Justice</u>			
Direct			
Crime Victim Assistance	16.575		38,108
Unknown	16.U01		<u>40,237</u>
Total U.S. Department of Justice			<u>78,345</u>

Bonner County, Idaho
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended September 30, 2023

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Flowthrough Number</u>	<u>Program Expenditures</u>
<u>U.S. Department of Transportation</u>			
Direct			
Airport Improvement Program	20.106		231,403
Total U.S. Department of Transportation			231,403
<u>U.S. Department of Treasury</u>			
Direct			
Coronavirus State and Local Fiscal Recovery Funds	21.027		8,083,965
Local Assistance & Tribal Consistency Funds	21.032		30,000
Total U.S. Department of Treasury			8,113,965
<u>U.S. Department of Health and Human Services</u>			
Passed through State Department of Health and Human Services			
Family Violence Prevention			
Family Violence Prevention	93.671	2102IDFVPS	17,205
Family Violence Prevention	93.671	2202IDFVPS	6,525
Family Violence Prevention	93.671	2002IDFVC6	29,980
Total Family Violence Prevention			53,710
Total U.S. Department of Health and Welfare			53,710
<u>U.S. Department of Homeland Security</u>			
Passed through State Department of Military Division			
Homeland Security Grant			
2020 Homeland Security Grant	97.067	EMW2020SS00070	7,186
2021 Homeland Security Grant	97.067	EMW2021SS00070	69,935
Total Homeland Security Grant			77,121
Emergency Management Performance Grants			
2021 Emergency Management Performance Grants	97.042	EMS2021EP00006	32,622
2020 Emergency Management Performance Grants	97.042	EMS2020EP00003	17,030
Total Emergency Management Performance Grants			49,652
Passed through Department of Park and Recreation			
Boating Safety	97.012	14.01.16	83,237
Total U.S. Department of Homeland Security			210,010
Total Federal Financial Assistance			\$ 13,458,700

Bonner County, Idaho
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Bonner County, Idaho under programs of the Federal Government for the year ended September 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Bonner County, Idaho, it is not intended to and does not present the financial position or changes in Net Position of Bonner County, Idaho.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. INDIRECT COST RATE

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



ZWYGART JOHN

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

Board of Commissioners
Bonner County
Sandpoint, 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, each major fund, and the aggregate remaining fund information of Bonner County, Idaho, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Bonner County, Idaho's basic financial statements, and have issued our report thereon dated June 27, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bonner 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 Bonner County, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of Bonner County, Idaho's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. We did identify certain deficiencies in internal controls, described in the accompanying Scheduling of Findings and Questioned Costs as item 2023-001, that we consider to be a material weakness.

Compliance and Other Matters

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

Bonner County's Response to Findings

Bonner County, Idaho's response to the findings identified in our audit is described in the accompanying corrective action plan. Bonner 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.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
June 27, 2024



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**Independent Auditor's Report on Compliance For Each
Major Program and on Internal Control Over Compliance
Required by Uniform Guidance**

Board of Commissioners
Bonner County
Sandpoint, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bonner County, Idaho's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Bonner County, Idaho's major federal programs for the year ended September 30, 2023. Bonner County, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Bonner County, Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Bonner County, Idaho and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Bonner County, Idaho's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Bonner County, Idaho's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Bonner County, Idaho's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government.

Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Bonner County, Idaho's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Bonner County, Idaho's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Bonner County, Idaho's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Bonner County, Idaho's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance, that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
June 27, 2024

Bonner County, Idaho
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

Significant deficiency(ies) disclosed? ☐ yes ☒ none reported

Material weakness(es) disclosed? ☒ yes ☐ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

Significant deficiency(ies) disclosed? ☐ yes ☒ none reported

Material weakness(es) disclosed? ☐ yes ☒ none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ yes ☒ no

Identification of major programs:

Assistance Listing Numbers

10.664

10.760

21.027

Name of Federal Program

Cooperative Forestry Assistance

Water and Waste Disposal Systems for Rural Communities

Coronavirus State & Local Fiscal Recovery

Dollar threshold used to distinguish between
Type A and Type B programs: \$750,000

Auditee qualified as low risk auditee? ☐ yes ☒ no

Section II - Financial Statement Findings

2023-001 - Controls over Bonner County Fair Board

Conditions

The Bonner County Fair Board lacked oversight for how funds were being spent and tracked through the fiscal year.

Criteria

The Bonner County Fair Board should have controls in place to make sure that funds are spent correctly and are being corrected tracked in their accounting software.

Effect or Potential Effect

The lack of oversight increases the risk of the financial statements having a material misstatement, whether due to error or fraud.

Recommendation

The Bonner County Fair Board should make sure that receipts are prepared and kept for all transactions. Vendor invoices should be reviewed and approved by the Board before payments are made, as evidenced by a signature. The bank statements for the Fair Board should also be reconciled on a monthly basis. The bank statements and reconciliations should be reviewed and approved by someone that didn't do the reconciliation. The reviewed documents should be signed or initialled and dated to show evidence of approval. The Board should also review monthly reports showing that all transactions were recorded into the accounting software.

Management Response / Corrective Action

The Bonner County Fair Board has hired a new outside bookkeeper and put new procedures in place to address these issues.

Section III - Findings and Questioned Costs for Federal Awards

No findings related to the federal awards were noted which would be required to be reported under generally accepted governmental auditing standards (GAGAS).

Bonner County, Idaho
Corrective Action Plan
For the Year Ended September 30, 2023

2023-001 - Controls over Bonner County Fair Board

Actions Taken By the Fair Board:

The Bonner County Fair Board has hired a new outside bookkeeper to review all transactions and perform monthly reconciliations. The outside bookkeeper has helped the Board to put in new procedures to make sure that all transactions are being reviewed and approved. The outside bookkeeper is also making sure that all transactions are being recorded in the accounting software by reconciling all bank accounts monthly. This information is also being presented to the board at each board meeting.

Anticipated Completion Date:

The Bonner County Fair Board has put these changes in place and have been following them for fiscal year 2024.

Bonner County, Idaho
Schedule of Prior Audit Findings
For the Year Ended September 30, 2023

2022-001 - 2CFR200.318(a) General Procurement Standards

Conditions:

The County did not have a written federal procurement policy and procedures throughout the majority of FY 2022.

Conditions: Current Status

The County adopted a written policy, in agreement with 2CFR200.318(a), on August 9, 2022. The adopted policy has been fully implemented.