



TETON COUNTY, IDAHO

**Financial Statements
and
Supplementary Information
with
Independent Auditors' Report**

September 30, 2020

TETON COUNTY, IDAHO
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INDEPENDENT AUDITORS' REPORT

The Board of Commissioners
Teton County, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Teton County, Idaho as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial positions of the governmental activities, each major fund, and the aggregate remaining fund information of Teton County, Idaho as of September 30, 2020, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the supplemental schedule of employee group benefit plan information and the schedule of pension liabilities and contributions listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

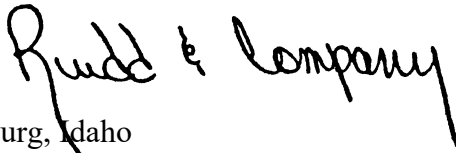
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Teton County, Idaho's basic financial statements. The combining and individual non-major fund and agency fund financial statements are presented for purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial and agency fund statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund and agency fund

financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2021, on our consideration of Teton County, Idaho's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Teton County, Idaho's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rudd & Company". The signature is written in a cursive, flowing style.

Rexburg, Idaho
March 3, 2021

Teton County, Idaho
Management's Discussion & Analysis
September 30, 2020

The following overview and analysis of Teton County's financial activities is intended to accompany and explain Teton County's financial statements for the fiscal year ended September 30, 2020.

FINANCIAL HIGHLIGHTS

- The assets of Teton County exceeded its liabilities at the close of the most recent fiscal year by \$29,083,810.
- The county's total net assets decreased by \$1,264,639 during the most recent fiscal year.
- As of Sept. 30, 2020 Teton County's governmental funds reported combined ending fund balances of \$12,358,914, for an increase of \$1,211,168 over the previous fiscal year. \$3,847,827 of this amount is available for spending at the county's discretion.
- At the end of the current fiscal year, the unassigned General Fund balance was \$3,847,827, which equaled 64% of the fund's budget for the coming year. The restricted balance in the Road & Bridge Fund plus the Road Special Fund was \$4,031,801, which equaled 88% of the combined budgets for those funds for the coming year. The restricted Solid Waste Fund balance was \$930,836, which equaled 39% of the budget for the coming year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is an introduction to Teton County's basic financial statements, which include three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Teton County's finances, in a manner similar to a private-sector business.

The government-wide *Statement of Net Position* presents information on all of Teton County's assets and liabilities. The difference between the two is reported as net assets. Over time, increases or decreases in net assets may indicate whether the financial position of Teton County is improving or deteriorating.

The government-wide *Statement of Activities* presents information showing how Teton County's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses may be reported in the Statement of Activities that will only affect cash flows in future fiscal years (e.g. uncollected taxes and earned but unused Paid Time Off).

This is the seventh year that the government-wide financial statements do not include information about Teton Valley Hospital, a former Component Unit of the county. Since December 31, 2013, the hospital

facility and assets have been leased to Teton Valley Health Care, Inc., which is responsible for all hospital operations. See “Future Considerations” for more details.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Teton County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Teton County can be divided into two categories: (1) governmental funds; (2) agency (fiduciary) funds. Teton County currently maintains five major funds and 33 nonmajor funds.

Governmental Fund financial statements provide more detailed information about the various governmental activities reported as a combined total on the government-wide financial statements. Fund financial statements show the near-term inflows and outflows of spendable resources, and the year-end balances of spendable resources. This information helps evaluate a government’s liquidity and near-term financing requirements.

Because the governmental fund financial statements provide more detailed information than the government-wide financial statements, it is useful to compare the two sets of financial statements. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide such comparisons and help readers understand the long-term impact of the government’s near-term financing decisions. Each report is followed by a Reconciliation document, which is necessary because the funds are operated on a cash basis while the government-wide reports require accrual accounting.

The Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds provides specific data regarding the county’s five major funds (General, Road & Bridge, Solid Waste, Road Special and Grants) along with combined total data from the County’s nonmajor funds. Specific information about each nonmajor governmental fund is located in the Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances found in the Supplementary Information at the end of this report.

Teton County adopts an annual appropriated budget for all governmental funds with annual expenses. A budgetary comparison statement has been provided for the county’s major funds, as required.

Agency (Fiduciary) Funds are used to account for resources held for the benefit of parties outside the government. Agency funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Teton County’s own programs. The Statement of Fiduciary Net Assets for Agency Funds summarizes the detailed information about specific agency funds found in the Combining Statements of Assets & Liabilities for those funds.

Notes to the Financial Statements. The Notes provide additional, detailed information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. Table 1 illustrates the steady increase in Teton County net position during the past five years. Roughly 66% of Teton County's net assets are invested in capital assets (e.g. land, buildings, machinery and equipment), less depreciation and any related debt that is still outstanding. Teton County uses these capital assets to provide services for citizens and the assets are not available for future spending.

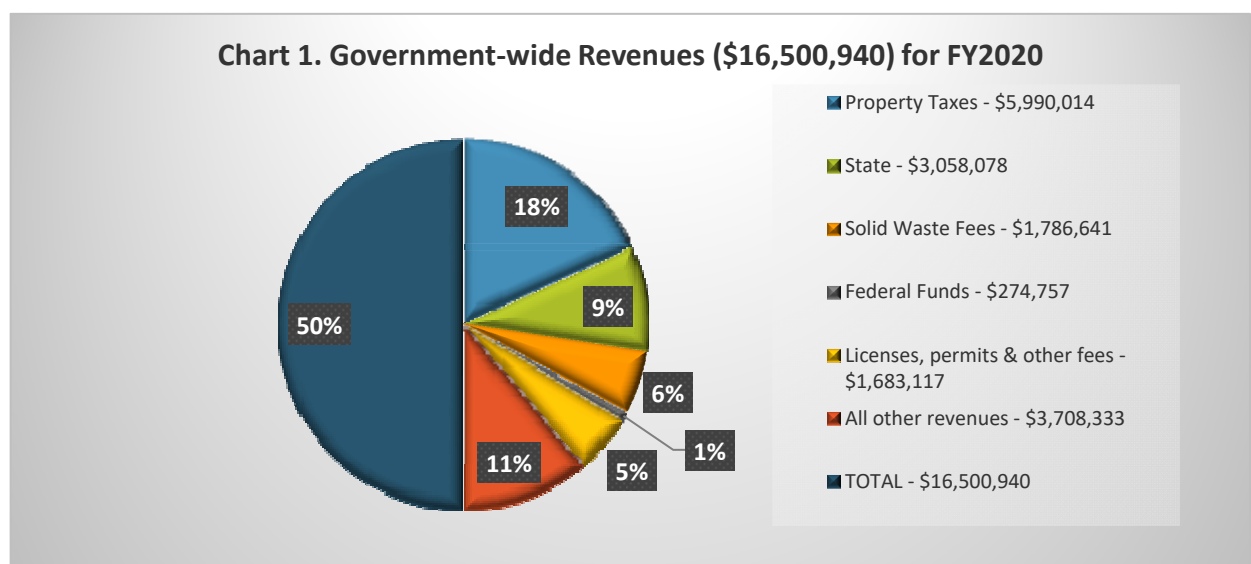
Table 2 provides a five-year history of revenue and expense information from the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances.

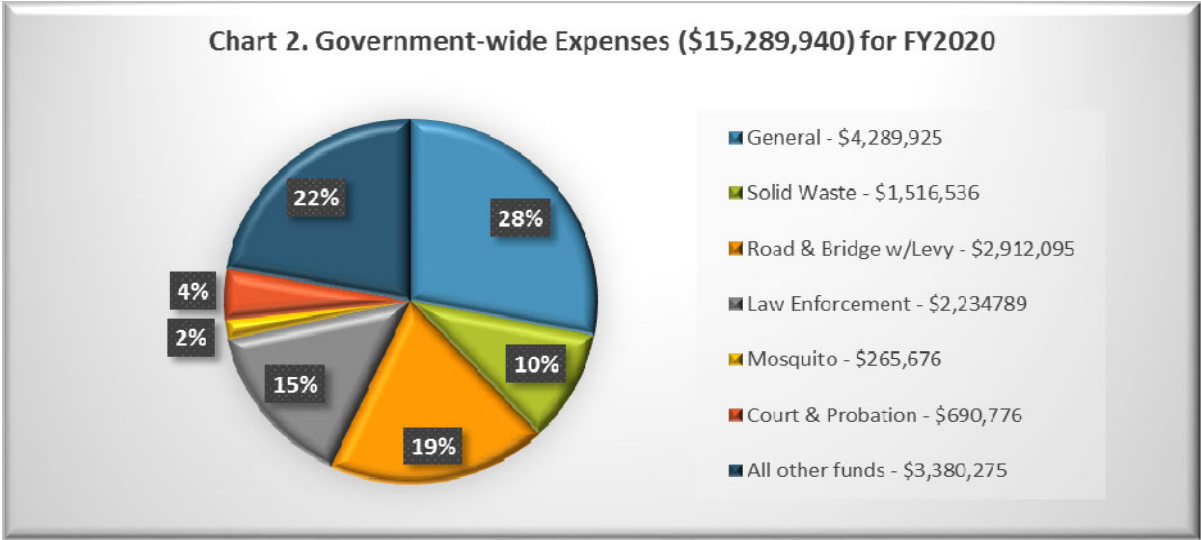
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
ASSETS					
Current assets (+Deferred Outflows of Resources)	10,452,913	10,602,865	11,531,764	12,180,851	14,002,378
Capital assets, net of related debt & depreciation	24,047,570	23,729,784	23,692,698	22,789,202	23,249,098
Total assets	\$34,500,483	\$34,332,649	\$35,224,462	\$34,970,053	\$37,251,476
LIABILITIES					
Current liabilities	1,096,836	762,050	1,191,796	1,221,764	3,440,979
Non-current liabilities	2,258,529	2,309,124	2,222,537	1,797,053	1,936,691
Net Pension Liability	2,125,537	1,613,318	1,643,833	1,342,070	2,696,009
Deferred Inflows of Resources	709,824	407,808	331,150	524,228	93,987
Total liabilities	\$6,190,726	\$5,092,300	\$5,389,316	\$4,361,087	\$8,167,666
NET POSITION					
Invested in capital assets, net of related debt	21,421,735	21,225,117	21,232,059	20,569,775	20,843,382
Restricted	3,976,427	4,065,890	4,949,392	5,905,706	7,107,888
Unrestricted	2,911,595	3,949,342	3,653,695	3,872,968	1,132,540
TOTAL NET POSITION	\$28,309,757	\$29,240,349	\$29,835,146	\$30,348,449	\$29,083,810

	FY 2016	FY 2017	FY 2018	FY 2019	FY 20
REVENUES					
Property taxes	6,080,386	5,832,435	5,848,738	6,082,934	6,269,241
Property taxes distributed to cities	(239,838)	(274,125)	(284,661)	(299,579)	(279,227)
State liquor fund	103,951	114,203	130,936	147,577	159,381
State sales tax	537,545	573,932	630,613	675,379	718,954
State highway users fund	1,256,616	1,329,535	1,380,953	1,447,436	1,441,180
Other state revenues	195,188	703,045	1,175,687	593,266	738,563
Federal funds	303,584	181,631	325,471	250,450	274,757
Juvenile justice funds	39,304	31,735	33,596	35,316	39,040
Solid waste fees	1,598,282	1,438,857	1,405,962	1,633,953	1,786,641
Licenses, permits & other fees	1,348,414	1,565,091	1,449,237	1,753,778	1,683,117
Interest earned	32,797	83,720	86,891	240,045	308,790
Miscellaneous	653,508	1,048,641	1,380,386	1,047,141	1,131,865

Proceeds from finan. sources & capital leases	281,558	271,858	197,327	0	2,228,638
Total Revenues	\$12,191,295	\$12,900,558	\$13,761,136	\$13,607,696	\$16,500,940
EXPENDITURES					
General & Administrative	5,089,406	5,597,454	5,742,744	6,459,520	6,085,894
Road & Bridge	1,576,482	1,588,372	2,942,911	2,061,507	1,725,802
Law enforcement	1,503,075	1,467,796	1,768,822	2,004,176	2,198,382
Solid waste	867,612	1,587,860	1,043,277	1,147,334	1,300,813
Bond payments	225,525	224,718	223,775	222,458	1,650,000
Capital lease payments	166,988	109,760	111,681	110,592	395,462
Capital improvements	1,498,971	1,070,085	1,338,717	456,706	1,933,419
Total Expenditures	\$10,928,059	\$11,646,045	\$13,171,927	\$12,462,293	\$15,289,772
Excess (Deficiency) of Revenues	1,263,236	1,254,513	589,129	1,145,403	1,211,168
Fund balance at beginning of year	6,895,439	8,158,701	9,413,214	10,002,343	11,147,746
TOTAL NET POSITION	\$8,158,675	\$9,413,214	\$10,002,343	\$11,147,746	\$12,358,914

During the current year, revenues totaled \$16,500,940 (including capital leases) while expenses totaled \$15,289,772. Charts 1 and 2 illustrate the current year’s revenue and expense information.



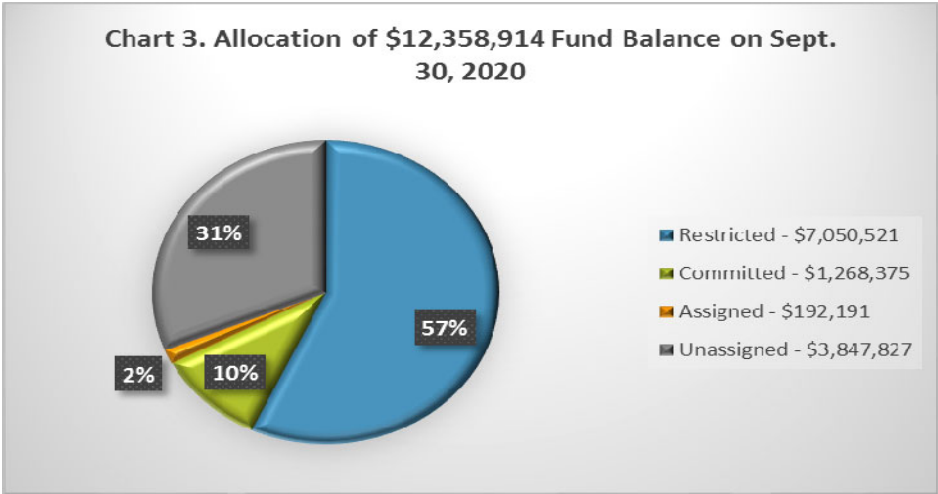


FUND FINANCIAL ANALYSIS

As noted earlier, Teton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. Governmental fund information provides a useful measure of Teton County’s net resources available for spending at the end of the fiscal year. The Balance Sheet shows the government-wide fund balances while Note #14 provides details about each fund balance.

At the end of the current fiscal year, Teton County’s governmental funds reported combined ending fund balances of \$12,358,914 with \$3,847,827 unassigned. This amount is available for spending at the County’s discretion. The remainder of the fund balance is not available for new spending because it is either: (1) restricted for uses specified by state or local laws, voter initiative or granting entities; (2) committed to specific uses (County Commissioners may re-allocate these funds by unanimous resolution); or (3) assigned to specific intended uses. Chart 3 illustrates the allocation of the county’s current fund balance.



It is County policy to maintain September 30 fund balances equal to 25-33% of the next year’s approved budget. This amount provides sufficient liquidity and cash flow to enable governmental activities to continue into the new fiscal year prior to receipt of current year property taxes and other revenues. The Road & Bridge fund balance may be maintained at a lower level when necessary because the first quarterly payment from the Highway Users Fund is received in October.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year the unassigned General Fund balance was \$3,847,827 which represents 64% of total General Fund expenditures for the coming year.

ORIGINAL, FINAL & ACTUAL BUDGET AMOUNTS

Teton County follows all state budget laws and deadlines while preparing the annual budget. After the budget is adopted, specific needs within specific funds may change and unanticipated revenues may become available. Therefore, during any fiscal year, the adopted budget may be modified by resolution of the Commissioners, followed by a public hearing and budget opening, which must be held before closing out the fiscal year.

CAPITAL ASSETS & LONG-TERM DEBT ACTIVITY

Capital Assets. Teton County’s net investment in capital assets for its governmental activities as of September 30 is \$23,249,098.

Major capital asset events during the current fiscal year included the following:

- Purchased and equipped three new vehicles for use by Sheriff’s deputies
- Purchased new computers
- Purchased a new vehicle for the Building Dept.
- Purchased a new copy machine for the Courts
- Purchased three 2019 Road Graders through a five year lease

Long-term debt. Teton County currently maintains long-term debt in the amount of \$3,564,610. This amount includes a Net Pension Liability of \$2,696,069, and \$990,00 outstanding from the refinance of the 20-year bond issued in November 2007 to fund construction of the solid waste transfer station. Teton County’s other capital lease obligations are itemized in Table 3. Additional information on Teton County’s long-term debt can be found in Notes 7-9.

	FY21	FY22	FY23	FY24	FY25
2018 Dump Truck	\$ 42,308	\$ 42,308	\$ -	\$ -	
2016 Cat Grader	\$ 190,000		\$ -	\$ -	
2016 Cat Grader	\$ 21,824	\$ 190,000	\$ -	\$ -	
2019 Cat Grader	\$ 31,118	\$ 31,118	\$ 31,118	\$ 31,118	\$ 190,000
2019 Cat Grader	\$ 35,453	\$ 35,453	\$ 35,453	\$ 35,453	\$ 190,000
2019 Cat Grader	\$ 33,025	\$ 33,025	\$ 33,025	\$ 33,025	\$ 194,600
2020 Volvo Roller	\$ 30,980	\$ 30,980	\$ 30,980	\$ 30,980	
Total Lease Payments	\$ 384,707	\$ 362,883	\$ 130,576	\$ 130,576	\$ 574,600

CONCLUSION

Current Status. Teton County is financially healthy.

Administrative Policies. The County Commissioners have adopted various administrative, financial, personnel and public works policies in order to standardize and simplify county administrative tasks by providing clear, written guidelines. These policies increase citizen confidence in county government, ensure that all applicable laws are followed, and prevent the misuse of public resources and funds. Policies are reviewed annually and updated as needed. County policies are discussed during the annual employee meeting, with particular emphasis given to the Ethics and Safety policies. Every elected official, department head and employee is expected to read, understand and follow the policies.

Economic Factors. Teton Valley is a rural community nestled in the southern Greater Yellowstone Ecosystem. The history of the valley began with seasonal use by Native Americans, followed by white trappers and hunters, then homesteading settlers, and most recently, by settlers desiring the lifestyle and recreational opportunities available in Teton Valley. Teton County was created in January, 1915.

In 1920, Teton County's population was 3,921. By 1960 the population had dwindled to 2,639 and local leaders sought a way to improve the economy. They led the effort to build a ski lift and other facilities on Fred's Mountain in the Teton Range. Grand Targhee Resort opened for business in December 1969 and continues to be the catalyst for much of the economic activity in Teton County. The valley's proximity to Grand Teton and Yellowstone National Parks, and Jackson Hole, Wyoming attracts tourists, second-home owners and residents who commute to Jackson Hole for work. Additionally, many residents have been able to relocate to Teton County due to technological improvements that enable them to work from home and live wherever they desire. By 2017, the County held 11,381 residents and about one-third of the county's total personal income came from non-labor sources such as retirement payments, investment dividends, social security and similar sources.

From 2000-2010, Teton County experienced its largest ever boom/bust cycle and its population grew from 5,999 to 10,170. Thousands of new subdivision lots were created and hundreds of spec homes were built. Property values increased dramatically from 2006-2008 and peaked at \$2.185 billion, then declined over the next five years before bottoming out in 2013 at \$1.289 billion. The county's net taxable property value has increased since 2013 to \$2.195 billion. Interestingly, the price of homes is driving values up now, whereas it was the price of land in the mid 2000's. Home prices have increased rapidly enough the last couple years to cause renewed concern about the lack of affordable housing.

Teton County remains a beautiful place with mountains, clean water, fresh air, abundant wildlife, a friendly, rural community and world-class outdoor recreation opportunities. These lifestyle amenities, plus the job opportunities in nearby Jackson Hole, continue to attract and retain residents. During 2020, the county issued 159 building permits for new homes, up from 135 in 2019.

Future Considerations.

Unassigned General Fund Balance. The unassigned balance in the General Fund is about \$1.4 million greater than the amount needed to provide sufficient liquidity and cash flow into the new fiscal year. These funds could be used to build or purchase needed facilities or equipment, or be reserved for future projects or the payment of future court judgements if necessary. The Commissioners should discuss the best possible use of these funds during the county's annual budget process.

Landfill. In 2007 Teton County closed its landfill and began operating a solid waste transfer station. The closure involved “capping” the landfill with a thick layer of topsoil planted to native grasses. A \$1.72 million landfill cap rehabilitation project was subsequently required and was completed in 2016. The Idaho DEQ approved the County’s Landfill Post Closure Plan in February 2017. This starts a minimum 30-year water quality monitoring period. If future problems are identified, additional remediation projects will be needed. The County’s Solid Waste Self Assurance Fund currently holds \$520,000.

Five County Juvenile Detention. In 2002 Teton County executed a Joint Powers Agreement with Madison, Fremont, Jefferson and Clark counties in order to provide and pay for the detention of juvenile offenders. Money was borrowed to build the Five County Juvenile Detention Facility and is being repaid in annual installments. That debt will be completely paid off in July 2022. Annual operating expenses are funded by the partner counties and by per diem payments received from state and Federal governments for housing and treating their juvenile offenders. The state and Federal per diem payments fluctuate according to usage. If those payments decrease significantly, the partner county payments must increase to offset the shortfall.

Hospital. The hospital ceased being a Component Unit of the county on December 31, 2012. All hospital facilities and assets remain county-owned, but are now leased to Teton Valley Health Care Inc., a non-profit corporation responsible for hospital operations. The 99-year Hospital Lease Agreement pertains to capital assets with a net value of \$2,682,396 on December 31, 2012. The lease requires TVHC Inc. to re-invest into the hospital’s capital assets at a rate equal to their rate of depreciation. It also requires TVHC Inc. to manage and operate the assets in a manner that will protect the interests of the county and carry out the original mission of the hospital. Finally, the lease specifies that TVHC Inc. must comply with numerous protective covenants or face default of the agreement. Should such a default occur in the future, the lease will be terminated, TVHC Inc. will dissolve and the County will take back possession of the assets and responsibility for hospital operations.

The Liquid Asset Transfer Agreement (LATA), also executed December 31, 2012, allows TVHC Inc. to use the \$4,927,909 working capital owned by the hospital (County) on that date in exchange for an annual payment of \$70,000, plus 5% of any net operating profit. The County deposits LATA payments into a special fund with the intent of saving the money until needed for future health related expenses. There was \$534,290 in the Health Fund on September 30, 2020.

GASB Public Pension Accounting Standards. The financial statements provide information about the county’s Net Pension Liability as required by public pension accounting rules issued by the Governmental Accounting Standards Board (GASB). The presence of a large Net Pension Liability number may give the incorrect impression that the County has an immense debt that must be paid immediately, but this is not the case because pension costs are paid off over long periods.

Elected Officials. Table 4 provides the names and titles of Teton County elected officials who held office on September 30, 2020.

Table 4. Teton County elected officials		
Title	Office Holder	Term Ends
Commissioner, District #1	Cindy Riegel	Jan 2021
Commissioner, District #2	Harley Wilcox	Jan 2021
Commissioner, District #3	Bob Heneage	Jan 2023
Assessor	Bonnie Beard	Jan 2023
Clerk, Auditor, Recorder	Kim Keeley	Jan 2023
Prosecuting Attorney	Billie Siddoway	Jan 2021
Sheriff	Tony Liford	Jan 2021
Treasurer	Beverly Palm	Jan 2023
Magistrate Judge	Jason Walker	Jan 2021
District Judge	Steven Boyce	June 2024

Requests for Information. This financial report is designed to provide a general overview of Teton County’s finances. Any questions or requests for additional information should be directed to County Clerk Kim Keeley at the Teton County Clerk’s Office, 150 Courthouse Drive #208, Driggs, Idaho 83422, by phone at 208-354-8771 or by email to: clerk@co.teton.id.us.

-Kim Keeley, Teton County Auditor, March 3, 2021 -

Basic Financial Statements

TETON COUNTY, IDAHO
Statement of Net Position
September 30, 2020

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and investments	\$ 12,891,491
Property taxes receivable	211,789
Other receivables	<u>72,578</u>
Total Current Assets	<u>13,175,858</u>
Capital Assets	
Construction in progress	266,426
Nondepreciable capital assets	2,494,209
Depreciable capital assets	40,811,751
Accumulated depreciation	<u>(20,323,288)</u>
Net Capital Assets	<u>23,249,098</u>
Total Assets	<u>36,424,956</u>
Deferred Outflow of Resources	
Pension	<u>826,520</u>
Total Deferred Outflows of Resources	<u>826,520</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 37,251,476</u>

The Accompanying Notes are an Integral Part of the Financial Statements

Liabilities

Current Liabilities:

Warrants outstanding	\$ 516,950
Accrued liabilities	144,766
Claims and judgements	2,310,238
Current portion of long-term obligations	<u>469,025</u>
Total Current Liabilities	3,440,979

Net Pension Liability	2,696,009
Noncurrent Portion of Long-term Obligations	<u>1,936,691</u>

Total Liabilities	<u>8,073,679</u>
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Deferred Inflows of Resources

Pension	<u>93,987</u>
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Total Liabilities and Deferred Inflows of Resources	<u>8,167,666</u>
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Net Position

Invested in capital assets, net of related debt	20,843,382
Restricted	7,107,888
Unrestricted	<u>1,132,540</u>

Total Net Position	<u>\$ 29,083,810</u>
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The Accompanying Notes are an Integral Part of the Financial Statements

TETON COUNTY, IDAHO
Statement of Activities
For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense)
		Charges for Services	Operating Grants and Contributions		Revenue and Changes in Net Position
Primary Government					Governmental Activities
Governmental Activities					
General and administrative	\$ 9,135,613	\$ 1,454,787	\$ 1,091,801	\$ -	\$ (6,589,025)
Road and bridge	2,387,790	1,680	1,564,772	-	(821,338)
Law enforcement	2,434,546	226,650	-	-	(2,207,896)
Solid waste	1,568,692	1,785,905	-	-	217,213
Total Governmental Activities	15,526,641	3,469,022	2,656,573	-	(9,401,046)
Total Primary Government	\$ 15,526,641	\$ 3,469,022	\$ 2,656,573	\$ -	\$ (9,401,046)
General Revenues					
Taxes:					
Property taxes levied for general purposes					5,980,451
State and federal payments					1,843,548
Investment earnings					308,790
Miscellaneous					3,619
					<u>8,136,408</u>
Changes in Net Position					(1,264,639)
Net Position - Beginning					<u>30,348,449</u>
Net Position - Ending					<u>\$ 29,083,810</u>

The Accompanying Notes are an Integral Part of the Financial Statements

TETON COUNTY, IDAHO
Balance Sheet – Governmental Funds
September 30, 2020

	General Fund	Road and Bridge Fund	Solid Waste Fund
Assets			
Cash and Investments	\$ 4,128,794	\$ 2,862,782	\$ 1,035,395
Receivables			
Property taxes and solid waste user fees	101,479	13,486	24,959
Other receivables	-	-	-
Total Assets	<u>\$ 4,230,273</u>	<u>\$ 2,876,268</u>	<u>\$ 1,060,354</u>
Liabilities and Fund Equity			
Liabilities			
Warrants outstanding	\$ 202,397	\$ 50,815	\$ 100,666
Accrued liabilities	105,216	15,766	11,636
Total Liabilities	<u>307,613</u>	<u>66,581</u>	<u>112,302</u>
Deferred Inflows of Resources			
Unavailable revenues	74,833	10,960	17,216
Fund Balances			
Nonspendable	-	-	-
Restricted	-	2,798,727	930,836
Committed	-	-	-
Assigned	-	-	-
Unassigned	3,847,827	-	-
Total Fund Balances	<u>3,847,827</u>	<u>2,798,727</u>	<u>930,836</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,230,273</u>	<u>\$ 2,876,268</u>	<u>\$ 1,060,354</u>

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The Accompanying Notes are an Integral Part of the Financial Statements

TETON COUNTY, IDAHO
Balance Sheet – Governmental Funds
September 30, 2020

Road Special Fund	Grants Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,256,515	\$ 85,765	\$ 3,522,240	\$ 12,891,491
30,933	-	40,932	211,789
-	-	72,578	72,578
<u>\$ 1,287,448</u>	<u>\$ 85,765</u>	<u>\$ 3,635,750</u>	<u>\$ 13,175,858</u>
\$ 31,542	\$ 59,393	\$ 72,137	\$ 516,950
-	-	12,148	144,766
<u>31,542</u>	<u>59,393</u>	<u>84,285</u>	<u>661,716</u>
<u>22,832</u>	-	<u>29,387</u>	<u>155,228</u>
-	-	-	-
1,233,074	26,372	2,061,512	7,050,521
-	-	1,268,375	1,268,375
-	-	192,191	192,191
-	-	-	3,847,827
<u>1,233,074</u>	<u>26,372</u>	<u>3,522,078</u>	<u>12,358,914</u>
<u>\$ 1,287,448</u>	<u>\$ 85,765</u>	<u>\$ 3,635,750</u>	<u>\$ 13,175,858</u>

The Accompanying Notes are an Integral Part of the Financial Statements

TETON COUNTY, IDAHO
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of
Net Position
September 30, 2020

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balance - Governmental Funds	\$ 12,358,914
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of assets is \$43,572,386 and the accumulated depreciation is \$20,323,288.	23,249,098
Certain receivables are not financial resources and are reported as deferred revenues:	
Property tax unearned revenue	155,228
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Long-term debt	(2,405,716)
Claims and judgements	(2,310,238)
Pension contributions are reported as expenses in the fund financial statements in the period in which they are paid. The actuarially determined pension liability is recorded on the government-wide statements.	<u>(1,963,476)</u>
Total Net Position - Governmental Activities	<u>\$ 29,083,810</u>

The Accompanying Notes are an Integral Part of the Financial Statements

TETON COUNTY, IDAHO
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2020

	General Fund	Road and Bridge Fund	Solid Waste Fund
Revenues			
Property taxes	\$ 3,446,227	\$ 473,947	\$ -
Property taxes distributed to cities	-	(53,503)	-
State liquor fund	159,381	-	-
State sales tax	718,954	-	-
State highway users fund	-	1,441,180	-
Other state revenues	56,207	-	-
Federal funds	226,650	48,107	-
Juvenile justice funds	-	-	-
Solid waste user fees	-	-	1,786,641
Licenses, permits and other fees	1,040,726	1,680	-
Interest earned	287,262	-	-
Miscellaneous	3,619	75,485	-
Total Revenues	<u>\$ 5,939,026</u>	<u>\$ 1,986,896</u>	<u>\$ 1,786,641</u>
Expenditures			
General and administrative	\$ 3,295,691	\$ -	\$ -
Road and bridge	-	1,160,150	-
Law enforcement	2,110,806	-	-
Solid waste	-	-	1,300,813
Bond principle payments	-	-	1,650,000
Capital lease principle payments	-	294,866	-
Capital improvements	270,223	157,087	60,398
Total Expenditures	<u>5,676,720</u>	<u>1,612,103</u>	<u>3,011,211</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>262,306</u>	<u>374,793</u>	<u>(1,224,570)</u>
Other Financing Sources (Uses):			
Proceeds from bond refinance	-	-	1,150,000
Proceeds from capital leases	-	142,931	-
Transfers in	70	-	340,000
Transfers out	(340,000)	-	-
Total Other Financing Sources	<u>(339,930)</u>	<u>142,931</u>	<u>1,490,000</u>
Net Change in Fund Balances	(77,624)	517,724	265,430
Fund Balance at Beginning of the Year	<u>3,925,451</u>	<u>2,281,003</u>	<u>665,406</u>
Fund Balance at End of Year	<u>\$ 3,847,827</u>	<u>\$ 2,798,727</u>	<u>\$ 930,836</u>

The Accompanying Notes are an Integral Part of the Financial Statements

Road Special Fund	Grants Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,022,110	\$ -	\$ 1,326,957	\$ 6,269,241
(225,724)	-	-	(279,227)
-	-	-	159,381
-	-	-	718,954
-	-	-	1,441,180
-	457,800	224,556	738,563
-	-	-	274,757
-	-	39,040	39,040
-	-	-	1,786,641
-	-	640,711	1,683,117
-	-	21,528	308,790
-	-	1,052,761	1,131,865
<u>\$ 796,386</u>	<u>\$ 457,800</u>	<u>\$ 3,305,553</u>	<u>\$ 14,272,302</u>
\$ -	\$ 30,553	\$ 2,759,650	\$ 6,085,894
565,652	-	-	1,725,802
-	-	87,576	2,198,382
-	-	-	1,300,813
-	-	-	1,650,000
-	-	100,596	395,462
-	400,875	1,044,836	1,933,419
<u>565,652</u>	<u>431,428</u>	<u>3,992,658</u>	<u>15,289,772</u>
<u>230,734</u>	<u>26,372</u>	<u>(687,105)</u>	<u>(1,017,470)</u>
-	-	-	1,150,000
-	-	935,707	1,078,638
-	-	42,234	382,304
-	-	(42,304)	(382,304)
<u>-</u>	<u>-</u>	<u>935,637</u>	<u>2,228,638</u>
230,734	26,372	248,532	1,211,168
1,002,340	-	3,273,546	11,147,746
<u>\$ 1,233,074</u>	<u>\$ 26,372</u>	<u>\$ 3,522,078</u>	<u>\$ 12,358,914</u>

The Accompanying Notes are an Integral Part of the Financial Statements

TETON COUNTY, IDAHO

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of the Governmental Funds to the Statement of Activities**

September 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net Changes in Fund Balances - Total Governmental Funds \$ 1,211,168

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays are reduced by depreciation in the current period:

Capital expenditures capitalized as fixed assets	1,933,419
Depreciation expense	(1,473,523)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Property taxes	(9,563)
Solid waste user fees	(736)

The governmental funds report current claims and judgements as an expenditure in the year they are due to be paid. However, in the amount recorded in the statement of activities represents the estimated amount of the loss.

(2,310,238)

The government funds report current pension contributions as an expenditure. However, the amount recorded in the statement of activities represents the difference in the actuarially determined pension liability from the previous year to the current year.

(428,876)

Governmental funds report principal repayment on debt as an expenditure and debt proceeds as revenues. However, in the statement of activities, debt payments are not an expense and bond issuance costs are not amortized:

Principal payments on long-term obligations	2,045,462
Amortization of bond discount	(3,113)
Proceeds from capital leases	(1,078,638)
Proceeds from bond refinance	(1,150,000)

Change in Net Position of Governmental Activities \$ (1,264,639)

TETON COUNTY, IDAHO
Statement of Fiduciary Net Position – Agency Fund
September 30, 2020

Assets

Cash and Investments	\$	388,975
Receivables		
Property taxes		<u>353,484</u>
Total Assets	\$	<u>742,459</u>

Liabilities

Warrants outstanding	\$	389,430
Due to other agencies		<u>353,029</u>
Total Liabilities	\$	<u>742,459</u>

The Accompanying Notes are an Integral Part of the Financial Statements

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

1. Summary of Significant Accounting Policies

Teton County, Idaho (the County) is organized and operates under the provisions of the Idaho Constitution and related state statutes. The County operates under a commission form of government and provides the following services as authorized by its charter: public safety, streets, sanitation, culture-recreation, health and social services, agriculture extension, and general administrative, legal and judicial services.

The primary government of the County includes all of the funds, departments, boards, and agencies that are not legally separate from the County.

The financial statements of the County include those of separately administered organizations that are controlled by or dependent on the County. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board.

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

Component Units

Component units are organizations which are legally separated from the County, but are financially accountable to the County, or their relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Discretely presented component units are reported in a separate column to emphasize that they are legally separate from the primary government and are governed by separate boards. The County has no discretely presented component unit.

The County has two blended component units that are included as separate funds in the basic financial statements. A brief description of the blended component units follows:

- *Fair Board Fund* is organized to maintain the fairgrounds and provide the annual county fair and associated activities in Teton County. Taxes are assessed for the Fair Board which is governed by a board of directors appointed by the County Commissioners.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

1. Summary of Significant Accounting Policies (continued)

- *Teton Mosquito Abatement District* is organized to provide relief from mosquitoes and the diseases they may carry to the residents of Teton County. Taxes are assessed for the Mosquito Abatement District, which is governed by the board of directors appointed by the county commissioners.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources, measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

1. Summary of Significant Accounting Policies (continued)

of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, and arbitrage rebates, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible-to-accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

- The general fund is established to account for resources devoted to financing the general services that the County performs. General tax revenues and other sources of revenue used to finance the fundamental operations of the County are included in this fund. This fund is charged with all costs of operating the County for which a separate fund has not been established.
- The road and bridge fund is established to account for the resources accumulated and payments made for road and bridge maintenance, snow removal and road construction within the County.
- The solid waste fund is established to account for the revenues and operations of the solid waste operations in the county.
- The road special fund is established to account for the special levy revenues and operations of roads in the County.
- The grants fund is established to account for the revenues and expenditures for the grants the County receives from Federal and State sources.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

1. Summary of Significant Accounting Policies (continued)

The County additionally reports the following fund type:

- The agency fund accounts for the County's collection and disbursement of taxes and other fees which are held in trust for others.

The County has several nonmajor funds. Significant nonmajor funds consist of the district court fund, indigent and charity fund, emergency communication fund, insurance trust fund, and revaluation fund.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Budgetary Policy

The County prepares one combined budget which includes the operations of all funds. Under Idaho Code, the County's budget establishes maximum legal authorization for expenditures during the fiscal year. Expenditures are not to exceed the budgeted amounts, except as allowed by the Code for certain events. During the fiscal year ended September 30, 2020, the County amended its budgets.

The County has adopted the policy to maintain general fund balances at 25 to 33 percent of expenditures.

Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the County, because it is not considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

Tax Abatements

Per GASB No. 77, governments that enter into tax abatement agreements are to disclose pertinent information about the agreements in the notes to the financial statements. The County had no tax abatements for fiscal year 2020.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

1. Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets, which include property, plant and equipment used in governmental fund type operations (those items which relate to the general activities and services of the County), are accounted for in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 with an estimated useful life in excess of two years. Depreciation is provided on property, plant and equipment using the straight-line method over the estimated useful lives of the related assets:

Vehicles.....	5 years
Heavy Equipment.....	15 years
Buildings.....	30 years

Deferred Outflows/Inflows of Resources

In addition to assets the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The County has two types of deferred outflows of resources. The first amount relates to the County's allocable share of the effect of changes of assumptions during the year on the valuation of the net pension liability. The County also has a deferred discount on bond issuance resulting in the difference in the carrying value of the bonds and their acquisition price. The amount is deferred and amortized over the life of the bonds. These amounts are reportable only in the government-wide financial statements.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The County has two types of items in this area. One item, which arises only under a modified accrual basis of accounting, unavailable revenue, is reported only in the governmental funds balance sheet and represents unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. This is reported in the governmental funds. The second type of deferred inflows of resources relates to the effect on the calculation of the net pension

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

1. Summary of Significant Accounting Policies (continued)

liability of the difference between projected and actual investment earnings on the defined benefit pension plan. This is reported in the government-wide financial statements.

Pensions

For the purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public 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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, the County has evaluated events and transaction for potential recognition or disclosure through March 3, 2021, the date the financial statements were available to be issued.

2. Cash and Investments

Cash balances of most of the County funds are pooled and invested. The County maintains a primary checking account and several miscellaneous bank accounts where balances are kept at a minimum. All excess funds are then invested with the State Treasurer's pooled cash investment account, managed investments and in certificates of deposit. The State Treasurer's pooled cash invests in time certificates of deposit, local government tax anticipation notes, federal loans, U.S. treasury notes and other U.S. governmental securities. Information regarding insurance or collateralization of amounts invested in the pooled accounts is not available.

The County's cash accounts are insured through the Federal Deposit Insurance Corporation (at banks) and The Federal Savings and Loan Insurance Corporation (at savings and loans organizations) up to \$250,000 per depository.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

2. Cash and Investments (continued)

The County adopted the provisions of GASB Statement No. 40, Deposit and Investment Risk Disclosures beginning for the year ended September 30, 2005. This statement establishes and modifies disclosure requirements related to investment and deposit risk; accordingly, the note disclosures on cash and investments are in conformity with the provisions of GASB Statement No. 40.

1. Deposits – At September 30, 2020, the carrying amount of the County’s deposits was \$1,819,892 and the respective bank balances totaled \$1,588,206. Of the bank balances, \$669,703 was insured by FDIC and the remaining balances were not insured.
2. Custodial Credit Risk, Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned. As of September 30, 2020, \$453,612 of the bank balances were not insured or collateralized with pooled securities held by the pledging financial institution in the name of the County. Petty cash was \$1,100.
3. Investments – As of September 30, 2020, the County had the following investments:

Investment Type	S&P Rating	Fair Value	Investment Maturity (in Years)			
			Less Than 1	1-5	6-10	More Than 10
State Investment Pool	N/A	\$ 5,005,702	\$ 5,005,702	\$ -	\$ -	\$ -
Certificates of Deposit	N/A	991,536	442,578	319,785	229,173	-
Government Fixed Income	N/A	5,462,236	-	5,257,820	204,416	-
Total Investments		\$ 11,459,474	\$ 5,448,280	\$ 5,577,605	\$ 433,589	\$ -

4. Custodial Credit Risk, Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investment.
5. Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from changes in interest rates, the County structures its portfolio so that securities mature to meet cash requirements for ongoing operations. Because the State Investment Pool as of September 30, 2020 had a weighted average maturity less than one year, it was presented as an investment with a maturity of less than one year.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

2. Cash and Investments (continued)

6. Credit Risk – Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. It is the County’s policy to limit investments to the safest types of securities and to diversify the County’s investment portfolio so that potential losses on securities will be minimized. The County follows Idaho statute that outlines qualifying investment options.

The following is a reconciliation of the County’s deposit and investment balance as of September 30, 2020:

Cash and investment balances:

Petty cash	\$ 1,100
Bank deposits and CD's	2,811,428
Investments	<u>10,467,938</u>
Total	<u>\$ 13,280,466</u>
Cash and investments - governmental funds	\$ 12,891,491
Cash and investments - agency funds	<u>388,975</u>
Total	<u>\$ 13,280,466</u>

3. Fair Value Measurements

The County has implemented GASB No. 72, Fair Value Measurement and Application. This guidance requires government entities to measure investments and certain other items at fair value. The objective is to enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This guidance clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Under this guidance, fair value measurements are not adjusted for transaction costs. This guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

3. Fair Value Measurements (continued)

GASB No. 72 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). The following summarizes the fair value hierarchy:

- Level 1 Inputs – Unadjusted quoted market prices for identical assets and liabilities in an active market.
- Level 2 Inputs – Inputs other than the quoted process in active markets that are observable either directly or indirectly.
- Level 3 Inputs – Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

GASB No. 72 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs.

Fair value assets measured on a recurring basis at September 30, 2020 are as follows:

	<u>Fair Value Measurements at Reporting Date Using</u>			
	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Federal agencies	\$ 5,462,236	\$ 5,462,236	\$ -	\$ -
State investment pool	5,005,702	5,005,702	-	-
Total	<u>\$ 10,467,938</u>	<u>\$ 10,467,938</u>	<u>\$ -</u>	<u>\$ -</u>

All assets have been valued using a market approach. There were no changes in the valuation techniques during the year. There are no assets or liabilities measured at fair value on a nonrecurring basis.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

4. Capital Assets

A summary of changes in property, plant and equipment is as follows:

	Balance September 30, 2019	Additions	Dispositions	Balance September 30, 2020
Non depreciable assets – land	\$ 2,494,209	\$ -	\$ -	\$ 2,494,209
Buildings	17,829,634	-	-	17,829,634
Infrastructure	8,309,832	-	-	8,309,832
Equipment	13,084,057	1,666,993	78,765	14,672,285
Total Buildings and Equipment	39,223,523	1,666,993	78,765	40,811,751
Construction in Progress	-	266,426		266,426
Total	41,717,732	1,933,419	78,765	43,572,386
Accumulated Depreciation	\$ 18,928,530	\$ 1,473,523	\$ 78,765	\$ 20,323,288

Depreciation expense was charged to the government activities as follows:

General and administrative	\$ 493,329
Law enforcement	188,558
Road and bridge	559,298
Solid waste	232,338
Total	<u>\$ 1,473,523</u>

5. Accrued Compensated Absences

The County’s policy is to accrue paid time off on a calendar year basis for its employees. The County has elected not to show its sick leave benefits as compensated absences as sick leave does not vest.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

6. Taxes Receivable

Property taxes are levied in November of each year and become payable on December 20th and on June 20th of the following year for real and personal property.

Property taxes attach as an enforceable lien as of December 20th following the levy in November. Therefore, no amount has been set aside for an allowance for doubtful accounts.

7. Retirement Plan

Plan Description

The 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 appointment 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.

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

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

7. Retirement Plan (continued)

Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) 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% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020, the employee contribution rate was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% general employees and 12.28% for police and firefighters. The County's contributions required and paid were \$504,399, for the year ended September 30, 2020.

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

At September 30, 2020, the County reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2020, the County's proportion was .001161006 percent.

For the year ended September 30, 2020, the County recognized pension expense (revenue) of \$428,876. At September 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

7. Retirement Plan (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 309,014	\$ -
Changes in assumptions or other inputs	45,594	-
Net difference between projected and actual earnings on pension plan investments	328,817	93,987
County contributions subsequent to the measurement date	<u>143,095</u>	<u>-</u>
Total	<u>\$ 826,520</u>	<u>\$ 93,987</u>

\$143,095 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2020.

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, 2019, the beginning of the measurement period ended June 30, 2019, is 4.8 and 4.8 for the measurement period June 30, 2020.

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:

<u>Fiscal Year</u>	
2021	\$ (27,006)
2022	\$ 77,798
2023	\$ 114,429
2024	\$ 190,153

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

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

7. Retirement Plan (continued)

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 July 1, 2020 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	7.05%, net of investment expenses
Cost-of-living adjustments	1%

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

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, 2020 is based on the results of an actuarial valuation date of July 1, 2020.

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 tan approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

7. Retirement Plan (continued)

The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2020.

Capital Market Assumptions

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return (Arithmetic)</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Core Fixed Income	30.00%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-term Expected Geometric Rate of Return		6.25%	3.89%
Assumed Investment Expenses		-0.40%	-0.40%
Portfolio Long-term Expected (Geometric) Rate of Return, Net of Investment Expenses		5.85%	3.49%

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.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

7. Retirement Plan (continued)

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

The following presents the Employer’s proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the Employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (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%)
Employer's proportionate share of the net pension liability (asset)	\$ 5,528,777	\$ 2,696,009	\$ 353,773

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, 2020, the County reported payables to the defined benefit pension plan of \$18,681 for legally required employer contributions and \$11,813 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Deferred Compensation Plan

The County has adopted a resolution allowing its employees to participate in the State 457 Deferred Compensation Plan. The employees are allowed to make contributions for themselves to the State plan. The County does not make any contributions toward the plan and the State maintains the plan and assets.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

8. Obligations under Capital Leases

The County has entered into agreements to purchase equipment through capital lease agreements.

The following is a scheduled of fixed assets and outstanding liabilities relating to capital lease agreements:

	<u>Fixed Assets</u>	<u>Capital Lease Payable</u>
Vehicles and equipment	<u>\$ 1,988,025</u>	<u>\$ 1,415,716</u>

The following is a schedule by year of future lease payments with the present value of the net minimum lease payments as of September 30, 2020:

Year Ending September 30,	<u>Capital Lease Obligation</u>
2021	\$ 384,708
2022	362,883
2023	130,576
2024	130,576
2025	<u>574,600</u>
Total minimum lease payments	1,583,343
Less amount representing interest	<u>167,627</u>
Present value of minimum lease payments	1,415,716
Current portion of present value	<u>334,025</u>
Long-term portion of present value	<u>\$ 1,081,691</u>

Interest expense on capital leases for the year ended September 30, 2020 was \$21,902. Interest expense of \$17,032 was charged to the Road and Bridge Fund, and \$4,870 was charged to the Impact Fees – Circulation Facilities Fund.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

8. Long-term Bonds

On November 1, 2007, the County issued \$3,000,000 in Revenue Bonds through the Idaho Bond Bank Authority. These bonds have an interest rate ranging from 4.000% to 4.250%. The net proceeds were used to construct a solid waste transfer station accounted for in the Solid Waste Fund. These bonds were paid off on June 30, 2020. In June of 2020, the County issued \$1,150,000 in County refunding revenue bonds through the Zions Bancorporation, N.A with an interest rate of 1.6%. The proceeds were used to pay off the Series 2007 bonds.

The 2007 Series of Revenue Bonds are considered to be defeased and the liability for those bonds has been removed from the statement of net position.

The economic gain to the County as a result of the refunding was \$167,217 which represents the difference between the present value of the old debt service and present value of the refunding debt service.

The following is a summary of the long-term obligations at year end:

Revenue bonds Series 2020, principal due in annual installments in September, interest rate 1.6% due in semi-annual installments in March and September through 2027, original amount \$1,150,000	\$ 990,000
Less current maturities of long-term debt	<u>(135,000)</u>
Long-term debt net of current maturities	<u>\$ 855,000</u>

Scheduled principal repayments on long-term obligations for the next five years are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 135,000	\$ 15,210	\$ 150,840
2022	140,000	13,680	153,680
2023	140,000	11,440	151,440
2024	140,000	9,200	149,200
2025	140,000	6,960	146,960
2026-2027	295,000	7,120	302,120
	<u>\$ 990,000</u>	<u>\$ 63,610</u>	<u>\$ 1,053,610</u>

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

8. Long-term Bonds (continued)

Interest expense on long-term bonds for the year ended September 30, 2020 was \$62,067. Interest was charged to the Solid Waste Fund.

9. Changes in Long-term Debt

A summary of general long-term debt transactions of the County for the year ended September 30, 2020, is as follows:

	Long-term Obligations September 30, 2019	Obligations Incurred	Obligations Paid	Long-term Obligations September 30, 2020	Current Portion
Obligations under capital lease	\$ 732,540	\$ 1,078,638	\$ 395,462	\$ 1,415,716	\$ 334,025
Net pension liability	1,342,070	1,353,999	-	2,696,069	-
Revenue bonds	1,490,000	1,150,000	1,650,000	990,000	135,000
	<u>\$ 3,564,610</u>	<u>\$ 3,582,637</u>	<u>\$ 2,045,462</u>	<u>\$ 5,101,785</u>	<u>\$ 469,025</u>

10. Interfund Transactions

The funds incurred expenditures during the current year and the revenues for these funds are expected to come in after the end of the year and are expected to be paid off in the next fiscal year.

Operating transfers between funds during the year were as follows:

Governmental:	Operating Transfers Out	Operating Transfers In
General fund	\$ 340,000	\$ 70
Solid Waste Fund	-	340,000
Mosquito Abatement District Fund	42,234	-
Mosquito Abatement Reserve Fund	-	42,234
Ambulance Service District Fund	70	-
	<u>\$ 382,304</u>	<u>\$ 382,304</u>

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

11. Contingent Liabilities

Federal Financial Assistance Programs

The County participates in a number of federally assisted grant programs. These programs may be subject to compliance audits by the grantors or their representatives. Such audits of these programs for the year reported herein have not been conducted or completed and accepted.

Accordingly, the County accepted compliance with applicable grant requirements may be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agency or agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Municipal Landfill

The County has closed its municipal landfill. Teton County has elected and qualifies for self-insurance against post-closure and corrective action liability in accordance with “Financial Assurance Mechanisms for Local Government Owners and Operators of Municipal Solid

Waste Land Fill Facilities” (MSWLF). There are no guaranteed facilities, underground petroleum storage tanks, hazardous waste facilities, PCB storage facilities, or underground injection control wells associated with the landfill. Post-closure financial assurance requirements are being met and are deemed nominal in amount.

12. Contingencies

The County was a defendant in a lawsuit that was decided on December 21, 2020, with damages and fees, totaling \$2,310,238. Modified accrual recognition requires the portion of indebtedness that is not yet due be reported as a liability on the government wide Statement of Net Position, rather than as governmental fund liabilities. To comply with these requirements the County has reported a current liability in the Statement of Net Position, and a general and administrative expense in the Statement of Activities of \$2,310,238. When the amounts become due the expenditure will be recorded in the General Fund.

The County is currently a defendant in several other civil lawsuits and tort claims. The outcome of these cases is not known. The County denies liability and is defending against the allegations.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

13. Statement of Net Position – Restricted Net Position

The following is a classification of the purpose of the restrictions in the statement of net position at September 30, 2020:

Restricted for:	
Road and Bridge	\$ 4,065,593
Solid Waste	1,476,540
Court	73,536
Ambulance	286,004
Mosquito Abatement	<u>1,206,215</u>
Total Restricted	<u>\$ 7,107,888</u>

14. Fund Balances

Fund balance is classified depending on the relative strength of the spending constraints placed on the purposes for which resources can be used as follows:

Nonspendable fund balance – amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes externally imposed by creditors (such as through debt covenants), grantor and contributors, or laws, or regulations of other governments, or through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts that can only be used for specific purposes, pursuant to constraints imposed by formal action of the government’s highest level of decision making authority. In this case of the district it is by County Commissioner action.

Assigned fund balance – amounts that are constrained by government’s intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance – amounts that represent fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In other governmental funds, it may be necessary to report a negative residual balance as unassigned.

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

14. Fund Balances (continued)

Details of constraints on fund balances of governmental funds:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Fund Balances:			
Nonspendable:	\$ -	\$ -	\$ -
Restricted for:			
Road and bridge	-	2,798,727	2,798,727
Solid waste	-	930,836	930,836
Grants	-	26,372	26,372
Elections	-	103,091	103,091
Solid waste	-	528,488	528,488
Road special	-	1,233,074	1,233,074
Prosecuting attorney	-	684	684
Emergency comm	-	125,960	125,960
Mosquito	-	279,645	279,645
Waterways	-	27,599	27,599
Impact fees - rec	-	84,349	84,349
Impact fees - sheriff	-	213,264	213,264
Impact fees - EMS	-	31,685	31,685
Impact fees - circulation	-	527,422	527,422
Court bonds	-	23,563	23,563
Interlock	-	18,416	18,416
Youth program	-	2,720	2,720
Extension and 4H programs	-	21,734	21,734
Drug court	-	17,493	17,493
Court facility	-	31,242	31,242
Court restitution	-	1,238	1,238
Planning and zoning	-	22,919	22,919
Committed to:			
District court and juv	-	273,246	273,246
Indigent and charity	-	74,275	74,275
Revaluation	-	66,381	66,381
Tort	-	115,501	115,501
Weed	-	140,450	140,450
Building	-	10,760	10,760
Parks and recreation fund	-	17,423	17,423
County hospital	-	534,291	534,291
Fair board	-	36,048	36,048
Assigned to:			
Employee benefit	-	192,191	192,191
Unassigned:	3,847,827	-	3,847,827
Total fund balances	<u>\$ 3,847,827</u>	<u>\$ 8,511,087</u>	<u>\$ 12,358,914</u>

TETON COUNTY, IDAHO
Notes to Financial Statements (continued)
September 30, 2020

15. Budgetary Basis

The County's budgets are adopted on a cash-basis of accounting. The following are the adjustments in total to revenues and expenditures:

	<u>GAAP</u> <u>Basis</u>	<u>Non-cash</u> <u>Adjustments</u>	<u>Budgetary</u> <u>Basis</u>
General fund:			
Total revenues	\$ 5,939,026	\$ (2,492)	\$ 5,936,534
Total expenditures	5,676,720	45,230	5,721,950
Road and bridge fund:			
Total revenues	1,986,896	(1,359)	1,985,537
Total expenditures	1,612,103	(300,347)	1,311,756
Solid waste fund:			
Total revenues	1,786,641	3,702	1,790,343
Total expenditures	3,011,211	(1,143,862)	1,867,349
Road special fund:			
Total revenues	796,386	(6,180)	790,206
Total expenditures	565,652	-	565,652
Grants Fund			
Total revenues	457,800	-	457,800
Total expenditures	431,428	-	431,428

16. Coronavirus Pandemic

The county has been impacted by the effects of the world-wide coronavirus pandemic. The County is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of the issuance of these financial statements the full impact to the County's financial position is not known.

Required Supplementary Information

TETON COUNTY, IDAHO
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year Ended September 30, 2020

	Original Budgeted Amounts	Final Budgeted Amount	Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
Revenues				
Property taxes	\$ 3,250,000	\$ 3,250,000	\$ 3,443,735	\$ 193,735
State liquor fund	121,000	121,000	159,381	38,381
State sales tax	650,000	650,000	718,954	68,954
Other state revenues	67,000	67,000	56,207	(10,793)
Federal funds	200,000	212,000	226,650	14,650
Licenses, permits and other fees	1,005,303	1,005,303	1,040,726	35,423
Interest earned	287,262	287,262	287,262	-
Miscellaneous	3,619	3,619	3,619	-
Fund balance carry forward	781,217	1,131,217	-	(1,131,217)
Total Revenues	6,365,401	6,727,401	5,936,534	(790,867)
Expenditures				
General and administrative	3,758,405	3,770,405	3,340,921	429,484
Law enforcement	2,267,556	2,267,556	2,110,806	156,750
Capital improvements	339,440	339,440	270,223	69,217
Total Expenditures	6,365,401	6,377,401	5,721,950	655,451
Excess (Deficiency) of Revenues Over Expenditures	-	350,000	214,584	(135,416)
Other Financing Sources (Uses):				
Transfers out	-	(350,000)	(340,000)	10,000
Transfers in	-	-	70	70
Total Other Financing Sources	-	(350,000)	(339,930)	10,070
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	-	(125,346)	(125,346)
Fund Balance at Beginning of Year	3,635,339	3,635,339	3,635,339	-
Fund Balance at End of Year	\$ 3,635,339	\$ 3,635,339	\$ 3,509,993	\$ (125,346)

See Independent Auditors' Report

TETON COUNTY, IDAHO
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Road and Bridge Fund
Year Ended September 30, 2020

	Original and Final Budgeted Amount	Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
Revenues			
Property taxes	\$ 449,421	\$ 472,588	\$ 23,167
Property taxes distributed to cities	-	(53,503)	(53,503)
State highway users fund	1,405,000	1,441,180	36,180
Federal Funds	55,000	48,107	(6,893)
Licenses, permits and other fees	-	1,680	1,680
Miscellaneous	22,000	75,485	53,485
Fund balance carry forward	1,329,439	-	(1,329,439)
Total Revenues	3,260,860	1,985,537	(1,275,323)
Expenditures			
Road and bridge	3,260,860	1,154,669	2,106,191
Capital lease payments	-	294,866	(294,866)
Capital improvements	-	(137,779)	137,779
Total Expenditures	3,260,860	1,311,756	1,949,104
Excess (Deficiency) of Revenues Over Expenditures	-	673,781	673,781
Other Financing Sources (Uses):			
Proceeds from capital leases	-	142,931	142,931
Transfers in	-	-	-
Total Other Financing Sources	-	142,931	142,931
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	816,712	816,712
Fund Balance at Beginning of Year	1,529,049	1,529,049	-
Fund Balance at End of Year	\$ 1,529,049	\$ 2,345,761	\$ 816,712

See Independent Auditors' Report

TETON COUNTY, IDAHO
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Solid Waste Fund
Year Ended September 30, 2020

	Original Budgeted Amount	Original and Final Budgeted Amount	Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
Revenues				
Licenses, permits and other fees	\$ 1,763,862	\$ 1,763,862	\$ 1,790,343	\$ 26,481
Total Revenues	<u>1,763,862</u>	<u>1,763,862</u>	<u>1,790,343</u>	<u>26,481</u>
Expenditures				
Solid waste	1,351,862	1,351,862	1,306,951	44,911
Bond payments	222,000	572,000	500,000	72,000
Capital improvements	190,000	190,000	60,398	129,602
Total Expenditures	<u>1,763,862</u>	<u>2,113,862</u>	<u>1,867,349</u>	<u>246,513</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(350,000)</u>	<u>(77,006)</u>	<u>272,994</u>
Other Financing Sources (Uses):				
Transfer in	<u>-</u>	<u>350,000</u>	<u>340,000</u>	<u>(10,000)</u>
Total Other Financing Sources	<u>-</u>	<u>350,000</u>	<u>340,000</u>	<u>(10,000)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>262,994</u>	<u>262,994</u>
Fund Balance at Beginning of Year	<u>251,675</u>	<u>251,675</u>	<u>251,675</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 251,675</u>	<u>\$ 251,675</u>	<u>\$ 514,669</u>	<u>\$ 262,994</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual –Road Special Fund
Year Ended September 30, 2020

	Original and Final Budgeted Amount	Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
Revenues			
Property taxes	\$ 1,000,000	\$ 1,015,930	\$ 15,930
Property taxes distributed to cities	-	(225,724)	(225,724)
Fund balance carry forward	54,284	-	(54,284)
Total Revenues	<u>1,054,284</u>	<u>790,206</u>	<u>(264,078)</u>
Expenditures			
General and administrative	<u>1,054,284</u>	<u>565,652</u>	<u>488,632</u>
Total Expenditures	<u>1,054,284</u>	<u>565,652</u>	<u>488,632</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>224,554</u>	<u>224,554</u>
Other Financing Sources (Uses):			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over Expenditures and other uses	<u>-</u>	<u>224,554</u>	<u>224,554</u>
Fund Balance at Beginning of Year	<u>873,664</u>	<u>873,664</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 873,664</u>	<u>\$ 1,098,218</u>	<u>\$ 224,554</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Grants Fund
Year Ended September 30, 2020

	Original Budgeted Amount	Final Budgeted Amount	Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
Revenues				
Grants	\$ 985,032	\$ 998,970	\$ 457,800	\$ (527,232)
Miscellaneous	-	-	-	-
Total Revenues	<u>985,032</u>	<u>998,970</u>	<u>457,800</u>	<u>(527,232)</u>
Expenditures				
General and administrative	241,062	255,000	30,553	210,509
Road and bridge	516,970	516,970	-	516,970
Capital improvements	<u>227,000</u>	<u>227,000</u>	<u>400,875</u>	<u>(173,875)</u>
Total Expenditures	<u>985,032</u>	<u>998,970</u>	<u>431,428</u>	<u>553,604</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>26,372</u>	<u>26,372</u>
Other Financing Sources (Uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over Expenditures and other uses	<u>-</u>	<u>-</u>	<u>26,372</u>	<u>26,372</u>
Fund Balance at Beginning of Year	<u>179,467</u>	<u>179,467</u>	<u>179,467</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 179,467</u>	<u>\$ 179,467</u>	<u>\$ 205,839</u>	<u>\$ 26,372</u>

See Independent Auditors' Report

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

	<u>Employer's Portion of the net pension liability</u>	<u>Employer's proportionate share of the net pension liability</u>	<u>Employer's covered- employee payroll</u>	<u>Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2015	0.106%	\$ 1,364,885	\$ 2,962,470	46.07%	91.38%
2016	0.105%	\$ 2,125,537	\$ 3,343,305	63.58%	87.26%
2017	0.103%	\$ 1,613,318	\$ 3,379,463	47.74%	90.68%
2018	0.111%	\$ 1,643,833	\$ 3,828,762	42.93%	91.69%
2019	0.118%	\$ 1,342,070	\$ 4,103,365	32.71%	93.79%
2020	0.116%	\$ 2,696,009	\$ 4,200,758	64.18%	88.22%

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

Data reported is measured as of June 30, 2020.

See Independent Auditors' Report

TETON COUNTY, IDAHO
Schedule of Employer Contributions
PERSI Base Plan – Last 10 Fiscal Years*

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution (deficiency) excess	Employer's covered- employee payroll	Contributions as a percentage of covered- employee payroll
2015	\$ 345,566	\$ 354,555	\$ 8,988	\$ 2,962,468	11.97%
2016	\$ 311,689	\$ 351,898	\$ 40,209	\$ 2,962,470	11.88%
2017	\$ 346,113	\$ 365,774	\$ 19,661	\$ 3,343,305	10.94%
2018	\$ 432,787	\$ 424,744	\$ (8,043)	\$ 3,828,762	11.09%
2019	\$ 449,884	\$ 458,632	\$ 8,748	\$ 4,103,365	11.18%
2020	\$ 455,510	\$ 499,973	\$ 44,463	\$ 4,200,758	11.90%

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

Data reported is measured as of September 30, 2020.

See Independent Auditors' Report

Supplementary Information

TETON COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2020

	Special Revenue Funds			
	District Court and Juvenile Probation Fund	Elections State Fund	Indigent and Charity Fund	Revaluation Fund
Assets				
Cash and investments	\$ 213,534	\$ 103,091	\$ 74,052	\$ 65,175
Receivables				
Property taxes	15,146	-	2,057	4,622
Other receivables	72,578	-	-	-
Total Assets	<u>\$ 301,258</u>	<u>\$ 103,091</u>	<u>\$ 76,109</u>	<u>\$ 69,797</u>
Liabilities and Fund Equity				
Liabilities				
Warrants outstanding	\$ 8,123	\$ -	\$ 349	\$ -
Accrued liabilities	8,714	-	-	-
Total Liabilities	<u>16,837</u>	<u>-</u>	<u>349</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	<u>11,175</u>	<u>-</u>	<u>1,485</u>	<u>3,416</u>
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	-	103,091	-	-
Committed	273,246	-	74,275	66,381
Assigned	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>273,246</u>	<u>103,091</u>	<u>74,275</u>	<u>66,381</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 301,258</u>	<u>\$ 103,091</u>	<u>\$ 76,109</u>	<u>\$ 69,797</u>

See Independent Auditors' Report

Special Revenue Funds

Solid Waste Self Assurance Fund	Tort Fund	Solid Waste Refund Fund	Weed Fund	Prosecuting Attorneys Fund
\$ 528,488	\$ 114,261	\$ -	\$ 146,308	\$ 684
-	4,750	-	2,620	-
-	-	-	-	-
<u>\$ 528,488</u>	<u>\$ 119,011</u>	<u>\$ -</u>	<u>\$ 148,928</u>	<u>\$ 684</u>
\$ -	\$ -	\$ -	\$ 4,656	\$ -
-	-	-	1,885	-
-	-	-	6,541	-
-	3,510	-	1,937	-
-	-	-	-	-
528,488	-	-	-	684
-	115,501	-	140,450	-
-	-	-	-	-
-	-	-	-	-
<u>528,488</u>	<u>115,501</u>	<u>-</u>	<u>140,450</u>	<u>684</u>
<u>\$ 528,488</u>	<u>\$ 119,011</u>	<u>\$ -</u>	<u>\$ 148,928</u>	<u>\$ 684</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
September 30, 2020

	Special Revenue Funds			
	Building Fund	Emergency Commun- ication Fund	Teton County Ambulance Service District	Mosquito Abatement District Fund
Assets				
Cash and investments	\$ 10,760	\$ 130,056	\$ -	\$ 134,428
Receivables				
Property taxes	-	-	-	9,703
Other receivables	-	-	-	-
Total Assets	<u>\$ 10,760</u>	<u>\$ 130,056</u>	<u>\$ -</u>	<u>\$ 144,131</u>
Liabilities and Fund Equity				
Liabilities				
Warrants outstanding	\$ -	\$ 3,796	\$ -	\$ 361
Accrued liabilities	-	300	-	-
Total Liabilities	<u>-</u>	<u>4,096</u>	<u>-</u>	<u>361</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	6,359
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	-	125,960	-	137,411
Committed	10,760	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	<u>10,760</u>	<u>125,960</u>	<u>-</u>	<u>137,411</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,760</u>	<u>\$ 130,056</u>	<u>\$ -</u>	<u>\$ 144,131</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
September 30, 2020

	Special Revenue Funds			
	Impact Fees - Sheriff Facilities	Impact Fees - EMS Facilities	Impact Fees - Circulation Facilities	Fairgrounds and Fair Fund
Assets				
Cash and investments	\$ 213,264	\$ 31,685	\$ 527,422	\$ 39,585
Receivables				
Property taxes	-	-	-	2,034
Other receivables	-	-	-	-
Total Assets	<u>\$ 213,264</u>	<u>\$ 31,685</u>	<u>\$ 527,422</u>	<u>\$ 41,619</u>
Liabilities and Fund Equity				
Liabilities				
Warrants outstanding	\$ -	\$ -	\$ -	\$ 2,817
Accrued liabilities	-	-	-	1,249
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,066</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	1,505
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	213,264	31,685	527,422	-
Committed	-	-	-	36,048
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	<u>213,264</u>	<u>31,685</u>	<u>527,422</u>	<u>36,048</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 213,264</u>	<u>\$ 31,685</u>	<u>\$ 527,422</u>	<u>\$ 41,619</u>

See Independent Auditors' Report

Special Revenue Funds					
Court Restitution Fund	Court Bonds Fund	Interlock/ Monitoring Fund	Youth Program Fund	Extension and 4H Programs Fund	Sherrif's Grant Fund
\$ 25,022	\$ 23,806	\$ 18,416	\$ 2,720	\$ 22,408	\$ -
-	-	-	-	-	-
<u>\$ 25,022</u>	<u>\$ 23,806</u>	<u>\$ 18,416</u>	<u>\$ 2,720</u>	<u>\$ 22,408</u>	<u>\$ -</u>
\$ 23,784	\$ 243	\$ -	\$ -	\$ 674	\$ -
-	-	-	-	-	-
<u>23,784</u>	<u>243</u>	<u>-</u>	<u>-</u>	<u>674</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,238	23,563	18,416	2,720	21,734	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,238	23,563	18,416	2,720	21,734	-
<u>\$ 25,022</u>	<u>\$ 23,806</u>	<u>\$ 18,416</u>	<u>\$ 2,720</u>	<u>\$ 22,408</u>	<u>\$ -</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
September 30, 2020

	Expendible Trust Funds		
	Drug Court Trust Fund	Court Facility Trust Fund	Court Fines and Fees Fund
Assets			
Cash and investments	\$ 17,493	\$ 31,242	\$ 27,134
Receivables			
Property taxes	-	-	-
Other receivables	-	-	-
Total Assets	<u>\$ 17,493</u>	<u>\$ 31,242</u>	<u>\$ 27,134</u>
Liabilities and Fund Equity			
Liabilities			
Warrants outstanding	\$ -	\$ -	\$ 27,134
Accrued liabilities	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>27,134</u>
Deferred Inflows of Resources			
Unavailable revenues	-	-	-
Fund Balances (Deficit)			
Nonspendable	-	-	-
Restricted	17,493	31,242	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances (Deficits)	<u>17,493</u>	<u>31,242</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 17,493</u>	<u>\$ 31,242</u>	<u>\$ 27,134</u>

See Independent Auditors' Report

Expendible Trust Funds		
Employee Benefit Fund	Planning and Zoning Trust Fund	Total Nonmajor Governmental Funds
\$ 192,191	\$ 22,919	\$ 3,522,240
-	-	40,932
-	-	72,578
<u>\$ 192,191</u>	<u>\$ 22,919</u>	<u>\$ 3,635,750</u>
\$ -	\$ -	\$ 72,137
-	-	12,148
<u>-</u>	<u>-</u>	<u>84,285</u>
-	-	29,387
-	-	-
-	22,919	2,061,512
-	-	1,268,375
192,191	-	192,191
-	-	-
<u>192,191</u>	<u>22,919</u>	<u>3,522,078</u>
<u>\$ 192,191</u>	<u>\$ 22,919</u>	<u>\$ 3,635,750</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2020

	Special Revenue Funds			
	District Court and Juvenile Probation Fund	Elections State Fund	Indigent and Charity Fund	Revaluation Fund
Revenues				
Property taxes	\$ 485,337	\$ -	\$ 72,186	\$ 152,549
Other state revenues	124,315	91,441	-	-
Juvenile justice funds	39,040	-	-	-
Licenses, permits and other fees	71,640	-	-	-
Interest earned	-	-	-	-
Miscellaneous	7,227	8,551	2,186	-
Total Revenues	<u>727,559</u>	<u>99,992</u>	<u>74,372</u>	<u>152,549</u>
Expenditures				
General and administrative	694,488	79,836	53,408	147,755
Law enforcement	-	-	-	-
Capital lease principle payments	-	-	-	-
Capital improvements	-	55,550	-	-
Total Expenditures	<u>694,488</u>	<u>135,386</u>	<u>53,408</u>	<u>147,755</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>33,071</u>	<u>(35,394)</u>	<u>20,964</u>	<u>4,794</u>
Other Financing Sources (Uses):				
Proceeds from capital lease	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>33,071</u>	<u>(35,394)</u>	<u>20,964</u>	<u>4,794</u>
Fund Balance at Beginning of Year	<u>240,175</u>	<u>138,485</u>	<u>53,311</u>	<u>61,587</u>
Fund Balance at End of Year	<u>\$ 273,246</u>	<u>\$ 103,091</u>	<u>\$ 74,275</u>	<u>\$ 66,381</u>

See Independent Auditors' Report

Special Revenue Funds

Solid Waste Self Assurance Fund	Tort Fund	Solid Waste Refund Fund	Weed Fund	Prosecuting Attorneys Fund
\$ -	\$ 161,569	\$ -	\$ 68,202	\$ -
-	-	-	-	-
-	-	-	27,809	-
8,460	-	-	-	-
-	-	-	1,962	-
<u>8,460</u>	<u>161,569</u>	<u>-</u>	<u>97,973</u>	<u>-</u>
-	151,243	194	114,496	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>151,243</u>	<u>194</u>	<u>114,496</u>	<u>-</u>
<u>8,460</u>	<u>10,326</u>	<u>(194)</u>	<u>(16,523)</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>8,460</u>	<u>10,326</u>	<u>(194)</u>	<u>(16,523)</u>	<u>-</u>
<u>520,028</u>	<u>105,175</u>	<u>194</u>	<u>156,973</u>	<u>684</u>
<u>\$ 528,488</u>	<u>\$ 115,501</u>	<u>\$ -</u>	<u>\$ 140,450</u>	<u>\$ 684</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
Year Ended September 30, 2020

	Special Revenue Funds			
	Building Fund	Emergency Communi- cation Fund	Teton County Ambulance Service District	Mosquito Abatement District Fund
Revenues				
Property taxes	\$ -	\$ -	\$ 70	\$ 323,085
Other state revenues	-	-	-	-
Juvenile justice funds	-	-	-	-
Licenses, permits and other fees	-	130,190	-	-
Interest earned	-	-	-	-
Miscellaneous	-	-	-	6,937
Total Revenues	<u>-</u>	<u>130,190</u>	<u>70</u>	<u>330,022</u>
Expenditures				
General and administrative	-	-	-	287,282
Law enforcement	-	87,576	-	-
Capital lease principle payments	-	-	-	-
Capital improvements	-	33,579	-	-
Total Expenditures	<u>-</u>	<u>121,155</u>	<u>-</u>	<u>287,282</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>9,035</u>	<u>70</u>	<u>42,740</u>
Other Financing Sources (Uses):				
Proceeds from capital lease	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(70)	(42,234)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(70)</u>	<u>(42,234)</u>
Net Change in Fund Balances	<u>-</u>	<u>9,035</u>	<u>-</u>	<u>506</u>
Fund Balance at Beginning of Year	<u>10,760</u>	<u>116,925</u>	<u>-</u>	<u>136,905</u>
Fund Balance at End of Year	<u>\$ 10,760</u>	<u>\$ 125,960</u>	<u>\$ -</u>	<u>\$ 137,411</u>

See Independent Auditors' Report

Special Revenue Funds

Mosquito Abatement Reserve Fund	Waterways Fund	Parks and Recreation Fund	County Hospital Fund	Impact Fees - Recreation Facilities
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	22,736
-	-	-	-	1,072
-	6,187	-	98,732	-
-	6,187	-	98,732	23,808
-	2,049	174	60,736	-
-	-	-	-	-
-	-	-	-	-
-	2,049	174	60,736	-
-	4,138	(174)	37,996	23,808
-	-	-	-	-
42,234	-	-	-	-
-	-	-	-	-
42,234	-	-	-	-
42,234	4,138	(174)	37,996	23,808
100,000	23,461	17,597	496,295	60,541
\$ 142,234	\$ 27,599	\$ 17,423	\$ 534,291	\$ 84,349

See Independent Auditors' Report

TETON COUNTY, IDAHO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
Year Ended September 30, 2020

	Special Revenue Funds			
	Impact Fees - Sheriff Facilities	Impact Fees - EMS Facilities	Impact Fees - Circulation Facilities	Fairgrounds and Fair Fund
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ 63,959
Other state revenues	-	-	-	-
Juvenile justice funds	-	-	-	-
Licenses, permits and other fees	45,310	8,849	210,431	54,329
Interest earned	2,818	384	6,565	-
Miscellaneous	-	-	-	-
Total Revenues	<u>48,128</u>	<u>9,233</u>	<u>216,996</u>	<u>118,288</u>
Expenditures				
General and administrative	-	-		101,215
Law enforcement	-	-	-	-
Capital lease principle payments	-	-	100,596	-
Capital improvements	-	-	935,707	20,000
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,036,303</u>	<u>121,215</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>48,128</u>	<u>9,233</u>	<u>(819,307)</u>	<u>(2,927)</u>
Other Financing Sources (Uses):				
Proceeds from capital lease	-	-	935,707	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>935,707</u>	<u>-</u>
Net Change in Fund Balances	<u>48,128</u>	<u>9,233</u>	<u>116,400</u>	<u>(2,927)</u>
Fund Balance at Beginning of Year	<u>165,136</u>	<u>22,452</u>	<u>411,022</u>	<u>38,975</u>
Fund Balance at End of Year	<u>\$ 213,264</u>	<u>\$ 31,685</u>	<u>\$ 527,422</u>	<u>\$ 36,048</u>

See Independent Auditors' Report

Special Revenue Funds

Court Restitution Fund	Court Bonds Fund	Interlock/ Monitoring Fund	Youth Program Fund	Extension and 4H Programs Fund	Sheriff's Grants Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	4,300	4,500
-	-	-	-	-	-
-	-	-	145	12,076	-
-	-	-	-	-	-
44,355	20,751	618	-	-	-
<u>44,355</u>	<u>20,751</u>	<u>618</u>	<u>145</u>	<u>16,376</u>	<u>4,500</u>
43,117	13,212	-	-	7,066	4,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>43,117</u>	<u>13,212</u>	<u>-</u>	<u>-</u>	<u>7,066</u>	<u>4,500</u>
1,238.00	7,539	618	145	9,310	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,238</u>	<u>7,539</u>	<u>618</u>	<u>145</u>	<u>9,310</u>	<u>-</u>
-	16,024	17,798	2,575	12,424	-
<u>\$ 1,238</u>	<u>\$ 23,563</u>	<u>\$ 18,416</u>	<u>\$ 2,720</u>	<u>\$ 21,734</u>	<u>\$ -</u>

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TETON COUNTY, IDAHO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
Year Ended September 30, 2020

	<u>Expendable Trust Funds</u>		
	<u>Drug Court Trust Fund</u>	<u>Court Facility Trust Fund</u>	<u>Court Fines and Fees Fund</u>
Revenues			
Property taxes	\$ -	\$ -	\$ -
Other state revenues	-	-	-
Juvenile justice funds	-	-	-
Licenses, permits and other fees	-	-	-
Interest earned	-	-	-
Miscellaneous	-	2,410	-
Total Revenues	<u>-</u>	<u>2,410</u>	<u>-</u>
Expenditures			
General and administrative	4,804	-	156
Law enforcement	-	-	-
Capital lease principle payments	-	-	-
Capital improvements	-	-	-
Total Expenditures	<u>4,804</u>	<u>-</u>	<u>156</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,804)</u>	<u>2,410</u>	<u>(156)</u>
Other Financing Sources (Uses):			
Proceeds from capital lease	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(4,804)</u>	<u>2,410</u>	<u>(156)</u>
Fund Balance at Beginning of Year	<u>22,297</u>	<u>28,832</u>	<u>156</u>
Fund Balance at End of Year	<u>\$ 17,493</u>	<u>\$ 31,242</u>	<u>\$ -</u>

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Expendable Trust Funds		
Employee Benefit Fund	Planning and Zoning Trust Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 1,326,957
-	-	224,556
-	-	39,040
-	57,196	640,711
2,229	-	21,528
852,845	-	1,052,761
<u>855,074</u>	<u>57,196</u>	<u>3,305,553</u>
936,723	57,196	2,759,650
-	-	87,576
-	-	100,596
-	-	1,044,836
<u>936,723</u>	<u>57,196</u>	<u>3,992,658</u>
(81,649)	-	(687,105)
-	-	935,707
-	-	42,234
-	-	(42,304)
<u>-</u>	<u>-</u>	<u>935,637</u>
(81,649)	-	248,532
273,840	22,919	3,273,546
<u>\$ 192,191</u>	<u>\$ 22,919</u>	<u>\$ 3,522,078</u>

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TETON COUNTY, IDAHO
Combining Statement of Assets and Liabilities
Agency Funds
September 30, 2020

	State Remittance Account	Dept. of Transportation Fund	Driggs City Fund	Victor City Fund
Assets				
Cash and investments	\$ 16,454	\$ 99,611	\$ 2,119	\$ 5,111
Receivables				
Property taxes	-	-	22,621	10,658
Total Assets	<u>\$ 16,454</u>	<u>\$ 99,611</u>	<u>\$ 24,740</u>	<u>\$ 15,769</u>
Liabilities and Fund Equity				
Liabilities				
Warrants outstanding	\$ 16,454	\$ 99,611	\$ 2,119	\$ 5,111
Due to other agencies	-	-	22,621	10,658
Total Liabilities	<u>\$ 16,454</u>	<u>\$ 99,611</u>	<u>\$ 24,740</u>	<u>\$ 15,769</u>

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Tetonia City Fund	School District #401 Fund	Bates Cemetery Fund	Cache- Clawson Cemetery Fund	Driggs- Darby Cemetery Fund	Haden Cemetery Fund
\$ 539	\$ 41,766	\$ 63	\$ 249	\$ 1,030	\$ 10
572	215,190	19	433	1,300	924
<u>\$ 1,111</u>	<u>\$ 256,956</u>	<u>\$ 82</u>	<u>\$ 682</u>	<u>\$ 2,330</u>	<u>\$ 934</u>
\$ 539	\$ 41,766	\$ -	\$ 249	\$ 1,030	\$ 10
572	215,190	82	433	1,300	924
<u>\$ 1,111</u>	<u>\$ 256,956</u>	<u>\$ 82</u>	<u>\$ 682</u>	<u>\$ 2,330</u>	<u>\$ 934</u>

See Independent Auditors' Report

TETON COUNTY, IDAHO
Combining Statement of Assets and Liabilities
Agency Funds (continued)
September 30, 2020

	Victor- Cedron Cemetery Fund	Teton County Fire Protection Fund	Forest Practices Admin Fund	Flood Control District Fund
Assets				
Cash and investments	\$ 669	\$ 14,940	\$ 29	\$ -
Receivables				
Property taxes	3,117	78,858	166	63
Total Assets	<u>\$ 3,786</u>	<u>\$ 93,798</u>	<u>\$ 195</u>	<u>\$ 63</u>
Liabilities and Fund Equity				
Liabilities				
Warrants outstanding	\$ 669	\$ 14,940	\$ 29	\$ -
Due to other agencies	3,117	78,858	166	63
Total Liabilities	<u>\$ 3,786</u>	<u>\$ 93,798</u>	<u>\$ 195</u>	<u>\$ 63</u>

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Valley of the Teton Library Fund	Forest Protection Tax Fund	Driggs URA #1 Downtown Driggs Fund	Water District Trust Fund	Teton County Motor Bonds Fund
\$ 2,993	\$ 204	\$ 131	\$ 688	\$ 202,042
15,809	1,555	-	2,199	-
<u>\$ 18,802</u>	<u>\$ 1,759</u>	<u>\$ 131</u>	<u>\$ 2,887</u>	<u>\$ 202,042</u>
\$ 2,993	\$ 204	\$ 131	\$ 688	\$ 201,871
15,809	1,555	-	2,199	171
<u>\$ 18,802</u>	<u>\$ 1,759</u>	<u>\$ 131</u>	<u>\$ 2,887</u>	<u>\$ 202,042</u>

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TETON COUNTY, IDAHO
Combining Statement of Assets and Liabilities
Agency Funds (continued)
September 30, 2020

	Victor Urban Renewal Agency	Auditors Trust Fund	Total Agency Funds
Assets			
Cash and investments	\$ 327	\$ -	\$ 388,975
			-
Receivables			-
Property taxes	-	-	353,484
Total Assets	<u>\$ 327</u>	<u>\$ -</u>	<u>\$ 742,459</u>
 Liabilities and Fund Equity			
Liabilities			
Warrants outstanding	\$ 327	\$ 689	\$ 389,430
			-
Due to other agencies	-	(689)	353,029
Total Liabilities	<u>\$ 327</u>	<u>\$ -</u>	<u>\$ 742,459</u>

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Board of Commissioners
Teton County, Idaho
Driggs, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Teton County, Idaho, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Teton County, Idaho's basic financial statements, and have issued our report thereon dated March 3, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Teton County, Idaho's internal control over financial reporting (internal control) as a basis for designing 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 Teton County, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of Teton County, Idaho's internal control.

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

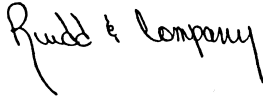
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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 Teton County, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Rexburg, Idaho
March 3, 2021