

**FREMONT COUNTY
ST. ANTHONY, IDAHO**

**BASIC FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTAL INFORMATION
WITH
SUPPLEMENTAL INFORMATION
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDING
SEPTEMBER 30, 2019**

FREMONT COUNTY, IDAHO
General Purpose Financial Statements
For the Year Ending September 30, 2019

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FREMONT COUNTY, IDAHO
General Purpose Financial Statements
For the Year Ending September 30, 2019

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Independent Auditor's Report

Board of County Commissioners
Fremont County, Idaho
St. Anthony, Idaho 83445

We have audited the accompanying basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Fremont County as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Fremont County's basic financial statements as listed in the table of contents.

Management's Responsibility of 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not the purpose of expressing an opinion of the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the government's activities, each major fund, and the aggregate remaining fund information of Fremont County, as of September 30, 2019, 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.

Board of County Commissioners
Fremont County, Idaho
St. Anthony, Idaho 83445

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedules of employer's share of net pension liability and employer contributions on pages 37-43 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 the 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 of the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis (MD&A) which is management's analysis of the county's financial activities based on currently known facts, decisions, or conditions, that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Fremont County's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying account and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Board of County Commissioners
Fremont County, Idaho
St. Anthony, Idaho 83445

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2020 in our consideration of the county'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Jensen Poulsen & Company, PLLC

JENSEN POULSEN & COMPANY, PLLC
Certified Public Accountants

Idaho Falls, ID
February 5, 2020

BASIC FINANCIAL STATEMENTS

FREMONT COUNTY, IDAHO
Statement of Net Position
September 30, 2019

ASSETS	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 5,689,990	\$ 8,853,146	\$ 14,543,136
Investments	9,519,265	-	9,519,265
Taxes receivable	334,341	-	334,341
State & Federal apportionments	163,140	-	163,140
Accounts receivable	329,041	33,351	362,392
Other receivables	162,629	367,115	529,744
Interfund receivable	-	-	-
Inventory - tax deeded property	31,063	-	31,063
Loan origination fees, net of amortization	-	3,359	3,359
Capital assets, nondepreciable	7,020,074	30,000	7,050,074
Capital assets, net of depreciation	14,219,250	7,158,008	21,377,258
Total assets	<u>\$ 37,468,793</u>	<u>\$ 16,444,979</u>	<u>\$ 53,913,772</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferred outflows	\$ 636,173	\$ -	\$ 636,173
 LIABILITIES			
Warrants payable	\$ 2,202,029	\$ 234,413	\$ 2,436,442
Veba trust payable	27,577	-	27,577
Accounts payable	338,462	32,252	370,714
Payroll liabilities	395,307	86,603	481,910
Accrued interest payable	21,981	6,581	28,562
Interfund payable	-	-	-
Closure & post-closure landfill liability	2,000,000	-	2,000,000
Net pension liability	2,539,705	-	2,539,705
Long term debt payable within one year:			
Contracts payable	-	-	-
Capital lease payable	286,679	48,322	335,001
Wells Fargo loan payable	-	12,308	12,308
DEQ loan payable	-	29,217	29,217
Total current liabilities	<u>\$ 7,811,740</u>	<u>\$ 449,696</u>	<u>\$ 8,261,436</u>
Long term debt due after one year:			
Contracts payable	\$ -	\$ -	\$ -
Capital lease payable	696,553	111,478	808,031
Wells Fargo loan payable	-	78,225	78,225
DEQ loan payable	-	57,856	57,856
Compensated absences	567,752	126,355	694,107
Total noncurrent liabilities	<u>1,264,305</u>	<u>373,914</u>	<u>1,638,219</u>
Total liabilities	<u>\$ 9,076,045</u>	<u>\$ 823,610</u>	<u>\$ 9,899,655</u>
 DEFERRED INFLOWS OF RESOURCES			
Pension related deferred inflows	\$ 1,164,521	\$ -	\$ 1,164,521
 NET POSITION			
Investment in capital assets, net of related debt	\$ 20,256,092	\$ 6,850,602	\$ 27,106,694
Restricted for:			
Capital projects	1,006,038	-	1,006,038
Special revenue	6,827,450	-	6,827,450
Unrestricted	(225,180)	8,770,767	8,545,587
Total net position	<u>\$ 27,864,400</u>	<u>\$ 15,621,369</u>	<u>\$ 43,485,769</u>

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

FREMONT COUNTY, IDAHO
Statement of Activities
For the Year Ending September 30, 2019

Activities:	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Governmental:						
General government	\$ 5,310,601	\$ 14,536	\$ -	\$ (4,548,602)	\$	\$ (4,548,602)
Public protection:						
Road and bridge	4,109,735	1,113,444	-	(2,804,295)		(2,804,295)
Public safety	5,811,531	101,942	-	(5,197,230)		(5,197,230)
Sanitation	2,366,016	219,598	-	506,516		506,516
Health	84,749	-	-	(84,749)		(84,749)
Social services	284,089	25,000	-	(215,957)		(215,957)
Culture and recreation	806,685	300	4,326	(795,301)		(795,301)
Interest on long term debt	35,885	-	-	(35,885)		(35,885)
Total governmental activities	18,809,291	1,474,820	4,326	(13,175,503)		(13,175,503)
Business -type:						
Golf course	90,527	-	-		\$ (14,207)	(14,207)
Sewer systems	1,222,935	-	-		1,086,320	1,086,320
Five County detention	2,499,158	-	748,580		337,233	337,233
Total business-type activities	3,812,620	-	748,580		1,409,346	1,409,346
Total Fremont County	\$ 22,621,911	\$ 1,474,820	\$ 752,906	\$ (13,175,503)	\$	\$ (11,766,157)
General revenues:						
Taxes:						
Property taxes, levied for general purposes				1,604,839		1,604,839
Property taxes, levied for special revenue				7,761,501		7,761,501
Property taxes, levied for capital projects				750,394		750,394
Intergovernmental revenues				4,717,675		4,717,675
Earnings on investments				1,494,721		1,494,721
Interest income				78,702	1,000	79,702
Miscellaneous				1,174,406	56,869	1,231,275
Gain or (loss) on sale of assets				191,904	-	191,904
Transfers				-	-	-
Total general revenues and transfers				17,774,142	57,869	17,832,011
Change in net position				4,598,639	1,467,215	6,065,854
Net position--beginning				23,265,761	14,154,154	37,419,915
Prior period adjustments				-	-	-
Net position--ending				\$ 27,864,400	\$ 15,621,369	\$ 43,485,769

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

FREMONT COUNTY, IDAHO
Balance Sheet - Governmental Funds
September 30, 2019

	General Fund	Road & Bridge Fund	Justice Fund	Sanitary Landfill	Landfill Financial Assurance	Non-Major Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents.....	\$ (3,198,300)	\$ 1,772,711	\$ 1,639,919	\$ 1,514,380	\$ 254,150	\$ 3,707,130	\$ 5,689,990
Investments.....	6,851,211	667,012	-	-	1,334,029	667,013	9,519,265
Receivables:							
Property taxes.....	42,899	63,922	103,799	-	-	123,721	334,341
State & Federal apportionments.....	-	-	19,457	-	-	143,683	163,140
Other.....	1,870	-	300	115,621	-	373,879	491,670
Inventory - tax dedeed property.....	31,063	-	-	-	-	-	31,063
Total assets.....	\$ 3,728,743	\$ 2,503,645	\$ 1,763,475	\$ 1,630,001	\$ 1,588,179	\$ 5,015,426	\$ 16,229,469
LIABILITIES AND FUNDE EQUITY							
Liabilities:							
Warrants payable.....	\$ 184,818	\$ 584,642	\$ 118,115	\$ 604,513	\$ -	\$ 709,941	\$ 2,202,029
Accounts payable.....	-	8,755	16,304	11,247	-	302,156	338,462
Payroll liabilities.....	83,742	57,270	143,245	26,162	-	84,888	395,307
VEBA trust account liability.....	27,577	-	-	-	-	-	27,577
Accrued interest payable.....	-	-	-	-	-	-	-
Interfund payable.....	-	-	-	-	-	-	-
Deferred revenue.....	501,580	61,448	476,453	-	-	919,260	1,958,741
Closure & post-closure landfill liability.....	-	-	-	-	2,000,000	-	2,000,000
Total liabilities.....	\$ 797,717	\$ 712,115	\$ 754,117	\$ 641,922	\$ 2,000,000	\$ 2,016,245	\$ 6,922,116
Fund Equity:							
Nonspendable.....	31,063	-	-	-	-	-	31,063
Restricted.....	-	1,791,530	1,009,358	-	-	2,291,419	5,092,307
Committed.....	-	-	-	-	-	-	-
Assigned.....	-	-	-	988,079	(411,821)	707,789	1,284,047
Unassigned.....	2,899,963	-	-	-	-	(27)	2,899,936
Total fund equity.....	\$ 2,931,026	\$ 1,791,530	\$ 1,009,358	\$ 988,079	\$ (411,821)	\$ 2,999,181	\$ 9,307,353
Total liabilities and fund equity.....	\$ 3,728,743	\$ 2,503,645	\$ 1,763,475	\$ 1,630,001	\$ 1,588,179	\$ 5,015,426	\$ 16,229,469

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

FREMONT COUNTY, IDAHO
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
September 30, 2019

Total fund balances - governmental funds \$ 9,307,353

Total net position reported for governmental activities in the statement of net position is different because:

The cost of capital assets (land, buildings, furniture, and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in government funds.

Cost of capital assets	38,279,254	
Work in progress	5,123,369	
Depreciation expense to date	(22,163,299)	
Total	21,239,324	21,239,324

Property taxes received that are not available to pay for current period expenditures are deferred in the funds.		1,958,741
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Contracts payable	-	
Capital leases	(983,232)	
Accrued interest	(21,981)	
Compensated absences	(567,752)	
Total	(1,572,965)	(1,572,965)

GASB 68 requires the accrual of net pension assets and liabilities and the deferred inflows and outflows of resources related thereto.

Net pension liability	(2,539,705)	
Deferred outflows of resources	636,173	
Deferred inflows of resources	(1,164,521)	
Total	(3,068,053)	(3,068,053)

Total net position of governmental activities		\$ 27,864,400
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The accompanying notes are an integral part of these financial statements.

FREMONT COUNTY, IDAHO
Statement of Revenues, Expenditures And Changes In Fund Balance
Governmental Funds
For the Year Ending September 30, 2019

	General Fund	Road & Bridge Fund	Justice Fund	Sanitary Landfill	Landfill Financial Assurance	Other Governmental Funds	Total Governmental Funds
REVENUE							
Taxes.....	\$ 1,922,941	\$ 1,758,447	\$ 3,366,614	\$ -	\$ -	\$ 3,315,690	\$ 10,363,692
Intergovernmental revenue.....	607,859	2,187,272	822,797	-	-	1,075,942	4,693,870
Interest.....	6,056	11,185	19,669	23,392	-	18,400	78,702
Earnings on investments.....	1,111,523	261,500	118,017	-	-	3,681	1,494,721
Licenses and permits.....	432,533	-	-	-	-	26,116	458,649
Fines.....	-	-	-	-	-	98,550	98,550
Charges for services.....	190,644	-	-	483,600	-	722,775	1,397,019
Special fees.....	-	-	-	1,954,384	-	11,640	1,966,024
Grants.....	14,536	-	64,227	-	-	244,598	323,361
Miscellaneous revenue.....	334,616	415,869	116,937	169,960	-	1,705,845	2,743,227
Total revenue.....	4,620,708	4,634,273	4,508,261	2,631,336	-	7,223,237	23,617,815
EXPENDITURES							
General government.....	2,980,288	-	-	-	-	1,965,325	4,945,613
Road and bridge.....	-	3,487,340	-	-	-	2,099,061	5,586,401
Public safety.....	70,486	-	4,207,623	-	-	1,089,166	5,367,275
Sanitation.....	-	-	-	1,336,490	-	657,594	1,994,084
Health.....	17,378	-	-	-	-	84,748	102,126
Social services.....	-	-	-	-	-	283,590	283,590
Culture and recreation.....	-	-	-	-	-	777,316	777,316
Capital outlay.....	361,800	521,867	255,058	2,146,355	-	330,398	3,615,478
Total expenditures.....	3,429,952	4,009,207	4,462,681	3,482,845	-	7,287,198	22,671,883
Excess of revenues over (under) expenditures.....	1,190,756	625,066	45,580	(851,509)	-	(63,961)	945,932
OTHER FINANCING SOURCES (USES)							
Other financing sources (uses).....	-	-	-	-	-	-	-
Operating transfers in (out).....	(50,000)	-	-	-	-	50,000	-
Total other financing sources (uses).....	(50,000)	-	-	-	-	50,000	-
Excess of revenue and other sources over (under) expenditures and other uses.....	1,140,756	625,066	45,580	(851,509)	-	(13,961)	945,932
Fund Balance - October 1.....	1,790,270	1,166,464	963,778	1,839,588	(411,821)	3,013,142	8,361,421
Prior Period Adjustment.....	-	-	-	-	-	-	-
Fund Balance - September 30.....	\$ 2,931,026	\$ 1,791,530	\$ 1,009,358	\$ 988,079	\$ (411,821)	\$ 2,999,181	\$ 9,307,353

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

FREMONT COUNTY, IDAHO
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ending September 30, 2019

Net changes in fund balances -- total governmental funds \$ 945,932

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capitalized assets	5,960,755	
Depreciation expense	<u>(1,514,429)</u>	4,446,326

Property tax revenues are deferred and not recognized in the funds until they are available to pay for current period expenditures. In the statement of activities, however, they are recognized when levied. This is the difference between the amount deferred at the beginning and end of the year.

Deferred revenue - 2019	1,958,741	
Deferred revenue - 2018	<u>(2,166,938)</u>	(208,197)

Proceeds from the issuance of long term debt is not recognized in governmental funds. In the Statement of Activities, however, issuing debt increases long term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.

Debt Issued:		
Increases in contracts payable	-	
Increases in capital leases	(907,703)	
Increases in accrued interest	(17,225)	
Repayments:		
Capital leases	259,408	
Accrued interest	-	
Contracts payable	<u>109,448</u>	(556,072)

Sale of capital assets.

Cost of capital assets sold	(221,255)	
Accumulated depreciation	<u>219,610</u>	(1,645)

Some expenses 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.

Compensated absences - 2019	(567,752)	
Compensated absences - 2018	<u>516,289</u>	(51,463)

GASB 68 requires the calculation of net pension revenue/(expense), and the deferral of current contributions

Current contributions	258,874	
Change in net pension expense	<u>(235,116)</u>	23,758

Changes in net position of governmental activities \$ 4,598,639

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

FREMONT COUNTY, IDAHO
Statement of Net Position
Proprietary Funds
September 30, 2019

	Business-Type Activities			
	Golf Course	Sewer Systems	Five County Detention	Totals
ASSETS				
Cash and cash equivalents.....	\$ 33,363	\$ 6,831,620	\$ 1,988,163	\$ 8,853,146
Accounts receivable.....	-	-	33,351	33,351
Other receivables.....	-	86,856	280,259	367,115
Capital assets, nondepreciable.....	30,000	-	-	30,000
Capital assets, net of depreciation.....	546	6,659,224	498,238	7,158,008
Loan origination fees, net of amortization.....	-	3,359	-	3,359
Total assets.....	<u>\$ 63,909</u>	<u>\$ 13,581,059</u>	<u>\$ 2,800,011</u>	<u>\$ 16,444,979</u>
LIABILITIES				
Current liabilities:				
Warrants payable.....	\$ 2,881	\$ 130,809	\$ 100,723	\$ 234,413
Accounts payable.....	-	32,252	-	32,252
Payroll liabilities.....	-	14,657	71,946	86,603
Accrued interest payable.....	-	4,505	2,076	6,581
Capital lease payable-current.....	-	-	48,322	48,322
Wells Fargo loan -current.....	-	12,308	-	12,308
DEQ loan -current.....	-	29,217	-	29,217
Total current liabilities.....	<u>2,881</u>	<u>223,748</u>	<u>223,067</u>	<u>449,696</u>
Long Term Liabilities				
Capital lease.....	-	-	111,478	111,478
Wells Fargo loan.....	-	78,225	-	78,225
DEQ loan.....	-	57,856	-	57,856
Compensated absences.....	-	20,429	105,926	126,355
Total long term liabilities.....	<u>-</u>	<u>156,510</u>	<u>217,404</u>	<u>373,914</u>
Total liabilities.....	<u>2,881</u>	<u>380,258</u>	<u>440,471</u>	<u>823,610</u>
NET POSITION				
Invested in capital assets, net of related debt.....	30,546	6,481,618	338,438	6,850,602
Unrestricted.....	30,482	6,719,183	2,021,102	8,770,767
Total net position.....	<u>\$ 61,028</u>	<u>\$ 13,200,801</u>	<u>\$ 2,359,540</u>	<u>\$ 15,621,369</u>

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

FREMONT COUNTY, IDAHO
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ending September 30, 2019

	Business-Type Activities			Totals
	Golf Course	Sewer Systems	Five County Detention	
OPERATING REVENUE				
Charges for services:				
Golf.....	\$ 76,320	\$ -	\$ -	\$ 76,320
Sewer systems.....	-	2,309,255	-	2,309,255
Detention center contributions.....	-	-	1,539,496	1,539,496
Detention center payments.....	-	-	548,315	548,315
State grant.....	-	-	748,580	748,580
Miscellaneous.....	20,751	17,253	18,865	56,869
Total operating revenue.....	<u>97,071</u>	<u>2,326,508</u>	<u>2,855,256</u>	<u>5,278,835</u>
OPERATING EXPENSES				
Labor.....	-	242,954	1,222,884	1,465,838
Golf pro contract.....	32,892	-	-	32,892
Contract labor.....	19,250	-	-	19,250
Advertising.....	300	-	-	300
Repairs and supplies.....	8,759	139,180	77,840	225,779
Payroll taxes.....	-	17,367	89,180	106,547
Fringe benefits.....	-	126,217	479,058	605,275
Utilities.....	9,694	103,129	64,593	177,416
Depreciation.....	1,580	366,330	55,942	423,852
Amortization.....	-	625	-	625
Miscellaneous.....	18,052	216,814	500,046	734,912
Total operating expenses.....	<u>90,527</u>	<u>1,212,616</u>	<u>2,489,543</u>	<u>3,792,686</u>
Operating income (loss).....	<u>6,544</u>	<u>1,113,892</u>	<u>365,713</u>	<u>1,486,149</u>
NONOPERATING REVENUES (EXPENSES)				
Interest and investment revenue.....	-	-	1,000	1,000
Interest expense.....	-	(10,319)	(9,615)	(19,934)
Total nonoperating revenue (expenses).....	<u>-</u>	<u>(10,319)</u>	<u>(8,615)</u>	<u>(18,934)</u>
Net income (loss) before contributions and transfers.....	6,544	1,103,573	357,098	1,467,215
Operating transfers.....	-	-	-	-
Change in net position.....	6,544	1,103,573	357,098	1,467,215
Total net position--beginning.....	54,484	12,097,228	2,002,442	14,154,154
Prior period adjustments.....	-	-	-	-
Total net position--ending.....	<u>\$ 61,028</u>	<u>\$ 13,200,801</u>	<u>\$ 2,359,540</u>	<u>\$ 15,621,369</u>

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

FREMONT COUNTY, IDAHO
Statement of Cash Flows
Proprietary Funds
For the Year Ending September 30, 2019

	Golf Course	Sewer Systems	5-C Detention Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 97,071	\$ 2,317,552	\$ 2,838,248	\$ 5,252,871
Payments to suppliers/employees	89,475	747,422	2,387,860	3,224,757
Net cash provided (used) by operating activities	<u>7,596</u>	<u>1,570,130</u>	<u>450,388</u>	<u>2,028,114</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Acquisition of capital assets	-	(314,500)	(75,406)	(389,906)
Interest income	-	-	1,000	1,000
Net cash used by investing activities	<u>-</u>	<u>(314,500)</u>	<u>(74,406)</u>	<u>(388,906)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Principal on debt retirement	-	(41,588)	(48,352)	(89,940)
Interest on debt retirement	-	(10,319)	(9,615)	(19,934)
Prior period adjustment for cash transferred	-	-	-	-
Net cash used by financing activities	<u>-</u>	<u>(51,907)</u>	<u>(57,967)</u>	<u>(109,874)</u>
Net increase (decrease) in cash and cash equivalents	7,596	1,203,723	318,015	1,529,334
Balance -- beginning of the year	25,767	5,627,897	1,670,148	7,323,812
Balance -- end of the year	<u>\$ 33,363</u>	<u>\$ 6,831,620</u>	<u>\$ 1,988,163</u>	<u>\$ 8,853,146</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 6,544	\$ 1,113,892	\$ 365,713	\$ 1,486,149
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation and amortization	1,580	366,955	55,942	424,477
Change in assets and liabilities:				
Receivables, net	-	(8,956)	(17,008)	(25,964)
Accounts and other payables	(528)	98,239	45,741	143,452
Net cash provided (used) by operating activities	<u>\$ 7,596</u>	<u>\$ 1,570,130</u>	<u>\$ 450,388</u>	<u>\$ 2,028,114</u>

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

FREMONT COUNTY, IDAHO
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
September 30, 2019

ASSETS	<u>Agency Funds</u>
Cash and cash equivalents.....	\$ 370,227
Receivables:	
Delinquent real property taxes.....	332,758
State & Federal apportionments.....	40,279
Total assets.....	<u>\$ 743,264</u>
LIABILITIES	
Warrants payable.....	\$ 230,830
Due to other taxing units.....	512,434
Total liabilities.....	<u>743,264</u>
NET POSITION	<u>\$ -</u>

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

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Fremont County, Idaho, was incorporated March 4, 1893, under the provisions of State of Idaho House Bill 100 (by Fletcher). The County is located in the northeastern corner of Southeast Idaho and operates under the authority of a Board of Commissioners. The County provides public safety, ambulance, health and welfare, licensing, court, road and bridge, sanitation, parks and recreation, planning and zoning, public improvements, waterways, educational, and general and administrative services to residents and non-residents of the County. The County includes Island Park which has excellent recreational facilities and attracts many visitors to the County.

The County collects certain fees for services which it performs for residents and non-residents. In addition to fees, the County receives State and Federal funds to help pay for services. Any shortfall in funds for providing services is collected in the form of property taxes levied by the County. The County also acts as an agent for other governmental and quasi-governmental entities in collecting and remitting property taxes levied by these entities. The County accounts for transactions in separate funds. By using several funds the County is able to account for each type of service, activity or program for which the County receives funds. Accounting for activities by fund conforms to generally accepted accounting principles as applicable to governments.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the County). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal balances and transfers. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING, Continued

Basis of Presentation, Continued

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Road and Bridge. This fund accounts for the operation and maintenance of the County's road and bridge infrastructure.

Justice Fund. This fund is responsible for activities related to law enforcement.

Sanitary Landfill. This fund is responsible for activities related to operating and maintain landfills.

Landfill Financial Assurance. This fund is responsible for recording and accruing actual and estimated post-closure costs of the landfills.

The County reports the following major enterprise funds:

5-County Detention Center. The 5-County Detention Center is a center that is owned by Fremont, Jefferson, Clark, Teton, and Madison Counties collectively. All five counties participate in the repayment of the debt obligations. Fremont County is the current fiduciary for the center.

Sewer Systems. This fund accounts for the operation and maintenance of the sewer systems within the County.

The County reports the following fund types:

Agency Funds. These funds account for monies held on behalf of school districts, special districts, and retirement boards that use the County as a depository; property taxes collected on behalf of other governments; and surety bonds and performance deposits.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING, Continued

Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using 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. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, 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 is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases 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 net position available to finance the program, it is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or after November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

C. ASSETS, LIABILITIES, AND EQUITY

Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing earnings through investment activities. The pooled investments are reported at fair value at September 30, 2019 based on market prices. Earnings on the pooled funds are apportioned and paid or credited to the funds based on the balance of each participating fund.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

C. ASSETS, LIABILITIES, AND EQUITY, Continued

Cash and Cash Equivalents

The County considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits with a maturity date of three months or less. Demand deposits include certificates of deposits.

Receivables and Payables

All trade and property tax receivables are shown net of an allowance for uncollectibles. Because property taxes attach as an enforceable lien after three years of delinquency, the County feels that all receivables are collectible.

Property Tax Calendar

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the schools and special districts within the County. The Board of Commissioners levies property taxes as of November each year. The taxes become payable on December 20, and June 20, of the following year for real property and personal property.

Property taxes attach as an enforceable lien as of December 20 following the levy in August. Therefore, no amount has been set aside for an allowance for doubtful accounts. Property taxes collected after December 1, 2019 are classified as deferred revenue.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired after July 1, 2001 are reported at cost or estimated historical cost. The Standards did not require that we track and maintain general infrastructure assets acquired prior to July 1, 2001 and also do not require us to retroactively restate these assets for financial reporting purposes. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Equipment	5 – 15
Improvements	10 – 50
Buildings	30 – 60

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

C. ASSETS, LIABILITIES, AND EQUITY, Continued

Net Position

Net position is the difference between assets and liabilities. Net position invested in capital assets, net of related debt, are capital assets, less accumulated depreciation and any outstanding debt related to the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are legal limitations that are imposed on their use by the County, or external restrictions by other governments, creditors or grantors or enabling legislation. In Fremont County there are restrictions of \$7,833,488. When expenses are incurred for purposes for which both restricted and unrestricted net position are available, restricted resources are applied first.

Fund Balance Reserves

Fund balance is categorized into five categories. The five categories of fund balance are nonspendable, restricted, committed, assigned, and unassigned. For the year ended September 30, 2019, the County had fund balances which were nonspendable, restricted, assigned, and unassigned of \$31,063, \$5,092,307, \$1,284,047, and \$2,899,936 respectively. Nonspendable funds are amounts that are not in a spendable form or are required to remain intact. Restricted funds are those which are constrained to being used for a specific purpose by external parties, constitutional provisions, or enabling legislation. Assigned funds are amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unassigned funds are those which are available for any purpose.

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Inventories

The County has inventory of tax deeded property valued at \$31,063 as of September 30, 2019. The basis for stating inventories is at the value of the delinquent taxes owed on the properties.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and revenue and expenses. Actual results could differ from those estimates.

Pensions

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

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 2 DEPOSITS AND INVESTMENTS

A. SUMMARY OF DEPOSIT AND INVESTMENT BALANCES

Following is a reconciliation of the County's deposit and investment balances as of September 30, 2019:

	Pooled Cash and Investments		Total
Bank deposits	\$ 14,913,363		\$ 14,913,363
Investments	<u>9,519,265</u>		<u>9,519,265</u>
Total	<u>\$ 24,432,628</u>		<u>\$ 24,432,628</u>
	Government-wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Pooled cash	\$ 14,543,136	\$ 370,227	\$ 14,913,363
Investments	<u>9,519,265</u>	<u>-</u>	<u>9,519,265</u>
Total	<u>\$ 24,062,401</u>	<u>\$ 370,227</u>	<u>\$ 24,432,628</u>

B. CASH DEPOSITS

<u>Depository Institution</u>	<u>Book Balance</u>	<u>Bank Balance</u>	<u>FDIC Insured</u>	<u>Collateralized</u>	<u>Uninsured</u>
Bank of Idaho	\$ 2,342,975	\$ 2,384,205	\$ 250,000	\$ 2,073,100	\$ 61,105
East Id. Cr. Union (EICU)	13,156	13,156	13,156	-	-
Petty Cash	800	-	-	-	800
Wells Fargo Investment Services	2,920,974	2,920,974	-	-	2,920,974
Bank of Idaho Money Market	<u>9,635,423</u>	<u>9,635,423</u>	<u>-</u>	<u>-</u>	<u>9,635,423</u>
Total	<u>\$14,913,328</u>	<u>\$14,953,758</u>	<u>\$ 263,156</u>	<u>\$ 2,073,100</u>	<u>\$12,618,302</u>

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned. The County does not have a deposit policy for custodial credit risk. As of September 30, 2019, \$12,618,302 of the County's bank balance of \$14,953,758 was exposed to custodial credit risk as can be seen in the previous table.

The County also maintains a checking account at the Bank of Idaho titled the VEBA Trust Account. This account is used to pay for county health insurance premiums and other health benefits. As of September 30, 2019 the book balance on this account was \$27,577.

The money market accounts deposited with Wells Fargo Investment Services are insured by SIPC, a non-profit organization that pledges to cover up to \$500,000 of cash and securities (including a \$250,000 limit for cash only) in the case of a bank failure. However, this coverage is not guaranteed and is not backed by the United States Government.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

B. INVESTMENTS

The County's investment policy, in compliance with state statutes, authorizes the Treasurer to invest in the following:

- Revenue bonds
- Money market funds
- Mutual funds
- Time deposit accounts
- U.S. bonds/treasury bills
- General obligation bonds
- Notes, bonds, debentures under farm credit act
- Repurchase/reverse repurchase agreements
- Tax anticipation bonds/notes
- Savings accounts and certificates of deposit
- Share, savings, and deposit accounts at credit unions
- Prime bankers acceptances
- Prime commercial paper
- Bonds/debentures of U.S. corporation

As of September 30, 2019, the County has the following investments, reported at fair market value.

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
Time Deposit Accounts		
Negotiable Certificates of Deposit	Various	\$ 4,675,603
Federal Agency Obligations		
Federal National Mortgage Association	Various	2,470,339
Federal Home Loan Mortgage	Various	743,397
Federal Farm Credit Bank	Various	248,845
Federal Home Loan Bank	Various	1,044,495
Tennessee Valley Authority	Various	336,586
Total Investments		<u>\$ 9,519,265</u>

As of September 30, 2019 all investments are uninsured and uncollateralized.

Concentration Credit Risk is the risk that the County has invested more than 5% of their total investment in any one issuer. Currently, Fremont County holds the following individual issues in an amount greater than 5% of their total investments:

<u>Investment</u>	<u>% of Total Investment</u>
Negotiable Certificates of Deposit	49%
Federal National Mortgage Association	26%
Federal Home Loan Mortgage	8%
Federal Home Loan Bank	11%

Credit Risk: The County's investments are rated by the two nationally recognized statistical rating organizations—Standard & Poor's and Moody's Investment Services. Investments in US Government Agencies are rated AA+ and AAA, respectively.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019, was as follows:

	<u>Beginning Balances</u>	<u>Capital Acquisitions</u>	<u>Sales or Other Dispositions</u>	<u>Ending Balances</u>
GOVERNMENTAL ACTIVITIES:				
NON-DEPRECIABLE ASSETS:				
Land	\$ 1,896,705	\$ -	\$ -	\$ 1,896,705
Construction in progress	3,179,377	3,311,232	1,367,240	5,123,369
TOTAL NON-DEPRECIABLE ASSETS	<u>5,076,082</u>	<u>3,311,232</u>	<u>1,367,240</u>	<u>7,020,074</u>
DEPRECIABLE ASSETS:				
Buildings	2,944,007	231,043	-	3,175,050
Equipment	26,084,418	2,170,472	221,255	28,033,635
Improvements	3,558,616	1,615,245	-	5,173,861
TOTAL DEPRECIABLE ASSETS	<u>32,587,041</u>	<u>4,016,760</u>	<u>221,255</u>	<u>36,382,546</u>
ACCUMULATED DEPRECIATION:				
Buildings	1,090,963	84,672	-	1,175,635
Equipment	16,795,196	1,345,657	219,610	17,921,243
Improvements	2,982,321	84,098	-	3,066,419
TOTAL ACCUMULATED DEPRECIATION	<u>20,868,480</u>	<u>1,514,427</u>	<u>219,610</u>	<u>22,163,297</u>
TOTAL NET DEPRECIABLE ASSETS	<u>11,718,561</u>	<u>2,502,333</u>	<u>1,645</u>	<u>14,219,249</u>
TOTAL GOVERNMENTAL NET CAPITAL ASSETS	<u>\$ 16,794,643</u>	<u>\$ 5,813,565</u>	<u>\$ 1,368,885</u>	<u>\$ 21,239,323</u>

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 3 CAPITAL ASSETS, Continued

	<u>Beginning Balances</u>	<u>Capital Acquisitions</u>	<u>Sales or Other Dispositions</u>	<u>Ending Balances</u>
<u>BUSINESS-TYPE ACTIVITIES:</u>				
<u>5-COUNTY DETENTION:</u>				
DEPRECIABLE ASSETS				
Buildings	\$ 501,623	\$ 75,406	\$ -	\$ 577,029
Equipment	475,067	-	-	475,067
TOTAL DEPRECIABLE ASSETS	<u>976,690</u>	<u>75,406</u>	<u>-</u>	<u>1,052,096</u>
ACCUMULATED DEPRECIATION				
Buildings	254,064	18,085	-	272,149
Equipment	243,852	37,857	-	281,709
TOTAL ACCUMULATED DEPRECIATION	<u>497,916</u>	<u>55,942</u>	<u>-</u>	<u>553,858</u>
TOTAL NET DEPRECIABLE ASSETS	<u>478,774</u>	<u>19,464</u>	<u>-</u>	<u>498,238</u>
<u>SEWER SYSTEMS:</u>				
DEPRECIABLE ASSETS				
Equipment	2,069,187	48,382	22,647	2,094,922
Improvements	10,324,570	102,795	-	10,427,365
Construction in progress	185,296	163,322	-	348,618
TOTAL DEPRECIABLE ASSETS	<u>12,579,053</u>	<u>314,499</u>	<u>22,647</u>	<u>12,870,905</u>
ACCUMULATED DEPRECIATION				
Equipment	1,261,879	146,569	22,647	1,385,801
Improvements	4,606,125	219,761	-	4,825,886
TOTAL ACCUMULATED DEPRECIATION	<u>5,868,004</u>	<u>366,330</u>	<u>22,647</u>	<u>6,211,687</u>
TOTAL NET DEPRECIABLE ASSETS	<u>6,711,049</u>	<u>(51,831)</u>	<u>-</u>	<u>6,659,218</u>
AMORTIZABLE ASSETS				
Bond Issuance Costs	<u>12,500</u>	<u>-</u>	<u>-</u>	<u>12,500</u>
Accumulated Amortization	<u>8,516</u>	<u>625</u>	<u>-</u>	<u>9,141</u>
TOTAL NET AMORTIZABLE ASSETS	<u>3,984</u>	<u>(625)</u>	<u>-</u>	<u>3,359</u>
<u>OTHER PROPRIETARY ACTIVITIES:</u>				
NON-DEPRECIABLE ASSETS				
Land	30,000	-	-	30,000
DEPRECIABLE ASSETS				
Buildings	61,954	-	-	61,954
Equipment	87,950	-	-	87,950
Improvements	81,031	-	-	81,031
TOTAL DEPRECIABLE ASSETS	<u>230,935</u>	<u>-</u>	<u>-</u>	<u>230,935</u>
ACCUMULATED DEPRECIATION:				
Buildings	61,030	377	-	61,407
Equipment	87,950	-	-	87,950
Improvements	79,829	1,202	-	81,031
TOTAL ACCUMULATED DEPRECIATION	<u>228,809</u>	<u>1,579</u>	<u>-</u>	<u>230,388</u>
TOTAL NET DEPRECIABLE ASSETS	<u>2,126</u>	<u>(1,579)</u>	<u>-</u>	<u>547</u>
 TOTAL NET OTHER PROPRIETARY ASSETS	 <u>32,126</u>	 <u>(1,579)</u>	 <u>-</u>	 <u>30,547</u>
 TOTAL BUSINESS-TYPE ACTIVITIES NET CAPITAL ASSETS	 <u>\$ 7,225,933</u>	 <u>\$ (34,571)</u>	 <u>-</u>	 <u>\$ 7,191,362</u>

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 3 CAPITAL ASSETS, Continued

Depreciation expense was charged to functions as follows:

General government:

Road & Bridge	\$ 620,961
Public Safety	343,590
Sanitation	248,935
Culture & Recreation	30,122
Other	<u>270,821</u>
Total	<u>\$ 1,514,429</u>
5-County Detention Center	55,942
Sewer Systems	366,330
Golf Course	<u>1,580</u>
Total	<u>\$ 1,938,281</u>

Amortization expense was charged to the Last Chance Line Extension in the amount of \$625.

NOTE 4 INTERFUND TRANSACTIONS

A. INTERFUND RECEIVABLES/PAYABLES

The negative cash balances reported in the General Fund, and the Ambulance District have not been reported as interfund receivables and payables due to excess of the investment balances over the negative cash balances. As such, they are not using the resources of other funds.

B. INTERFUND TRANSFERS

Interfund operating transfers at September 30, 2019, consist of the following:

	<u>Transfers To</u>	<u>Transfers From</u>
General Fund		50,000
Senior Citizens	50,000	

The transfer from the general fund to Senior Citizens was made to cover general operations.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 5 COMMITMENTS AND CONTINGENCIES

Litigation:

As of the date of this report, Fremont County is involved in several legal suits. However, none of these suits would require disclosure under SFAS No. 5. According to the County attorney, a determination on the outcome either cannot be assessed or the chance of an unfavorable outcome is remote. Furthermore, the insurance liability limits would cover any potential losses.

NOTE 6 RISK MANAGEMENT

The county is exposed to a considerable number of risks of loss including but not limited to a) damage to and loss of property and contents; b) employee torts; c) professional liability, i.e. errors and omissions; d) environmental damage; e) workers compensation, i.e. employee injuries and f) medical insurance costs of its employees. Commercial insurance policies transferring the risk of loss, but for a relatively small deductible amount, are purchased for property and content damage, employees torts and professional liabilities. Settled claims resulting from these risks have not exceeded the insurance deductible provided for in the last three years.

NOTE 7 LONG-TERM OBLIGATIONS

Lease agreements entered into by the County must contain fiscal funding clauses to comply with State statutes. These clauses allow the Board of Commissioners to terminate the lease in any fiscal year in which the payment is not budgeted. The debt for leases is reported in the long term debt account group because it is the County's intention to extend the leases beyond the current fiscal year. The County has entered into the following capital lease and loan agreements:

1. A lease purchase agreement through Wells Fargo Equipment Finance, Inc. for the purchase of the Five County Juvenile Detention Center. The lease agreement calls for semi-annual payments of \$144,843 including interest at 4.90% per annum, with payments due in January and July. The payments and loan are split equally between the 5 counties with Fremont County paying its share at \$28,989 semi-annually. The lease is secured by the building. The loan balance is due to be paid off in January 2022. The principal balance at September 30, 2019 owed by the County was \$159,800.
2. A loan agreement with the Department of Health and Welfare Water Quality Loan System for the snow fluent project at Last Chance was entered into during the fiscal year 2004. The terms of the loan call for annual payments of \$33,583 due in August with interest at 3.75%. The loan balance is due to be paid off in August 2024. The balance of the loan at September 30, 2019 was \$87,074.
3. During the 2006 fiscal year, Fremont County issued \$322,867 of Local Improvement District (L.I.D.) # 2004-1 bonds to help fund the construction of the wastewater collection facilities for the extension of collection lines in the Last Chance service area. The bond is payable in annual installments of principal and interest, at 5.85%, in varying amounts. The bonds are due to be paid off in 2025. Bonds outstanding at September 30, 2019 were \$90,533.
4. A lease purchase agreement was entered into with Summit National Bank for the purchase of a 2016 Caterpillar Wheel Loader in the amount of \$246,421. Annual payments are due in March in the amount of \$43,794, with the final payment due in 2022. The payments include interest at a rate of 1.85%. The principal balance as of September 30, 2019 was \$124,463.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 7 LONG-TERM OBLIGATIONS, Continued

5. A loan was entered into with Summit National Bank for the purchase of a Caterpillar backhoe in the amount of \$128,968. Annual payments are due in March in the amount of \$14,522, with the final payment in 2020 due in the amount of \$65,000. The payments include interest at a rate of 1.90%. The principal balance as of September 30, 2019 was \$63,636.
6. A loan was entered into with Summit National Bank, on November 24, 2009, for the purchase of a Caterpillar D6 2008 Dozer. The current terms of the loan call for annual payments of \$27,633 due annually on the 24th of November and maturing on the 24th November, 2019. The interest rate on the loan is 5.25%. The balance of the loan at September 30, 2019 was \$19,112.
7. A lease agreement was entered into with Summit National Bank for the purchase of a Mack truck in the amount of \$110,185. The terms of the lease require six annual payments of principal and interest of \$19,658 with an interest rate of 2.8%. The balance on the lease at September 30, 2019 was \$37,504. The lease is collateralized by the truck.
8. A lease agreement was entered into with Summit National Bank for the purchase of a 2018 Cat 950M Wheel Loader in the amount of \$260,030. The terms of the lease require six annual payments of \$48,236 due annually on the 1st of November and maturing on the 1st of November, 2023. The interest rate on the loan is 4.49%. The balance of the loan at September 30, 2019 was \$211,973.
9. A lease agreement was entered into with Summit National Bank for the purchase of a 2019 Cat 160M3 Motor Grade in the amount of \$334,716. The terms of the lease require six annual payments of \$62,090 due annually on the 31st of December and maturing on the 31st of December, 2023. The interest rate on the loan is 4.49%. The balance of the loan at September 30, 2019 was \$272,902.
10. A lease agreement was entered into with DL Evans Bank for the purchase of a John Deere 310 SL Backhoe Loader in the amount of \$120,067. The terms of the lease require six annual payments of \$21,101 due annually on the 15th of February and maturing on the 15th of February, 2024. The interest rate on the loan is 3.85%. The balance of the loan at September 30, 2019 was \$96,054.
11. A lease agreement was entered into with Stryker Flex Financial for the purchase of seven LifePak 15 V4s in the amount of \$192,889. The terms of the lease require five annual payments of \$43,859 due annually on the 1st of June and maturing on the 1st of June, 2023. The interest rate on the loan is 4.435%. The balance of the loan at September 30, 2019 was \$157,585.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 7 LONG-TERM OBLIGATIONS, Continued

A. CAPITAL LEASES

Future minimum lease payments at September 30, 2019 are as follows:

<u>Fiscal Year Ending September 30,</u>	Governmental Activities	Business-Type Activities
2020	\$ 286,679	\$ 50,719
2021	171,079	53,235
2022	157,817	55,846
2023	120,594	-
2024	126,348	-
Total minimum lease payments	<u>\$ 862,517</u>	<u>\$ 159,800</u>

B. DEBT SERVICE REQUIREMENTS

Debt service requirements on long-term debt contracts at September 30, 2019, are as follows:

<u>Fiscal Year Ending September 30,</u>	Governmental Activities Bonds and Notes	Business-type Activities Bonds and Notes
2020	\$ -	\$ 43,332
2021	-	45,239
2022	-	39,918
2023	-	15,451
2024	-	33,667
2025-Thereafter	-	-
Total	<u>\$ -</u>	<u>\$ 177,607</u>

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 7 LONG-TERM OBLIGATIONS, Continued

C. LONG-TERM OBLIGATION ACTIVITY

Changes in long-term obligations for the year ended September 30, 2019, are as follows: (Items notated with a "CL" are capital leases)

	<u>October 1,</u> <u>2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>September 30,</u> <u>2019</u>
Governmental activities:				
2009 CAT Dozer - CL	\$ 37,793	-	18,681	\$ 19,112
2015 Caterpillar Backhoe - CL	76,821	-	13,185	63,636
2017 Mack Truck - CL	55,934	-	18,428	37,506
2016 CAT Wheel Loader - CL	164,388	-	39,925	124,463
Caterpillar Compactor Excavator	57,105 40,266	- -	57,105 40,266	- -
John Deere Loader	12,077	-	12,077	-
2018 CAT Wheel Loader - CL	-	260,030	48,057	211,973
2019 CAT Motor Grater - CL	-	334,716	61,814	272,902
John Deere Backhoe - CL	-	120,067	24,013	96,054
LifePak 15 V4	-	192,889	35,304	157,585
Compensated absences	<u>516,289</u>	<u>51,463</u>	-	<u>567,752</u>
	<u>\$ 960,673</u>	<u>\$ 959,165</u>	<u>\$ 368,855</u>	<u>\$ 1,550,983</u>
Business-type activities:				
5-County Detention Center:				
5-County Deten. Center - CL	\$ 208,152	\$ -	\$ 48,352	\$ 159,800
Compensated absences	91,921	14,005	-	105,926
Sewer Systems:				
Compensated absences	17,376	3,053	-	20,429
Other enterprise funds:				
LID #2 Snow fluent	116,353	-	29,279	87,074
LID #3 Last Chance Extension	<u>102,841</u>	-	<u>12,308</u>	<u>90,533</u>
	<u>\$ 536,643</u>	<u>\$ 17,058</u>	<u>\$ 89,939</u>	<u>\$ 463,762</u>

The calculation of compensated absences is too cost prohibitive to determine actual additions and deletions during the year due to the restrictive policies regarding payout upon termination, therefore we have adjusted the balance to actual at the end of the year.

D. COMPENSATED ABSENCES

Accumulated sick, personal, vacation and compensatory leave time is accrued for all eligible employees based on length of employment and rate of compensation. The County's policy will allow payment of accumulated compensated absences upon termination up to the following maximum accumulated hours in each category:

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 7 LONG-TERM OBLIGATIONS, Continued

Sick leave	120 hours
Personal leave	240 hours
Vacation leave	240 hours
Compensatory time off	100% of accumulation

NOTE 8 RELATED PARTY TRANSACTIONS

The County has not entered into any related party transactions as of September 30, 2019.

NOTE 9 PENSION PLAN – EMPLOYER REPORTING

Plan Description

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

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

Pension Benefits

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

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 9 PENSION PLAN – EMPLOYER REPORTING (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 and earnings from investments. 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) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% (72%) of the employer rate. As of June 30, 2019 it was 6.79% (8.36%). The employer contribution rate is set by the Retirement Board and was 11.32% (11.66%) of covered compensation. Fremont County’s contributions were \$888,140 for the year ended September 30, 2019.

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

At September 30, 2019 Fremont County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Fremont County’s proportion of the net pension liability was based on the County’s share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2019, the County’s proportion was .2224938 percent.

For the year ended September 30, 2019, the County recognized pension expense (revenue) of \$(23,758). At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 236,026	\$ 299,317
Changes in assumptions or other inputs	141,273	-
Net difference between projected and actual earnings on pension plan investments		865,204
Changes in the employer’s proportion and differences between the employer’s contributions and the employer’s proportionate contributions	-	-
Contributions subsequent to the measurement date	<u>258,874</u>	<u>-</u>
TOTAL	\$ 636,173	\$ 1,164,521

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 9 PENSION PLAN – EMPLOYER REPORTING (continued)

\$258,874 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2019.

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, 2018, the beginning of the measurement period, ended June 30, 2019 is 4.8 years and 4.8 for the measurement period June 30, 2019.

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

Year ended September 30, 2019:	
2020	\$ (91,452)
2021	\$ (391,807)
2022	\$ (190,855)
2023	\$ (113,107)
Thereafter*	\$ 0

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

Actuarial Assumptions

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

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.00%, net of investment expenses
Cost-of-living adjustments	1.00%

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

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

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 9 PENSION PLAN – EMPLOYER REPORTING (continued)

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2019 is based on the results of an actuarial valuation date of July 1, 2019.

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. 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 PERSI’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.

Capital Market Assumptions

Asset Class		Target Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Core Fixed Income	Barclays Aggregate	30.00%	3.05%	0.80%
Broad US Equities	Wilshire 5000/ Russell 3000	55.00%	8.30%	6.05%
Developed Foreign Equities	MSCI EAFE/World ex US	15.00%	8.45%	6.20%
Assumed Inflation -Mean			2.25%	2.25%
Assumed Inflation – Standard Deviation			1.50%	1.50%
Portfolio Arithmetic Mean Return			6.75%	4.50%
Portfolio Standard Deviation			12.54%	12.54%
Portfolio Long-Term (Geometric) Expected Rate of Return			6.13%	3.77%
Assumed Investment Expenses			0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses			5.73%	3.37%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses				4.19%
Portfolio Standard Deviation				14.16%
Valuation Assumptions Chosen by PERSI Board				
Long-Term Expected Real Rate of Return, Net of Investment Expenses				4.05%
Assumed Inflation				3.00%
Long-Term Expected Nominal Rate of Return, Net of Investment Expenses				7.05%

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 9 PENSION PLAN – EMPLOYER REPORTING (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. 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 County's proportionate share of the net pension liability to changes in the discount rate.

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
County's proportionate share of the net pension liability (asset)	7,670,887	2,539,705	(1,703,619)

Pension plan fiduciary net position

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

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

Payables to the pension plan

At September 30, 2019, the County reported payables to the defined benefit pension plan of \$43,793 for legally required employer contributions.

NOTE 10 DEFICIT FUND BALANCE

Landfill Financial Assurance fund reported a deficit fund balance of \$411,821 and the Veterans' Memorial Fund reported a deficit fund balance of \$27 as of September 30, 2019.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 11 FINANCIAL SELF-INSURANCE AGAINST LANDFILL CLOSURE AND POST CLOSURE COSTS

St. Anthony and Island Park landfill:

In accordance with provisions of the Resource Conservation and Recovery Act (RCRA) Subtitle D, Fremont County elects to use its financial strength to self-insure against the estimated costs of its St. Anthony and Island Park landfill closure, post-closure and corrective action obligators.

All required components of the financial test are met and, as of this date, Fremont County qualifies for the self-insure provision of the law. Results of the financial demonstration are as follows:

1. Ratio of Cash to Expenditures: (Exceeds 5%)

<u>Cash/Marketable Securities</u>	\$ 24,062,401	=	122.3%
Total Annual Expenditures	\$ 19,675,046		

2. Debt Service Ratio: (Does not exceed 20%)

<u>Debt Service Expenditures</u>	\$ 458,796	=	2.3%
Total Expenditures	\$ 19,675,046		

3. The County has not operated at a deficit in either of the past two years.
4. The ratio of total estimated closure/post-closures and corrective action costs to total revenue (as defined in the law) does not exceed 43%.

<u>Total Revenue</u>	=	<u>Maximum Coverage</u>	=	<u>Estimated Cost</u>
\$27,916,407 x .43		\$12,004,055		\$ 4,750,000

The total estimated cost of closure, post-closure and corrective actions includes the estimated cost of \$4,750,000 to cap and seed the existing cell, and an annual cost of maintaining and monitoring the cell of \$16,600 for each of 30 years following closure. The original estimated closing cost of \$1,224,590 adjusted for inflation gives us an estimated closing cost of \$1,921,750. The original costs were estimated in 1998. There are no guaranteed facilities, underground petroleum storage tanks, RCRA hazardous waste facilities, PCB storage facilities, or underground injection control wells associated with the landfill. All environmental obligations incurred with closing the landfill are included in the estimated cost. Estimates were provided in an engineering study performed by MS&E, Inc. However, current reconsideration of the closure process has estimated that the closure for both landfills may cost as much as \$4,750,000.

The County's fifteen year approved plan was signed on May 20, 1998. It is estimated at the end of September 30, 2019 the Island Park landfill was roughly 80% used. It was also estimated that the Island Park landfill has at least 17 or 18 years left on its life. The St. Anthony landfill is 99% used and will be fully closed in the spring of 2020.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 11 FINANCIAL SELF-INSURANCE AGAINST LANDFILL CLOSURE AND POST CLOSURE COSTS, Continued

The requirement for public notice is met with publication of the Fremont County General Purpose Financial statements (attached) which were prepared by our independent auditor in accordance with generally accepted accounting principles and contains the auditor's opinion on the financial statements.

Island Park landfill:

In accordance with provisions of the Resource conservation and Recovery Act (RCRA) Subtitle D, Fremont County elects to use its financial strength to self-insure against estimated costs of its Island Park landfill closure, post-closure and corrective action obligators.

All required components of the financial test are met and, of this date, Fremont County qualifies for the self-insurance provision of the law. Results of the financial demonstration are as follows:

1. Ratio of Cash to Expenditures: (Exceeds 5%)

<u>Cash/Marketable Securities</u>	\$ 24,062,401	=	122.3%
Total Annual Expenditures	\$ 19,675,046		

2. Debt Service Ratio: (Does not exceed 20%)

<u>Debt Service Expenditures</u>	\$ 458,796	=	2.3%
Total Expenditures	\$ 19,675,046		

3. The County has not operated at a deficit in either of the past two years.
4. The ratio of total estimated closure/post-closures and corrective action costs to total revenue (as defined in the law) does not exceed 43%.

<u>Total Revenue</u>	<u>Maximum Coverage</u>	<u>Estimated Cost</u>
\$27,916,407 x .43 =	\$12,004,055	\$2,000,000

The total estimated cost of closure, post-closure and corrective actions includes the estimated cost of \$2,000,000 to cap and seed the existing cell, and an annual cost of maintaining and monitoring the cell of \$8,300 for each of 30 years following closure. The original estimated closure cost of \$546,600 adjusted for inflation gives us an estimated closing cost of \$857,780. The original costs were estimated in 1998. There are no guaranteed facilities, underground petroleum storage tanks, RCRA hazardous waste facilities, PCB storage facilities, or underground injection control wells associated with the landfill. All environmental obligations incurred with closing the landfill are included in the estimated cost. Estimates were provided in an engineering study performed by MS&E, Inc. However, current reconsideration of the closure process has estimated that the closure may cost as much as \$2,000,000.

The County's fifteen year approved plan was signed on May 20, 1998. It is estimated at the end of September 30, 2019 the Island Park landfill was roughly 80% used. It was also estimated that the landfill still had at least 17 or 18 years left on its life.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 11 FINANCIAL SELF-INSURANCE AGAINST LANDFILL CLOSURE AND POST CLOSURE COSTS, Continued

Island Park landfill, continued:

The requirement for public notice is met with publication of the Fremont County General Purpose Financial statements (attached) which were prepared by our independent auditor in accordance with generally accepted accounting principles and contains the auditor's opinion on the financial statements.

St. Anthony landfill:

In accordance with provisions of the Resource conservation and Recovery Act (RCRA) Subtitle D, Fremont County elects to use its financial strength to self-insure against estimated costs of its St. Anthony landfill closure, post-closure and corrective action obligators.

All required components of the financial test are met and, of this date, Fremont County qualifies for the self-insurance provision of the law. Results of the financial demonstration are as follows:

1. Ratio of Cash to Expenditures: (Exceeds 5%)

<u>Cash/Marketable Securities</u>	\$ 24,062,401	=	122.3%
Total Annual Expenditures	\$ 19,675,046		

2. Debt Service Ratio: (Does not exceed 20%)

<u>Debt Service Expenditures</u>	\$ 458,796	=	2.3%
Total Expenditures	\$ 19,675,046		

3. The County has not operated at a deficit in either of the past two years.
4. The ratio of total estimated closure/post-closures and corrective action costs to total revenue (as defined in the law) does not exceed 43%.

<u>Total Revenue</u>	=	<u>Maximum Coverage</u>	=	<u>Estimated Cost</u>
\$27,916,407 x .43		\$12,004,055		\$2,750,000

The total estimated cost of closure, post-closure and corrective actions includes the estimated cost of \$2,750,000 to cap and seed the existing cell, and an annual cost of maintaining and monitoring the cell of \$8,300 for each of 30 years following closure. The original estimated closure cost of \$677,990 adjusted for inflation gives us an estimated closing cost of \$1,063,970. The original costs were estimated in 1998. There are no guaranteed facilities, underground petroleum storage tanks, RCRA hazardous waste facilities, PCB storage facilities, or underground injection control wells associated with the landfill. All environmental obligations incurred with closing the landfill are included in the estimated cost. Estimates were provided in an engineering study performed by MS&E, Inc. However, current reconsideration of the closure process has estimated that the closure may cost as much as \$2,750,000.

The County's fifteen year approved plan was signed on May 20, 1998. The St. Anthony landfill is 99% used and will be fully closed in the spring of 2020.

FREMONT COUNTY, IDAHO
Notes to Financial Statements
For the Year Ending September 30, 2019

NOTE 11 FINANCIAL SELF-INSURANCE AGAINST LANDFILL CLOSURE AND POST CLOSURE COSTS, Continued

St. Anthony landfill, continued:

The county has recorded a liability of \$2,000,000 for closure & post-closure costs. This represents 80% of the estimated cost.

The requirement for public notice is met with publication of the Fremont County General Purpose Financial statements (attached) which were prepared by our independent auditor in accordance with generally accepted accounting principles and contains the auditor's opinion on the financial statements.

Fremont County increased the patron landfill fee 136.43% with an annual 4.99% increase thereafter effective October, 2015. The average fee per household is \$286. Business fees follow a complex fee structure. These fees were added to the property tax roll in November 2015 with collection in the subsequent months. Fremont County has cash and investments totaling \$1,588,179 as of September 30, 2019.

NOTE 12 SUBSEQUENT EVENTS

Transactions and events subsequent to the fiscal year end through February 5, 2020 the date the financials were available to be issued, were reviewed by management to identify significant transactions or events that would have a material effect on the financial statements.

NOTE 13 POST RETIREMENT BENEFITS

Fremont County does not provide post-retirement benefits to its employees and has no reporting requirement under GASB #45.

NOTE 14 EXCESS OF ACTUAL EXPENDITURES OVER BUDGET

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Amount over</u> <u>Budget</u>
Waterways	\$ 80,993	\$ 109,815	\$ 28,822

FREMONT COUNTY, IDAHO
Budget to Actual Comparison Schedule
General Fund
For the Year Ending September 30, 2019

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUE				
Taxes.....	\$ 822,341	\$ 822,341	\$ 1,922,941	\$ 1,100,600
Intergovernmental revenue.....	588,979	588,979	607,859	18,880
Interest.....	7,000	7,000	6,056	(944)
Earnings on investments.....	67,414	67,414	1,111,523	1,044,109
Licenses and permits.....	234,100	234,100	432,533	198,433
Charges for services.....	165,700	165,700	190,644	24,944
Grants.....	14,536	14,536	14,536	-
Miscellaneous revenue.....	349,179	349,179	334,616	(14,563)
Total revenue.....	<u>2,249,249</u>	<u>2,249,249</u>	<u>4,620,708</u>	<u>2,371,459</u>
EXPENDITURES				
Current:				
General government.....	4,385,999	4,385,999	2,980,288	1,405,711
Public safety.....	76,870	76,870	70,486	6,384
Health.....	17,378	17,378	17,378	-
Capital outlay.....	570,734	570,734	361,800	208,934
Total expenditures.....	<u>5,050,981</u>	<u>5,050,981</u>	<u>3,429,952</u>	<u>1,621,029</u>
Excess of revenues over (under) expenditures.....	(2,801,732)	(2,801,732)	1,190,756	3,992,488
OTHER FINANCING SOURCES (USES)				
Other financing sources (uses).....	-	-	-	-
Operating transfers in (out)	-	-	(50,000)	(50,000)
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
Excess of revenue and other sources over (under) expenditures and other uses.....	(2,801,732)	(2,801,732)	1,140,756	3,942,488
Fund Balance-October 1.....	1,790,270	1,790,270	1,790,270	-
Prior period adjustment.....	-	-	-	-
Fund Balance-September 30.....	<u>\$ (1,011,462)</u>	<u>\$ (1,011,462)</u>	<u>\$ 2,931,026</u>	<u>\$ 3,942,488</u>

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

REQUIRED SUPPLEMENTARY INFORMATION

FREMONT COUNTY, IDAHO
Budget to Actual Comparison Schedule
Road and Bridge
For the Year Ending September 30, 2019

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUE				
Taxes.....	\$ 30,000	\$ 30,000	\$ 1,758,447	\$ 1,728,447
Intergovernmental revenue.....	2,131,975	2,131,975	2,187,272	55,297
Interest.....	6,000	6,000	11,185	5,185
Earnings on investments.....	122,570	122,570	261,500	138,930
Licenses and permits.....	-	-	-	-
Miscellaneous revenue.....	246,826	246,826	415,869	169,043
Total revenue.....	<u>2,537,371</u>	<u>2,537,371</u>	<u>4,634,273</u>	<u>2,096,902</u>
EXPENDITURES				
Current:				
Road and bridge.....	4,083,172	4,083,172	3,487,340	595,832
Capital outlay.....	1,366,181	1,366,181	521,867	844,314
Total expenditures.....	<u>5,449,353</u>	<u>5,449,353</u>	<u>4,009,207</u>	<u>1,440,146</u>
Excess of revenues over (under) expenditures.....	(2,911,982)	(2,911,982)	625,066	3,537,048
OTHER FINANCING SOURCES (USES)				
Interim financing	-	-	-	-
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over (under) expenditures and other uses.....	(2,911,982)	(2,911,982)	625,066	3,537,048
Fund Balance-October 1.....	1,166,464	1,166,464	1,166,464	-
Prior period adjustment.....	-	-	-	-
Fund Balance-September 30.....	<u>\$ (1,745,518)</u>	<u>\$ (1,745,518)</u>	<u>\$ 1,791,530</u>	<u>\$ 3,537,048</u>

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

FREMONT COUNTY, IDAHO
Budget to Actual Comparison Schedule
Justice
For the Year Ending September 30, 2019

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUE				
Taxes.....	\$ 669,851	\$ 669,851	\$ 3,366,614	\$ 2,696,763
Intergovernmental revenue.....	774,540	774,540	822,797	48,257
Interest.....	67,156	67,156	137,686	70,530
Grants.....	53,871	53,871	64,227	10,356
Miscellaneous revenue.....	6,300	6,300	116,937	110,637
Total revenue.....	<u>1,571,718</u>	<u>1,571,718</u>	<u>4,508,261</u>	<u>2,936,543</u>
EXPENDITURES				
Current:				
Public safety.....	4,584,128	4,584,128	4,207,623	376,505
Capital outlay.....	444,900	444,900	255,058	189,842
Total expenditures.....	<u>5,029,028</u>	<u>5,029,028</u>	<u>4,462,681</u>	<u>566,347</u>
Excess of revenues over (under) expenditures.....	(3,457,310)	(3,457,310)	45,580	3,502,890
OTHER FINANCING SOURCES (USES)				
Other financing sources.....	-	-	-	-
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over (under) expenditures and other uses.....	(3,457,310)	(3,457,310)	45,580	3,502,890
Fund Balance-October 1.....	963,778	963,778	963,778	-
Prior period adjustment.....	-	-	-	-
Fund Balance-September 30.....	<u>\$ (2,493,532)</u>	<u>\$ (2,493,532)</u>	<u>\$ 1,009,358</u>	<u>\$ 3,502,890</u>

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

FREMONT COUNTY, IDAHO
Budget to Actual Comparison Schedule
Sanitary Landfill
For the Year Ending September 30, 2019

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUE				
Taxes.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue.....	-	-	-	-
Interest.....	12,000	12,000	23,392	11,392
Grants.....	-	-	-	-
Miscellaneous revenue.....	770,000	770,000	2,607,944	1,837,944
Total revenue.....	<u>782,000</u>	<u>782,000</u>	<u>2,631,336</u>	<u>1,849,336</u>
EXPENDITURES				
Current:				
Sanitation.....	1,817,438	1,817,438	1,336,490	480,948
Capital outlay.....	2,193,104	2,193,104	2,146,355	46,749
Total expenditures.....	<u>4,010,542</u>	<u>4,010,542</u>	<u>3,482,845</u>	<u>527,697</u>
Excess of revenues over (under) expenditures.....	(3,228,542)	(3,228,542)	(851,509)	2,377,033
OTHER FINANCING SOURCES (USES)				
Other financing sources.....	-	-	-	-
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over (under) expenditures and other uses.....	(3,228,542)	(3,228,542)	(851,509)	2,377,033
Fund Balance-October 1.....	1,839,588	1,839,588	1,839,588	-
Prior period adjustment.....	-	-	-	-
Fund Balance-September 30.....	<u>\$ (1,388,954)</u>	<u>\$ (1,388,954)</u>	<u>\$ 988,079</u>	<u>\$ 2,377,033</u>

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

FREMONT COUNTY, IDAHO
Budget to Actual Comparison Schedule
Landfill Financial Assurance
For the Year Ending September 30, 2019

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUE				
Taxes.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue.....	-	-	-	-
Interest.....	-	-	-	-
Earnings on investments.....	-	-	-	-
Licenses and permits.....	-	-	-	-
Miscellaneous revenue.....	-	-	-	-
Total revenue.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Closure costs.....	1,486,104	1,486,104	-	1,486,104
Capital outlay.....	-	-	-	-
Total expenditures.....	<u>1,486,104</u>	<u>1,486,104</u>	<u>-</u>	<u>1,486,104</u>
Excess of revenues over (under) expenditures.....	(1,486,104)	(1,486,104)	-	1,486,104
OTHER FINANCING SOURCES (USES)				
Interim financing	-	-	-	-
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over (under) expenditures and other uses.....	(1,486,104)	(1,486,104)	-	1,486,104
Fund Balance-October 1.....	(411,821)	(411,821)	(411,821)	-
Prior period adjustment.....	-	-	-	-
Fund Balance-September 30.....	<u>\$ (1,897,925)</u>	<u>\$ (1,897,925)</u>	<u>\$ (411,821)</u>	<u>\$ 1,486,104</u>

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

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

	<u>2019</u>	<u>2018</u>
Employer's portion of the net pension liability	0.2224938%	0.2219754%
Employer's proportionate share of the net pension liability	2,539,705	3,274,176
Employer's covered - employee payroll	7,524,856	7,104,092
Employer's proportional share of the net pension liability as a percentage of it's covered-employee payroll	33.75%	46.09%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%
	<u>2017</u>	<u>2016</u>
Employer's portion of the net pension liability	0.2129099%	0.2285540%
Employer's proportionate share of the net pension liability	3,346,578	4,633,141
Employer's covered - employee payroll	6,733,417	7,197,012
Employer's proportional share of the net pension liability as a percentage of it's covered-employee payroll	49.70%	64.38%
Plan fiduciary net position as a percentage of the total pension liability	90.68%	87.26%
	<u>2015</u>	
Employer's portion of the net pension liability	0.2171643%	
Employer's proportionate share of the net pension liability	2,859,701	
Employer's covered - employee payroll	6,792,443	
Employer's proportional share of the net pension liability as a percentage of it's covered-employee payroll	42.10%	
Plan fiduciary net position as a percentage of the total pension liability	91.38%	

**GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, Fremont County will present only that information which was available at the time.*

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

FREMONT COUNTY, IDAHO
Schedule of Employer Contributions
PERSI - Base Plan
Last 10 - Fiscal Years*

	<u>2019</u>	<u>2018</u>
Statutorily required contribution	851,351	862,023
Contributions in relation to the statutorily required contribution	867,906	819,398
Contribution (deficiency) excess	(16,555)	42,625
Employer's covered-employee payroll	7,524,856	7,104,092
Contributions as a percentage of covered-employee payroll	11.53%	11.53%
	<u>2017</u>	<u>2016</u>
Statutorily required contribution	748,573	756,687
Contributions in relation to the statutorily required contribution	767,402	767,050
Contribution (deficiency) excess	(18,829)	(10,363)
Employer's covered-employee payroll	6,733,417	7,197,012
Contributions as a percentage of covered-employee payroll	11.40%	10.66%
	<u>2015</u>	
Statutorily required contribution	710,349	
Contributions in relation to the statutorily required contribution	697,620	
Contribution (deficiency) excess	12,729	
Employer's covered-employee payroll	6,792,443	
Contributions as a percentage of covered-employee payroll	10.27%	

**GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, Fremont County will present only that information which was available at the time.*

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

FREMONT COUNTY, IDAHO
Notes to Required Supplementary Information
For the Year Ending September 30, 2019

NOTE 1 BUDGET AND BUDGETARY DATA

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

1. The County clerk assembles the budget requests from the various departments and funds, and presents a proposed operating budget to the County Commissioners. The operating budget includes proposed expenditures and the means of financing.
2. A notice of a public hearing is made and a public hearing is conducted to obtain taxpayer comments. This hearing must be on or before the Tuesday following the first Monday in September of each year. Hearings must be concluded by the second Monday in September.
3. Upon the conclusion of budget hearings the budget is formally adopted by the County Commissioners.
4. Any revisions that alter the total expenditures of any fund must meet the requirements of the above three steps again.

During the fiscal year ended September 30, 2019 there were revisions to the budget as originally proposed. The following major funds amended their budgets: General, Road and Bridge and Justice funds.

NOTE 2 EXCESS OF ACTUAL EXPENDITURES OVER BUDGET

Fremont County had no major funds that exceeded the budgeted expenditures for the year ended September 30, 2019.

NOTE 3 PENSION - GASB 68

Fremont County contributes to 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.

During the fiscal year ended June 30, 2019, there were no changes of benefit terms, neither was there any significant change in the composition of the population covered by the benefit terms. All assumptions used in actuarial calculations were not significantly different from those used in the past.

SUPPLEMENTARY INFORMATION

FREMONT COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2019

ASSETS	District Court	Agriculture Fairs	Health District	Election Consolidation	Social Services	Junior College Tuition
Cash and cash equivalents.....	\$ 436,793	\$ 281,364	\$ 2,516	\$ 68,466	\$ 267,093	\$ 48,151
Investments.....	-	-	-	-	-	-
Receivables:						
Delinquent real taxes.....	26,181	2,252	3,107	-	5,856	-
State & Federal apportionments.....	7,086	-	834	-	-	-
Other.....	-	-	-	-	313,995	-
Total assets.....	<u>\$ 470,060</u>	<u>\$ 283,616</u>	<u>\$ 6,457</u>	<u>\$ 68,466</u>	<u>\$ 586,944</u>	<u>\$ 48,151</u>
 LIABILITIES AND FUND BALANCES						
Liabilities:						
Warrants payable.....	\$ 18,708	\$ 5,069	\$ -	\$ 2,201	\$ 3,498	\$ -
Accounts payable.....	-	214,790	-	-	13,643	-
Payroll liabilities.....	19,458	-	-	-	-	-
Accrued interest payable.....	-	-	-	-	-	-
Interfund payable.....	-	-	-	-	-	-
Deferred revenue.....	130,162	1,333	3,618	-	317,241	-
Closure & post-closure landfill liability.....	-	-	-	-	-	-
Total liabilities.....	<u>168,328</u>	<u>221,192</u>	<u>3,618</u>	<u>2,201</u>	<u>334,382</u>	<u>-</u>
Fund Balance:						
Nonspendable.....	-	-	-	-	-	-
Restricted.....	301,732	62,424	2,839	-	252,562	-
Committed.....	-	-	-	-	-	-
Assigned.....	-	-	-	66,265	-	48,151
Unassigned.....	-	-	-	-	-	-
Total liabilities and fund balance.....	<u>\$ 470,060</u>	<u>\$ 283,616</u>	<u>\$ 6,457</u>	<u>\$ 68,466</u>	<u>\$ 586,944</u>	<u>\$ 48,151</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2019

Parks and Recreation	Revaluation	Senior Citizens	Search and Rescue	Ambulance District	Liability Insurance	Veterans	Weed and Pest
\$ 86,556	\$ 83,617	\$ 36,265	\$ 83,481	\$ (134,508)	\$ 23,563	\$ 224	\$ 233,538
-	-	-	-	667,013	-	-	-
5,852	15,601	-	-	13,039	8,857	323	12,403
-	-	-	-	135,613	40	110	-
-	-	-	-	3	-	-	-
<u>\$ 92,408</u>	<u>\$ 99,218</u>	<u>\$ 36,265</u>	<u>\$ 83,481</u>	<u>\$ 681,160</u>	<u>\$ 32,460</u>	<u>\$ 657</u>	<u>\$ 245,941</u>
\$ 10,664	\$ 13,073	\$ 3,176	\$ 1,247	\$ 20,468	\$ 1,000	\$ -	\$ 6,442
-	-	-	-	-	-	1	42,539
6,202	11,226	-	-	26,799	-	-	21,203
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,209	15,005	-	-	396,520	8,452	683	11,916
-	-	-	-	-	-	-	-
<u>22,075</u>	<u>39,304</u>	<u>3,176</u>	<u>1,247</u>	<u>443,787</u>	<u>9,452</u>	<u>684</u>	<u>82,100</u>
-	-	-	-	-	-	-	-
70,333	59,914	-	82,234	237,373	23,008	-	163,841
-	-	-	-	-	-	-	-
-	-	33,089	-	-	-	-	-
-	-	-	-	-	-	(27)	-
<u>\$ 92,408</u>	<u>\$ 99,218</u>	<u>\$ 36,265</u>	<u>\$ 83,481</u>	<u>\$ 681,160</u>	<u>\$ 32,460</u>	<u>\$ 657</u>	<u>\$ 245,941</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2019

ASSETS	Noxious Weed	Snowmobile	Waterways
Cash and cash equivalents.....	\$ 59,119	\$ 186,517	\$ 20,497
Investments.....	-	-	-
Receivables:			
Delinquent real taxes.....	5	-	-
State & Federal apportionments.....	-	-	-
Other.....	44,824	-	-
Total assets.....	<u>\$ 103,948</u>	<u>\$ 186,517</u>	<u>\$ 20,497</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Warrants payable.....	\$ -	\$ 2,109	\$ 8,525
Accounts payable.....	-	-	-
Payroll liabilities.....	-	-	-
Accrued interest payable.....	-	-	-
Interfund payable.....	-	-	-
Deferred revenue.....	-	-	-
Closure & post-closure landfill liability.....	-	-	-
Total liabilities.....	<u>-</u>	<u>2,109</u>	<u>8,525</u>
Fund Balance:			
Nonspendable.....	-	-	-
Restricted.....	-	-	-
Committed.....	-	-	-
Assigned.....	103,948	184,408	11,972
Unassigned.....	-	-	-
Total liabilities and fund balance.....	<u>\$ 103,948</u>	<u>\$ 186,517</u>	<u>\$ 20,497</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2019

Pollution Studies	E 911	Judgment	Auditors Trust	Total Nonmajor Special Revenue Funds
\$ 100	\$ 230,606	\$ 71	\$ 54,332	\$ 2,068,361
-	-	-	-	667,013
-	-	2	-	93,478
-	-	-	-	143,683
-	15,046	11	-	373,879
<u>\$ 100</u>	<u>\$ 245,652</u>	<u>\$ 84</u>	<u>\$ 54,332</u>	<u>\$ 3,346,414</u>
\$ -	\$ 1,722	\$ -	\$ 7,307	\$ 105,209
-	-	-	31,183	302,156
-	-	-	-	84,888
-	-	-	-	-
-	-	-	-	-
-	-	-	-	890,139
-	-	-	-	-
<u>-</u>	<u>1,722</u>	<u>-</u>	<u>38,490</u>	<u>1,382,392</u>
-	-	-	-	-
-	-	-	-	1,256,260
-	-	-	-	-
100	243,930	84	15,842	707,789
-	-	-	-	(27)
<u>\$ 100</u>	<u>\$ 245,652</u>	<u>\$ 84</u>	<u>\$ 54,332</u>	<u>\$ 3,346,414</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
Other Nonmajor Governmental Funds
September 30, 2019

	<u>Capital Project Funds</u>		
	<u>Special Bridge</u>	<u>Special Road</u>	<u>Total Other Nonmajor Funds</u>
ASSETS			
Cash and cash equivalents.....	\$ 155,447	\$ 1,483,322	\$ 1,638,769
Receivables:			
Delinquent real taxes.....	16,946	13,297	30,243
Other.....	-	-	-
Total assets.....	<u>\$ 172,393</u>	<u>\$ 1,496,619</u>	<u>\$ 1,669,012</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Warrants payable.....	\$ 57,939	\$ 546,793	\$ 604,732
Accounts payable.....	-	-	-
Deferred revenue.....	16,335	12,786	29,121
Total liabilities.....	<u>74,274</u>	<u>559,579</u>	<u>633,853</u>
Fund Balance:			
Nonspendable.....	-	-	-
Restricted.....	98,119	937,040	1,035,159
Committed.....	-	-	-
Assigned.....	-	-	-
Unassigned.....	-	-	-
Total liabilities and fund balance.....	<u>\$ 172,393</u>	<u>\$ 1,496,619</u>	<u>\$ 1,669,012</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
All Agency Funds
September 30, 2019

ASSETS	State of Idaho	Dept. of Trans.	Cities	School Districts 215 & 322	#322 Library	Madison County
Cash and cash equivalents.....	\$ 29,386	\$ 79,448	\$ 26,493	\$ 10,272	\$ 9	\$ 7,251
Receivables:						
Delinquent real taxes.....	-	-	94,617	152,028	435	-
State & Federal apportionments.....	-	-	9,348	27,018	-	-
Total assets.....	<u>\$ 29,386</u>	<u>\$ 79,448</u>	<u>\$ 130,458</u>	<u>\$ 189,318</u>	<u>\$ 444</u>	<u>\$ 7,251</u>
 LIABILITIES AND FUND BALANCES						
Liabilities:						
Warrants payable.....	\$ 29,527	\$ 79,448	\$ 22,383	\$ 10,272	\$ 9	\$ -
Due to other taxing units.....	(141)	-	108,075	179,046	435	7,251
Total liabilities.....	<u>29,386</u>	<u>79,448</u>	<u>130,458</u>	<u>189,318</u>	<u>444</u>	<u>7,251</u>
Fund balances.....	-	-	-	-	-	-
Total liabilities and fund balance.....	<u>\$ 29,386</u>	<u>\$ 79,448</u>	<u>\$ 130,458</u>	<u>\$ 189,318</u>	<u>\$ 444</u>	<u>\$ 7,251</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
All Agency Funds
September 30, 2019

Cemeteries	Fire District	Delq. LID Macks	Delq. LID LC	Personal Property Taxes	Hospital	Ft. Henry Mosquito Abatement	Library	URA Agencies
\$ 493	\$ 3,517	\$ -	\$ 81	\$ -	\$ 822	\$ 22	\$ 1,092	\$ -
6,745	36,730	348	6,370	69	11,763	638	15,806	-
813	2,154	-	-	-	435	-	511	-
<u>\$ 8,051</u>	<u>\$ 42,401</u>	<u>\$ 348</u>	<u>\$ 6,451</u>	<u>\$ 69</u>	<u>\$ 13,020</u>	<u>\$ 660</u>	<u>\$ 17,409</u>	<u>\$ -</u>
\$ 493	\$ 3,517	\$ -	\$ 81	\$ -	\$ 822	\$ 22	\$ 1,092	\$ -
7,558	38,884	348	6,370	69	12,198	638	16,317	-
<u>8,051</u>	<u>42,401</u>	<u>348</u>	<u>6,451</u>	<u>69.00</u>	<u>13,020</u>	<u>660</u>	<u>17,409</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
<u>\$ 8,051</u>	<u>\$ 42,401</u>	<u>\$ 348</u>	<u>\$ 6,451</u>	<u>\$ 69</u>	<u>\$ 13,020</u>	<u>\$ 660</u>	<u>\$ 17,409</u>	<u>\$ -</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
All Agency Funds
September 30, 2019

ASSETS	Forest Fire	Child Support	District Court	Magistrate Court Trust	Idaho Rangeland Resources Comm	Restitution And Bond Accounts
Cash and cash equivalents.....	\$ 342	\$ -	\$ 53,134	\$ 16,784	\$ 12	\$ 65,330
Receivables:						
Delinquent real taxes.....	6,710	-	-	-	-	-
State & Federal apportionments.....	-	-	-	-	-	-
Total assets.....	<u>\$ 7,052</u>	<u>\$ -</u>	<u>\$ 53,134</u>	<u>\$ 16,784</u>	<u>\$ 12</u>	<u>\$ 65,330</u>
 LIABILITIES AND FUND BALANCES						
Liabilities:						
Warrants payable.....	\$ 342	\$ -	\$ 52,949	\$ 1,737	\$ 12	\$ 10,947
Due to other taxing units.....	6,710	-	185	15,047	-	54,383
Total liabilities.....	<u>7,052</u>	<u>-</u>	<u>53,134</u>	<u>16,784</u>	<u>12</u>	<u>65,330</u>
Fund balances.....	-	-	-	-	-	-
Total liabilities and fund balance.....	<u>\$ 7,052</u>	<u>\$ -</u>	<u>\$ 53,134</u>	<u>\$ 16,784</u>	<u>\$ 12</u>	<u>\$ 65,330</u>

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

FREMONT COUNTY, IDAHO
Combining Balance Sheet
All Agency Funds
September 30, 2019

Interlock Monitoring	Park And Ski Trust	Taylor Grazing Trust No. 3 & 15	Water Master Trust	Delinquent Yield	Assessor's Trust	Total
\$ 15,525	\$ -	\$ 21,315	\$ 14,625	\$ -	\$ 24,274	\$ 370,227
-	-	-	499	-	-	332,758
-	-	-	-	-	-	40,279
<u>\$ 15,525</u>	<u>\$ -</u>	<u>\$ 21,315</u>	<u>\$ 15,124</u>	<u>\$ -</u>	<u>\$ 24,274</u>	<u>\$ 743,264</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,177	\$ 230,830
15,525	-	21,315	15,124	-	7,097	512,434
<u>15,525</u>	<u>-</u>	<u>21,315</u>	<u>15,124</u>	<u>-</u>	<u>24,274</u>	<u>743,264</u>
-	-	-	-	-	-	-
<u>\$ 15,525</u>	<u>\$ -</u>	<u>\$ 21,315</u>	<u>\$ 15,124</u>	<u>\$ -</u>	<u>\$ 24,274</u>	<u>\$ 743,264</u>

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

FREMONT COUNTY, IDAHO
Combining Statement of Revenues, Expenditures, And Changes In Fund Balances
Non Major Governmental Funds
For the Year Ending September 30, 2019

REVENUE	District Court	Agriculture Fairs	Health District	Election Consol.	Social Services
Taxes.....	\$ 710,697	\$ 66,580	\$ 80,921	\$ -	\$ 108,676
Intergovernmental revenue.....	295,713	3,241	3,482	69,290	17,649
Interest.....	4,077	318	506	-	640
Earnings on investments.....	-	-	-	-	-
Licenses and permits.....	26,116	-	-	-	-
Fines.....	98,550	-	-	-	-
Charges for services.....	-	-	-	-	-
Special fees.....	-	-	-	-	-
Grants.....	-	-	-	-	25,000
Miscellaneous revenue.....	11,431	31,232	-	7	51,249
Total revenue.....	1,146,584	101,371	84,909	69,297	203,214
EXPENDITURES					
Current:					
General government.....	1,103,061	-	-	58,510	-
Public safety.....	-	-	-	-	-
Sanitation.....	-	-	-	-	-
Health.....	-	-	84,748	-	-
Social services.....	-	-	-	-	283,590
Culture and recreation.....	-	67,578	-	-	-
Capital outlay.....	8,417	8,629	-	1,250	1,200
Total expenditures.....	1,111,478	76,207	84,748	59,760	284,790
Excess of revenues over (under) expenditures.....	35,106	25,164	161	9,537	(81,576)
OTHER FINANCING SOURCES (USES)					
Other financing sources.....	-	-	-	-	-
Operating transfers in (out)	-	-	-	-	-
Total other financing sources (uses).....	-	-	-	-	-
Excess of revenue and other sources over (under) expenditures and other uses.....	35,106	25,164	161	9,537	(81,576)
Fund Balance-October 1.....	266,626	37,260	2,678	56,728	334,138
Prior period adjustment.....	-	-	-	-	-
Fund Balance-September 30.....	\$ 301,732	\$ 62,424	\$ 2,839	\$ 66,265	\$ 252,562

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

FREMONT COUNTY, IDAHO
Combining Statement of Revenues, Expenditures, And Changes In Fund Balances
Non Major Governmental Funds
For the Year Ending September 30, 2019

Junior College Tuition	Parks and Recreation	Revaluation	Senior Citizens	Search and Rescue	Ambulance District	Liability Insurance
\$ -	\$ 163,057	\$ 448,194	\$ -	\$ -	\$ 356,235	\$ 237,017
22,250	12,841	16,485	-	13,221	206,588	9,966
-	863	2,212	-	-	2,062	1,360
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	363,309	-
-	-	-	-	-	11,638	-
-	-	-	-	-	-	-
-	116,297	4,531	12,684	57,210	26,750	3
<u>22,250</u>	<u>293,058</u>	<u>471,422</u>	<u>12,684</u>	<u>70,431</u>	<u>966,582</u>	<u>248,346</u>
35,650	-	451,839	55,512	-	-	251,724
-	-	-	-	34,361	919,113	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	273,500	-	-	-	-	-
-	25,200	26,962	-	33,919	116,415	-
<u>35,650</u>	<u>298,700</u>	<u>478,801</u>	<u>55,512</u>	<u>68,280</u>	<u>1,035,528</u>	<u>251,724</u>
(13,400)	(5,642)	(7,379)	(42,828)	2,151	(68,946)	(3,378)
-	-	-	-	-	-	-
-	-	-	50,000	-	-	-
-	-	-	<u>50,000</u>	-	-	-
(13,400)	(5,642)	(7,379)	7,172	2,151	(68,946)	(3,378)
61,551	75,975	67,293	25,917	80,083	306,319	26,386
-	-	-	-	-	-	-
<u>\$ 48,151</u>	<u>\$ 70,333</u>	<u>\$ 59,914</u>	<u>\$ 33,089</u>	<u>\$ 82,234</u>	<u>\$ 237,373</u>	<u>\$ 23,008</u>

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

FREMONT COUNTY, IDAHO
Combining Statement of Revenues, Expenditures, And Changes In Fund Balances
Non Major Governmental Funds
For the Year Ending September 30, 2019

REVENUE	Veterans	Weed and Pest	Noxious Weed	Snowmobile
Taxes.....	\$ 8,548	\$ 385,607	\$ -	\$ -
Intergovernmental revenue.....	360	23,956	-	321,111
Interest.....	52	1,883	245	-
Earnings on investments.....	-	-	-	500
Licenses and permits.....	-	-	-	-
Fines.....	-	-	-	-
Charges for services.....	-	-	214,948	-
Special fees.....	-	-	2	-
Grants.....	-	219,598	-	-
Miscellaneous revenue.....	-	4,803	146	2,403
Total revenue.....	8,960	635,847	215,341	324,014
EXPENDITURES				
Current:				
General government.....	8,985	-	-	-
Public safety.....	-	-	-	-
Sanitation.....	-	542,496	115,098	-
Health.....	-	-	-	-
Social services.....	-	-	-	-
Culture and recreation.....	-	-	-	370,829
Capital outlay.....	-	-	30,000	24,000
Total expenditures.....	8,985	542,496	145,098	394,829
Excess of revenues over (under) expenditures.....	(25)	93,351	70,243	(70,815)
OTHER FINANCING SOURCES (USES)				
Other financing sources.....	-	-	-	-
Operating transfers in (out).....	-	-	-	-
Total other financing sources (uses).....	-	-	-	-
Excess of revenue and other sources over (under) expenditures and other uses.....	(25)	93,351	70,243	(70,815)
Fund Balance-October 1.....	(2)	70,490	33,705	255,223
Prior period adjustment.....	-	-	-	-
Fund Balance-September 30.....	\$ (27)	\$ 163,841	\$ 103,948	\$ 184,408

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

FREMONT COUNTY, IDAHO
Combining Statement of Revenues, Expenditures, And Changes In Fund Balances
Non Major Governmental Funds
For the Year Ending September 30, 2019

<u>Waterways</u>	<u>Pollution Studies</u>	<u>E 911</u>	<u>Judgment</u>	<u>Auditors Trust</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 44	\$ -	\$ 2,565,576
59,789	-	-	-	-	1,075,942
-	-	-	19	-	14,237
500	-	2,681	-	-	3,681
-	-	-	-	-	26,116
-	-	-	-	-	98,550
-	-	144,518	-	-	722,775
-	-	-	-	-	11,640
-	-	-	-	-	244,598
7,851	-	3,265	(1)	107	329,968
<u>68,140</u>	<u>-</u>	<u>150,464</u>	<u>62</u>	<u>107</u>	<u>5,093,083</u>
-	-	-	44	-	1,965,325
-	-	135,692	-	-	1,089,166
-	-	-	-	-	657,594
-	-	-	-	-	84,748
-	-	-	-	-	283,590
65,409	-	-	-	-	777,316
44,406	-	10,000	-	-	330,398
<u>109,815</u>	<u>-</u>	<u>145,692</u>	<u>44</u>	<u>-</u>	<u>5,188,137</u>
(41,675)	-	4,772	18	107	(95,054)
-	-	-	-	-	-
-	-	-	-	-	50,000
-	-	-	-	-	50,000
(41,675)	-	4,772	18	107	(45,054)
53,647	100	239,158	66	15,735	2,009,076
-	-	-	-	-	-
<u>\$ 11,972</u>	<u>\$ 100</u>	<u>\$ 243,930</u>	<u>\$ 84</u>	<u>\$ 15,842</u>	<u>\$ 1,964,022</u>

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

FREMONT COUNTY, IDAHO
Combining Statement of Revenues, Expenditures, And Changes In Fund Balances
Non Major Governmental Funds
For the Year Ending September 30, 2019

Capital Project Funds

REVENUE	Special Bridge	Special Road	Totals
Taxes.....	\$ 342,597	\$ 407,517	\$ 750,114
Intergovernmental revenue.....	-	-	-
Interest.....	2,957	1,206	4,163
Miscellaneous revenue.....	16,154	1,359,723	1,375,877
Total revenue.....	<u>361,708</u>	<u>1,768,446</u>	<u>2,130,154</u>
EXPENDITURES			
Current:			
Road and bridge.....	536,552	1,562,509	2,099,061
Total expenditures.....	<u>536,552</u>	<u>1,562,509</u>	<u>2,099,061</u>
Excess of revenues over (under) expenditures.....	(174,844)	205,937	31,093
OTHER FINANCING SOURCES (USES)			
Operating transfers in (out)	-	-	-
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over (under) expenditures and other uses.....	(174,844)	205,937	31,093
Fund Balance-October 1.....	272,963	731,103	1,004,066
Prior period adjustment.....	-	-	-
Fund Balance-September 30.....	<u>\$ 98,119</u>	<u>\$ 937,040</u>	<u>\$ 1,035,159</u>

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

JENSEN POULSEN & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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IDAHO FALLS, IDAHO 83405-0700

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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 County Commissioners
Fremont County, Idaho
St. Anthony, Idaho 83445

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Fremont County, Idaho as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise Fremont County's basic financial statements and have issued our report thereon dated February 5, 2020.

Internal Control over Financial Reporting

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

Compliance and Other Matters

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

Board of County Commissioners
Fremont County, Idaho
Page 2

Purpose of this Report

This 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.

Jensen Poulsen & Company, PLLC

JENSEN POULSEN & COMPANY, PLLC
Certified Public Accountants

February 5, 2020
Idaho Falls, Idaho

FREMONT COUNTY, IDAHO
Schedule of Prior Audit Findings and Questioned Costs
For the Year Ending September 30, 2019

FINDINGS—FINANCIAL STATEMENT AUDIT

A. SIGNIFICANT DEFICIENCIES

2018-01 — Lack of segregation of duties in the payroll processing function.

Condition: The County is experiencing a lack of segregation of duties over the payroll processing function.

Status: Corrected.

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

Board of County Commissioners
Fremont County, Idaho
St. Anthony, Idaho 83445

Report on Compliance for Each Major Federal Program

We have audited Fremont 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 Fremont County, Idaho's major federal programs for the year ended September 30, 2019. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Fremont County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Fremont County, Idaho's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Fremont County's compliance.

Opinion on Each Major Federal Program

In our opinion, Fremont County complied in all material respects with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

Board of County Commissioners
Fremont County, Idaho
St. Anthony, Idaho 83445

Report on Internal Control Over Compliance

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

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

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

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

Jensen Poulsen & Company, PLLC

JENSEN POULSEN & COMPANY, PLLC
Certified Public Accountants

Idaho Falls, ID
February 5, 2020

FREMONT COUNTY

Schedule of Findings and Questioned Costs
September 30, 2019

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
Material Weaknesses identified?	No
Significant Deficiencies identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material Weaknesses identified?	No
Significant Deficiencies identified?	No
Type of auditors’ report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.514?	No

Identification of Major Programs:

US Department of the Interior – Payment in Lieu of Taxes	15.226	
Dollar threshold used to distinguish between Type A and Type B programs:		\$ 750,000
Auditee qualified as low-risk auditee?		Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Programs Findings

None

FREMONT COUNTY

Schedule of Expenditures of Federal Awards
For the year ended September 30, 2019

Pass Through Entitlement/Grants

	<u>Federal CFDA No.</u>	<u>Passed Through to Subrecipients</u>	<u>Accrued Grant and Loan Disbursements</u>
<u>U. S. Department of Agriculture</u>			
School Breakfast	10.553		\$ 10,587
National School Lunch	10.555		19,755
Total			<u>\$ 30,342</u>
<u>U.S. Department of the Interior</u>			
Payment in Lieu of Taxes	15.226		\$ 983,991
<u>U. S. Department of Transportation</u>			
State & Community Highway Safety	20.600		\$ 7,941
Minimum Penalties for Repeat Offenders for DWI	20.608		6,223
National Priority Safety Programs	20.616		4,968
Total			<u>\$ 19,132</u>
<u>U.S. Department of Health and Human Services</u>			
Prevention and Treatment of Substance Abuse	93.959		\$ 1,370
<u>U.S. Department of Homeland Security</u>			
Boating Safety Financial Assistance	97.012		\$ 14,423
Emergency Management Performance Grants	97.042		27,995
Homeland Security Grant	97.067		30,287
Total			<u>\$ 72,705</u>
Total Expenditures			<u>\$ 1,107,540</u>

FREMONT COUNTY

**Schedule of Expenditures of Federal Awards
For the year ended September 30, 2019**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Fremont County under programs of the federal government for the year ended September 30, 2019. The information in this 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 Fremont County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Fremont County.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C INDIRECT COST RATE

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