

BONNER COUNTY, IDAHO

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended September 30, 2024

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Independent Auditor’s Report

Board of Commissioners
Bonner County, Idaho
Sandpoint, Idaho

Report on the Audit of the Financial Statements

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, 2024, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements as listed in the table of contents.

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Bonner County, Idaho, as of September 30, 2024, 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 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 opinions.

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 – 12 and 55 - 61 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.

The 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 combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards 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 May 7, 2025 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.

Zwyzart John & Associates, CPAs PLLC

Nampa, Idaho
May 7, 2025

Bonner County, Idaho

Management's Discussion and Analysis (MD&A) For the Fiscal Year Ended September 30, 2024

As management of Bonner County, we are pleased to provide this narrative overview and analysis of the County's financial performance for the fiscal year ended September 30, 2024. This discussion is intended to help readers understand the County's financial position and the results of operations compared to the prior year.

We encourage readers to review this section in conjunction with the County's audited financial statements and accompanying notes.

Financial Highlights

- **Government-wide Net Position** increased by \$2.66 million from FY2023 to FY2024, ending at **\$72.98 million**. This includes net positions of \$65.04 million for governmental activities and \$7.94 million for business-type activities.
 - **Total revenues (government-wide)** were **\$75.7 million**, including program revenues of \$10.8 million and general revenues of \$64.6 million.
 - **Total expenses (government-wide)** were **\$81.0 million**, resulting in a **decrease in net position of \$61.9 million before general revenues** were applied.
 - **Fund balance in governmental funds** increased modestly by **\$0.55 million**, ending at **\$31.6 million**, despite increased capital and operating expenditures.
 - **Solid Waste (business-type activity)** reported a **net loss of \$65,846**, ending the year with a strong **net position of \$7.94 million**.
-

Overview of the Financial Statements

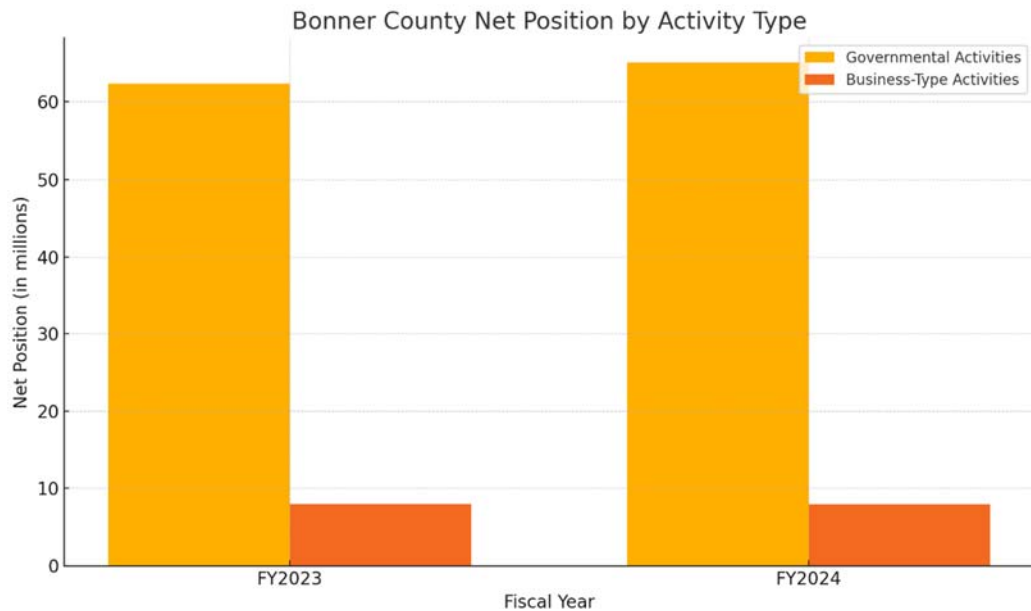
The County's financial statements consist of three components:

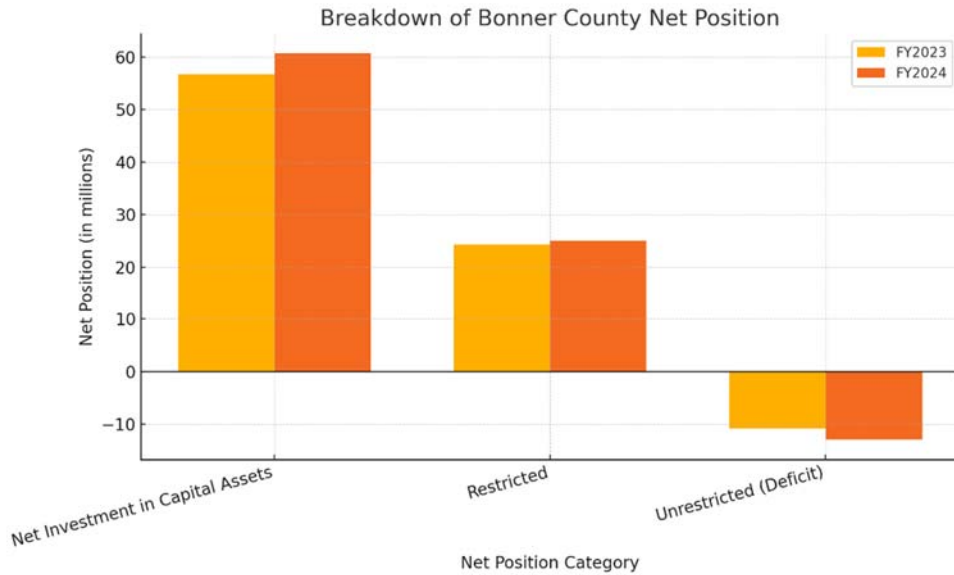
1. **Government-wide financial statements**, which provide a broad overview of the County's operations using the accrual basis of accounting.
2. **Fund financial statements**, which focus on individual funds using the modified accrual basis (governmental) and accrual basis (proprietary).
3. **Notes to the financial statements**, which provide additional detail and context.

Government-wide Financial Analysis

Net Position (in millions):

Category	FY2023	FY2024	Change
Assets	\$148.33	\$113.66	-\$34.67
Deferred Outflows	\$10.37	\$5.39	-\$4.98
Total Assets & Deferred	\$158.70	\$119.05	-\$39.65
Liabilities	\$42.94	\$43.39	+\$0.45
Deferred Inflows	\$45.45	\$2.68	-\$42.77
Total Liabilities & Deferred	\$88.39	\$46.07	-\$42.32
Net Position			
Net Investment in Capital Assets	\$51.55	\$60.76	+\$9.21
Restricted Net Position	\$20.83	\$25.12	+\$4.29
Unrestricted (Deficit)	(\$2.07)	(\$12.90)	-\$10.83
Total Net Position	\$70.31	\$72.98	+\$2.67





Key Changes:

- Governmental activities benefited from **\$37.2 million in property tax revenue, \$11.5 million in intergovernmental revenue, and \$5.8 million in self-funded insurance contributions.**
- Solid Waste experienced an **operating loss** of \$5.26 million, largely offset by \$5.28 million in special assessment revenue and \$17,000 in investment income.

Governmental Funds Financial Analysis

- **General Fund** (Current Expense): Ended with a fund balance of **\$4.67 million**, down from \$8.53 million, due to increased capital outlays and operating costs.
- **Justice Fund**: Grew to **\$9.69 million**, supported by steady tax revenue and reduced expenditures.
- **Road & Bridge Fund**: Increased to **\$8.36 million**, aided by higher state and federal transportation funding.
- **Grants Fund**: Reported a **deficit of \$423,224** at year-end due to timing of grant reimbursements.
- **Ambulance District**: Fund balance declined to **\$759,017**, due to a \$2.6 million net cost of operations.

Revenues and Expenditures:

- **Total Revenues (Governmental Funds):** \$67.8 million
 - **Total Expenditures:** \$70.9 million
 - **Net Change in Fund Balances:** (\$3.1 million), offset by \$3.7 million in financing sources and transfers
-

Capital Assets and Debt

- **Capital assets (net of depreciation)** totaled **\$65.78 million**, including roads, buildings, equipment, and construction in progress.
- Major additions in FY2024 included **\$9.79 million in capital outlay**, primarily for road equipment and infrastructure.
- **Total long-term liabilities** were **\$43.4 million**, including:
 - \$22.7 million in net pension liabilities
 - \$10.8 million in long-term financing
 - \$2.25 million in compensated absences

Bonner County issued **\$8.14 million in USDA debt** to support Solid Waste capital improvements and entered **\$2.5 million in new lease financing** for road and EMS equipment.

Self-Funded Insurance Funds

- The **Self-Funded Medical and Dental Insurance funds** reported a **combined net gain of \$657,761**, ending with **\$1.65 million in net position**.
 - These internal service funds are operating efficiently and remain financially stable to meet employee claims.
-

Fiduciary Activities

- The County collected **\$48.1 million** in property taxes and fees on behalf of other taxing entities and distributed **\$48.4 million**, ending the year with **\$1.56 million in custodial net position**.
-

Department Highlights – FY2024

Fairgrounds

- **Effective October 1, 2022, the Bonner County Fairgrounds became a separate reporting unit in the County’s financial statements.**
 - **Governed by a seven-member board, the Fairgrounds is funded through County property taxes and event revenue from the annual fair, rodeo, and community rentals.**
 - **Continued operation and capital improvements are supported by the County and managed independently under the Fair Board.**
-

Human Resources (HR)

- **Medical Claims: Paid claims rose from \$2.4 million in FY2022–23 to \$3.2 million in FY2023–24.**
 - **Dental Insurance: Maintained a strong 90.6% loss ratio, reflecting consistent and efficient plan management.**
 - **Current Year (2024–25): As of April 2024, medical claims are 8.7% higher than the prior year, yet the plan holds a \$558,865 surplus year to date.**
-

Risk Management

- **Liability Insurance: Costs increased significantly in 2024 over prior years.**
 - **Property Insurance: Increased by 28% due to rising insured values and replacement costs (\$503,255 to \$643,092).**
 - **Workers’ Compensation: The County’s MOD rate rose to 1.16, based on historical claims. SIF is expected to lower the County’s MOD to 1.14 for 2025.**
-

Road & Bridge

- **2024 Projects Completed:**
 - **Asphalt paving on East Dufort, Forest Siding, Bear Paw, Peterson Road, and others.**
 - **Chip Sealing of 46 miles of roadway.**

- Magnesium Chloride dust abatement applied to 300 miles.
 - **2025 Plans Include:**
 - Asphalt overlays on Sunnyside and Blanchard roads.
 - Over 45 miles of additional chip seal.
 - Bridge replacements on Rapid Lightning and Grouse Creek roads.
-

Planning Department

- Focused on completing an update to the Comprehensive Plan to guide future growth and land use.
 - **2023 Activity:**
 - Issued 1,208 building location permits, up from 1,159 in 2023.
 - Processed 659 land use applications, a 37% increase from 2023, reflecting broader development trends.
-

Emergency Medical Services (EMS)

- Responded to 4,775 calls for service in 2024.
 - Billing revenue exceeded \$1.7 million, offsetting operational costs.
 - Achieved an average response time of 1 minute 31 seconds, well below the 2-minute target.
 - Implemented Idaho's first pre-hospital ultrasound program approved for full clinical use.
 - Broke ground on Station 1 replacement in Sandpoint in fall 2024, a key infrastructure upgrade.
-

Solid Waste

- Completed construction of the Colburn Transfer Site in 2024, improving accessibility and service delivery.
- Tonnage processed decreased by 1.7%, totaling 52,146.74 tons for the year.

- **County solid waste sites collectively saw 542,555 visits, reflecting continued high demand for public disposal services.**
-

Economic Outlook and Budget Considerations

Bonner County remains financially stable, with adequate reserves and manageable debt. The County continues to face rising costs related to inflation, infrastructure, and employee benefits. Management is actively evaluating opportunities to enhance efficiency while ensuring the delivery of essential services.

The FY2025 budget was developed with a focus on:

- Sustainable use of fund balance
 - Improved cost allocation (e.g., internal service charges)
 - Ongoing investments in roads, EMS, and public safety infrastructure
-

Conclusion

The County's financial position remains sound, with a growing net position, strategic investments in capital assets, and careful oversight of restricted and general-purpose revenues. Management is committed to transparency, responsible stewardship, and the long-term sustainability of County operations.

Budget Performance

No departments exceeded their approved budgets in FY2024. The County's budgeting process remains conservative, and fund balances across most areas are stable or increasing.

Questions?

This summary was prepared to help the public understand Bonner County's financial health and major activities. For questions or additional information, please contact:

Board of County Commissioners

Bonner County Administrative Office

1500 Hwy 2, Suite 308

Sandpoint, Idaho 83864

Bonner County, Idaho
Statement of Net Position
September 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Fair Board
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 34,454,501	\$ 8,101,776	\$ 42,556,277	\$ 374,161
Receivables, Net:				
Taxes	1,049,965	-	1,049,965	-
Special Assessments	-	158,485	158,485	-
Interest	80,272	-	80,272	-
Fees	682	-	682	-
Accounts Receivable	286,120	50,503	336,623	13,839
Prepaid Items	92,260	-	92,260	-
Due From Other Governments	2,545,145	-	2,545,145	-
Total Current Assets	<u>38,508,945</u>	<u>8,310,764</u>	<u>46,819,709</u>	<u>388,000</u>
Restricted Assets:				
Deposits	95,828	-	95,828	-
Cash On Deposit with Fiscal Agent	-	664	664	-
Capital Assets:				
Land	4,847,148	518,416	5,365,564	-
Construction in Progress	12,208,647	7,497,665	19,706,312	-
Depreciable Assets, Net of Accumulated Depreciation	37,795,836	1,575,596	39,371,432	38,467
Right-of-Use Facility	1,508,775	-	1,508,775	-
Right-of-Use Equipment	218,134	5,160	223,294	12,544
Less: Accumulated Amortization	(390,652)	-	(390,652)	-
Total Capital Assets	<u>56,187,888</u>	<u>9,596,837</u>	<u>65,784,725</u>	<u>51,011</u>
Total Assets	<u>94,792,661</u>	<u>17,908,265</u>	<u>112,700,926</u>	<u>439,011</u>
Deferred Outflows				
Pension Related Items	5,160,684	230,754	5,391,438	-
Total Deferred Outflows	<u>5,160,684</u>	<u>230,754</u>	<u>5,391,438</u>	<u>-</u>
Liabilities				
Current Liabilities:				
Warrants Payable	50,480	-	50,480	61,043
Accounts Payable	2,536,414	768,610	3,305,024	-
Accrued Payroll	1,164,692	55,270	1,219,962	-
Accrued Retirement Payable	130,457	5,144	135,601	-
Accrued Interest	65,856	61,916	127,772	-
IBNR Claims Liability	437,536	-	437,536	-
Right of Use Liability, Due Within One Year	132,652	1,044	133,696	4,152
Long-Term Financing, Due Within One Year	266,655	776,922	1,043,577	-
Total Current Liabilities	<u>4,784,742</u>	<u>1,668,906</u>	<u>6,453,648</u>	<u>65,195</u>
Long-Term Liabilities:				
Compensated Absences	2,175,523	76,690	2,252,213	-
Right of Use Liability, Due After One Year	1,198,386	3,940	1,202,326	8,392
Long-Term Financing, Due After One Year	3,355,385	7,411,207	10,766,592	-
Net Pension Liability	21,747,141	972,396	22,719,537	-
Total Noncurrent Liabilities	<u>28,476,435</u>	<u>8,464,233</u>	<u>36,940,668</u>	<u>8,392</u>
Total Liabilities	<u>33,261,177</u>	<u>10,133,139</u>	<u>43,394,316</u>	<u>73,587</u>
Deferred Inflows				
Deferred Grant Revenue	1,080,341	-	1,080,341	-
Pension Related Items	1,528,963	68,366	1,597,329	-
Total Deferred Inflows	<u>2,609,304</u>	<u>68,366</u>	<u>2,677,670</u>	<u>-</u>
Net Position				
Invested in Capital Assets, Net of Related Debt	52,565,848	8,189,173	60,755,021	38,467
Restricted for:				
General Government	1,408,405	-	1,408,405	-
Public Safety	11,295,959	-	11,295,959	-
Emergency Medical Services	759,017	-	759,017	-
Road and Bridge	7,468,938	-	7,468,938	-
Weeds	42,481	-	42,481	-
Health and Welfare	87,962	-	87,962	-
Historical Society and Recreation	540,748	-	540,748	-
Debt Service	-	664	664	-
Self-Funded Insurance	1,654,311	-	1,654,311	-
Road Construction	909,192	-	909,192	-
Capital Outlay	241	-	241	-
Unrestricted (Deficit) Surplus	<u>(12,650,238)</u>	<u>(252,323)</u>	<u>(12,902,561)</u>	<u>326,957</u>
Total Net Position	<u>\$ 64,082,864</u>	<u>\$ 7,937,514</u>	<u>\$ 72,020,378</u>	<u>\$ 365,424</u>

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

Bonner County, Idaho
Statement of Activities
For the Year Ended September 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Unit	
					Governmental Activities	Business-type Activities	Total	Fair Board
Primary Government:								
Governmental Activities:								
General Government	\$ 22,554,926	\$ 1,469,282	\$ 1,869,526	\$ -	\$ (19,216,118)	\$ -	\$ (19,216,118)	\$ -
Public Safety	28,234,966	3,257,181	1,039,227	-	(23,938,558)	-	(23,938,558)	-
Emergency Medical Services	5,239,344	1,698,209	927,632	-	(2,613,503)	-	(2,613,503)	-
Road and Bridge	13,080,904	-	782,712	3,676,650	(8,621,542)	-	(8,621,542)	-
Weeds	163,800	-	-	-	(163,800)	-	(163,800)	-
Health	497,495	-	-	-	(497,495)	-	(497,495)	-
Welfare	19,292	-	-	-	(19,292)	-	(19,292)	-
Junior College	61,331	-	-	-	(61,331)	-	(61,331)	-
Historical Society and Recreation	906,621	38,412	-	-	(868,209)	-	(868,209)	-
Capital Outlay	273,743	-	-	-	(273,743)	-	(273,743)	-
Amortization	153,938	-	-	-	(153,938)	-	(153,938)	-
Interest on Long-Term Debt	147,844	-	-	-	(147,844)	-	(147,844)	-
Total Government Activities	<u>71,334,204</u>	<u>6,463,084</u>	<u>4,619,097</u>	<u>3,676,650</u>	<u>(56,575,373)</u>	<u>-</u>	<u>(56,575,373)</u>	<u>-</u>
Business-type Activities:								
Solid Waste	10,038,395	4,668,454	-	-	-	(5,369,941)	(5,369,941)	-
Total Business Activities	<u>10,038,395</u>	<u>4,668,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,369,941)</u>	<u>(7,555,593)</u>	<u>-</u>
Total Primary Government	<u>\$ 81,372,599</u>	<u>\$ 11,131,538</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(56,575,373)</u>	<u>(5,369,941)</u>	<u>(61,945,314)</u>	<u>-</u>
Component Units								
Fair Board	\$ 632,826	\$ 482,476	\$ 181,140	\$ -				30,790

General Revenues:				
Property Taxes	37,202,484	-	37,202,484	-
Special Assessments	-	5,283,904	5,283,904	-
Intergovernmental	10,563,496	-	10,563,496	-
License and Permits	1,065,602	-	1,065,602	-
Fines	133,104	-	133,104	-
Contributions to Self-Funded Insurance	5,829,970	-	5,829,970	-
Miscellaneous	1,201,430	2,907	1,204,337	-
Gain (Loss) on Sale of Asset	138,888	-	138,888	-
Investments Income	2,213,907	17,284	2,231,191	70
Total General Revenues and Special Items	<u>58,348,881</u>	<u>5,304,095</u>	<u>63,652,976</u>	<u>70</u>
Change in Net Position	1,773,508	(65,846)	1,707,662	30,860
Net Position, Beginning of Year	62,309,356	8,003,360	70,312,716	334,564
Net Position, End of Year	<u>\$ 64,082,864</u>	<u>\$ 7,937,514</u>	<u>\$ 72,020,378</u>	<u>\$ 365,424</u>

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

Bonner County, Idaho
Balance Sheet -
Governmental Funds
September 30, 2024

	General	Justice	Road and Bridge	Grants	Ambulance District	Nonmajor Funds	Total Governmental Funds
Assets							
Cash and Cash Equivalents	\$ 4,529,763	\$ 9,228,504	\$ 8,190,501	\$ 242,566	\$ 687,899	\$ 9,049,538	\$ 31,928,771
Receivables, Net:							
Taxes	121,505	478,424	179,895	-	80,665	189,476	1,049,965
Interest	80,212	-	-	60	-	-	80,272
Fees	-	-	-	-	-	682	682
Accounts	-	-	1,605	-	284,421	94	286,120
Prepaid Items	8,405	4,544	-	4,750	-	3,132	20,831
Due From Other Governments	392,128	690,272	124,201	1,218,977	-	119,567	2,545,145
Due From Other Funds	140,610	120,897	-	-	-	266,486	527,993
Total Assets	\$ 5,272,623	\$ 10,522,641	\$ 8,496,202	\$ 1,466,353	\$ 1,052,985	\$ 9,628,975	\$ 36,439,779
Liabilities							
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ 36,689	\$ 13,791	\$ 50,480
Accounts Payable	289,968	330,252	747,403	137,713	58,335	371,603	1,935,274
Accrued Payroll	186,984	512,801	115,042	40,963	116,293	192,609	1,164,692
Accrued Retirement Payable	23,213	57,831	12,195	1,787	15,464	19,967	130,457
Due To Other Funds	-	-	-	527,993	-	-	527,993
Total Liabilities	500,165	900,884	874,640	708,456	226,781	597,970	3,808,896
Deferred Inflows							
Deferred Grant Revenue	-	-	-	1,080,341	-	-	1,080,341
Deferred revenue	99,295	389,089	152,624	-	67,187	150,603	858,798
Total Deferred Inflows	99,295	389,089	152,624	1,080,341	67,187	150,603	1,939,139
Fund Balances							
Nonspendable	8,405	4,544	-	4,750	-	3,132	20,831
Assigned	1,400,000	2,817,909	800,000	-	83,128	310,250	5,411,287
Restricted For:							
General Governmental	-	-	-	-	-	4,595,911	4,595,911
Public Safety	-	6,410,215	-	(327,194)	-	2,390,485	8,473,506
Road and Bridge	-	-	6,668,938	-	-	-	6,668,938
Emergency Medical Services	-	-	-	-	675,889	-	675,889
Historical Society and Recreation	-	-	-	-	-	540,748	540,748
Health and Welfare	-	-	-	-	-	87,962	87,962
Weeds	-	-	-	-	-	42,481	42,481
Road Construction	-	-	-	-	-	909,192	909,192
Capital Projects	-	-	-	-	-	241	241
Unassigned	3,264,758	-	-	-	-	-	3,264,758
Total Fund Balances	4,673,163	9,232,668	7,468,938	(322,444)	759,017	8,880,402	30,691,744
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 5,272,623	\$ 10,522,641	\$ 8,496,202	\$ 1,466,353	\$ 1,052,985	\$ 9,628,975	\$ 36,439,779

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, 2024

Total Fund Balances - Governmental Funds \$ 30,691,744

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	\$ 17,055,795	
Cost of Depreciable Capital Assets	543,765,286	
Accumulated Depreciation	<u>(505,969,450)</u>	
		54,851,631

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	\$ 1,726,909	
Accumulated amortization	<u>(390,652)</u>	
		1,336,257

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. 858,798

Net position of internal service funds are included in government-wide Statement of Net Position 1,654,311

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	\$ (2,175,523)	
Right-of-use lease liability	(1,331,038)	
Accrued Interest	(65,856)	
Long-term financing	<u>(3,622,040)</u>	
		(7,194,457)

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	\$ (21,747,141)	
Pension Related Deferred Inflows	(1,528,963)	
Pension Related Deferred Outflows	<u>5,160,684</u>	
		(18,115,420)

Net Position of Governmental Activities \$ 64,082,864

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, 2024

	General	Justice	Road and Bridge	Grants	Ambulance District	Nonmajor Funds	Total Governmental Funds
Revenues							
Property Taxes	\$ 3,722,489	\$ 17,492,005	\$ 6,291,557	\$ -	\$ 3,001,041	\$ 6,805,683	\$ 37,312,775
Intergovernmental	1,925,704	3,767,809	7,554,665	3,800,382	-	1,810,683	18,859,243
Licenses and Permits	525,480	319,180	-	-	-	220,942	1,065,602
Charges for Services	1,434,542	1,111,616	-	-	1,698,209	2,218,717	6,463,084
Fines	-	-	-	-	-	133,104	133,104
Investment Income	2,106,713	-	-	-	55,916	46,727	2,209,356
Miscellaneous	139,957	257,773	302,424	-	25,480	475,796	1,201,430
Total Revenues	9,854,885	22,948,383	14,148,646	3,800,382	4,780,646	11,711,652	67,244,594
Expenditures							
Current:							
General Government	9,827,098	-	-	-	-	4,036,128	13,863,226
Public Safety	361,764	20,644,638	-	2,293,084	-	4,711,753	28,011,239
Emergency Medical	-	-	-	-	5,171,655	-	5,171,655
Road and Bridge	-	-	10,708,154	-	-	51,550	10,759,704
Weeds	-	-	-	-	-	155,593	155,593
Health	-	-	-	-	-	497,495	497,495
Welfare	-	-	-	-	-	19,292	19,292
Junior College	-	-	-	-	-	61,331	61,331
Historical Society and Recreation	-	-	-	-	-	903,750	903,750
Capital Outlay	4,394,979	472,656	2,665,949	-	2,308,497	221,972	10,064,053
Debt Service:							
Principal	-	-	1,572,463	-	94,755	-	1,667,218
Interest	-	-	115,076	-	13,723	-	128,799
Total Expenditures	14,583,841	21,117,294	15,061,642	2,293,084	7,588,630	10,658,864	71,303,355
Excess (Deficiency) of Revenues Over Expenditures	(4,728,956)	1,831,089	(912,996)	1,507,298	(2,807,984)	1,052,788	(4,058,761)
Other Financing Sources (Uses)							
Proceeds From Long-Term Financing	-	-	2,513,000	-	-	-	2,513,000
Gain/(Loss) on Sale of Assets	-	-	1,140,000	-	-	-	1,140,000
Transfers In	868,050	11,500	-	-	1,500,000	296,325	2,675,875
Transfers (Out)	-	-	-	(1,875,825)	-	(800,050)	(2,675,875)
Total Other Financing Sources (Uses)	868,050	11,500	3,653,000	(1,875,825)	1,500,000	(503,725)	3,653,000
Net Change in Fund Balances	(3,860,906)	1,842,589	2,740,004	(368,527)	(1,307,984)	549,063	(405,761)
Fund Balances - Beginning	8,534,069	7,390,079	4,728,934	46,083	2,067,001	8,331,098	31,097,505
Fund Balances - Ending	\$ 4,673,163	\$ 9,232,668	\$ 7,468,938	\$ (322,444)	\$ 759,017	\$ 8,880,161	\$ 30,691,744

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, 2024

Total Net Change in Fund Balance - Governmental Funds \$ (405,761)

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	\$ 9,790,310	
Depreciation Expense	(4,484,905)	
Cost of Disposed Capital Assets, Net of Accum. Depreciation	(1,001,112)	
Net		4,304,293

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. (110,291)

Net change of internal service funds not reflected in governments funds are included in the Statement of Activities 657,761

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. 1,314,090

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. (19,045)

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. (845,782)

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. (64,690)

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. (3,057,067)

Change in Net Assets of Governmental Activities \$ 1,773,508

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

Bonner County, Idaho
Statement of Net Position - Solid Waste Fund
September 30, 2024

Assets

Current Assets:

Cash and Cash Equivalents	\$	8,101,776
Special Assessments Receivable, Net		158,485
Accounts Receivable, Net		50,503
Restricted Assets:		
Cash on Deposit with Fiscal Agent		664
Total Current Assets		8,311,428

Noncurrent Assets:

Net Pension Asset		
Capital Assets:		
Land		518,416
Construction in Progress		7,497,665
Depreciable Assets, Net		1,575,596
Right of Use Assets		5,160
Total Noncurrent Assets		9,596,837
Total Assets		17,908,265

Deferred Outflows

Pension Related Items		230,754
Total Deferred Outflows		230,754

Liabilities

Current Liabilities:

Accounts Payable		768,610
Accrued Payroll		55,270
Accrued Retirement Payable		5,144
Accrued Interest		61,916
Current Portion - Lease		1,044
Current Portion - Debt		776,922
Total Current Liabilities		1,668,906

Noncurrent Liabilities:

Compensated Absences		76,690
Bonds and Notes Payable		7,411,207
Net Pension Liability		972,396
Lease Liability		3,940
Total Long-term Liabilities		8,464,233
Total Liabilities		10,133,139

Deferred Inflows

Pension Related Items		68,366
Total Deferred Inflows		68,366

Net Position

Net Investment in Capital Assets		1,403,548
Restricted for Debt Service		664
Unrestricted		6,533,302
Total Net Position	\$	7,937,514

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, 2024

Operating Revenues	
Charges for Services	\$ 4,668,454
Miscellaneous Income	2,907
Total Operating Revenues	4,671,361
Operating Expenses	
Salaries	1,188,720
Benefits	738,972
Other Services and Charges	7,628,968
Depreciation	370,500
Total Operating Expenses	9,927,160
Operating Income (Loss)	(5,255,799)
Nonoperating Revenues (Expenses)	
Special Assessments	5,283,904
Gain (Loss) on Disposal of Assets	-
Interest Earned	17,284
Interest Expensed	(111,235)
Total Nonoperating Revenues (Expenses)	5,189,953
Change in Net Position	(65,846)
Net Position - Beginning	8,003,360
Net Position - Ending	\$ 7,937,514

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, 2024

Cash Flows From Operating Activities	
Receipts from Customers	\$ 5,017,364
Payments to Suppliers	(7,752,860)
Payments to Employees for Services	(1,799,468)
Net Cash Provided (Used) by Operating Activities	<u>(4,534,964)</u>
Cash Flows From Noncapital Financing Activities	
Special Assessments	5,287,824
Cash Received from (Paid to) Other Funds	-
Intergovernmental Revenue	-
Donations	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,287,824</u>
Cash Flows From Capital and Related Financing Activities	
Purchases and Construction of Capital Assets	(3,749,457)
Loan Proceeds Received	8,137,000
Principal Paid on Capital Debt	(3,617,984)
Interest Paid on Capital Debt	(53,870)
Net Cash Used by Capital and Related Financing Activities	<u>715,689</u>
Cash Flows From Investing Activities	
Earnings On Investments	<u>17,284</u>
Net Cash Used by Investing Activities	<u>17,284</u>
Net Increase in Cash and Cash Equivalents	1,485,833
Cash and Cash Equivalents, Beginning	<u>6,616,607</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 8,102,440</u></u>
Displayed As:	
Cash and Cash Equivalents	\$ 8,101,776
Cash on Deposit with Fiscal Agent	664
	<u><u>\$ 8,102,440</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, 2024

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

Operating Income (Loss)	\$ (5,255,799)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation and amortization	370,324
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	346,151
(Increase) Decrease in Prepaids	12,719
(Increase) Decrease in Due from Other Governments	(148)
(Increase) Decrease in Deferred Outflows - Pension	208,366
Increase (Decrease) in Accounts Payable	(136,498)
Increase (Decrease) in Other Payable	63
Increase (Decrease) in Accrued Payroll	238
Increase (Decrease) in Compensated Absences	(4,474)
Increase (Decrease) in Retirement Payable	501
Increase (Decrease) in Net Pension Liability	(144,773)
Increase (Decrease) in Deferred Inflows - Pension	68,366
Net Cash Provided by Operating Activities	<u>\$ (4,534,964)</u>

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

Bonner County, Idaho
Statement of Net Position - Internal Service Funds
September 30, 2024

	Self-Funded Medical Insurance	Self-Funded Dental Insurance	Total
Assets			
Cash and Cash Equivalents	\$ 2,444,118	\$ 81,612	\$ 2,525,730
Prepaid Items	71,429	-	71,429
Restricted Assets:			
Deposits	95,828	-	95,828
Total Assets	<u>2,611,375</u>	<u>81,612</u>	<u>2,692,987</u>
Liabilities			
Accounts Payable	601,140	-	601,140
IBNR Claims Liability	422,040	15,496	437,536
Total Current Liabilities	<u>1,023,180</u>	<u>15,496</u>	<u>1,038,676</u>
Net Position			
Restricted:			
Self-Funded Insurance	1,588,195	66,116	1,654,311
Total Net Position	<u>\$ 1,588,195</u>	<u>\$ 66,116</u>	<u>\$ 1,654,311</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, 2024

	Self-Funded Medical Insurance	Self-Funded Dental Insurance	Total
Operating Revenues			
Contributions - Employer	\$ 4,818,855	\$ 214,036	\$ 5,032,891
Contributions - Employee	762,615	34,464	797,079
Total Operating Revenues	<u>5,581,470</u>	<u>248,500</u>	<u>5,829,970</u>
Operating Expenses			
Administrative Expenses	802,224	21,439	823,663
Medical Claims	3,231,430	-	3,231,430
Dental Claims	-	203,308	203,308
Pharmacy Claims	918,359	-	918,359
Total Operating Expenses	<u>4,952,013</u>	<u>224,747</u>	<u>5,176,760</u>
Operating Income (Loss)	<u>629,457</u>	<u>23,753</u>	<u>653,210</u>
Nonoperating Revenues (Expenses)			
Interest Earned	4,551	-	4,551
Total Nonoperating Revenues (Expenses)	<u>4,551</u>	<u>-</u>	<u>4,551</u>
Change in Net Position	634,008	23,753	657,761
Net Position - Beginning	954,187	42,363	996,550
Net Position - Ending	<u>\$ 1,588,195</u>	<u>\$ 66,116</u>	<u>\$ 1,654,311</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, 2024

	Self-Funded Medical Insurance	Self-Funded Dental Insurance	Total
Cash Flows From Operating Activities			
Contributions	\$ 5,576,918	\$ 248,500	\$ 5,825,418
Cash Paid For Benefits	(3,732,492)	(198,417)	(3,930,909)
Cash Paid For Administration	(802,224)	(21,439)	(823,663)
Net Cash Provided (Used) by Operating Activities	<u>1,042,202</u>	<u>28,644</u>	<u>1,070,846</u>
Cash Flows From Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows From Investing Activities			
Earnings On Investments	4,551	-	4,551
Net Cash Used by Investing Activities	<u>4,551</u>	<u>-</u>	<u>4,551</u>
Net Increase in Cash and Cash Equivalents	1,046,753	28,644	1,075,397
Cash and Cash Equivalents, Beginning	<u>1,397,365</u>	<u>52,968</u>	<u>1,450,333</u>
Cash and Cash Equivalents, Ending	<u>\$ 2,444,118</u>	<u>\$ 81,612</u>	<u>\$ 2,525,730</u>
Displayed As:			
Cash and Cash Equivalents	<u>\$ 2,444,118</u>	<u>\$ 81,612</u>	<u>\$ 2,525,730</u>
	<u>\$ 2,444,118</u>	<u>\$ 81,612</u>	<u>\$ 2,525,730</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, 2024

	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)	\$ 629,457	\$ 23,753	\$ 653,210
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in Prepays	(71,429)		(71,429)
(Increase) Decrease in Deposits	(4,552)		(4,552)
Increase (Decrease) in Accounts Payable	400,002	-	400,002
Increase (Decrease) in IBNR Claims Liability	88,724	4,891	93,615
Net Cash Provided by Operating Activities	\$ 1,042,202	\$ 28,644	\$ 1,070,846

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

Bonner County, Idaho
Statement of Fiduciary Net Position
September 30, 2024

	<u>Custodial Funds</u>
Assets	
Cash and Investments	\$ 4,877,417
Property Taxes Receivable	1,101,394
Total Assets	5,978,811
Liabilities	
Warrants and Accounts Payable	2,590,074
Due to Other Governments	1,825,219
Total Liabilities	4,415,293
Net Position	
Restricted for:	
Individuals, Organizations, or Other Governments	1,563,518
Total Net Position	\$ 1,563,518

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, 2024

	<u>Custodial Funds</u>
Additions:	
Property taxes collected for other governments	\$ 39,895,407
Fees collected for other governments	8,157,835
Total Additions	48,053,242
 Deductions:	
Taxes distributed to other governments	45,432,451
Fees distributed to other governments	2,943,458
Total Deductions	48,375,909
Change in Net Position	(322,667)
Net Position - Beginning	1,886,185
Net Position - Ending	\$ 1,563,518

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

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

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, 2024

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, 2024

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, 2024

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, 2024

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, 2024 except for the ambulance district that recorded an allowance of \$343,658.

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, 2024

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, 2024

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 2024 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, 2024

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 2024-2025 budget in the amount of \$5,411,287.

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, 2024

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, 2024, the following issuers hold more than 5% of the County's total portfolio: State of Idaho Investment Pool - 29%, Umpqua Bank - 50%, Mountain West Bank - 12% and Multi-Bank Securities, Inc. - 8%.

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, 2024, 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 \$23,074,455 that are uninsured, unregistered, and held by Umpqua Bank, \$5,481,785 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, 2024

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	\$ 22,586,556	\$ -	\$ -	\$22,586,556	\$22,586,556	47.62%
Ambulance account	487,899	-	-	487,899	487,899	1.03%
Checking accounts						
Ambulance checking	200,000	-	-	200,000	200,000	0.42%
General checking	140,000	-	-	140,000	140,000	0.30%
Fair association	186,628	-	-	186,628	186,628	0.39%
Drug Restitution	64,764	-	-	64,764	64,764	0.14%
4H	16,975	-	-	16,975	16,975	0.04%
Magistrate	301,085	-	-	301,085	301,085	0.63%
Prosecutors	343	-	-	343	343	0.00%
Law foundation	8,423	-	-	8,423	8,423	0.02%
Mountain West Bank						
Repurchase agreements	5,471,785	-	-	5,471,785	5,471,785	11.54%
Checking accounts						
Treasurer's checking	10,000	-	-	10,000	10,000	0.02%
Nationwide Retirement Solutions	127,969	-	-	127,969	127,969	0.27%
State of Idaho						
Local government						
investment pool	-	13,911,700	-	13,911,700	13,911,700	29.33%
Multi-Bank Securities, Inc.	-	-	3,910,286	3,910,286	4,203,227	8.24%
Cash on Hand	9,945	-	-	9,945	9,945	0.02%
Total Cash and Investments	\$ 29,612,372	\$13,911,700	\$3,910,286	\$47,434,358	\$47,727,299	100.00%

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

2. CASH AND INVESTMENTS (continued)

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

Cash on hand	\$	9,945
Bank deposits		928,218
Carrying value of investments:		
Repurchase agreements		28,546,240
LGIP		13,911,700
Nationwide		127,969
Multi-Bank Securities		3,910,286
Total cash and investments		\$47,434,358

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 FY2024, the County has recognized the 2023 levy as revenue and the tax year 2024 levy as an asset.

Tax Year 2023 Levy (FY2024 Revenue)

The market value upon which the 2023 levy was based was \$16,743,809,289 for the County and Ambulance District. The market value was \$13,317,793,527 for the Road and Bridge fund.

The property tax was levied in October 2023 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	16.36116%	\$ 27,394,841
Ambulance District	1.73276%	\$ 2,901,291
Road and Bridge	4.73962%	\$ 6,312,133

Deferred Revenue

Total taxes receivable as of September 30, 2024	\$1,049,965
Less: Taxes collected by November 30, 2024	(191,167)
Total deferred tax revenue	\$ 858,798

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

<u>Governmental activities:</u>	Balance 9/30/2023	Additions	Disposals	Balance 9/30/2024
Capital Assets Not Being Depreciated:				
Land	\$ 4,773,942	\$ 73,206	\$ -	\$ 4,847,148
Construction in progress	<u>4,523,424</u>	<u>7,758,429</u>	<u>(73,206)</u>	<u>12,208,647</u>
Total Historical Cost	<u>9,297,366</u>	<u>7,831,635</u>	<u>(73,206)</u>	<u>17,055,795</u>
Capital Assets Being Depreciated:				
Infrastructure	466,799,147	41,254	-	466,840,401
Biological	14,000	-	-	14,000
Building and improvements	37,442,379	267,514	-	37,709,894
Machinery and equipment	<u>38,278,175</u>	<u>3,037,201</u>	<u>(2,114,385)</u>	<u>39,200,991</u>
Total Historical Cost	<u>542,533,701</u>	<u>3,345,969</u>	<u>(2,114,385)</u>	<u>543,765,286</u>
Less: Accumulated Depreciation				
Infrastructure	453,895,899	1,034,187	-	454,930,085
Biological	3,267	1,400	-	4,667
Building and improvements	20,990,208	1,313,448	-	22,303,655
Machinery and equipment	<u>27,708,444</u>	<u>2,135,872</u>	<u>(1,113,273)</u>	<u>28,731,043</u>
Total Acc. Depr.	<u>502,597,818</u>	<u>4,484,907</u>	<u>(1,113,273)</u>	<u>505,969,450</u>
Net Depreciable Assets	<u>39,935,883</u>	<u>(1,138,938)</u>	<u>(1,001,112)</u>	<u>37,795,836</u>
Governmental Activities				
Capital Assets - Net	<u>\$ 49,233,249</u>	<u>\$ 6,692,697</u>	<u>\$ (1,074,318)</u>	<u>\$ 54,851,631</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

4. CAPITAL ASSETS (continued)

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

Governmental Activities:	
General Government	\$ 1,076,174
Public Safety	770,413
Emergency Medical Services	319,194
Road and Bridge	2,248,819
Historical Society and Recreation	70,307
	\$ 4,484,907

Business-type activities:

	Balance 9/30/2023	Additions	Disposals	Balance 9/30/2024
Capital Assets Not Being Depreciated:				
Land and Infrastructure	\$ 518,416	\$ -	\$ -	\$ 518,416
Construction in progress	3,797,060	3,700,605	-	7,497,665
Total Historical Cost	4,315,476	3,700,605	-	8,016,081
Capital Assets Being Depreciated:				
Building and improvements	5,224,759	-	-	5,224,759
Machinery and equipment	1,539,009	48,852	-	1,587,861
Total Historical Cost	6,763,768	48,852	-	6,812,620
Less: Accumulated Depreciation				
Building and improvements	3,548,497	296,871	-	3,845,368
Machinery and equipment	1,318,024	73,632	-	1,391,656
Total Acc. Depr.	4,866,521	370,503	-	5,237,024
Net Depreciable Assets	1,897,247	(321,651)	-	1,575,596
Governmental Activities				
Capital Assets - Net	\$ 6,212,723	\$ 3,378,954	\$ -	\$ 9,591,677

During 2024, \$370,503 depreciation expense was charged to Solid Waste.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

5. RIGHT-OF-USE LEASE ASSETS/LIABILITIES

During the year ended September 30, 2024, the following changes occurred in right-of-use lease assets:

	Balance 9/30/2023	Additions	Subtractions	Balance 9/30/2024
Right-of-Use Lease Assets				
Facility	\$ 1,508,775	\$ -	\$ -	\$ 1,508,775
Equipment	204,854	43,624	(25,184)	223,294
Total Right-of-Use Lease Assets	<u>1,713,629</u>	<u>43,624</u>	<u>(25,184)</u>	<u>1,732,069</u>
Less: Accumulated Amortization				
Facility	198,613	99,307	-	297,920
Equipment	63,285	54,631	(25,184)	92,732
Total Accumulated Amortization	<u>261,898</u>	<u>153,938</u>	<u>(25,184)</u>	<u>390,652</u>
Total Right-of-Use Assets, net	<u>\$ 1,451,731</u>	<u>\$ (110,314)</u>	<u>\$ -</u>	<u>\$ 1,341,417</u>

Total lease expense for the year ended September 30, 2024 is as follows:

Lease expense	
Amortization expense by class	
Facility	\$ 99,307
Equipment	<u>54,631</u>
Total amortization expense	153,938
Interest on lease liabilities	<u>28,299</u>
Total amortization expense	<u>\$ 182,237</u>

During the year ended September 30, 2024, the following changes occurred in the right-of-use lease liability:

	Balance 9/30/2023	Additions	Subtractions	Balance 9/30/2024	Amounts Due Within One Year
Right-of-Use Lease Liabilities					
Facility	\$ 1,284,836	\$ -	\$ (81,496)	\$ 1,203,340	\$ 83,866
Equipment	142,631	43,448	(53,397)	132,682	49,830
Total Right-of-Use Lease Liabilities	<u>\$ 1,427,467</u>	<u>\$ 43,448</u>	<u>\$ (134,893)</u>	<u>\$ 1,336,022</u>	<u>\$ 133,696</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

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

Future minimum annual payments as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total Payment
2025	\$ 133,696	\$ 24,290	\$ 157,986
2026	132,140	23,313	155,453
2027	106,259	20,692	126,951
2028	83,156	18,785	101,941
2029	81,674	17,085	98,759
Thereafter	799,097	79,612	878,709
Total Future Payments	<u>\$ 1,336,022</u>	<u>\$ 183,777</u>	<u>\$1,519,799</u>

6. COMPENSATED ABSENCES

Changes in compensated absences throughout the year are as follows:

	<u>9/30/2023</u>	<u>Increase</u>	<u>Decrease</u>	<u>9/30/2024</u>
Governmental activities	\$2,110,833	\$2,860,645	\$(2,795,955)	\$2,175,523
Business-type activities	<u>81,164</u>	<u>112,235</u>	<u>(116,709)</u>	<u>76,690</u>
	<u>\$2,191,997</u>	<u>\$2,972,880</u>	<u>\$(2,912,664)</u>	<u>\$2,252,213</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

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, 2024, are as follows:

Description	Maturity	Rate	9/30/2023	Increase	Decrease	9/30/2024	Current Portion
<u>Governmental Activities:</u>							
John Deere Grader 772GP	2024	3.74%	\$ 206,182	\$ -	\$ (206,182)	\$ -	\$ -
6 CAT 140 Motor Graders	2024	3.32%	1,102,371	-	(1,102,371)	-	-
2021 CAT 140 AWD Motor Grader	2026	3.17%	128,467	-	(10,000)	118,467	6,045
2 - 2022 John Deere 772 Grader	2027	3.99%	635,761	-	(33,565)	602,196	35,344
4 - 2109 AEV Traumahawk	2027	3.16%	397,015	-	(94,755)	302,260	97,805
2022 John Deere 772 GP	2028	4.55%	332,603	-	(15,953)	316,650	16,649
2023 CAT 140 Motor Grader	2029	4.99%	-	359,000	(32,201)	326,799	16,579
6 - 2023 CAT 140 Motor Graders	2029	5.25%	-	2,154,000	(198,332)	1,955,668	94,233
			<u>\$ 2,802,399</u>	<u>\$ 2,513,000</u>	<u>\$ (1,693,359)</u>	<u>\$ 3,622,040</u>	<u>\$ 266,655</u>
<u>Business-type Activities:</u>							
Bond Anticipation Note	2025	1.78%	\$ 3,593,420	\$ -	\$ (3,593,420)	\$ -	\$ -
USDA Loan	2034	1.75%	-	8,137,000	-	8,137,000	751,696
Case Backhoe 580SN WT 4WD	2026	2.78%	75,693	-	(24,564)	51,129	25,226
			<u>\$ 3,669,113</u>	<u>\$ 8,137,000</u>	<u>\$ (3,617,984)</u>	<u>\$ 8,188,129</u>	<u>\$ 776,922</u>

Debt service requirements as of September 30, 2024, 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
2025	\$ 265,655	\$ 172,996	\$ 776,922	\$ 143,839
2026	383,279	161,587	790,754	129,974
2027	773,700	146,196	778,236	115,858
2028	392,300	114,705	791,855	102,239
2029	1,807,106	95,541	805,712	88,381
2030-2034	-	-	4,244,650	225,407
	<u>\$ 3,622,040</u>	<u>\$ 691,025</u>	<u>\$ 8,188,129</u>	<u>\$ 805,698</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund receivables and payables as of September 30, 2024 was as follows:

Fund	Interfund Receivable	Interfund Payable
Current Expense Fund	\$ 140,610	\$ -
Airport Fund	266,486	-
Justice Fund	120,897	-
Grants Fund	-	527,993
	<u>\$ 527,993</u>	<u>\$ 527,993</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	\$ -	\$ 868,050
Indegent and Charity Fund	300,050	
Junior College Fund	500,000	-
Tort Fund	-	246,325
Justice Fund	-	11,500
Waterways Fund	-	50,000
Grants Fund	1,875,825	-
Ambulance District	-	1,500,000
	<u>\$2,675,875</u>	<u>\$2,675,875</u>

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

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, 2024

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, 2024 it was 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters. Bonner County, Idaho's contributions were \$3,418,392 the year ended September 30, 2024.

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

At September 30, 2024, 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, 2024, 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, 2024 Bonner County, Idaho's proportion was 0.60736950 percent.

For the year ended September 30, 2024, Bonner County, Idaho recognized pension expense/(revenue) of \$4,093,974 . At September 30, 2024, 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, 2024

10 DEFINED BENEFIT PENSION PLAN (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,617,160	\$ -
Changes in assumptions or other inputs	900,031	-
Net difference between projected and actual earnings on pension plan investments	-	412,398
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions.	35,568	1,184,931
Bonner County, Idaho's contributions subsequent to the measurement date	838,679	-
Total	\$ 5,391,438	\$1,597,329

\$838,679 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, 2024.

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, 2024, the beginning of the measurement period ended June 30, 2023, is 4.6 years and 46 for measurement period June 30, 2024.

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
2025	\$ 1,721,054
2026	3,972,048
2027	(999,813)
2028	(791,460)
2029	(107,720)

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, 2024

10 DEFINED BENEFIT PENSION PLAN (continued)

The total pension liability in the June 30, 2024 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-20210 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, 2024, is based on the results of an actuarial valuation date of July 1, 2024.

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 2024.

Bonner County, Idaho
Notes to Financial Statements
For the Year Ended September 30, 2024

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)	\$ 43,174,198	\$ 22,719,537	\$ 6,013,292

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, 2024

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	\$	333,316
Current year claims and changes in estimates		4,149,789
Claims payments		<u>(4,061,065)</u>
IBNR claims liability, end of year	\$	<u>422,040</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	\$	10,605
Current year claims and changes in estimates		203,308
Claims payments		<u>(198,417)</u>
IBNR claims liability, end of year	\$	<u>15,496</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, 2024

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. Western Community (Farm Bureau) 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, 2024

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. SUBSEQUENT EVENTS

The Bonner County Ambulance District issued a non-revolving line of credit with a maximum advance amount of \$2,000,000 on November 26th, 2024. The rate is fixed at 5.25% with a maturity date of September 30, 2025. As of May 7, 2025 \$500,000 has been drawn down on the line and has been paid back.

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, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes	\$ 3,041,287	\$ 3,041,287	\$ 3,722,489	\$ 681,202
Intergovernmental	1,924,197	1,924,197	1,925,704	1,507
Licenses and Permits	646,045	646,045	525,480	(120,565)
Charges for Services	1,348,550	1,348,550	1,434,542	85,992
Interest Income	900,000	900,000	2,106,713	1,206,713
Miscellaneous	71,710	71,710	139,957	68,247
Total Revenues	<u>7,931,789</u>	<u>7,931,789</u>	<u>9,854,885</u>	<u>1,923,096</u>
Expenditures				
Current:				
General Government	9,826,714	10,251,373	9,827,098	424,275
Public Safety	219,141	219,141	361,764	(142,623)
Capital Outlay	506,512	4,514,687	4,394,979	119,708
Total Expenditures	<u>10,552,367</u>	<u>14,985,201</u>	<u>14,583,841</u>	<u>401,360</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,620,578)</u>	<u>(7,053,412)</u>	<u>(4,728,956)</u>	<u>2,324,456</u>
Other Financing Sources (Uses)				
Transfers In	800,000	800,000	868,050	68,050
Total Other Financing Sources (Uses)	<u>800,000</u>	<u>800,000</u>	<u>868,050</u>	<u>68,050</u>
Net Change in Fund Balances	(1,820,578)	(6,253,412)	(3,860,906)	2,392,506
Fund Balances - Beginning	1,820,578	6,253,412	8,537,069	2,283,657
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,676,163</u>	<u>\$ 4,676,163</u>

Bonner County, Idaho
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Justice Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes	\$ 18,112,863	\$ 18,112,863	\$ 17,492,005	\$ (620,858)
Intergovernmental	2,865,000	2,865,000	3,767,809	902,809
Licenses and Permits	372,000	372,000	319,180	(52,820)
Charges for Services	1,211,380	1,211,380	1,111,616	(99,764)
Miscellaneous	119,574	119,574	257,773	138,199
Total Revenues	<u>22,680,817</u>	<u>22,680,817</u>	<u>22,948,383</u>	<u>267,566</u>
Expenditures				
Current:				
Public Safety	23,562,895	23,581,330	20,644,638	2,936,692
Capital Outlay	374,820	526,820	472,656	54,164
Total Expenditures	<u>23,937,715</u>	<u>24,108,150</u>	<u>21,117,294</u>	<u>2,990,856</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,256,898)</u>	<u>(1,427,333)</u>	<u>1,831,089</u>	<u>3,258,422</u>
Other Financing Sources (Uses)				
Transfers In	-	-	11,500	11,500
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>11,500</u>	<u>11,500</u>
Net Change in Fund Balances	(1,256,898)	(1,427,333)	1,842,589	3,269,922
Fund Balances - Beginning	1,256,898	1,427,333	7,390,079	5,962,746
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,232,668</u>	<u>\$ 9,232,668</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, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes	\$ 6,769,495	\$ 6,769,495	\$ 6,291,557	\$ (477,938)
Intergovernmental	4,156,026	4,156,026	7,554,665	3,398,639
Miscellaneous	82,000	82,000	302,424	220,424
Total Revenues	<u>11,007,521</u>	<u>11,007,521</u>	<u>14,148,646</u>	<u>3,141,125</u>
Expenditures				
Current:				
Roads and Bridge	10,751,955	12,652,437	10,708,154	1,944,283
Capital Outlay	250,000	1,489,436	2,665,949	(1,176,513)
Debt Service:				
Principal	405,000	405,000	1,572,463	(1,167,463)
Interest	-	-	115,076	(115,076)
Total Expenditures	<u>11,406,955</u>	<u>14,546,873</u>	<u>15,061,642</u>	<u>(514,769)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(399,434)</u>	<u>(3,539,352)</u>	<u>(912,996)</u>	<u>2,626,356</u>
Other Financing Sources (Uses)				
Proceeds From Sale of Capital Asset	-	-	1,140,000	1,140,000
Proceeds From Long-Term Financing	-	1,515,436	2,513,000	997,564
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,515,436</u>	<u>3,653,000</u>	<u>2,137,564</u>
Net Change in Fund Balances	<u>(399,434)</u>	<u>(2,023,916)</u>	<u>2,740,004</u>	<u>4,763,920</u>
Fund Balances - Beginning	399,434	2,023,916	4,728,934	2,705,018
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,468,938</u>	<u>\$ 7,468,938</u>

Bonner County, Idaho

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Grants Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Intergovernmental	\$ 3,000,000	\$ 3,000,000	\$ 3,800,382	\$ 800,382
Total Revenues	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,800,382</u>	<u>800,382</u>
Expenditures				
Current:				
Public Safety	3,000,000	3,000,000	2,293,084	706,916
Total Expenditures	<u>3,000,000</u>	<u>3,000,000</u>	<u>2,293,084</u>	<u>706,916</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>1,507,298</u>	<u>1,507,298</u>
Other Financing Sources (Uses)				
Transfers (Out)	-	(79,772)	(1,875,825)	(1,796,053)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(79,772)</u>	<u>(1,875,825)</u>	<u>(1,796,053)</u>
Net Change in Fund Balances	-	(79,772)	(368,527)	(288,755)
Fund Balances - Beginning	-	79,772	46,083	(33,689)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (322,444)</u>	<u>\$ (322,444)</u>

Bonner County, Idaho
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Ambulance District
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes	\$ 2,998,347	\$ 2,998,347	\$ 3,001,041	\$ 2,694
Charges for Services	1,300,000	1,300,000	1,698,209	398,209
Interest Income	96,000	96,000	55,916	(40,084)
Miscellaneous	16,000	16,000	25,480	9,480
Total Revenues	<u>4,410,347</u>	<u>4,410,347</u>	<u>4,780,646</u>	<u>370,299</u>
Expenditures				
Current:				
Emergency Medical Expenses	4,938,404	5,328,404	5,171,655	156,749
Capital Outlay	19,000	2,309,579	2,308,497	1,082
Debt Service:				
Principal	108,566	108,566	94,755	13,811
Interest	-	-	13,723	(13,723)
Total Expenditures	<u>5,065,970</u>	<u>7,746,549</u>	<u>7,588,630</u>	<u>157,919</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(655,623)</u>	<u>(3,336,202)</u>	<u>(2,807,984)</u>	<u>528,218</u>
Other Financing Sources (Uses)				
Transfers In	-	-	1,500,000	1,500,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>1,500,000</u>
Net Change in Fund Balances	(655,623)	(3,336,202)	(1,307,984)	2,028,218
Fund Balances - Beginning	655,623	3,336,202	2,067,001	(1,269,201)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 759,017</u>	<u>\$ 759,017</u>

Bonner County, Idaho
Notes to Required Supplementary Information
For the Year Ended September 30, 2024

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 Administration building 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
2024	0.6073695%	\$ 22,719,537	\$ 28,062,515	80.96%	85.54%
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%

Data reported is measured as of June 30, 2024

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
2024	\$ 3,418,392	\$ 3,418,392	\$ -	\$ 28,062,515	12.18%
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%

Data reported is measured as of September 30, 2024

SUPPLEMENTAL INFORMATION

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Governmental Funds
For the Year Ended September 30, 2024

	Total Nonmajor Special Revenue Funds	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 9,049,297	\$ 241	\$ 9,049,538
Receivables, Net:			
Taxes	189,476	-	189,476
Fees	682	-	682
Accounts	94	-	94
Prepaid Items	3,132	-	3,132
Due From Other Governments	119,567	-	119,567
Due From Other Funds	266,486	-	266,486
Total Assets	<u>\$ 9,628,734</u>	<u>\$ 241</u>	<u>\$ 9,628,975</u>
Liabilities			
Warrants Payable	\$ 13,791	\$ -	\$ 13,791
Accounts Payable	371,603	-	371,603
Accrued Payroll	192,609	-	192,609
Accrued Retirement Payable	19,967	-	19,967
Total Liabilities	<u>597,970</u>	<u>-</u>	<u>597,970</u>
Deferred Inflows			
Deferred revenue	150,603		150,603
Unavailable Tax Revenue	-	-	-
Total Deferred Inflows	<u>150,603</u>	<u>-</u>	<u>150,603</u>
Fund Balances			
Nonspendable	3,132	-	3,132
Assigned	310,250	-	310,250
Restricted For:			
General Governmental	4,595,911	-	4,595,911
Public Safety	2,390,485		2,390,485
Historical Society and Recreation	540,748		540,748
Health and Welfare	87,962		87,962
Weeds	42,481		42,481
Road Construction	909,192		909,192
Capital Projects	-	241	241
Total Fund Balances	<u>8,880,161</u>	<u>241</u>	<u>8,880,402</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 9,628,734</u>	<u>\$ 241</u>	<u>\$ 9,628,975</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2024

	Airport	Elections	Drug Court	District Court	County Fair
Assets					
Cash and Cash Equivalents	\$ 373,148	\$ 756,004	\$ 104,943	\$ 1,073,988	\$ 351,831
Receivables, Net:					
Taxes	5,231	-	-	54,528	12,462
Fees	-	-	-	-	-
Accounts	-	-	-	-	-
Prepaid Items	-	-	-	3,132	-
Due From Other Governments	-	37,342	-	-	-
Due From Other Funds	266,486	-	-	-	-
Total Assets	\$ 644,865	\$ 793,346	\$ 104,943	\$ 1,131,648	\$ 364,293
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	61,202	7,307	3,300	65,964	-
Accrued Payroll	7,442	6,518	-	58,221	12,173
Accrued Retirement Payable	730	705	-	7,303	728
Total Liabilities	69,374	14,530	3,300	131,488	12,901
Deferred Inflows					
Deferred Revenue	4,236	-	-	44,444	11,064
Unavailable Tax Revenue	-	-	-	-	-
Total Deferred Inflows	4,236	-	-	44,444	11,064
Fund Balances					
Nonspendable	-	-	-	3,132	-
Assigned	50,000	-	-	86,250	174,000
Restricted For:					
General Governmental	521,255	778,816	-	-	-
Public Safety	-	-	101,643	866,334	-
Historical Society and Recreation	-	-	-	-	166,328
Health and Welfare	-	-	-	-	-
Weeds	-	-	-	-	-
Road Construction	-	-	-	-	-
Total Fund Balances	571,255	778,816	101,643	955,716	340,328
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 644,865	\$ 793,346	\$ 104,943	\$ 1,131,648	\$ 364,293

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2024
(continued)

	911	Court Facility	Court Interlock Device	Health District	Historical Society
Assets					
Cash and Cash Equivalents	\$ 1,420,092	\$ 180,573	\$ 24,916	\$ 62,864	\$ 5,838
Receivables, Net:					
Taxes	-	-	-	13,981	714
Fees	-	-	-	-	-
Accounts	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Total Assets	<u>\$ 1,420,092</u>	<u>\$ 180,573</u>	<u>\$ 24,916</u>	<u>\$ 76,845</u>	<u>\$ 6,552</u>
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	145,198	-	-	-	-
Accrued Payroll	53,005	-	-	-	-
Accrued Retirement Payable	4,870	-	-	-	-
Total Liabilities	<u>203,073</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows					
Deferred Revenue	-	-	-	11,409	585
Unavailable Tax Revenue	-	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,409</u>	<u>585</u>
Fund Balances					
Nonspendable	-	-	-	-	-
Assigned	-	-	-	-	-
Restricted For:					
General Governmental	-	-	-	-	-
Public Safety	1,217,019	180,573	24,916	-	-
Historical Society and Recreation	-	-	-	-	5,967
Health and Welfare	-	-	-	65,436	-
Weeds	-	-	-	-	-
Road Construction	-	-	-	-	-
Total Fund Balances	<u>1,217,019</u>	<u>180,573</u>	<u>24,916</u>	<u>65,436</u>	<u>5,967</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,420,092</u>	<u>\$ 180,573</u>	<u>\$ 24,916</u>	<u>\$ 76,845</u>	<u>\$ 6,552</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2024
(continued)

	Indigent and Charity	Junior College	Revaluation	Tort	Weeds
Assets					
Cash and Cash Equivalents	\$ 22,526	\$ 805,918	\$ 815,640	\$ 1,533,816	\$ 49,505
Receivables, Net:					
Taxes	-	-	47,132	45,505	4,601
Fees	-	-	-	-	-
Accounts	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Due From Other Governments	-	82,225	-	-	-
Due From Other Funds	-	-	-	-	-
Total Assets	<u>\$ 22,526</u>	<u>\$ 888,143</u>	<u>\$ 862,772</u>	<u>\$ 1,579,321</u>	<u>\$ 54,106</u>
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ 13,791	\$ -
Accounts Payable	-	-	4,239	34,706	4,947
Accrued Payroll	-	-	40,793	-	2,636
Accrued Retirement Payable	-	-	4,220	-	295
Total Liabilities	<u>-</u>	<u>-</u>	<u>49,252</u>	<u>48,497</u>	<u>7,878</u>
Deferred Inflows					
Deferred Revenue	-	-	33,875	36,922	3,747
Unavailable Tax Revenue	-	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>33,875</u>	<u>36,922</u>	<u>3,747</u>
Fund Balances					
Nonspendable	-	-	-	-	-
Assigned	-	-	-	-	-
Restricted For:					
General Governmental	-	888,143	779,645	1,493,902	-
Public Safety	-	-	-	-	-
Historical Society and Recreation	-	-	-	-	-
Health and Welfare	22,526	-	-	-	-
Weeds	-	-	-	-	42,481
Road Construction	-	-	-	-	-
Total Fund Balances	<u>22,526</u>	<u>888,143</u>	<u>779,645</u>	<u>1,493,902</u>	<u>42,481</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 22,526</u>	<u>\$ 888,143</u>	<u>\$ 862,772</u>	<u>\$ 1,579,321</u>	<u>\$ 54,106</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2024
(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	\$ 110,022	\$ 925,643	\$ 108,763	\$ 49,485	\$ 140,102
Receivables, Net:					
Taxes	5,308	-	-	-	-
Fees	-	-	-	-	-
Accounts	94	-	-	-	-
Prepaid Items	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Total Assets	<u>\$ 115,424</u>	<u>\$ 925,643</u>	<u>\$ 108,763</u>	<u>\$ 49,485</u>	<u>\$ 140,102</u>
Liabilities					
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	2,763	16,451	-	68	25,458
Accrued Payroll	7,375	-	-	-	4,446
Accrued Retirement Payable	558	-	-	-	558
Total Liabilities	<u>10,696</u>	<u>16,451</u>	<u>-</u>	<u>68</u>	<u>30,462</u>
Deferred Inflows					
Deferred Revenue	4,321	-	-	-	-
Unavailable Tax Revenue	-	-	-	-	-
Total Deferred Inflows	<u>4,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	-	-	-
Assigned	-	-	-	-	-
Restricted For:					
General Governmental	-	-	-	-	-
Public Safety	-	-	-	-	-
Historical Society and Recreation	100,407	-	108,763	49,417	109,640
Health and Welfare	-	-	-	-	-
Weeds	-	-	-	-	-
Road Construction	-	909,192	-	-	-
Total Fund Balances	<u>100,407</u>	<u>909,192</u>	<u>108,763</u>	<u>49,417</u>	<u>109,640</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 115,424</u>	<u>\$ 925,643</u>	<u>\$ 108,763</u>	<u>\$ 49,485</u>	<u>\$ 140,102</u>

Bonner County, Idaho
Combining Balance Sheet - Nonmajor Special Revenue Funds
September 30, 2024
(continued)

	Special County Projects	Drainage District	Translator District	Total
Assets				
Cash and Cash Equivalents	\$ 107,448	\$ 26,507	\$ (275)	\$ 9,049,297
Receivables, Net:				
Taxes	-	4	10	189,476
Fees	-	191	491	682
Accounts	-	-	-	94
Prepaid Items	-	-	-	3,132
Due From Other Governments	-	-	-	119,567
Due From Other Funds	-	-	-	266,486
Total Assets	\$ 107,448	\$ 26,702	\$ 226	\$ 9,628,734
Liabilities				
Warrants Payable	\$ -	\$ -	\$ -	\$ 13,791
Accounts Payable	-	-	-	371,603
Accrued Payroll	-	-	-	192,609
Accrued Retirement Payable	-	-	-	19,967
Total Liabilities	-	-	-	597,970
Deferred Inflows				
Deferred Revenue	-	-	-	150,603
Unavailable Tax Revenue	-	-	-	-
Total Deferred Inflows	-	-	-	150,603
Fund Balances				
Nonspendable	-	-	-	3,132
Assigned	-	-	-	310,250
Restricted For:				
General Governmental	107,448	26,702	-	4,595,911
Public Safety	-	-	-	2,390,485
Historical Society and Recreation	-	-	226	540,748
Health and Welfare	-	-	-	87,962
Weeds	-	-	-	42,481
Road Construction	-	-	-	909,192
Total Fund Balances	107,448	26,702	226	8,880,161
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 107,448	\$ 26,702	\$ 226	\$ 9,628,734

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2024

	Total Nonmajor Special Revenue Funds	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$ 6,805,683	\$ -	\$ 6,805,683
Intergovernmental	1,810,683	-	1,810,683
License and Permits	220,942	-	220,942
Charges for Services	2,218,717	-	2,218,717
Fines	133,104	-	133,104
Interest Income	46,727	-	46,727
Miscellaneous	475,796	-	475,796
Total Revenues	<u>11,711,652</u>	<u>-</u>	<u>11,711,652</u>
Expenditures			
General Government	4,036,128	-	4,036,128
Public Safety	4,711,753	-	4,711,753
Road and Bridge	51,550	-	51,550
Weeds	155,593	-	155,593
Health	497,495	-	497,495
Welfare	19,292	-	19,292
Junior College	61,331	-	61,331
Historical Society and Recreation	903,750	-	903,750
Capital Outlay	221,972	-	221,972
Total Expenditures	<u>10,658,864</u>	<u>-</u>	<u>10,658,864</u>
Excess (Deficiency) of Revenues Over Expenditures			
	<u>1,052,788</u>	<u>-</u>	<u>1,052,788</u>
Other Financing Sources (Uses)			
Transfers In	296,325	-	296,325
Transfers (Out)	<u>(800,050)</u>	<u>-</u>	<u>(800,050)</u>
Total Other Financing Sources (Uses)	<u>(503,725)</u>	<u>-</u>	<u>(503,725)</u>
Net Change in Fund Balances	549,063	-	549,063
Fund Balances - Beginning	8,331,098	241	8,331,339
Fund Balances - Ending	<u>\$ 8,880,161</u>	<u>\$ 241</u>	<u>\$ 8,880,402</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2024

	Airport	Elections	Drug Court	District Court	County Fair
Revenues					
Property Taxes	\$ 223,809	\$ -	\$ -	\$ 1,892,431	\$ 455,927
Intergovernmental	2,643	561,190	-	373,214	5,405
License and Permits	-	-	-	-	-
Charges for Services	34,740	-	7,505	48,866	-
Fines	-	-	-	133,104	-
Interest Income	-	-	-	-	-
Miscellaneous	137,047	363	18,688	140,340	-
Total Revenues	<u>398,239</u>	<u>561,553</u>	<u>26,193</u>	<u>2,587,955</u>	<u>461,332</u>
Expenditures					
General Government	459,243	424,049	-	-	-
Public Safety	-	-	19,911	2,466,553	-
Road and Bridge	-	-	-	-	-
Weeds	-	-	-	-	-
Health	-	-	-	-	-
Welfare	-	-	-	-	-
Junior College	-	-	-	-	-
Historical Society and Recreation	-	-	-	-	349,470
Capital Outlay	87,697	1,788	-	3,228	-
Total Expenditures	<u>546,940</u>	<u>425,837</u>	<u>19,911</u>	<u>2,469,781</u>	<u>349,470</u>
Excess (Deficiency) of Revenues Over Expenditures					
	<u>(148,701)</u>	<u>135,716</u>	<u>6,282</u>	<u>118,174</u>	<u>111,862</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	(148,701)	135,716	6,282	118,174	111,862
Fund Balances - Beginning	719,956	643,100	95,361	837,542	228,466
Fund Balances - Ending	<u>\$ 571,255</u>	<u>\$ 778,816</u>	<u>\$ 101,643</u>	<u>\$ 955,716</u>	<u>\$ 340,328</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2024

	911	Court Facility	Court Interlock Device	Health District	Historical Society
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ 500,159	\$ 25,203
Intergovernmental	-	-	-	5,914	299
License and Permits	-	-	-	-	-
Charges for Services	2,075,174	14,020	-	-	-
Fines	-	-	-	-	-
Interest Income	46,727	-	-	-	-
Miscellaneous	-	-	3,271	-	-
Total Revenues	<u>2,121,901</u>	<u>14,020</u>	<u>3,271</u>	<u>506,073</u>	<u>25,502</u>
Expenditures					
General Government					
Public Safety	2,220,037	-	5,387	-	-
Road and Bridge	-	-	-	-	-
Weeds	-	-	-	-	-
Health	-	-	-	497,495	-
Welfare	-	-	-	-	-
Junior College	-	-	-	-	-
Historical Society and Recreation	-	-	-	-	25,000
Capital Outlay	119,194	-	-	-	-
Total Expenditures	<u>2,339,231</u>	<u>-</u>	<u>5,387</u>	<u>497,495</u>	<u>25,000</u>
Excess (Deficiency) of Revenues Over Expenditures					
	<u>(217,330)</u>	<u>14,020</u>	<u>(2,116)</u>	<u>8,578</u>	<u>502</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	(217,330)	14,020	(2,116)	8,578	502
Fund Balances - Beginning	1,434,349	166,553	27,032	56,858	5,465
Fund Balances - Ending	<u>\$ 1,217,019</u>	<u>\$ 180,573</u>	<u>\$ 24,916</u>	<u>\$ 65,436</u>	<u>\$ 5,967</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2024

	Indigent and Charity	Junior College	Revaluation	Tort	Weeds
Revenues					
Property Taxes	\$ -	\$ -	\$ 1,559,843	\$ 1,753,559	\$ 164,508
Intergovernmental	-	402,936	164,098	20,782	1,930
License and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines	-	-	-	-	-
Interest Income	-	-	-	-	-
Miscellaneous	-	-	-	-	913
Total Revenues	<u>-</u>	<u>402,936</u>	<u>1,723,941</u>	<u>1,774,341</u>	<u>167,351</u>
Expenditures					
General Government	-	-	1,566,821	1,583,843	-
Public Safety	-	-	-	-	-
Road and Bridge	-	-	-	-	-
Weeds	-	-	-	-	155,593
Health	-	-	-	-	-
Welfare	19,292	-	-	-	-
Junior College	-	61,331	-	-	-
Historical Society and Recreation	-	-	-	-	-
Capital Outlay	-	-	3,069	-	-
Total Expenditures	<u>19,292</u>	<u>61,331</u>	<u>1,569,890</u>	<u>1,583,843</u>	<u>155,593</u>
Excess (Deficiency) of Revenues Over Expenditures					
	<u>(19,292)</u>	<u>341,605</u>	<u>154,051</u>	<u>190,498</u>	<u>11,758</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	246,325	-
Transfers (Out)	(300,050)	(500,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(300,050)</u>	<u>(500,000)</u>	<u>-</u>	<u>246,325</u>	<u>-</u>
Net Change in Fund Balances	(319,342)	(158,395)	154,051	436,823	11,758
Fund Balances - Beginning	341,868	1,046,538	625,594	1,057,079	30,723
Fund Balances - Ending	<u>\$ 22,526</u>	<u>\$ 888,143</u>	<u>\$ 779,645</u>	<u>\$ 1,493,902</u>	<u>\$ 42,481</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2024

	Parks and Recreation	Special Highway	Snowmobile Priest Lake	Snowmobile Sandpoint	Waterways
Revenues					
Property Taxes	\$ 192,104	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,272	187,500	-	2,500	80,000
License and Permits	-	-	43,392	22,203	155,347
Charges for Services	38,412	-	-	-	-
Fines	-	-	-	-	-
Interest Income	-	-	-	-	-
Miscellaneous	247	165,283	1,674	7,970	-
Total Revenues	<u>233,035</u>	<u>352,783</u>	<u>45,066</u>	<u>32,673</u>	<u>235,347</u>
Expenditures					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Road and Bridge	-	51,550	-	-	-
Weeds	-	-	-	-	-
Health	-	-	-	-	-
Welfare	-	-	-	-	-
Junior College	-	-	-	-	-
Historical Society and Recreation	211,020	-	34,616	34,289	213,769
Capital Outlay	6,996	-	-	-	-
Total Expenditures	<u>218,016</u>	<u>51,550</u>	<u>34,616</u>	<u>34,289</u>	<u>213,769</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>15,019</u>	<u>301,233</u>	<u>10,450</u>	<u>(1,616)</u>	<u>21,578</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	50,000
Transfers (Out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Net Change in Fund Balances	15,019	301,233	10,450	(1,616)	71,578
Fund Balances - Beginning	85,388	607,959	98,313	51,033	38,062
Fund Balances - Ending	<u>\$ 100,407</u>	<u>\$ 909,192</u>	<u>\$ 108,763</u>	<u>\$ 49,417</u>	<u>\$ 109,640</u>

Bonner County, Idaho
Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended September 30, 2024

	Special County Projects	Drainage District	Translator District	Total
Revenues				
Property Taxes	\$ -	\$ 3,620	\$ 34,520	\$ 6,805,683
Intergovernmental	-	-	-	1,810,683
License and Permits	-	-	-	220,942
Charges for Services	-	-	-	2,218,717
Fines	-	-	-	133,104
Interest Income	-	-	-	46,727
Miscellaneous	-	-	-	475,796
Total Revenues	<u>-</u>	<u>3,620</u>	<u>34,520</u>	<u>11,711,652</u>
Expenditures				
General Government	-	2,172	-	4,036,128
Public Safety	(135)	-	-	4,711,753
Road and Bridge	-	-	-	51,550
Weeds	-	-	-	155,593
Health	-	-	-	497,495
Welfare	-	-	-	19,292
Junior College	-	-	-	61,331
Historical Society and Recreation	-	-	35,586	903,750
Capital Outlay	-	-	-	221,972
Total Expenditures	<u>(135)</u>	<u>2,172</u>	<u>35,586</u>	<u>10,658,864</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>135</u>	<u>1,448</u>	<u>(1,066)</u>	<u>1,052,788</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	296,325
Transfers (Out)	-	-	-	(800,050)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(503,725)</u>
Net Change in Fund Balances	<u>135</u>	<u>1,448</u>	<u>(1,066)</u>	<u>549,063</u>
Fund Balances - Beginning	107,313	25,254	1,292	8,331,098
Fund Balances - Ending	<u>\$ 107,448</u>	<u>\$ 26,702</u>	<u>\$ 226</u>	<u>\$ 8,880,161</u>

FEDERAL REPORTS

Bonner County, Idaho
 Schedule of Expenditures of Federal Awards
 For the Year Ended September 30, 2024

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Flowthrough Number</u>	<u>Program Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Direct			
Forest Service Schools and Roads Cluster			
Schools and Roads - Grants to Counties	10.666		\$ 29,144
Total Forest Service Schools and Roads Cluster			<u>29,144</u>
Water and Waste Disposal Systems for Rural Communities	10.760		4,137,629
Passed through State Department of Lands			
Cooperative Forestry Assistance			
Cooperative Forestry Assistance	10.664	20-DG-11010000-021	173,919
Total Cooperative Forestry Assistance			<u>173,919</u>
State & Private Forestry Hazardous Fuel Reduction Program	10.697	18-DG-11010000-011	157,199
Passed through State Department of Agriculture			<u>4,497,891</u>
<u>U.S. Department of Interior</u>			
Direct			
Payment in Lieu of Taxes	15.226		1,085,936
Total U.S. Department of Interior			<u>1,085,936</u>
<u>U.S. Department of Justice</u>			
Direct			
Crime Victim Assistance	16.575		129,289
Total U.S. Department of Justice			<u>129,289</u>

Bonner County, Idaho
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended September 30, 2024

<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	3-16-0058-017-2024	<u>966,291</u>
Total U.S. Department of Transportation			<u>966,291</u>
<u>U.S. Department of Treasury</u>			
Direct			
Local Assistance & Tribal Consistency Funds	21.032		<u>1,746,325</u>
Total U.S. Department of Treasury			<u>1,746,325</u>
<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	
2022 Homeland Security Grant	97.067	EMW2022SS00071	<u>27,180</u>
Total Homeland Security Grant			<u>27,180</u>
Total U.S. Department of Homeland Security			<u>27,180</u>
Total Federal Financial Assistance			<u>\$ 8,452,912</u>

Bonner County, Idaho
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2024

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, 2024. 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.

4. OUTSTANDING LOAN BALANCE

The Water and Water Disposal Systems for Rural Communities grant, assistance listing number 10.760, had an outstanding balance of \$8,137,000 at the end of the year.



ZWYGART JOHN

CERTIFIED PUBLIC ACCOUNTANTS

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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, 2024, 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 May 7, 2025.

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 2024-001, 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.

Zwyzart John & Associates, CPAs PLLC

Nampa, Idaho
May 7, 2025



**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, 2024. 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, 2024.

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.

Zwysart John & Associates, CPAs PLLC

Nampa, Idaho
May 7, 2025

Bonner County, Idaho
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2024

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:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program</u>
10.760	Water and Waste Disposal Systems for Rural Communities
15.226	Payments in Lieu of Taxes
21.032	Local Assistance & Tribal Consistency (LATCF)

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

2024-001 - Material Audit Adjustments

Conditions

During the audit, we proposed multiple material adjustments to properly state assets, liabilities, revenues, and expenses for various funds. Our proposed adjustments were identified as a result of our audit procedures.

Criteria

The County should design and implement internal controls to prevent and detect material misstatements to fund trial balances in a timely manner.

Effect or Potential Effect

This could cause financial statements to be materially misstated.

Recommendation

The County needs to provide the time and resources so that key staff can take the needed training to be able to fully utilize the accounting software to be able to detect and make all required adjustments throughout the year.

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, 2024

2024-001 - Material Audit Adjustments

Actions Taken By the County:

The County is working to make sure that key employees have the time and resources available to them so that they can receive the needed training to fully utilize their accounting software to make sure that all required adjustments are being made.

Bonner County, Idaho
Schedule of Prior Audit Findings
For the Year Ended September 30, 2024

2023-001 - Controls over Bonner County Fair Board

Conditions:

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

Conditions: Current Status

The Bonner County Fair Board have hired an outside bookkeeper to help review and maintain their books. The outside bookkeeper has helped to put controls in place to address this finding.