

**BLAINE COUNTY**  
**BASIC FINANCIAL STATEMENTS**  
**AND**  
**SELECTED OTHER FINANCIAL INFORMATION**  
  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

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## Independent Auditor's Report

To The Board of County Commissioners  
Blaine County  
Hailey, Idaho 83333

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Blaine County, as of and for the year ended September 30, 2013, 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. 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Blaine County as of September 30, 2013, and 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 and budgetary comparison information on pages 7 through 12 and 38 through 41 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*

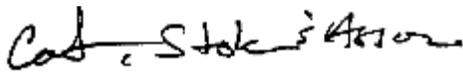
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Blaine County's financial statements as a whole. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying 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 financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2014, on our consideration of Blaine County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Blaine County's internal control over financial reporting and compliance.



Condie, Stoker & Associates  
February 11, 2014



**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**

To The Board of County Commissioners  
Blaine County  
Hailey, ID 83333

We have audited the financial statements of governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blaine County, Idaho as of and for the year ending September 30, 2013, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 11, 2014. 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.

Other auditors audited the financial statements of Blaine Manor, as described in our report on Blaine County, Idaho's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

Management of Blaine County, Idaho, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Blaine County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Blaine County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Blaine County's internal control over financial reporting.

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.

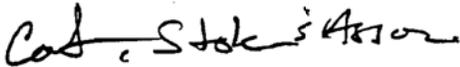
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

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

We noted certain matters that we reported to management of Blaine County in a separate letter dated February 11, 2014.

This report is intended for the information of the Commissioners, audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Condie, Stoker & Associates  
February 11, 2014

## Management's Discussion and Analysis

The following discussion and analysis provides an overview of Blaine County's Financial Activities for the fiscal year ending September 30, 2013, and does not include the Blaine Manor component.

### Financial Highlights

- The assets of Blaine County exceeded its liabilities at the close of the most recent fiscal year by \$47,585,065 (*net position*). Of this amount \$16,201,401 (*Unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- Blaine County's total net position decreased by \$1,155,282.
- Blaine County allocated all of the Payment In Lieu of Taxes in the amount of \$1,773,139 to the General Fund to meet necessary expenditures.
- Interest earnings in the General Fund decreased from \$193,719 in FY-2012 to \$126,150 in the current fiscal year.

### Overview of the Financial Statements

This discussion and analysis is the introduction to Blaine County's basic financial statements. Blaine County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains supplementary information in addition to the basic financial statements.

#### 1. Government-wide financial statements

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

The *statement of net position* presents information on all of Blaine County's assets and liabilities, with the difference reported as net position, which is one method to measure the county's financial condition. An increase or decrease in the County's net position from one year to the next indicates whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report functions of the County that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, road and bridge, solid waste. The business-type activities of Blaine County include Blaine Manor.

#### 2. 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. Blaine County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Blaine County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds

- a. **Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the governmental-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows spendable resources, as well as on balances of resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Blaine County maintains twenty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund. The Road and Bridge, Ambulance District, and Land Water & Wildlife are considered to be major funds. Other governmental funds include Public Health, Charity and Indigent, Noxious Weed, Revaluation, Recycle Center, Solid Waste, District Court, County Fair, Historical Society, Waterways, Snowmobile, Junior College, Liability Insurance, E911, Bond Redemption, Election Consolidation. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non major governmental funds is provided in the form of combining statements elsewhere in this report.

Blaine County adopts annual budgets for most of its governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13-21.

- b. **Proprietary funds.** Blaine County maintains only one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Blaine County uses enterprise funds to account for Blaine Manor's operation. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Blaine Manor.
- c. **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government -wide financial statement because the resources of those funds are not available to support Blaine County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

### 3. **Notes to the financial statements and other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Blaine County's budgetary reporting. Required supplementary information can be found on pages 22-31.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indication of government's financial position. In the case of Blaine County, assets exceeded liabilities by \$47,585,065 at the close of the most recent fiscal year. Unrestricted net position were \$16,201,401 at the end of fiscal year 2013. This shows a \$458,423 decrease for this fiscal year.

In 1995 a state law was passed setting a 3% cap on annual increases in the amount of property tax revenue used to fund most non-school taxing districts' budgets. The 3% allowable increase is based on the highest property tax budget for the prior three years for any affected taxing district. Additional property tax budget increases are allowed for taxing districts with new construction or annexation, or from use of a "foregone" amount which was created when less than the allowable 3% was levied in a prior year. When a taxing district has added territory through annexation or taxable property through new construction in the prior year, its property tax budget for the current year is allowed to increase above the 3% cap. Blaine County's revenue encompasses 53% of its budget, 47% is the percentage of taxes we collect.

## A comparison of Blaine County's Assets, Liabilities and Net Position

Capital Assets		<u>39,287,713</u>	<u>41,674,794</u>
	Total Assets	<u>57,939,948</u>	<u>59,735,973</u>
<b>LIABILITIES</b>			
Long-Term Liabilities		8,716,527	9,144,501
Other Liabilities		<u>1,638,356</u>	<u>1,851,126</u>
	Total Liabilities	<u>10,354,883</u>	<u>10,995,627</u>
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Debt		31,167,724	32,894,772
Restricted for Capital Projects and Bond Payment, net of Debt		215,940	151,317
Unrestricted		<u>16,201,401</u>	<u>15,694,257</u>
	Total Net Assets	<u><u>47,585,065</u></u>	<u><u>48,740,346</u></u>

The largest portion of the County's net position (67.8 percent) reflect its investment in capital assets net of related debt (e.g. land, buildings, machinery, and equipment) less any related outstanding debt used to acquire those assets. Blaine County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position of \$16,201,401 may be used to meet the government's ongoing obligations to citizens and creditors. (Blaine County's Capitalization threshold is \$5,000.)

## Blaine County's Statement of Activities Comparison

<b>Revenues:</b>			
<b>Program Revenues</b>	<b>2012-2013</b>	<b>2011-2012</b>	<b>Difference</b>
Licenses and Permits	458,179	249,696	208,483
Intergovernmental	5,814,003	6,106,631	(292,628)
Charges for Services	5,118,585	5,502,833	(384,248)
Fines and Forfeitures	92,184	109,897	(17,713)
Miscellaneous	(310,371)	629,467	(939,838)
Property Taxes	11,263,787	10,931,502	332,285
Total Revenues	22,436,367	23,530,026	1,093,659
<b>Program Expenses:</b>			
Clerk/Auditor	992,090	946,204	45,886
Assessor	347,386	295,361	52,025
Treasurer/Tax Collector	265,441	250,700	14,741
Sheriff	2,354,928	2,413,682	(58,754)
Commissioner	484,791	443,845	40,946
Coroner	53,817	56,748	(2,931)
Prosecuting Attorney	741,846	717,380	24,466
Probation	474,974	474,306	668
Buildings and Ground	1,170,264	1,312,748	(142,484)
Human Resources	105,147	60,114	45,033
Extension	124,233	112,032	12,201
Information Technology	362,062	338,415	23,647
Elections	68,175	106,373	(38,198)
Bellevue Marshall	-	15,367	(15,367)
Ketchum Police	1,276,011	1,143,970	132,041
General	627,589	1,203,906	(576,317)
Dispatch	945,327	842,643	102,684
Jail	2,014,891	1,949,480	65,411
Planning and Zoning	587,976	589,552	(1,576)
Water Quality	-	-	-
Geographic Info System	199,131	192,370	6,761
Public Defender	320,280	318,085	2,195
Capital Improvement	149,784	-	149,784
<b>Special Services:</b>			
Public Health	240,612	246,668	(6,056)
Charity & Indigent	375,732	384,503	(8,771)
Road & Bridge	3,313,608	3,260,822	52,786
Noxious Weed	241,228	230,543	10,685
Revaluation	417,541	403,578	13,963
Recycle Center	270,060	-	270,060
Solid Waste	1,390,925	1,982,783	(591,858)
District Court	199,076	196,128	2,948
County Fair	43,443	32,998	10,445
Historical Society	27,929	26,731	1,198
Ambulance	2,111,888	2,055,684	56,204
Waterways	22,107	24,193	(2,086)
Snowmobile	6,397	39	6,358
Junior College	194,050	188,976	5,074
Liability Insurance	187,128	183,733	3,395
E911	402,601	363,613	38,988
Land, Water, Wildlife	65,276	443,476	(378,200)
Bond Redemption	347,092	364,367	(17,275)
Election Consolidation	68,813	36,888	31,925
Total Expenses	23,591,649	24,209,004	617,355
Decrease in Net Assets	(1,155,282)	(678,978)	476,304

It should not come as a surprise that the expenses of the governmental activities surpass their program revenues, creating negative numbers-net expenses or net cost to the general public (see statement of activities in financials). After all, services like public safety, public health, General and administrative services are dependent upon tax dollars and are supplied by governments because the private sector does not provide such services in quantities sufficient to meet public demand. Blaine Manor is not self-sustaining; their net patient service revenue and other revenues fall short of expenses, and it requires financial support from taxes.

Salaries and benefits continue to comprise the majority of the county's expenditures.

Operating grants and contributions continue to supplement Blaine County revenues. The grants received by Blaine County were awarded to several departments/funds, including Sheriff, Probation, General, Building and Grounds/Planning and Zoning, Jail, Noxious Weeds, and Snowmobile.

As of the end of the current fiscal year, Blaine County's governmental funds reported combined ending fund balances of \$17,086,831. The general fund is the chief operating fund of Blaine County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$5,827,510. As a measure of the general fund's liquidity, it may be useful to compare this unreserved fund balance to total fund expenditures. The unreserved fund balance is 44.1% of the expenditures. The fund balance of Blaine County's general fund decreased by \$139,037 during the current fiscal year, mainly due to the resources used to build the public safety facility.

**Governmental fund Budgetary Highlights**

Differences between the original budget and the final budget were as follows and due to receipt of unanticipated revenue:

<u>Fund</u>	<u>Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>
General	13,103,189	552,702	13,655,891
Road	1,516,800	278,404	1,795,204
District Court	216,596	2,107	218,703
Weeds	235,978	22,810	258,788

**Capital Assets.** Blaine County's investment in capital assets for its governmental activities as of September 30, 2013, amounts to \$39,287,713 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure (roads and bridges).

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

**Governmental type activities:**

- 2 2013 Dodge Chargers \$ 45,967.00
- 1 2011 Jeep Liberty \$ 16,908.00
- 2 2013 Ford Expedition \$ 56,456.00
- 1 Fingerprint Machine \$ 41,376.00
- Dell Server \$ 12,814.00
- 2 Copiers \$ 15,465.86
- GPS \$ 5,791.01
- Patrol Wing Plow \$ 13,450.00
- Snow Plow Wing \$ 12,350.00
- 2 Dell Servers \$ 10,713.00
- 2006 Sterling LT9500 Groomer \$ 28,950.00
- Light Pole on Walnut \$ 5,548.00
- Barcode Floating Lic. \$ 6,703.00
- Deer Creek Bridge \$ 135,543.00
- Annex Lock System \$ 36,298.45
- Judicial Parking Lot \$ 18,447.23
- Weed Shop Roof \$ 13,909.21

### **Debt Administration**

The following changes took place with the debt of the county:

<b>Description</b>	<b>Int Rate</b>	<b>Fund</b>	<b>Maturity Date</b>	<b>Amount Outstand 9/30/12</b>	<b>Increase</b>	<b>Decrease</b>	<b>Amount Outstand 9/30/13</b>	<b>Amount Due In One Year</b>
<b>Capital Leases and Notes:</b>								
Dispatch Equip.	5.0%	E-911	7/15/2013	51,293	-	51,293	-	-
<b>Notes Payable:</b>								
Regional LF Clos	5.3%	SW	7/28/2014	14,317	-	14,317	-	-
Hailey Med Mgmt	0.0%	GEN	10/1/2016	135,624	-	27,125	108,499	27,125
<b>Bonds:</b>								
Gen Ob 2007A	Var	GEN	8/1/2027	8,650,000	-	430,000	8,220,000	450,000
<b>Total</b>				<b>8,851,234</b>	<b>0</b>	<b>522,735</b>	<b>8,328,499</b>	<b>477,125</b>
<b>Other:</b>								
Acc Comp Abs	N/A	ALL	N/A	816,002	49,151	-	865,153	

### **Economic Factors and Next Year's Budgets and Rates**

#### **Planning for the Future**

Blaine County has developed and implemented a new budgeting process that aligns the County's strategic planning with its budget. The focus of our Outcome-Based Budgeting (OBB) process is to align our resources to those priorities that drive the outcomes (results) that matter most to the citizens of Blaine County. In order to achieve these outcomes we incorporate strategic planning and performance management into our budgeting process so as to provide a cohesive framework for sound fiscal management.

The Government Finance Officers Association (GFOA) recommends all governmental entities use some form of strategic planning to provide a long-term perspective for service delivery and budgeting, thus establishing logical links between authorized spending and broad organizational goals. The GFOA considers budgeting for results and outcomes as a practical way to achieve the objective of integrating performance into the budgetary process.

By integrating strategic planning, outcome-based budgeting, and performance management, Blaine County can better assess its current environment as well as anticipate and respond appropriately to changes in the environment. With this integrated process we will be better equipped to envision the future, increase our effectiveness, and ensure we have alignment with operational missions in achieving the County's vision. Although transitioning Blaine County to an outcome-based budget process will take several years to fully implement, we are well into the process and have seen excellent results.

#### **Contacting the County's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the county finances and to show the county accountability for the money it receives. If you have questions about this report or need additional financial information contact JoLynn Drage, Auditor or the Blaine County Commissioners at Blaine County, 206 1<sup>st</sup> Avenue South, Suite 200, Hailey, Idaho 83333.

# BLAINE COUNTY, IDAHO

## STATEMENT OF NET POSITION SEPTEMBER 30, 2013

	<b>Govern- mental Activities (Primary Government)</b>	<b>Blaine Manor Component Unit</b>	<b>Elimina- tions</b>	<b>Total Reporting Entity</b>
<b><u>Assets</u></b>				
Current Assets:				
Cash and Investments	16,707,147	509,373		17,216,520
Patient Trust Fund	-	3,468		3,468
Accounts Receivable	1,178,510	91,991		1,270,501
Delinquent Taxes Receivable	258,068	9,228		267,296
Prepaid Expenses	-	2,213		2,213
Non Current Assets:				
Blaine Manor, advance	300,000	-	(300,000)	-
Construction in Progress	208,510	-		208,510
Capital Assets, net of depreciation	39,287,713	483,610		39,771,323
<b>Total Assets</b>	<b>57,939,948</b>	<b>1,099,883</b>	<b>(300,000)</b>	<b>58,739,831</b>
<b><u>Liabilities</u></b>				
Current Liabilities:				
Warrants Payable	35,728	-		35,728
Vouchers Payable	320,816	39,887		360,703
Accrued Payroll and Benefits	588,972	59,670		648,642
Patient Trust Fund	-	3,468		3,468
Interest Payable	55,376	-		55,376
Unearned Revenue	160,339	-		160,339
Note Payments Due Within One Year	477,125	-		477,125
Due to Blaine County	-	300,000	(300,000)	-
Non Current Liabilities:				
Note Payments Due Beyond One Year	7,851,374	-		7,851,374
Accrued Compensated Absences	865,153	-		865,153
<b>Total Liabilities</b>	<b>10,354,883</b>	<b>403,025</b>	<b>(300,000)</b>	<b>10,457,908</b>
<b><u>Net Position</u></b>				
Invested in Capital Assets, net of related debt	31,167,724	483,610		31,651,334
Restricted for Bond Payment Reserve	215,940	-		215,940
Unrestricted	16,201,401	213,248		16,414,649
<b>Total Net Position</b>	<b>47,585,065</b>	<b>696,858</b>	<b>-</b>	<b>48,281,923</b>

See accompanying notes to financial statements.

## BLAINE COUNTY, IDAHO

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Total Primary Governmental Activities	Blaine Manor
<b>Governmental Activities</b>						
<b>General Government:</b>						
Clerk/Auditor	992,090	233,191	-	-	(758,899)	
Assessor	347,386	144,851	-	-	(202,535)	
Treasurer/Tax Collector	265,441	195	-	-	(265,246)	
Sheriff	2,354,928	1,244,514	110	-	(1,110,304)	
Commissioner	484,791	-	-	-	(484,791)	
Coroner	53,817	14,561	-	-	(39,256)	
Prosecuting Attorney	741,846	213	-	-	(741,633)	
Probation	474,974	50,070	38,443	-	(386,461)	
Buildings and Ground	1,170,264	-	-	-	(1,170,264)	
Human Resources	105,147	-	-	-	(105,147)	
Extension	124,233	71,161	-	-	(53,072)	
Information Technology	362,062	5,649	-	-	(356,413)	
Elections	68,175	-	-	-	(68,175)	
Ketchum Police	1,276,011	-	-	-	(1,276,011)	
General	627,589	140,474	6,066	-	(481,049)	
Dispatch	945,327	124,632	-	-	(820,695)	
Jail	2,014,891	880,645	76,708	-	(1,057,538)	
Planning and Zoning	587,976	346,258	-	-	(241,718)	
Geographic Info System	199,131	28,464	-	-	(170,667)	
Public Defender	320,280	6,734	-	-	(313,546)	
Capital Improvement	149,784	58,412	-	-	(91,372)	
<b>Special Services:</b>						
Public Health	240,612	-	-	-	(240,612)	
Charity & Indigent	375,732	53,505	-	-	(322,227)	
Road & Bridge	3,313,608	9,573	1,771,745	-	(1,532,290)	
Noxious Weed	241,228	6,531	17,320	-	(217,377)	
Revaluation	417,541	-	-	-	(417,541)	
Recycle Center	270,060	347,527	-	-	77,467	
Solid Waste	1,390,925	1,682,752	-	-	291,827	
District Court	199,076	172,264	-	-	(26,812)	
County Fair	43,443	15,214	-	-	(28,229)	
Historical Society	27,929	17,544	8,202	-	(2,183)	
Ambulance	2,111,888	511,221	-	-	(1,600,667)	
Waterways	22,107	22,157	-	-	50	
Snowmobile	6,397	343	15,007	-	8,953	
Junior College	194,050	-	-	-	(194,050)	
Liability Insurance	187,128	29,319	-	-	(157,809)	
E911	402,601	389,966	-	-	(12,635)	
Land, Water & Wildlife	65,276	-	-	-	(65,276)	
Bond Redemption	347,092	-	-	-	(347,092)	
Election Consolidation	68,813	46	77,537	-	8,770	
Total Governmental Activities	23,591,649	6,607,986	2,011,138	-	(14,972,525)	
<b>Business-type Activities:</b>						
Blaine Manor	3,465,963	1,737,991	1,500	-	-	(1,726,472)
Total Primary Government	27,057,612	8,345,977	2,012,638	-	(14,972,525)	
<b>General Revenues:</b>						
Property Taxes Levied for General Fund					6,229,362	7,531
Property Taxes Levied for Special Revenue Funds					5,034,425	
State Allocations					1,536,543	
PILT Revenue					1,773,139	
Sale of Assets					(365,953)	
Investment Earnings					(196,067)	4,329
Miscellaneous					5,794	
Extraordinary Item - write off of Blaine Manor advance					(200,000)	200,000
Total General Revenues					13,817,243	211,860
Change in Net Position					(1,155,282)	(1,514,612)
Net Position Beginning of Period					48,740,347	2,211,470
Net Position End of Period					47,585,065	696,858

See accompanying notes to financial statements.

# BLAINE COUNTY, IDAHO

## BALANCE SHEET - GOVERNMENTAL FUNDS SEPTEMBER 30, 2013

	General	Road & Bridge	Ambulance District	Land, Water & Wildlife Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and Investments	7,637,612	1,123,523	955,311	2,908,694	4,082,007	16,707,147
Accounts Receivable	298,372	375,560	220,969	-	283,609	1,178,510
Blaine Manor advance	300,000	-	-	-	-	300,000
Delinquent Taxes Receivable	158,694	-	38,375	4,630	56,369	258,068
Total Assets	8,394,678	1,499,083	1,214,655	2,913,324	4,421,985	18,443,725
<b>Liabilities</b>						
Warrants Payable	23,784	4,271	3,684	-	3,989	35,728
Vouchers Payable	207,554	39,545	2,329	6,358	65,030	320,816
Accrued Payroll and Benefits	489,465	45,164	-	-	54,343	588,972
Unearned Revenue	125,963	-	-	-	34,376	160,339
Total Liabilities	846,766	88,980	6,013	6,358	157,738	1,105,855
<b>Deferred Inflows of Resources</b>						
Unavailable Revenue - Property Taxes	153,623	-	37,623	4,528	55,265	251,039
Total Deferred Inflows of Resources	153,623	-	37,623	4,528	55,265	251,039
<b>Fund Equity</b>						
Fund Balances:						
Nonspendable	300,000	-	-	-	-	300,000
Committed	1,266,779	404,209	-	2,902,438	125,689	4,699,115
Assigned	-	1,005,894	1,171,019	-	4,083,293	6,260,206
Unassigned	5,827,510	-	-	-	-	5,827,510
Total Fund Balance	7,394,289	1,410,103	1,171,019	2,902,438	4,208,982	17,086,831
Total Liabilities and Fund Equity	8,394,678	1,499,083	1,214,655	2,913,324	4,421,985	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Property taxes collected beyond 60 days after year end are not recorded as assets in the Governmental Funds balance sheet.	251,039
Governmental fund capital assets are not financial resources and therefore are not reported in the funds.	39,496,223
Long-term debt is not payable in the current period and thus not reported in the funds.	(8,328,499)
Interest payable is not payable in the current period and thus not reported in the funds.	(55,376)
Accrued compensated absences are not reported in Governmental Funds.	(865,153)
Net position of Governmental Activities	<u>47,585,065</u>

See accompanying notes to financial statements.

# BLAINE COUNTY, IDAHO

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPES FOR THE YEAR ENDED SEPTEMBER 30, 2013

	General	Road & Bridge	Ambulance District	Land, Water & Wildlife Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property Taxes	7,088,374	-	1,712,907	14,687	2,458,357	11,274,325
Licenses and Permits	458,179	-	-	-	-	458,179
Intergovernmental	3,552,179	1,858,036	53,685	-	350,103	5,814,003
Charges for Services	2,208,603	-	511,433	-	2,398,549	5,118,585
Fines and Forfeitures	-	-	-	-	92,184	92,184
Miscellaneous	317,867	12,377	-	5,135	251,290	586,669
<b>Total Revenues</b>	<b>13,625,202</b>	<b>1,870,413</b>	<b>2,278,025</b>	<b>19,822</b>	<b>5,550,483</b>	<b>23,343,945</b>
<b>Expenditures</b>						
Salaries and Wages	6,900,286	659,315	-	-	767,690	8,327,291
Payroll Expenses and Benefits	2,454,348	266,376	-	-	293,859	3,014,583
General and Administrative	1,391,234	-	-	-	217,799	1,609,033
Health Care	-	-	2,052,248	-	549,505	2,601,753
County Services	-	-	-	65,276	1,912,725	1,978,001
Law Enforcement	1,468,315	-	-	-	127,158	1,595,473
Road Maintenance	-	877,444	-	-	-	877,444
Contracts and Misc. Services	552,257	-	-	-	-	552,257
Capital Expenditures	431,152	298,642	-	-	24,395	754,189
Capital Leases						
Principal	27,125	-	-	-	65,609	92,734
Interest	-	-	-	-	1,552	1,552
<b>Total Expenditures</b>	<b>13,224,717</b>	<b>2,101,777</b>	<b>2,052,248</b>	<b>65,276</b>	<b>3,960,292</b>	<b>21,404,310</b>
Excess (Deficit) Revenues Over Expenditures	400,485	(231,364)	225,777	(45,454)	1,590,191	1,939,635
<b>Other Financing Sources (Uses):</b>						
Interfund Transfers	(8,435)	9,884	-	-	(1,449)	-
Bond Principal Payments	-	-	-	-	(430,000)	(430,000)
Bond Interest and Fee Payments	-	-	-	-	(349,959)	(349,959)
Unrealized Market Loss on Investments	(331,087)	-	-	-	-	(331,087)
<b>Total Other Financing Sources (Uses)</b>	<b>(339,522)</b>	<b>9,884</b>	<b>-</b>	<b>-</b>	<b>(781,408)</b>	<b>(1,111,046)</b>
<b>Extraordinary Items</b>						
Write off of Blaine Manor advance	(200,000)	-	-	-	-	(200,000)
<b>Net change in fund balances</b>	<b>(139,037)</b>	<b>(221,480)</b>	<b>225,777</b>	<b>(45,454)</b>	<b>808,783</b>	<b>628,589</b>
Fund Balance at Beginning of Year	7,533,326	1,631,583	945,242	2,947,892	3,400,199	16,458,242
<b>Fund Balance at End of Year</b>	<b>7,394,289</b>	<b>1,410,103</b>	<b>1,171,019</b>	<b>2,902,438</b>	<b>4,208,982</b>	<b>17,086,831</b>

See accompanying notes to financial statements.

**BLAINE COUNTY, IDAHO****RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

Excess Revenue over Expenditures and other Sources- Total Governmental Funds	628,589
Amounts reported for governmental activities in the statement of activities are different because:	
Property tax revenues that are not received within sixty days after year end do not provide current financial resources and thus are not recorded as revenue in the Governmental Funds.	(10,538)
Accrued interest is not reported as an expense in the Governmental Funds	2,867
Governmental funds report capital outlays as current expenditures. In the Statement of activities, the cost of capital assets exceeding \$5,000 is allocated over their estimated useful lives as depreciation expense. The difference between these two methods of accounting for capital expenditures is:	613,986
This is the amount of current year depreciation.	(2,497,816)
Basis in assets sold is not reported against revenue in the Governmental Funds	(365,953)
Repayment of long-term debt is reported as an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net assets.	522,734
Liabilities for accrued compensated absences are not recorded in the Governmental Funds. This is the increase in leave during the year.	<u>(49,151)</u>
Change in Net Position of Governmental Activities	<u><u>(1,155,282)</u></u>

See accompanying notes to financial statements.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BLAINE MANOR - COMPONENT UNIT FOR THE YEAR ENDED SEPTEMBER 30, 2013

#### Operating Revenues

Net Patient Service Revenue	1,731,989
Other Revenue	6,002
	<hr/>
Total Revenues	1,737,991

#### Operating Expenses

Salaries and Wages	1,534,000
Employee benefits	403,694
Supplies	159,947
Purchased services, utilities	75,994
Purchased services, other	140,935
Insurance	28,790
Repairs and maintenance	20,572
Depreciation	70,486
Other expenses	31,545
	<hr/>
Total Expenses	2,465,963

Operating Loss	(727,972)
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#### Nonoperating Revenues (Expenses):

Tax Revenue	7,531
Interest Income	4,329
Blaine County relief of debt	200,000
Forgiveness of Croy Canyon Ranch Foundation, Inc. advance	(1,000,000)
	<hr/>
Gain before contributions and transfers	(1,516,112)
Capital contributions	1,500
	<hr/>
Increase (Decrease) in Net Assets	(1,514,612)
Net Position, Beginning of Year	2,211,470
	<hr/>
Net Position, End of Year	696,858
	<hr/> <hr/>

See accompanying notes to financial statements.

## BLAINE COUNTY, IDAHO

### STATEMENT OF CASH FLOWS - BLAINE MANOR - COMPONENT UNIT FOR THE YEAR ENDED SEPTEMBER 30, 2013

<b><u>Cash Flows From Operating Activities</u></b>	
Cash received from patient services	1,722,760
Cash received from other revenue	4,408
Cash paid for salaries and employee benefits	(2,048,777)
Cash paid for other expenses	<u>(450,628)</u>
Net cash used for operating activities	(772,237)
<b><u>Cash Flows From Non-Capital Financing Activities</u></b>	
Cash received from taxes	<u>27,998</u>
Net cash provided by non-capital financing activities	27,998
<b><u>Cash Flows From Capital and Related Financing Activities</u></b>	
Capital contributions	1,500
Purchase of capital assets	<u>(2,932)</u>
Net cash used by capital and related financing activities	(1,432)
<b><u>Cash Flows From Investing Activities</u></b>	
Interest	<u>4,329</u>
Net cash provided by investing activities	4,329
Net Increase (Decrease) in Cash and Equivalents	(741,342)
Cash and Equivalents at Beginning of Year	<u>1,250,715</u>
Cash and Equivalents at End of Year	<u><u>509,373</u></u>
<b><u>Reconciliation of Excess of Revenue Over Expenses to Net Cash Used in Operating Activities</u></b>	
Operating Loss	(727,972)
Adjustments to reconcile excess of revenue over expenses to net cash used in operating activities:	
Provision for bad debt	1,346
Depreciation	70,486
Decrease (increase) in assets:	
Patient accounts receivable, net	(10,575)
Other Receivables	(1,594)
Prepaid expenses	(369)
Increase (decrease) in liabilities:	
Accounts payable	7,524
Accrued compensation and related liabilities	12,077
Accrued vacation	<u>(123,160)</u>
Net cash used in operating activities	<u><u>(772,237)</u></u>

### **Noncash Capital and Related Financing Activities**

None

See accompanying notes to financial statements.

# BLAINE COUNTY, IDAHO

## STATEMENT OF NET POSITION - FIDUCIARY FUNDS SEPTEMBER 30, 2013

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	<b>Payroll Benefit Trust</b>	<b>Agency</b>
	<hr/>	<hr/>
<b><u>Assets</u></b>		
Equity in Pooled Cash and Cash Equivalents	9,926	1,090,577
Taxes Receivable	-	<hr/> 1,270,676
Total Assets	<hr/> <hr/> 9,926	<hr/> <hr/> 2,361,253
<b><u>Liabilities</u></b>		
Warrants Payable	-	44,938
Due to Taxing Districts	-	1,282,712
Due to Others	-	<hr/> 1,033,603
Total Liabilities	<hr/> -	<hr/> <hr/> 2,361,253
<b>Net Position</b>		
Held in Trust	<hr/> <hr/> 9,926	

See accompanying notes to financial statements.

# BLAINE COUNTY, IDAHO

## STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2013

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	<b>Payroll Benefit Trust</b>
<b><u>Additions</u></b>	
Trust Amounts Received	84,979
<b><u>Deductions</u></b>	
Trust Amounts Remitted	84,039
Change in Net Assets	940
Net Position Beginning of Year	8,986
Net Position End of Year	<u>9,926</u>

See accompanying notes to financial statements.

# BLAINE COUNTY, IDAHO

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2013

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### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Blaine County, Idaho was established in 1895 under the provision of the State of Idaho. The County operates under a County Commission form of government.

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

#### **1. The Financial Reporting Entity**

For financial reporting purposes, management has considered potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles. The basic criterion for including a potential component unit within the reporting entity is the governing body's responsibility for financial accountability. Financial accountability is defined as the level of accountability that exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

**Blended Component Units** - The County Fair and Historical Fund are entities legally separate from Blaine County and are governed by a board appointed by the Commissioners of Blaine County. For financial reporting purposes, these entities are reported as if they were part of the County's operations because their purpose is to provide citizenry with special services.

**Discretely Presented Component Units** - The component unit column in the combined financial statements includes the financial data of Blaine Manor and is reported in a separate column to emphasize that it is legally separate from the County. The Board of County Commissioners of Blaine County appoints the Manor Trustees, and the Manor may not issue debt without the County's approval. Financial statements for Blaine Manor may be obtained from the campus of Blaine Manor or Blaine County.

#### **2. Basis of Accounting/Measurement Focus**

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

##### **a. Government-wide Financial Statements:**

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County. The comparison of direct

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities.

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities are provided to outside parties.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities are included on the Statement of Net Position. Revenues are recognized when they are earned and expenses are recognized when the liability is incurred.

**b. Fund Financial Statements:**

Governmental Funds Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the Government-Wide Financial Statements.

Governmental funds are accounted for using the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. Under modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Available for purposes of revenue recognition is defined as sixty days. Revenue sources susceptible to accrual include property taxes and intergovernmental revenues. Expenditures are recognized when the related fund liability is incurred. Exceptions to this general rule include the accrual of payroll, vacation and sick pay and the related payroll liabilities associated with these items.

The following is a description of the activities accounted for as major funds and fiduciary fund types used by the county:

**General Fund** - The County's primary operating fund. It accounts for all activities of the general government, except those required to be accounted for in another fund.

**Ambulance Fund** – This fund accounts for the funding of ambulance districts within the County.

**Road & Bridge Fund** – This fund accounts for the funding of road and bridge maintenance and construction within the County.

**Land, Water & Wildlife Fund** – This fund accounts for the operation of the land, water and wildlife management in the County.

**c. Fiduciary Fund Financial Statements:**

Fiduciary Fund Financial Statements include a Statement of Net Position. The County's fiduciary funds are comprised of the following:

**Agency Funds** – These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Private-Purpose Trust Funds** – These funds report trust arrangements under which the principal will benefit individuals, private organizations or other governments.

**Pension Trust Funds** – These funds report resources that are required to be held in trust for the members and beneficiaries of employee benefit plans (e.g. cafeteria).

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)****3. Budgeting**

The budgets are set based on resources available and/or appropriations necessary for each fiscal year by program and fund.

The County Commissioners meet the second Monday of September in the courthouse for the purpose of considering and fixing a final budget and making appropriations for each department, and fund. Budgetary data is prepared on the basis of accounting used by a particular fund. A copy of the budget shall be available for public inspection and a summary statement of the budget for the ensuing year shall be published, including amounts budgeted for the prior year, which shall be included for purposes of comparison. Taxpayers are invited to attend a public hearing to express their views concerning the proposed budget. After this public meeting, the budget is approved and is legally enacted through the passage of an ordinance.

The ordinance is subject to amendment by the Board of Commissioners throughout the year. The amounts reported as original budget reflect the initial budget adopted and the final budget represents the final amounts passed by the Commissioners during the year.

**4. Encumbrances**

Encumbrances are not liabilities and they are not recorded as expenditures until receipt of material or services. For budgetary purposes, appropriations lapse at year end and are re-budgeted the following year. The County does not reserve fund balance for outstanding encumbrances at year end.

**5. Capital Assets**

The County's assets are capitalized at historic cost or estimated historic cost. Gifts or contributions of assets are recorded at fair market value when received. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets as follows: Buildings 30-50 years, Equipment 5-10 years, Infrastructure 30- 40 years.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 which requires the inclusion of infrastructure, buildings and land in local government's basic financial statements. The County has elected to use the basic approach as defined by Statement No. 34 for asset reporting. Historical cost records do not exist for all of the County's assets dating back to 1895. For those assets where actual cost records could not be located, the County estimated cost using standard unit costs appropriate for the acquisition date. Accumulated depreciation was computed based on the life of the assets. Book value is computed by deducting the accumulated depreciation from the original cost.

**6. General Long-Term Debt**

Unmatured long-term debt is presented in the government-wide financial statements. Repayment of all long-term debt, except accrued vacation pay, is recorded in the Debt Service Fund. Payment of accrued vacation pay will be made from the General and Special Revenue Funds incurring the expenditure. Interest expense on long-term debt is recorded when due.

**7. Cash and Cash Equivalents and Investments**

Cash equivalents consist primarily of cash on deposit, certificates of deposit, and deposits with the State of Idaho Local Government Investment Pool. Investments are recorded at fair value based upon quoted market prices at September 30, 2013, except where there is no significant difference between cost and fair value. The difference between the purchase price and market price when significant is recorded as investment earnings.

**8. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)****9. Inventory**

Inventory is expensed when purchased. The County has no significant inventories.

**10. Fund Equity**

Governmental fund equity is classified as fund balance. Fund balance is further classified when applicable as follows:

- a. **Nonspendable fund balance.** This classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.
- b. **Restricted fund balance.** This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional or enabling legislation.
- c. **Committed fund balance.** These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commissioners – the County’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the County Commissioners removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- d. **Assigned fund balance.** This classification reflects the amounts constrained by the County’s “intent” to be used for specific purposes, but are neither restricted nor committed. The County Commissioners have the authority to assign amounts to be used for specific purposes.
- e. **Unassigned fund balance.** This fund balance is the residual classification for the General Fund.

The Blaine County Commissioners are the entity’s highest level of decision-making authority. When both restricted and unrestricted fund balances are available for use, it is the County’s policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

**11. Deferred Outflows / Inflows of Resources**

The County has implemented GASB No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities, as of October 1, 2012. These new standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement 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 does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item, which arises only under a modified accrual basis of accounting that qualifies for reporting under this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

**NOTE B - CASH AND INVESTMENTS**

The government maintains an investment and cash pool for County held funds. Fair, Historical, Solid Waste and Blaine Manor maintain separate accounts. The county is authorized to invest funds in accordance with Idaho Code §67-1210.

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a

**NOTE B - CASH AND INVESTMENTS (Cont.)**

means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The County has no investment policy which would further limit its investment choices beyond those stated in Idaho Code. The County's investment in the State Treasurer's Investment Pool is not currently rated. All deposits in the State Investment Pool are either FDIC insured or fully collateralized, with securities held in trust by the State Treasurer but not in the name of the Blaine County. The table below lists the average maturities and credit rating of other investments.

Concentration of Credit Risk – The County places no limit on the amount the County may invest in any one issuer.

Custodial Credit Risk, Deposits – Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. The County's pooled and non-pooled deposits are categorized to give an indication of the level of risk assumed by the County at fiscal year-end. The cash is recorded in terms of United States currency.

Balances consist of the following:

	Carrying Balance	Bank Balance	Carrying Insured
Idaho Independent Bank	362,383	362,383	250,000
US Bank	406,718	406,718	250,000
Zions	372,925	325,169	250,000
Mountain West Bank	2,142,015	2,115,550	250,000
DL Evans	3,052,732	3,241,911	250,000
Idaho State Treasurer Pool	4,456,767	4,456,767	4,456,767
MultiBank Securities	6,851,120	6,813,640	
Piper Jaffray	75,382	75,382	75,382
Key Investments	100,467	100,467	100,467
<b>Total Cash Held by County Treasurer</b>	<b>17,820,509</b>	<b>17,897,987</b>	<b>5,882,616</b>
Fair Board Cash	55,386	55,822	55,386
Historical Cash	215,713	213,151	215,713
Solid Waste Account	193,304	193,339	193,304
Blaine Manor's Cash held by County	(477,262)	(477,262)	
<b>Total Cash and Cash Equivalents</b>	<b>17,807,650</b>	<b>17,883,037</b>	<b>6,347,019</b>
Summary:			
Governmental Activities		16,707,147	
Fiduciary Activities		1,100,503	
<b>Total</b>		<b>17,807,650</b>	

There are three categories of credit risk that apply to the County's cash and investments:

- 1) **Insured or collateralized** for which the securities are held by the County or the County's agent in the County's name;
- 2) **Uninsured and uncollateralized**; or
- 3) **Uninsured and unregistered** for which the securities are held by the counter party or by its trust department or agent but not in the County's name. This category also includes repurchase agreements with no underlying securities.

Balances held in each category are as follows:

	Categories			Carrying Amount	Average Maturity	Credit Rating
	1	2	3			
Primary Government						
Deposits	1,814,870	5,086,773	-	6,901,643	N/A	N/A
Investments	6,926,502	-	-	6,926,502	Daily	AA+ to AAA
	8,741,372	5,086,773	-	13,828,145		
Investments in State of Idaho's Investment Pool				4,456,767	N/A	N/A
Blaine Manor's Cash Held by County				(477,262)	N/A	N/A
<b>Total Cash and Investments</b>				<b>17,807,650</b>		

**NOTE C - ACCOUNTS RECEIVABLE**

The following funds have uncollected receivables at September 30, 2013. The ambulance accounts receivable is shown net of \$145,589 allowance for bad debt. The bad debt expense and corresponding income have not been included in the financial statements.

	<b>General Fund</b>	<b>Ambulance Fund</b>	<b>Land, Water &amp; Wildlife Fund</b>	<b>Road and Bridge</b>	<b>Other Governmental Funds</b>	<b>Total</b>
State Apportionments	257,442	15,650	-	-	90,861	363,953
State Highway Users Tax	-	-	-	356,117	-	356,117
Regional Landfill Payments	-	-	-	-	-	-
Charges for Services	40,930	205,319	-	-	192,748	438,997
PILT	-	-	-	-	-	-
State and Federal Grants	-	-	-	19,443	-	19,443
<b>Total Receivables</b>	<b>298,372</b>	<b>220,969</b>	<b>-</b>	<b>375,560</b>	<b>283,609</b>	<b>1,178,510</b>

**NOTE D - DELINQUENT TAXES RECEIVABLE**

Property taxes are levied in November of each year and recognized as revenue when the tax notices are printed. Taxes are due in two equal installments at December 20 and June 20 following the levy date. If payment is not received upon the due dates, a 2% penalty is charged and taxes are classified as past due subject to 12% interest. Liens are placed on property after 3 years.

Taxes receivable are stated at taxes levied less amounts collected and canceled. The County maintains individual taxpayer records. Although small amounts of delinquent taxes are collected within 60 days following the close of the County's fiscal year (September 30), the County feels secure in the right to take tax deeds on property for the collection of real property taxes and the County's ability to take tax anticipation notes if needed to finance liabilities of the current period. Therefore, deferred revenue has been recorded as recommended by NCGA Interpretation #3 - "Revenue Recognition", but an allowance for uncollectible taxes receivable has not been established.

**NOTE E - PROPERTY AND EQUIPMENT**

Fixed asset activity for the fiscal year, was as follows:

<b><u>Governmental Activities</u></b>	<b>Balance 9/30/2012</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance 9/30/2013</b>
Capital Assets, Not Being Depreciated:				
Land	1,574,945	-	-	1,574,945
Capital Assets, Being Depreciated:				
Buildings and Improvements	24,924,398	74,202	(63,177)	24,935,423
Roads and Bridges	87,246,928	135,543	-	87,382,471
Heavy Equipment	5,043,534	67,244	(765,344)	4,345,434
Furniture and Equipment	2,480,584	80,367	(127,540)	2,433,411
Trucks and Vehicles	3,303,363	119,329	(181,803)	3,240,889
<b>Total Depreciated Capital Assets</b>	<b>122,998,807</b>	<b>476,685</b>	<b>(1,137,864)</b>	<b>122,337,628</b>
Less Accumulated Depreciation				
Building and Improvements	(6,308,682)	(522,570)	58,969	(6,772,283)
Roads and Bridges	(70,171,009)	(1,348,670)	-	(71,519,679)
Heavy Equipment	(2,419,648)	(287,385)	415,508	(2,291,525)
Furniture and Equipment	(1,416,065)	(171,730)	117,694	(1,470,101)
Trucks and Vehicles	(2,583,554)	(167,461)	179,743	(2,571,272)
<b>Total Accumulated Depreciation</b>	<b>(82,898,958)</b>	<b>(2,497,816)</b>	<b>771,914</b>	<b>(84,624,860)</b>
<b>Capital Assets Net of Depreciation</b>	<b>41,674,794</b>			<b>39,287,713</b>

**NOTE E – PROPERTY AND EQUIPMENT (Cont.)**

Depreciation expense was charged to functions as follows:

General Fund:	
Clerk/Auditor	6,903
Assessor	3,334
Treasurer/Tax Collector	1,331
Sheriff	91,757
Prosecuting Attorney	1,099
Buildings and Ground	515,454
Information Technology	5,389
Elections	18,633
General	11,438
Dispatch	21,733
Jail	32,191
Planning and Zoning	4,819
Water Quality	1,392
Geographic Info System	7
Capital Improvement	2,095
Road & Bridge	1,498,421
Ambulance	59,640
District Court	1,676
County Fair	4,684
Historical Society	1,841
Solid Waste	91,154
Noxious Weed	6,489
Snowmobile	3,478
Waterways	212
E911	112,646
	<hr/>
Total	<u><u>2,497,816</u></u>

**NOTE F - WARRANTS PAYABLE**

Warrants payable represent outstanding and unpaid orders authorized by the County Commissioner to have the Treasurer pay the bearer thereof the amount specified on the warrant. The county maintains a detailed listing of all unpaid warrants.

**NOTE G - VOUCHERS PAYABLE**

This account represents liabilities for goods and services rendered to the County as of September 30, 2013 evidenced by vouchers that have been approved for payment in October.

**NOTE H - ACCRUED PAYROLL AND BENEFITS**

This account represents payroll and benefits earned by employees during September, 2013 and paid in October, 2013.

**NOTE I – LONG-TERM OBLIGATIONS****Capital Leases**

Although the capital lease agreements provide a cancellation clause for termination of the lease due to non-appropriation of funds by the County (lessee) for any fiscal period during the term of the lease, the likelihood of the lease being canceled is remote. Therefore, the leases are presented for financial purposes as capital leases. The purchase price of equipment reported as capital assets with remaining capital lease requirements is \$308,757. The leases are secured by said equipment.

**General Obligation Bonds**

On May 2, 2007, the County issued general obligation bonds with a par value of \$9,850,000 (Series A) with interest rates ranging from 4.0% to 4.1%. The purpose of the bonds was to provide for the construction of the Public Safety Facility.

The following is a schedule of the long-term debt obligations of the County for the fiscal year:

Description	Int Rate	Fund	Maturity Date	Amount Outstanding 9/30/12	Increases	Decreases	Amount Outstanding 9/30/13	Amount Due In One Year
<b>Capital Leases and Notes:</b>								
Dispatch Equipment	5.0%	E-911	07/15/2013	51,293	-	51,293	-	-
Notes Payable:								
Regional Landfill Closure	5.3%	Waste	07/28/2014	14,317	-	14,317	-	-
Hailey Medical Management	0.0%	General	10/01/2016	135,624	-	27,125	108,499	27,125
<b>Bonds:</b>								
Gen Obl Series 2007 A	Var	General	08/01/2027	8,650,000	-	430,000	8,220,000	450,000
Total				8,851,234	0	522,735	8,328,499	477,125
<b>Other</b>								
Acc. Comp. Absences	N/A	All	N/A	816,002	49,151	-	865,153	-

Interest and fees of \$376,597 on the above liabilities has been charged to the following departments and funds on the Statement of Activities: Solid Waste \$478; E911 \$1,074; Bond Redemption \$349,958.

Debt service requirements at the balance sheet date were as follows:

Year Ended	Governmental	
	Principle	Interest
2014	477,124	332,258
2015	492,124	314,258
2016	512,124	295,658
2017	532,124	276,258
2018	525,003	256,058
2019 thru 2023	2,960,000	946,580
2024 thru 2028	2,830,000	295,815
Total	8,328,499	2,716,885

**NOTE J - COMPENSATED ABSENCES**

The County accrues vacation, compensatory time, and sick pay for its employees based upon a formula developed for the hours worked and the department the employee works in. These formulas are found in the Blaine County Personnel Handbook. Vacation time, compensatory time, and sick leave are payable upon termination subject to limitations found in the Personnel Handbook. The amount presented represents the unpaid amount due employees at September 30, 2013.

**NOTE K - EMPLOYEE RETIREMENT PLAN**

The Public Employee Retirement System of Idaho (PERSI) is a cost-sharing multiple-employer retirement system created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The plan provides benefits based on members' years of service, age and compensation. In addition, benefits are provided for disability, death and survivors of eligible members or beneficiaries. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. Financial reports for the plan are available from PERSI upon request.

After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% (2.3% police/firefighter) of the average monthly salary for the highest consecutive 42 months.

For the year ended September 30, 2013, the required contribution rate for general employees was 11.32% and 6.79% of covered payroll for Blaine County and its employees, respectively, and 11.66% and 8.36% for police/firefighter employees, for Blaine County and its employees, respectively. Blaine County employer contributions required and paid were \$872,366, \$824,096, and \$869,485 for the three years ended September 30, 2013, 2012, and 2011, respectively.

**NOTE L – COMMITMENTS AND CONTINGENCIES**

The attorney for Blaine County has reported that of all cases that have been filed with District Court, none appear to threaten probable litigation against the County beyond the limitations of the County's insurance policies.

**NOTE M - COMPLIANCE MATTERS**

The Historical Fund's salaries were \$10,726 over budget and the budget in total was over by \$988. The County Fair Fund was over budget in total by \$13,119.

**NOTE N - INVESTMENT IN JOINT VENTURE****Friedman Memorial Airport Authority**

Effective October 1, 1994, Blaine County, Idaho and the City of Hailey, Idaho entered into a Joint Powers Agreement creating the Friedman Memorial Airport Authority (Authority) for the purpose of operating and managing airport activities in Blaine County, Idaho. The Authority is a public entity of the State of Idaho and therefore the Authority's income is exempt from Federal and Idaho income taxes. The Authority is governed by a seven-member board, with three members representing Blaine County, three members representing the City of Hailey and one member who is unanimously selected by the other six members. The Authority has hired employees to provide for the day-to-day operations and management.

Pursuant to the Joint Powers Agreement, all buildings, improvements, facilities, equipment, and personal property used by the Authority were conveyed by Blaine County and the City of Hailey to the Authority for use and benefit of the Authority, and title thereof shall be held by the Authority. Upon termination of this Agreement, title to all buildings, improvements, facilities, equipment and personal property held by the Airport shall vest jointly in Blaine County and the City of Hailey.

Audited financial statements of the Friedman Memorial Airport Authority for the year ended September 30, 2013 can be obtained at the Airport, Blaine County, or the City of Hailey offices. During the Airport Authority's fiscal year ending September 30, 2013, the Airport Authority's Net Position decreased \$340,883.

**NOTE O- SOLID WASTE**

Blaine County has entered into a Joint Powers Agreement with Jerome, Cassia, Lincoln, Gooding and Minidoka Counties. Through their joint power they have established the Southern Idaho Regional Solid Waste District with each County appointing one member to the District's Board.

Under this agreement each County will pay a fee per ton of waste it deposits in the landfill. Along with the fee each participating County has agreed not to dump solid waste in any other location.

During the past fiscal year the County had expenditures, in the Solid Waste Fund, to the Solid Waste District totaling \$1,294,006. These expenditures cover both fee usage cost, old land fill closure cost and transfer station construction cost.

The Solid Waste District paid closure costs to close existing landfills and entered into an agreement with Blaine County to have the costs reimbursed over an 18 ½ year period at 5.31% interest. The county made payments to the Solid Waste District in the amount of \$14,317 during the fiscal year satisfying the debt in full.

Post closure costs are included in the cost per ton charged each County. Therefore, the County has paid all post closure fees.

Audited financial statements of the Southern Idaho Regional Solid Waste District for the year ended September 30, 2013 can be obtained at the District or Blaine County offices. During the District's fiscal year ending September 30, 2013, the entity's Net Assets decreased \$2,376,681.

**NOTE P- RISK MANAGEMENT**

A County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year, the County contracted with Idaho County Risk Management Program (ICRMP) for property, crime and fleet insurance and the State Insurance Fund for workman's compensation. Under the terms of the ICRMP policy, Blaine County's liability is limited to the amount of annual financial membership contributions including \$1,000 per occurrence deductible. There has been no significant reduction in insurance coverage in the current year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

**NOTE Q – INTERFUND BALANCES AND TRANSFERS**

Blaine County general fund currently carries a receivable from Blaine Manor for \$300,000. The amount was loaned for the purpose of helping Croy Canyon Ranch Foundation, Inc. develop plans for a new long-term care facility. During the current year it was determined that \$200,000 of the loan had become uncollectible and it was written off by Blaine County. The remaining amount is to be repaid within the next year.

The Interfund Transfers are as follows:

Transfer From Fund	Purpose	Transfer To Fund	Amount
General Fund	Salaries Budget Adjustment, Resolution 2013-34	Road and Bridge	9,884
General Fund	Salaries Budget Adjustment, Resolution 2013-35	District Court	293
General Fund	Salaries Budget Adjustment, Resolution 2013-36	Charity & Indigent	520
General Fund	Salaries Budget Adjustment, Resolution 2013-37	Recycle Center	1,061
General Fund	Salaries Budget Adjustment, Resolution 2013-38	Noxious Weed	1,512
General Fund	Salaries Budget Adjustment, Resolution 2013-39	E911	1,165
Noxious Weed	Repairs on the Weeds shop, Resolution 2013-27	General Fund	6,000
Solid Waste Disposal	Beginning Recycle Center Cash	Recycle Center	126,907

**NOTE R – SUBSEQUENT EVENTS**

The County has evaluated subsequent events through February 11, 2014, which is the date the financial statements were available to be issued.

**BLAINE MANOR**  
**BLAINE COUNTY, IDAHO**  
**NOTES TO FINANCIAL STATEMENTS**

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**1. Description of Reporting Entity and Summary of Significant Accounting Policies:**

**a. Reporting Entity**

Blaine Manor (the Manor) operates a 25-bed nursing facility in Hailey, Idaho. The Manor provides long-term nursing care to residents of Blaine County, Idaho (the County) and the surrounding areas.

The Board of County Commissioners of the County appoints the Manor Trustees, and the Manor may not issue debt without the County's approval. For this reason, the Manor is considered to be a component unit of the County. The Manor's Board of Trustees is made up of no less than five members, four of whom shall be residents of the County and one of whom shall be an elected and sitting member of the Board of County Commissioners.

All Manor assets, liabilities, and financial transactions are included in these financial statements.

In 2012, the Board of the Blaine County Commissioners began a series of senior care talks to evaluate how the County should be involved in providing for quality senior care. As part of that process, three providers submitted Requests for Information to the County for consideration in May 2012.

After a series of meetings with the County while they developed guiding principles for senior care and established an evaluation and decision making model, the Commissioners refined the process and requested that the interested entities submit Requests for Proposals. The County decided to transfer the license and operations to another entity effective October 1, 2013.

**b. Summary of Significant Accounting Policies**

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

***Enterprise fund accounting*** – The Manor's accounting policies conform to account principles generally accepted in the United States of America as applicable to proprietary funds of governments. The Manor uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus.

***Cash and cash equivalents*** – Cash and cash equivalents include highly liquid investments with original maturity dates of three months or less.

1. **Description of Reporting Entity and Summary of Significant Accounting Policies (continued):**

b. **Summary of Significant Accounting Policies (continued)**

**Capital assets** – It is the Manor's policy to capitalize property and equipment over \$1,500 and a useful life of at least one year; lesser amounts are expensed. The Manor's capital assets are stated at historical cost. Expenditures for maintenance and repairs are charged to operations as incurred. Betterments and major renewals are capitalized. When such assets are disposed of, the related costs and accumulated depreciation are removed from the accounts, and the resulting gain or loss is classified in nonoperating revenues and expenses. Contributed capital assets are reported at their estimated fair value at the date of contribution and are subsequently considered as being on the basis of cost. Depreciation has been computed on the straight-line method over the following estimated useful service lives:

Building and fixed equipment	5 to 40 years
Major movable equipment	3 to 20 years

**Resident trust fund** – The Resident trust fund consists of residents' assets held under an agency arrangement by the Manor.

**Compensated absences** – The Manor's employees earn paid time off (PTO) at varying rates depending on their position. Unused PTO is accumulated and paid to the employee when the employee terminates employment with the Manor if the employee has sustained six months of continuous services. The estimated amount of PTO payable for termination payments is reported as a current liability at September 30, 2013 and 2012.

**Net position** – Net position of the Manor are classified in three components. *Net position invested in capital assets net of related debt* consist of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. *Restricted net position* are assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Manor. *Unrestricted net position* are remaining net position that do not meet the definition of *invested in capital assets net of related debt* or *restricted*. The Manor did not have any restricted net assets at September 30, 2013 and 2012.

**Restricted resources** – When the Manor has both restricted and unrestricted resources available to finance a particular program, it is the Manor's policy to use restricted resources before unrestricted resources.

**Operating revenues and expenses** – The Manor's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions, including grants for specific operating activities, associated with providing healthcare services — the Manor's principal activity. Nonexchange revenues, including taxes, and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide healthcare services, other than financing costs.

1. **Description of Reporting Entity and Summary of Significant Accounting Policies (continued):**

b. **Summary of Significant Accounting Policies (continued)**

**Grants and contribution**— From time to time, the Manor receives grants as well as contributions from individuals and private organizations. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses. Grants that are for specific projects or purpose related to the Manor's operating activities are reported as operating revenue. Grants that are used to subsidize operating deficits are reported as nonoperating revenue. Contributions, except for capital contributions, are reported as nonoperating revenue.

**Subsequent events** – The Manor has evaluated subsequent events through February 11, 2014 the date on which the financial statements were available to be issued.

**Recent accounting pronouncements** - In November 2010, the Governmental Accounting Standards Board (GASB) issued Statement No. 61, The Financial Reporting Entity: Omnibus. This statement, which is effective for financial statements for periods beginning after June 15, 2012, provides, among other things, additional guidance to primary governments that are business-type activities reporting financial information in a single column. New guidance, which includes reporting a blended component unit, allows users to better distinguish between the primary government and its component unit by requiring condensed combining information in the notes to the financial statements. The Manor adopted GASB Statement No. 61 during 2013, with no affect on the Manor's financial statements.

In December 2010, the GASB issued Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. This statement, which is effective for financial statements for periods beginning after December 15, 2011, supersedes GASB Statement No. 20. The Manor adopted GASB Statement No. 62 during 2013, and its provisions were applied retroactively for all periods presented. Adoption of GASB Statement No. 62 did not materially effect the Manor's financial statements.

In June 2012, the GASB issued Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which establishes standards for reporting deferred outflows and deferred inflows of resources and net position. The statement requires reporting of deferred outflows of resources (consumption of net position applicable to future periods) and deferred inflows of resources (acquisition of net position applicable to future periods) in separate sections of the balance sheet following assets and liabilities. The difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources equals net position and net position should be displayed in three components as: net investment in capital assets, restricted, and unrestricted. GASB Statement No. 63 is effective for financial statement periods beginning after December 15, 2011. The Manor adopted the provisions of the statement in 2013 on a retroactive basis by reclassifying certain balance sheet elements for all periods presented. The adoption of GASB Statement No. 63 did not materially affect the Manor's financial statements.

1. **Description of Reporting Entity and Summary of Significant Accounting Policies (continued):**

b. **Summary of Significant Accounting Policies (continued)**

***Recent accounting pronouncements (continued)*** - In March 2011, the GASB issued Statement No. 65, Items Previously Reported as Assets and Liabilities. GASB Statement No. 65, which is effective for financial statements for periods beginning after December 15, 2012, amends or supersedes accounting and financial reporting guidance for certain items previously reported as assets or liabilities. The Manor will adopt GASB Statement No. 65 in 2014 by retroactively restating financial statements for all periods presented. Debt issuance costs will need to be expensed as incurred when this standard is implemented.

2. **Bank Deposits and Certificates of Deposit:**

Custodial credit risk is the risk that in the event of a depository institution failure, the Manor's deposits may not be returned to it. The Manor does not have a deposit policy for custodial credit risk. As of September 30, 2013 and 2012, the Manor had funds held by the County collateralized by securities held in the County's name of \$477,262 and \$955,507, respectively, and uninsured and uncollateralized deposit balances of \$2,204 and \$53,524, respectively. The Federal Deposit Insurance Corporation insures deposits up to \$250,000.

State statutes limit the investments in bonds, debentures, or notes of any corporation to be rated "A" or higher by nationally recognized statistical rating organizations.

3. **Resident Accounts Receivable:**

Resident accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectibility of resident accounts receivable, the Manor analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to residents who have third-party coverage, the Manor analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay residents (which includes both residents without insurance and residents with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Manor records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many residents are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

The Manor's allowance for doubtful accounts for self-pay residents has not changed significantly from prior years. The Manor's provisions for bad debts and writeoffs have not changed significantly from the prior year. The Manor has not changed its charity care or uninsured discount policies during fiscal years 2013 or 2012. The Manor does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant writeoffs from third-party payors.

**3. Resident Accounts Receivable (continued):**

Resident accounts receivable reported as current assets by the Manor at September 30, 2013 and 2012, consisted of these amounts:

	2013	2012
Receivables from patients	\$ 30,825	\$ 18,415
Receivables from Medicare	8,873	6,147
Receivables from Medicaid	51,729	57,636
Total resident accounts receivable	91,427	82,198
Less allowance for uncollectible amounts	2,000	2,000
Resident accounts receivable, net	\$ 89,427	\$ 80,198

**REQUIRED SUPPLEMENTARY INFORMATION**

## BLAINE COUNTY, IDAHO

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	7,031,031	7,031,031	7,088,374	57,343
PILT	1,743,000	1,743,000	1,773,139	30,139
Other	4,329,158	4,881,860	4,763,689	(118,171)
 Total Revenues	 13,103,189	 13,655,891	 13,625,202	 (30,689)
<b><u>Expenditures</u></b>				
Salaries and Wages	7,071,325	7,115,606	6,870,750	244,856
Payroll Expenses and Benefits	2,592,897	2,612,586	2,454,348	158,238
General and Administrative	1,515,571	1,667,886	1,391,234	276,652
Law Enforcement	1,281,824	1,555,699	1,468,315	87,384
Contracts and Miscellaneous Services	717,872	700,789	552,257	148,532
Capital Expenditures	989,723	1,182,375	458,277	724,098
 Total Expenditures	 14,169,212	 14,834,941	 13,195,181	 1,639,760
 Excess (Deficit) Revenues Over Expenditures	 (1,066,023)	 (1,179,050)	 430,021	 1,609,071
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	(8,435)	(8,435)	-
Unrealized Market Loss on Investments	-	-	(331,087)	(331,087)
 Total Other Financing Sources (Uses)	 -	 (8,435)	 (339,522)	 (331,087)
<b><u>Extraordinary Items:</u></b>				
Write off of Blaine Manor advance	-	-	(200,000)	(200,000)
 Net changes in fund balances	 (1,066,023)	 (1,187,485)	 (109,501)	 1,077,984
 Fund Balance at Beginning of Year	 1,066,023	 1,187,485	 7,993,255	 6,805,770
 Fund Balance at End of Year	 -	 -	 7,883,754	 7,883,754

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	430,021
Current year adjustment for accrued payroll	(29,536)
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	400,485

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - ROAD AND BRIDGE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Other	1,516,800	1,795,204	1,870,413	75,209
Total Revenues	1,516,800	1,795,204	1,870,413	75,209
<b><u>Expenditures</u></b>				
Salaries and Wages	661,945	671,829	655,813	16,016
Payroll Expenses and Benefits	285,185	285,185	266,376	18,809
Supplies	55,000	55,000	20,134	34,866
Road Oil, Asphalt, Concrete and Signs	385,000	385,000	442,208	(57,208)
Culverts	30,000	30,000	34,466	(4,466)
Telephone, Utilities	21,034	21,034	13,563	7,471
Bulk Gas and Oil - Vehicles	150,000	150,000	136,520	13,480
Contracts	9,500	9,500	12,369	(2,869)
Professional Services	15,000	15,000	19,078	(4,078)
Travel and Miscellaneous	5,450	5,450	8,755	(3,305)
Repair of Equipment	125,500	125,500	164,882	(39,382)
Freight	3,000	3,000	19,469	(16,469)
Rent of Equipment	7,000	7,000	4,000	3,000
Construction Project/Emergency Flow Infrastructure	2,000 40,000	2,000 318,404	2,000 272,842	- 45,562
Capital Outlay	327,000	327,000	25,800	301,200
Total Expenditures	2,122,614	2,410,902	2,098,275	312,627
Excess (Deficit) Revenues Over Expenditures	(605,814)	(615,698)	(227,862)	387,836
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	9,884	9,884	-
Net changes in fund balances	(605,814)	(605,814)	(217,978)	387,836
Fund Balance at Beginning of Year	605,814	605,814	1,673,245	1,067,431
Fund Balance at End of Year	-	-	1,455,267	1,455,267

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	(227,862)
Current year adjustment for accrued payroll	<u>(3,502)</u>
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	<u><u>(231,364)</u></u>

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - AMBULANCE DISTRICT FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	1,699,253	1,699,253	1,712,907	13,654
Other	513,410	513,410	565,118	51,708
Total Revenues	2,212,663	2,212,663	2,278,025	65,362
<b><u>Expenditures</u></b>				
Supplies	400	400	200	200
Insurance	700	700	509	191
Refunds	10,300	10,300	5,152	5,148
Ambulance Contracts	2,048,263	2,048,263	2,046,387	1,876
Capital Outlay	153,000	153,000	-	153,000
Total Expenditures	2,212,663	2,212,663	2,052,248	160,415
Excess (Deficit) Revenues Over Expenditures	-	-	225,777	225,777
Fund Balance at Beginning of Year	-	-	945,242	945,242
Fund Balance at End of Year	-	-	1,171,019	1,171,019

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - LAND WATER & WILDLIFE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	-	-	14,687	14,687
Other	5,000	5,000	5,135	135
Total Revenues	5,000	5,000	19,822	14,822
<b><u>Expenditures</u></b>				
Other Miscellaneous	3,061,288	3,061,288	65,276	2,996,012
Total Expenditures	3,061,288	3,061,288	65,276	2,996,012
Excess (Deficit) Revenues Over Expenditures	(3,056,288)	(3,056,288)	(45,454)	3,010,834
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	-	-	-
Net changes in fund balances	(3,056,288)	(3,056,288)	(45,454)	3,010,834
Fund Balance at Beginning of Year	3,056,288	3,056,288	2,947,892	(108,396)
Fund Balance at End of Year	-	-	2,902,438	2,902,438

See independent auditor's report on other financial information.

**SUPPLEMENTAL INFORMATION**

# BLAINE COUNTY, IDAHO

## COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2013

	Public Health Fund	Charity and Indigent Fund	Noxious Weed Fund	Revaluation Fund	Recycle Center Fund	Solid Waste Disposal Fund	District Court Fund
<b>Assets</b>							
Cash and Investments	96,871	403,795	313,853	316,240	185,274	1,502,594	336,530
Accounts Receivable	2,026	3,390	1,983	3,923	31,176	161,572	563
Interfund Receivable	-	-	-	-	-	-	-
Delinquent Taxes Receivable	5,500	9,127	5,324	10,558	-	-	1,702
Total Assets	<u>104,397</u>	<u>416,312</u>	<u>321,160</u>	<u>330,721</u>	<u>216,450</u>	<u>1,664,166</u>	<u>338,795</u>
<b>Liabilities</b>							
Warrants Payable	-	556	279	1,616	165	200	900
Vouchers Payable	-	29,086	5,237	892	3,847	2,407	14,271
Accrued Payroll and Benefits	-	3,287	10,445	18,632	7,005	(11)	3,541
Interfund Payable	-	-	-	-	-	-	-
Unearned Revenue	-	-	13,356	-	-	-	-
Total Liabilities	-	32,929	29,317	21,140	11,017	2,596	18,712
<b>Deferred Inflows of Resources</b>							
Unavailable Revenue - Property Taxes	5,392	8,948	5,220	10,351	-	-	1,668
Total Deferred Inflows of Resources	5,392	8,948	5,220	10,351	-	-	1,668
<b>Fund Equity</b>							
Committed	-	68,511	7,000	5,000	2,178	-	28,000
Assigned	99,005	305,924	279,623	294,230	203,255	1,661,570	290,415
Total Fund Balances	<u>99,005</u>	<u>374,435</u>	<u>286,623</u>	<u>299,230</u>	<u>205,433</u>	<u>1,661,570</u>	<u>318,415</u>
Total Liabilities and Fund Balances	<u>104,397</u>	<u>416,312</u>	<u>321,160</u>	<u>330,721</u>	<u>216,450</u>	<u>1,664,166</u>	<u>338,795</u>

See independent auditor's report on other financial information.

County Fair Fund	Historical Society Fund	Waterways Fund	Snowmobile Fund	Junior College Fund	Liability Insurance Fund	E911 Fund	Bond Redemption Fund	Election Consolidation Fund	Totals
73,859	217,522	47,704	33,813	39,270	110,102	109,295	190,933	104,352	4,082,007
216	212	-	-	70,644	1,630	-	6,274	-	283,609
-	-	-	-	-	-	-	-	-	-
595	559	-	-	-	4,271	-	18,733	-	56,369
<u>74,670</u>	<u>218,293</u>	<u>47,704</u>	<u>33,813</u>	<u>109,914</u>	<u>116,003</u>	<u>109,295</u>	<u>215,940</u>	<u>104,352</u>	<u>4,421,985</u>
-	187	-	-	-	-	41	-	45	3,989
-	-	3,485	33	-	1,000	4,667	-	105	65,030
-	-	267	-	-	-	8,281	-	2,896	54,343
-	-	-	-	-	-	-	-	-	-
-	-	21,020	-	-	-	-	-	-	34,376
-	187	24,772	33	-	1,000	12,989	-	3,046	157,738
584	548	-	-	-	4,187	-	18,367	-	55,265
584	548	-	-	-	4,187	-	18,367	-	55,265
15,000	-	-	-	-	-	-	-	-	125,689
59,086	217,558	22,932	33,780	109,914	110,816	96,306	197,573	101,306	4,083,293
74,086	217,558	22,932	33,780	109,914	110,816	96,306	197,573	101,306	4,208,982
<u>74,670</u>	<u>218,293</u>	<u>47,704</u>	<u>33,813</u>	<u>109,914</u>	<u>116,003</u>	<u>109,295</u>	<u>215,940</u>	<u>104,352</u>	<u>4,421,985</u>

# BLAINE COUNTY, IDAHO

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Public Health Fund	Charity & Indigent Fund	Noxious Weed Fund	Revaluation Fund	Recycle Center Fund	Solid Waste Disposal Fund	District Court Fund	County Fair Fund
<b>Revenues</b>								
Property Taxes	237,244	396,281	231,980	459,143	(2)	-	66,224	25,215
Intergovernmental	7,174	12,001	24,339	13,889	-	22,089	1,993	765
Charges for Services	-	-	393	-	347,527	1,660,663	-	-
Fines and Forfeitures	-	-	-	-	-	-	92,184	-
Miscellaneous	-	53,505	6,138	-	-	-	80,080	15,214
<b>Total Revenues</b>	<b>244,418</b>	<b>461,787</b>	<b>262,850</b>	<b>473,032</b>	<b>347,525</b>	<b>1,682,752</b>	<b>240,481</b>	<b>41,194</b>
<b>Expenditures</b>								
Salaries and Wages	-	46,918	111,739	274,522	125,179	(9,182)	54,251	-
Payroll Expenses and Benefits	-	17,288	46,258	115,373	44,649	-	16,732	-
General and Administrative	-	-	-	30,671	-	-	-	-
Health Care	240,612	308,893	-	-	-	-	-	-
County Services	-	-	74,618	-	100,232	1,306,797	-	38,759
Law Enforcement	-	-	-	-	-	-	127,158	-
Capital Expenditures	-	-	-	-	-	14,795	-	-
<b>Total Expenditures</b>	<b>240,612</b>	<b>373,099</b>	<b>232,615</b>	<b>420,566</b>	<b>270,060</b>	<b>1,312,410</b>	<b>198,141</b>	<b>38,759</b>
Excess (Deficit) Revenues Over Expenditures	3,806	88,688	30,235	52,466	77,465	370,342	42,340	2,435
<b>Other Financing Sources (Uses):</b>								
Financing of Capital Leases	-	-	-	-	-	-	-	-
Interfund Transfers	-	520	(4,488)	-	127,968	(126,907)	293	-
Bond Principal Payments	-	-	-	-	-	-	-	-
Bond Interest & Fee Payments	-	-	-	-	-	-	-	-
<b>Net change in fund balances</b>	<b>3,806</b>	<b>89,208</b>	<b>25,747</b>	<b>52,466</b>	<b>205,433</b>	<b>243,435</b>	<b>42,633</b>	<b>2,435</b>
Fund Balance at Beginning of Year	95,199	285,227	260,876	246,764	-	1,418,135	275,782	71,651
Fund Balance at End of Year	<u>99,005</u>	<u>374,435</u>	<u>286,623</u>	<u>299,230</u>	<u>205,433</u>	<u>1,661,570</u>	<u>318,415</u>	<u>74,086</u>

See independent auditor's report on other financial information.

Historical Society Fund	Waterways Fund	Snowmobile Fund	Junior College Fund	Liability Insurance Fund	E911 Fund	Bond Redemption Fund	Election Consolidation Fund	Totals
24,783	-	-	1	190,496	-	826,992	-	2,458,357
752	5,500	-	160,328	5,772	-	17,964	77,537	350,103
-	-	-	-	-	389,966	-	-	2,398,549
-	-	-	-	-	-	-	-	92,184
29,480	22,157	15,351	-	29,319	-	-	46	251,290
55,015	27,657	15,351	160,329	225,587	389,966	844,956	77,583	5,550,483
10,726	2,978	-	-	-	118,406	-	32,153	767,690
-	955	-	-	-	43,495	-	9,109	293,859
-	-	-	-	187,128	-	-	-	217,799
-	-	-	-	-	-	-	-	549,505
15,362	15,984	2,919	194,050	-	140,672	-	23,332	1,912,725
-	-	-	-	-	-	-	-	127,158
-	1,978	28,950	-	-	45,833	-	-	91,556
26,088	21,895	31,869	194,050	187,128	348,406	0	64,594	3,960,292
28,927	5,762	(16,518)	(33,721)	38,459	41,560	844,956	12,989	1,590,191
-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,165	-	-	(1,449)
-	-	-	-	-	-	(430,000)	-	(430,000)
-	-	-	-	-	-	(349,959)	-	(349,959)
28,927	5,762	(16,518)	(33,721)	38,459	42,725	64,997	12,989	808,783
188,631	17,170	50,298	143,635	72,357	53,581	132,576	88,317	3,400,199
217,558	22,932	33,780	109,914	110,816	96,306	197,573	101,306	4,208,982

# BLAINE COUNTY, IDAHO

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CURRENT EXPENSE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Final Budget	Actual	Variance with Final Budget
<b><u>Revenues</u></b>			
Property Taxes	7,031,031	7,088,374	57,343
Payment in Lieu of Taxes	1,743,000	1,773,139	30,139
Interest Earned on Investments	185,000	126,150	(58,850)
Other	4,696,860	4,637,539	(59,321)
Total Revenues	13,655,891	13,625,202	(30,689)
<b><u>Expenditures</u></b>			
Clerk, Auditor, Recorder Salaries	700,947	698,066	2,881
Clerk, Auditor, Recorder Other	289,877	279,109	10,768
Assessor Salaries	229,811	229,609	202
Assessor Other	116,402	111,709	4,693
Treasurer Salaries	159,812	159,336	476
Treasurer Other	115,148	111,466	3,682
Sheriff Salaries	1,385,153	1,388,836	(3,683)
Sheriff Other	1,012,474	1,019,541	(7,067)
Commissioners Salaries	360,185	356,669	3,516
Commissioners Other	135,781	127,915	7,866
Coroner Salaries	43,540	23,526	20,014
Coroner Other	44,808	30,055	14,753
Prosecuting Attorney Salaries	514,295	505,276	9,019
Prosecuting Attorney Other	279,843	241,200	38,643
Probation Salaries	263,239	262,992	247
Probation Other	200,932	208,511	(7,579)
Building and Grounds Salaries	223,746	221,506	2,240
Building and Grounds Other	467,202	433,659	33,543
Human Resource Salaries	164,271	68,271	96,000
Human Resource Other	31,550	30,733	817
Extension Office Other	121,880	124,233	(2,353)
Data Processing Salaries	115,677	115,558	119
Data Processing Other	237,286	236,968	318
Election Salaries	22,464	15,292	7,172
Elections Other	51,450	40,926	10,524
Ketchum Police Salaries	533,775	508,896	24,879
Ketchum Police Other	768,407	750,253	18,154
General Accounts (Specials)	850,063	641,884	208,179
Dispatch Salaries	578,133	560,342	17,791
Dispatch Other	395,360	356,472	38,888
Jail Salaries	1,089,487	1,023,597	65,890
Jail Other	1,150,105	991,996	158,109
Planning and Zoning Salaries	367,898	363,202	4,696
Planning and Zoning Other	239,312	211,283	28,029

continued on next page

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CURRENT EXPENSE FUND (CONTINUED) FOR THE YEAR ENDED SEPTEMBER 30, 2013

Geographic Information System Salaries	128,541	128,419	122
Geographic Information System Other	75,345	73,609	1,736
Public Defender	385,280	320,280	65,000
Capital Improvement	985,462	223,986	761,476
	<hr/>	<hr/>	<hr/>
Total Expenditures	14,834,941	13,195,181	1,639,760
	<hr/>	<hr/>	<hr/>
Excess (Deficit) Revenues Over Expenditures	(1,179,050)	430,021	1,609,071
	<hr/>	<hr/>	<hr/>
<b><u>Other Financing Sources (Uses)</u></b>			
Transfers In (Out)	(8,435)	(8,435)	-
Unrealized Market Loss on Investments	-	(331,087)	(331,087)
	<hr/>	<hr/>	<hr/>
Net changes in fund balances	(8,435)	(339,522)	(331,087)
	<hr/>	<hr/>	<hr/>
<b><u>Extraordinary Items:</u></b>			
Write off of Blaine Manor advance	-	(200,000)	(200,000)
	<hr/>	<hr/>	<hr/>
Net changes in fund balances	(1,187,485)	(109,501)	1,077,984
	<hr/>	<hr/>	<hr/>
Fund Balance at Beginning of Year	1,187,485	7,993,255	6,805,770
	<hr/>	<hr/>	<hr/>
Fund Balance at End of Year	-	7,883,754	7,883,754
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See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - PUBLIC HEALTH FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	234,912	234,912	237,244	2,332
Other	5,700	5,700	7,174	1,474
Total Revenues	240,612	240,612	244,418	3,806
<b><u>Expenditures</u></b>				
South Central Health District	240,612	240,612	240,612	-
Total Expenditures	240,612	240,612	240,612	-
Excess Revenues Over Expenditures	-	-	3,806	3,806
Fund Balance at Beginning of Year	-	-	95,199	95,199
Fund Balance at End of Year	-	-	99,005	99,005

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CHARITY AND INDIGENT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	392,981	392,981	396,281	3,300
Other	31,300	31,300	65,506	34,206
 Total Revenues	 424,281	 424,281	 461,787	 37,506
<b><u>Expenditures</u></b>				
Salaries	48,366	48,886	46,837	2,049
Payroll Expenses and Benefits	18,015	18,015	17,288	727
Travel	2,200	2,200	2,298	(98)
Repair and Maintenance	-	-	-	-
Supplies	2,500	2,500	2,032	468
Postage	1,200	1,200	1,000	200
Telephone and Utilities	500	500	74	426
Medical Care	343,500	343,500	294,132	49,368
Non-Medical Care	7,500	7,500	9,067	(1,567)
Miscellaneous	500	500	290	210
 Total Expenditures	 424,281	 424,801	 373,018	 51,783
 Excess (Deficit) Revenues Over Expenditures	 -	 (520)	 88,769	 89,289
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	520	520	-
 Net changes in fund balances	 -	 -	 89,289	 89,289
Fund Balance at Beginning of Year	-	-	288,433	288,433
Fund Balance at End of Year	-	-	377,722	377,722

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	88,769
Current year adjustment for accrued payroll	(81)
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	88,688

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - NOXIOUS WEED FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	229,878	229,878	231,980	2,102
Other	6,100	28,910	30,870	1,960
 Total Revenues	 235,978	 258,788	 262,850	 4,062
<b><u>Expenditures</u></b>				
Salaries and Wages	121,711	125,098	110,337	14,761
Payroll Expense and Benefits	52,067	52,067	46,258	5,809
Supplies	41,600	41,600	37,854	3,746
Utilities	3,900	3,900	2,920	980
Bulk Gas and Oil - Vehicles	3,500	3,500	3,478	22
Travel	1,200	1,200	830	370
Education	1,000	1,000	1,025	(25)
Repairs and Maintenance	3,500	3,500	650	2,850
Postage	1,000	1,000	34	966
Advertising	5,500	5,500	6,062	(562)
Contracts	1,000	21,935	21,765	170
Capital Outlay	-	-	-	-
 Total Expenditures	 235,978	 260,300	 231,213	 29,087
 Excess (Deficit) Revenues Over Expenditures	 -	 (1,512)	 31,637	 33,149
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	(4,488)	(4,488)	-
 Net changes in fund balances	 -	 (6,000)	 27,149	 33,149
 Fund Balance at Beginning of Year	 -	 6,000	 269,919	 263,919
 Fund Balance at End of Year	 -	 -	 297,068	 297,068

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	31,637
Current year adjustment for accrued payroll	<u>(1,402)</u>
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	<u><u>30,235</u></u>

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - REVALUATION FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	454,806	454,806	459,143	4,337
Other	11,100	11,100	13,889	2,789
 Total Revenues	 465,906	 465,906	 473,032	 7,126
<b><u>Expenditures</u></b>				
Salaries and Wages	294,750	294,750	274,421	20,329
Payroll Expenses and Benefits	134,671	134,671	115,373	19,298
Supplies	10,635	10,635	7,866	2,769
Repairs and Maintenance	10,450	10,450	9,969	481
Vehicles	3,600	3,600	3,992	(392)
Travel and Miscellaneous	8,000	8,000	5,571	2,429
Education	3,800	3,800	3,273	527
 Total Expenditures	 465,906	 465,906	 420,465	 45,441
Excess (Deficit) Revenues Over Expenditures	-	-	52,567	52,567
Fund Balance at Beginning of Year	-	-	265,295	265,295
Fund Balance at End of Year	-	-	317,862	317,862

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	52,567
Current year adjustment for accrued payroll	<u>(101)</u>
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	<u>52,466</u>

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - RECYCLE CENTER FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Other	304,740	304,740	347,527	42,787
Total Revenues	304,740	304,740	347,525	42,785
<b><u>Expenditures</u></b>				
Salaries and Wages	120,811	121,872	118,174	3,698
Payroll Expenses and Benefits	53,405	53,405	44,649	8,756
Utilities	15,500	15,500	11,263	4,237
Supplies	10,200	10,200	22,197	(11,997)
Fuel	4,500	4,500	4,386	114
Education	100,000	100,000	40,707	59,293
Repairs	22,500	22,500	21,679	821
Total Expenditures	326,916	327,977	263,055	64,922
Excess (Deficit) Revenues Over Expenditures	(22,176)	(23,237)	84,470	107,707
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	1,061	127,968	126,907
Net changes in fund balances	(22,176)	(22,176)	212,438	234,614
Fund Balance at Beginning of Year	22,176	22,176	-	(22,176)
Fund Balance at End of Year	-	-	212,438	212,438

#### **Reconciliation of Budgetary Basis to GAAP Basis**

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	84,470
Current year adjustment for accrued payroll	<u>(7,005)</u>
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	<u><u>77,465</u></u>

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - SOLID WASTE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Other	1,301,673	1,301,673	1,682,752	381,079
Total Revenues	1,301,673	1,301,673	1,682,752	381,079
<b><u>Expenditures</u></b>				
Utilities - Garbage	22,000	29,000	26,786	2,214
Postage	400	400	800	(400)
Solid Waste Contract	1,279,273	1,294,006	1,294,006	-
Total Expenditures	1,301,673	1,323,406	1,321,592	1,814
Excess (Deficit) Revenues Over Expenditures	-	(21,733)	361,160	382,893
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	-	(126,907)	(126,907)
Net changes in fund balances	-	(21,733)	234,253	255,986
Fund Balance at Beginning of Year	-	21,733	1,427,306	1,405,573
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>1,661,559</u>	<u>1,661,559</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)			361,160	
Current year adjustment for accrued payroll			<u>9,182</u>	
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)			<u>370,342</u>	

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - DISTRICT COURT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	65,296	65,296	66,224	928
Other	151,300	153,407	174,257	20,850
Total Revenues	216,596	218,703	240,481	21,778
<b><u>Expenditures</u></b>				
Salaries and Wages	54,440	54,733	54,192	541
Payroll Expense and Benefits	16,381	16,381	16,732	(351)
Supplies	39,500	39,500	49,188	(9,688)
Postage	13,000	13,000	6,270	6,730
Telephone and Utilities	-	-	156	(156)
Professional Services	24,000	24,000	20,641	3,359
Jury and Witness Fees and Expense	10,000	10,000	2,690	7,310
Travel	3,500	3,500	1,158	2,342
Repairs and Maintenance	2,500	4,243	3,737	506
Lodging, Meals and Mileage for Jurors	9,000	9,000	3,763	5,237
Law Library	13,000	13,000	20,292	(7,292)
Judicial Education	2,870	2,870	870	2,000
Contracts	20,556	20,921	18,393	2,528
Contingency	12,000	12,000	-	12,000
Total Expenditures	220,747	223,148	198,082	25,066
Excess (Deficit) Revenues Over Expenditures	(4,151)	(4,445)	42,399	46,844
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	294	293	1
Net changes in fund balances	(4,151)	(4,151)	42,692	46,845
Fund Balance at Beginning of Year	4,151	4,151	279,264	275,113
Fund Balance at End of Year	-	-	321,956	321,958

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	42,399
Current year adjustment for accrued payroll	<u>(59)</u>
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	<u>42,340</u>

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - COUNTY FAIR FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	25,015	25,015	25,215	200
Other	625	625	15,979	15,354
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	25,640	25,640	41,194	15,554
<b><u>Expenditures</u></b>				
Supplies - Awards	-	-	4,703	(4,703)
Utilities	-	-	1,872	(1,872)
Maintenance	-	-	23,062	(23,062)
Miscellaneous	25,640	25,640	9,122	16,518
Capital Outlay	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	25,640	25,640	38,759	(13,119)
Excess (Deficit) Revenues Over Expenditures	-	-	2,435	2,435
Fund Balance at Beginning of Year	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	71,651	71,651
Fund Balance at End of Year	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	-	-	74,086	74,086

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - HISTORICAL SOCIETY AND MUSEUM FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	24,575	24,575	24,783	208
Other	525	525	30,232	29,707
Total Revenues	25,100	25,100	55,015	29,915
<b><u>Expenditures</u></b>				
Salaries and Wages	-	-	10,726	(10,726)
Payroll Expense and Benefits	-	-	-	-
Utilities	-	-	3,142	(3,142)
Maintenance	-	-	2,459	(2,459)
Miscellaneous	-	-	4,611	(4,611)
Supplies	25,100	25,100	5,150	19,950
Total Expenditures	25,100	25,100	26,088	(988)
Excess (Deficit) Revenues Over Expenditures	-	-	28,927	28,927
Fund Balance at Beginning of Year	-	-	188,631	188,631
Fund Balance at End of Year	-	-	217,558	217,558

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - WATERWAYS FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Other	32,037	32,037	27,657	(4,380)
Total Revenues	32,037	32,037	27,657	(4,380)
<b><u>Expenditures</u></b>				
Salaries and Wages	10,000	10,000	3,522	6,478
Payroll Expenses and Benefits	2,400	2,400	955	1,445
Other Miscellaneous Expenses	21,900	21,900	15,984	5,916
Capital Outlay	8,096	8,096	1,978	6,118
Total Expenditures	42,396	42,396	22,439	19,957
Excess (Deficit) Revenues Over Expenditures	(10,359)	(10,359)	5,218	15,577
Fund Balance at Beginning of Year	10,359	10,359	17,981	7,622
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>23,199</u>	<u>23,199</u>

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	5,218
Current year adjustment for accrued payroll	<u>544</u>
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	<u><u>5,762</u></u>

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - SNOWMOBILE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Other	15,000	15,000	15,351	351
Total Revenues	15,000	15,000	15,351	351
<b><u>Expenditures</u></b>				
Capital Outlay	-	28,950	28,950	-
Other Miscellaneous	19,000	19,000	2,919	16,081
Total Expenditures	19,000	47,950	31,869	16,081
Excess (Deficit) Revenues Over Expenditures	(4,000)	(32,950)	(16,518)	16,432
Fund Balance at Beginning of Year	4,000	32,950	50,298	17,348
Fund Balance at End of Year	-	-	33,780	33,780

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - JUNIOR COLLEGE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	-	-	1	1
Other	125,000	125,000	160,328	35,328
Total Revenues	125,000	125,000	160,329	35,329
<b><u>Expenditures</u></b>				
Tuition Fees	200,000	200,000	194,050	5,950
Total Expenditures	200,000	200,000	194,050	5,950
Excess (Deficit) Revenues Over Expenditures	(75,000)	(75,000)	(33,721)	41,279
Fund Balance at Beginning of Year	75,000	75,000	143,635	68,635
Fund Balance at End of Year	-	-	109,914	109,914

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - LIABILITY INSURANCE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	188,995	188,995	190,496	1,501
Other	4,100	4,100	35,091	30,991
Total Revenues	193,095	193,095	225,587	32,492
<b><u>Expenditures</u></b>				
Insurance - Liability	183,095	183,095	183,095	-
Insurance - Other	10,000	10,000	4,033	5,967
Total Expenditures	193,095	193,095	187,128	5,967
Excess (Deficit) Revenues Over Expenditures	-	-	38,459	38,459
Fund Balance at Beginning of Year	-	-	72,357	72,357
Fund Balance at End of Year	-	-	110,816	110,816

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - E911 FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b><u>Revenues</u></b>				
Other	362,211	362,211	389,966	27,755
Total Revenues	362,211	362,211	389,966	27,755
<b><u>Expenditures</u></b>				
Salaries and Wages	120,047	121,212	117,960	3,252
Payroll Expense and Benefits	39,958	39,958	43,495	(3,537)
Professional Services	112,693	112,693	87,472	25,221
Utilities	53,300	53,300	52,660	640
Miscellaneous	1,088	1,088	540	548
Capital Outlay	35,125	35,125	45,833	(10,708)
Total Expenditures	362,211	363,376	347,960	15,416
Excess (Deficit) Revenues Over Expenditures	-	(1,165)	42,006	43,171
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In (Out)	-	1,165	1,165	-
Net changes in fund balances	-	-	43,171	43,171
Fund Balance at Beginning of Year	-	-	61,416	61,416
Fund Balance at End of Year	-	-	104,587	104,587

#### Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)	42,006
Current year adjustment for accrued payroll	(446)
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)	41,560

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - BOND REDEMPTION FOR THE YEAR ENDED SEPTEMBER 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property Taxes	820,000	820,000	826,992	6,992
Other	-	-	17,964	17,964
Total Revenues	820,000	820,000	844,956	24,956
<b><u>Other Financing Sources (Uses):</u></b>				
Bond Principal Payments	-	-	430,000	(430,000)
Bond Interest & Fee Payments	820,000	820,000	349,959	470,041
Total Expenditures	820,000	820,000	779,959	40,041
Excess (Deficit) Revenues Over Expenditures	-	-	64,997	64,997
Fund Balance at Beginning of Year	-	-	132,576	132,576
Fund Balance at End of Year	-	-	197,573	197,573

See independent auditor's report on other financial information.

## BLAINE COUNTY, IDAHO

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - ELECTION CONSOLIDATION FOR THE YEAR ENDED SEPTEMBER 30, 2013

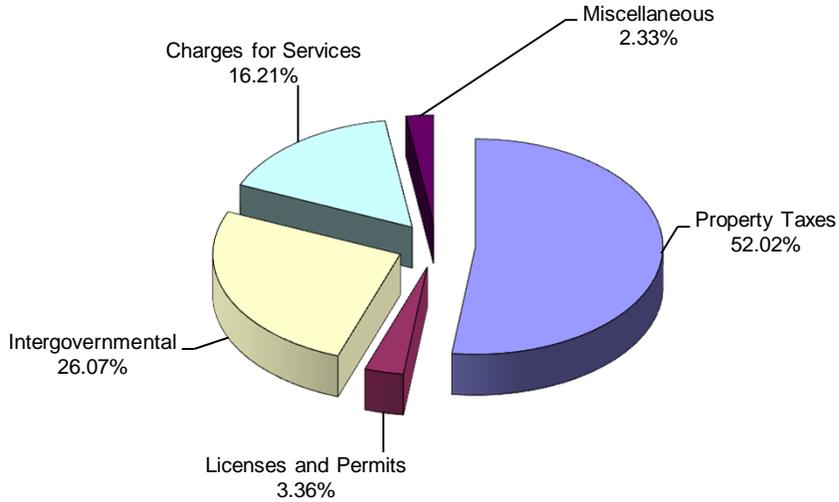
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Other	77,904	77,904	77,583	(321)
Total Revenues	77,904	77,904	77,583	(321)
<b><u>Expenditures</u></b>				
Salaries and Wages	29,900	29,900	29,800	100
Payroll Expense and Benefits	13,079	13,079	9,109	3,970
Poll Workers	12,175	12,175	8,712	3,463
Supplies	17,150	17,150	12,691	4,459
Telephone	3,100	3,100	75	3,025
Travel	2,500	2,500	1,854	646
Total Expenditures	77,904	77,904	62,241	15,663
Excess (Deficit) Revenues Over Expenditures	-	-	15,342	15,342
Fund Balance at Beginning of Year	-	-	88,860	88,860
Fund Balance at End of Year	-	-	104,202	104,202
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficit) Revenues Over Expenditures (Budgetary Basis)			15,342	
Current year adjustment for accrued payroll			(2,353)	
Excess (Deficit) Revenues Over Expenditures (GAAP Basis)			12,989	

See independent auditor's report on other financial information.

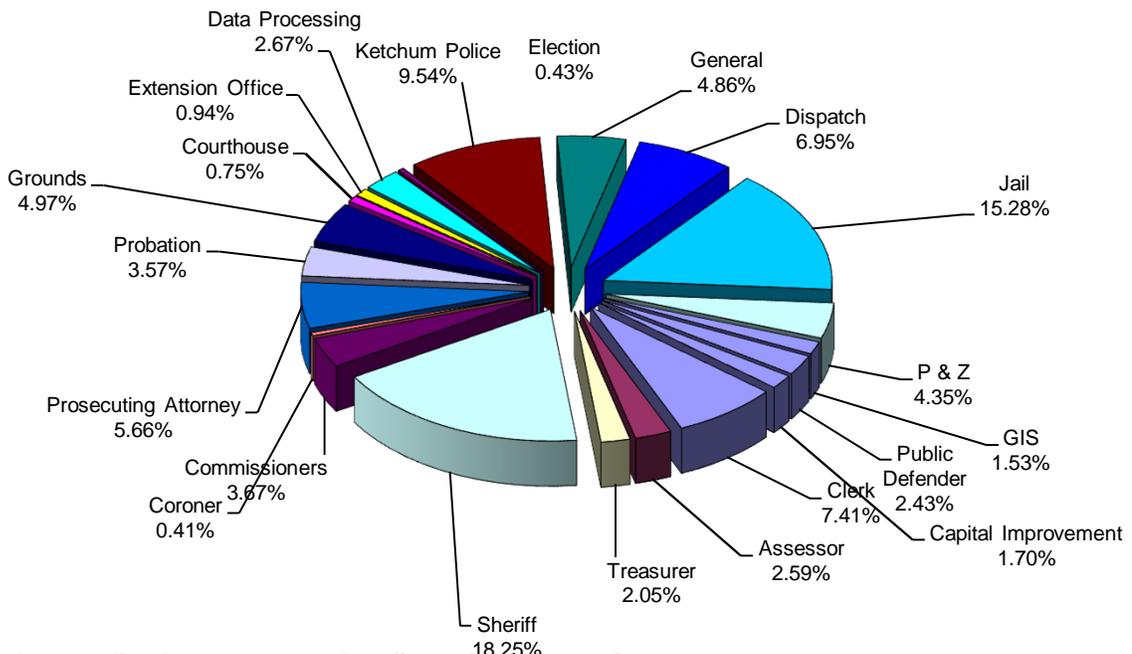
# BLAINE COUNTY, IDAHO

## PIE GRAPH OF REVENUES AND EXPENDITURES - BUDGETARY DATA FOR THE YEAR ENDED SEPTEMBER 30, 2013

### General Fund Revenues



### General Expenditures by Department



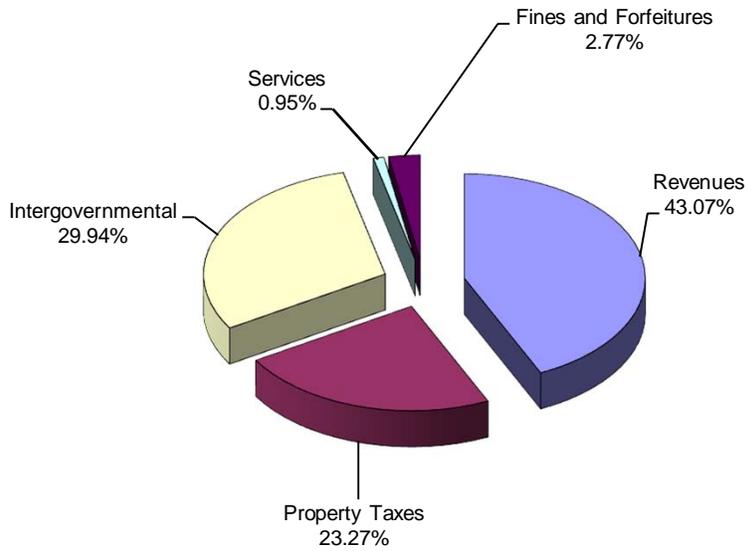
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# BLAINE COUNTY, IDAHO

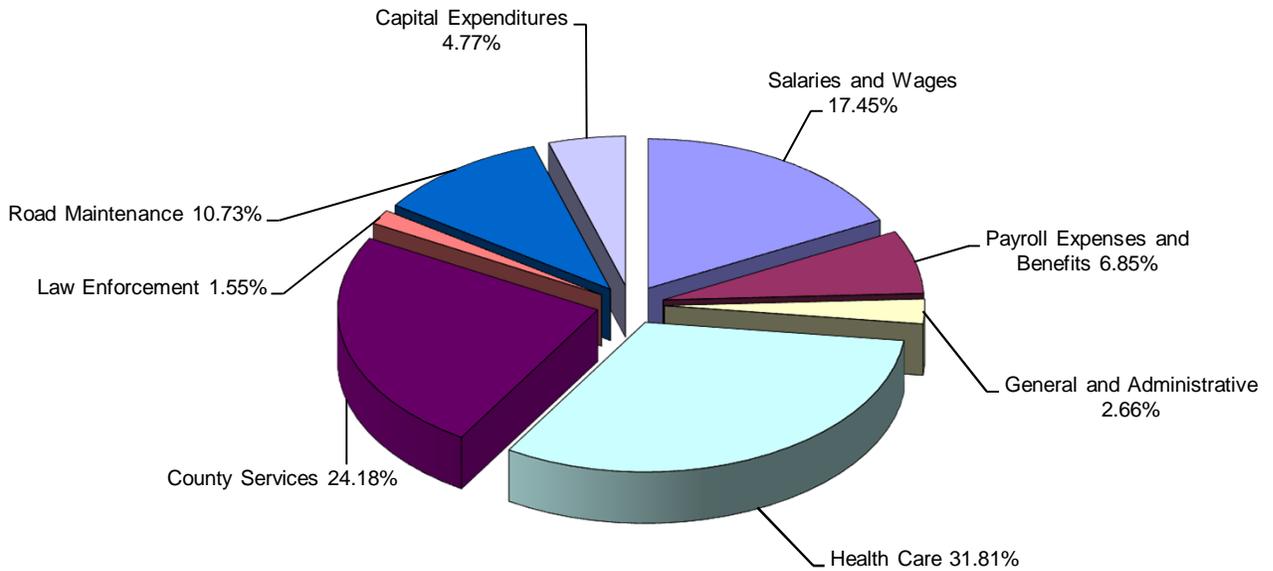
## PIE GRAPH OF REVENUES AND EXPENDITURES - BUDGETARY DATA FOR THE YEAR ENDED SEPTEMBER 30, 2013

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### Special Revenue Fund Revenues



### Special Revenue Fund Expenditures

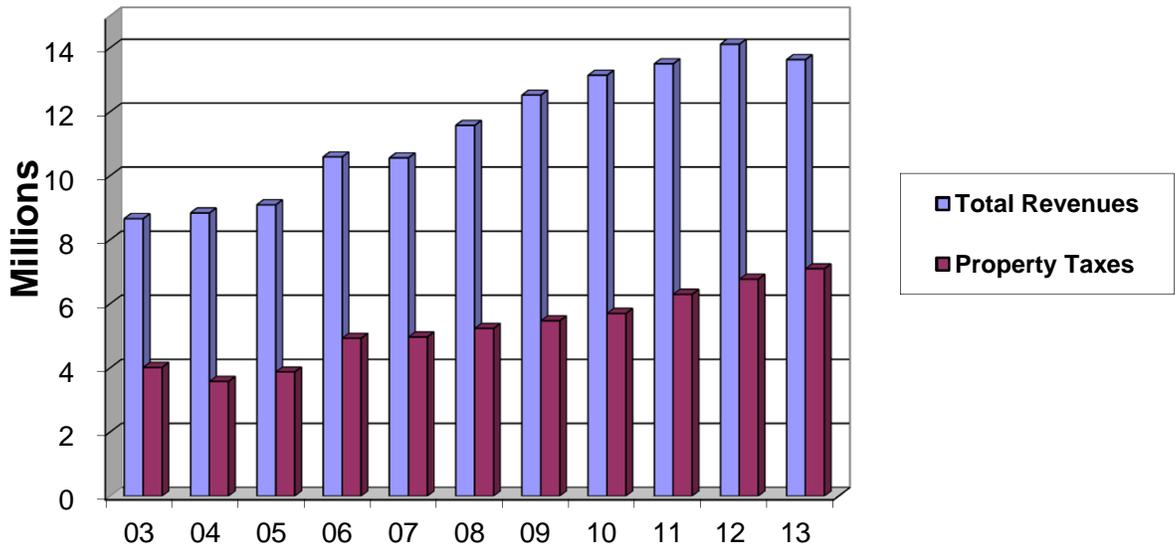


See independent auditor's report on other financial information.

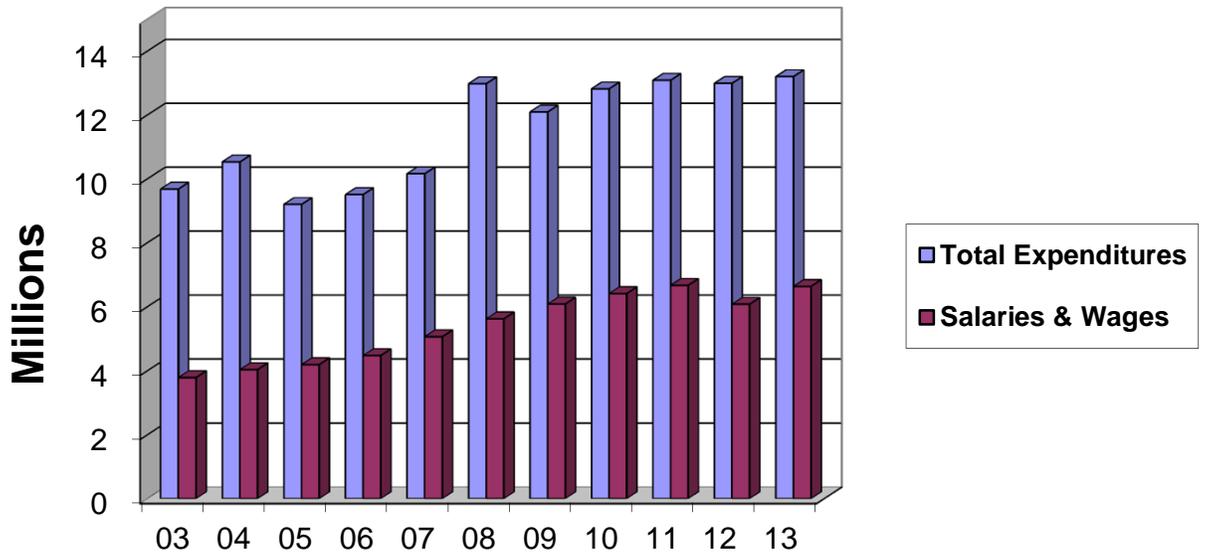
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## Current Expense Revenues



## Current Expense Expenditures

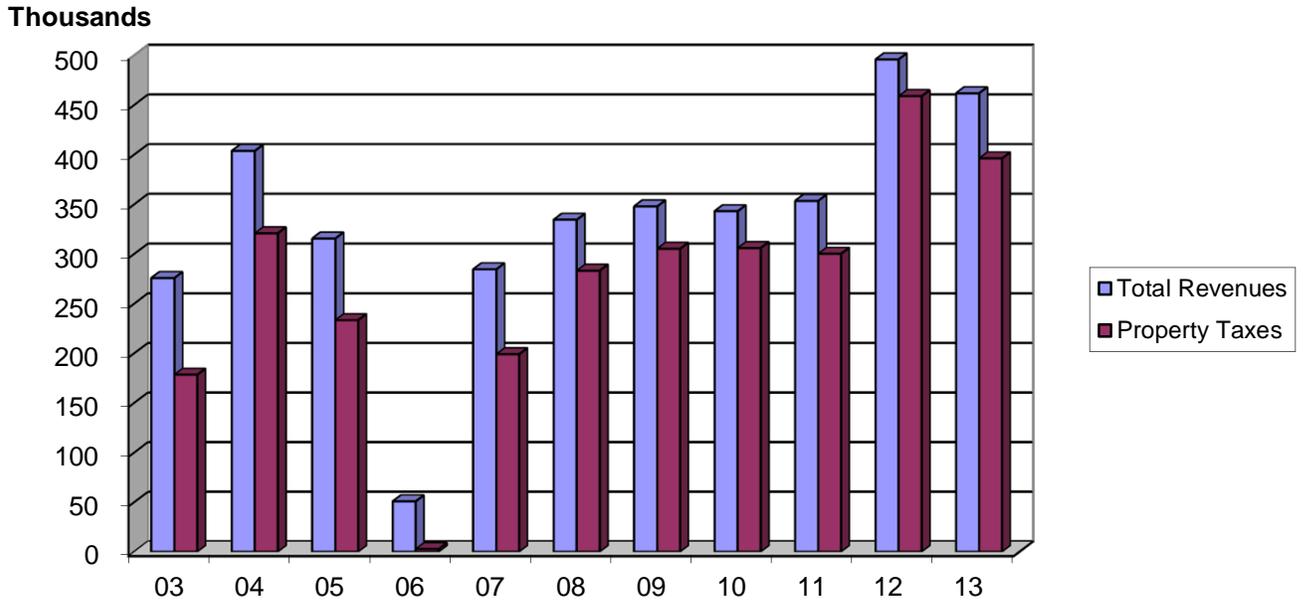


See independent auditor's report on other financial information.

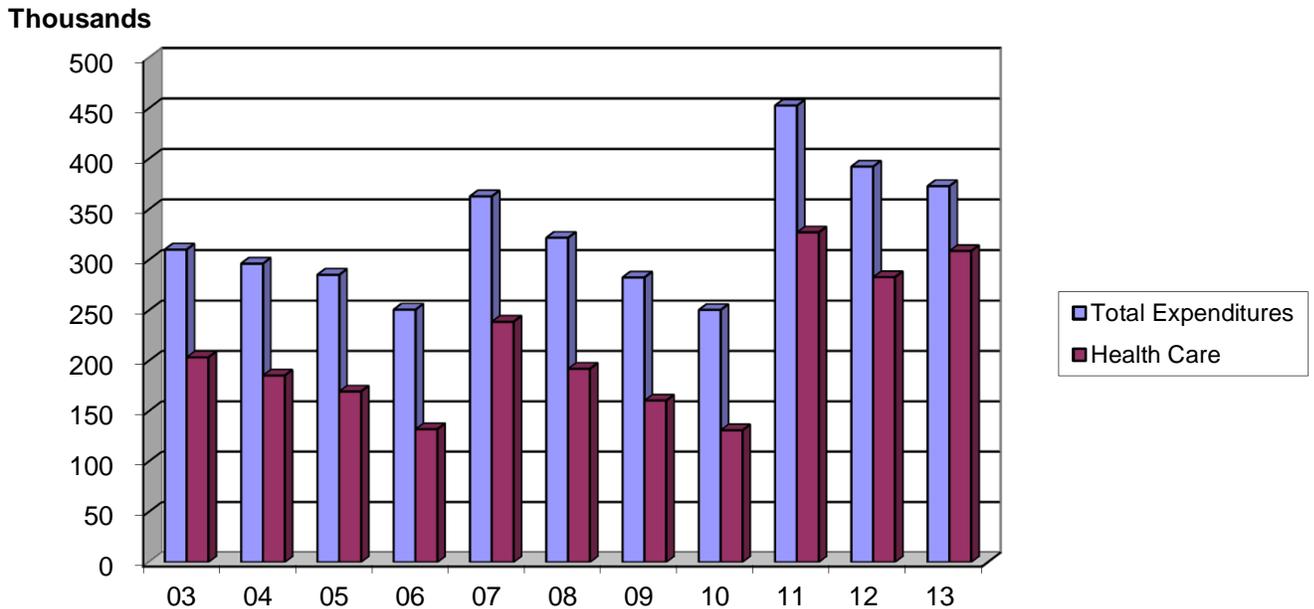
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## Charity and Indigent Revenues



## Charity and Indigent Expenditures

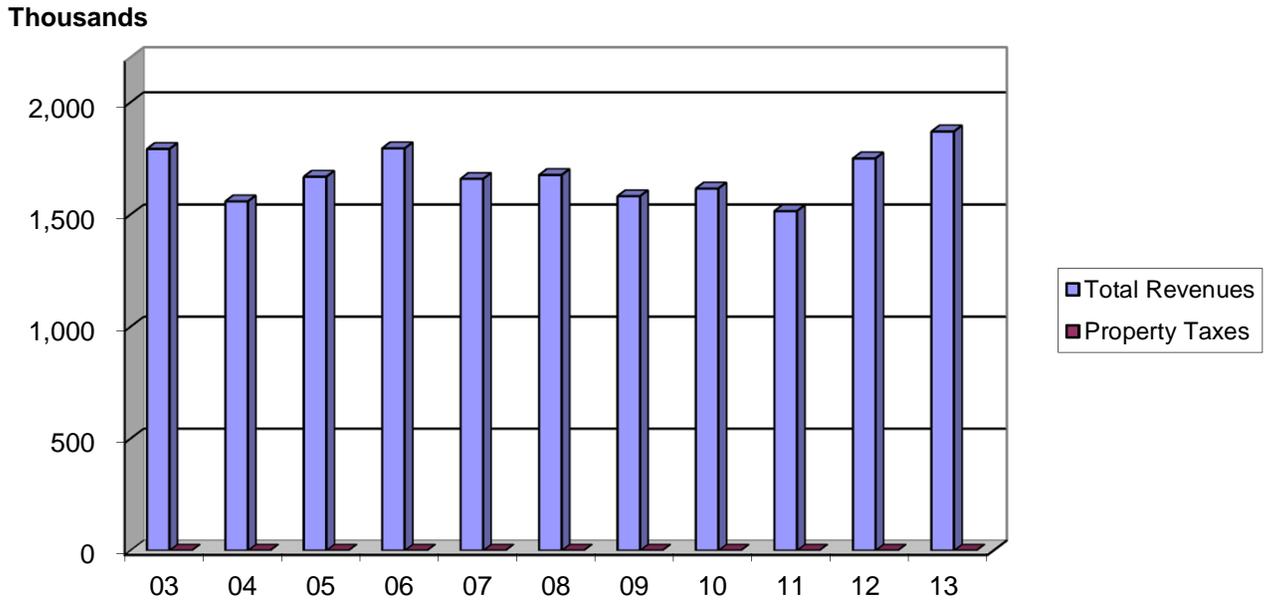


See independent auditor's report on other financial information.

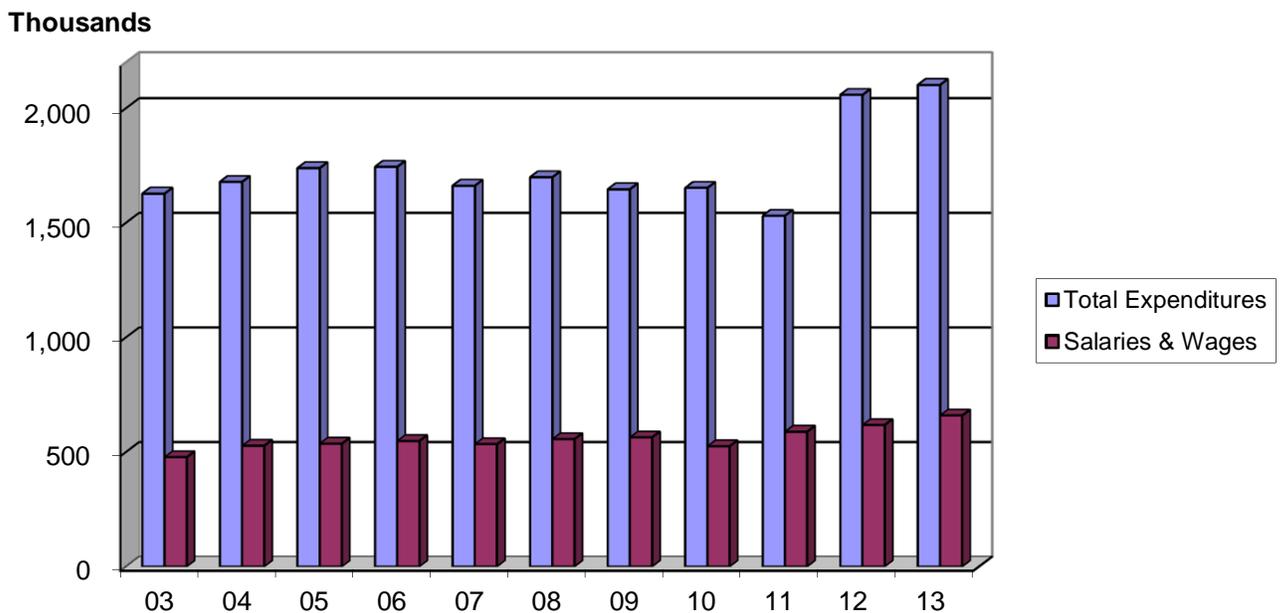
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## Road and Bridge Revenues



## Road and Bridge Expenditures

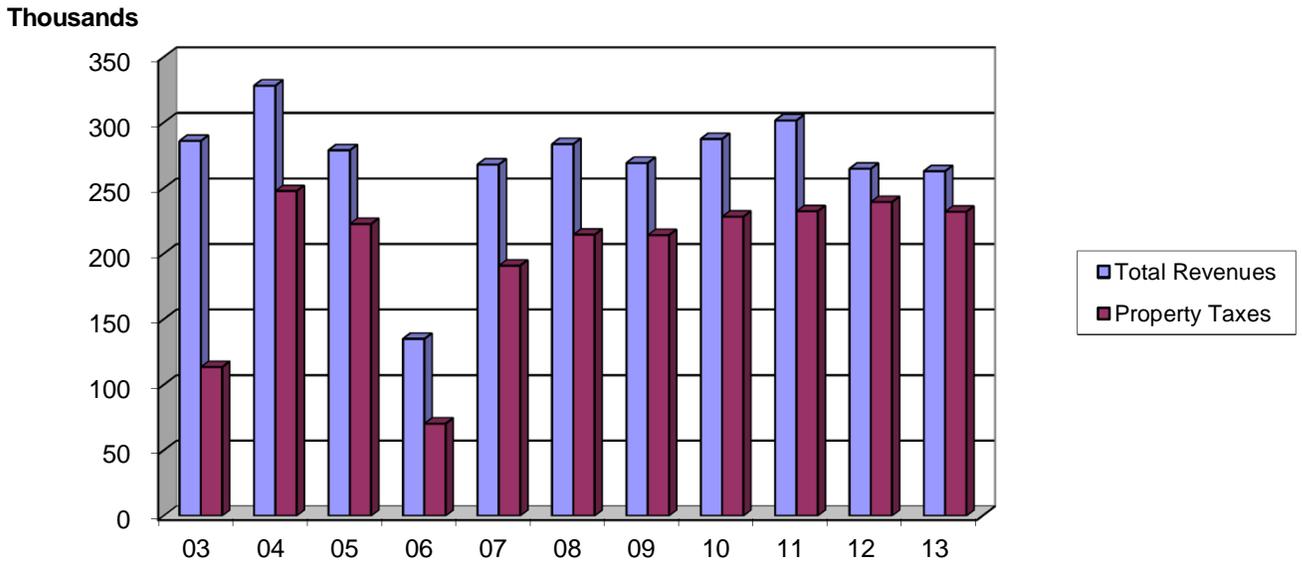


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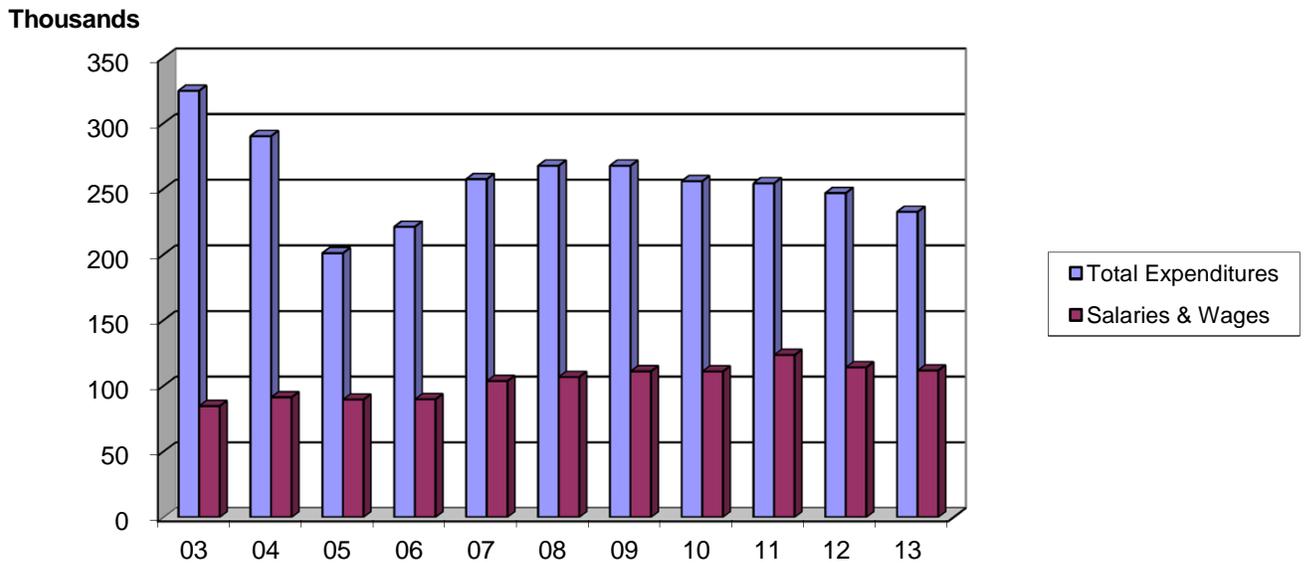
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## Noxious Weed Revenues



## Noxious Weed Expenditures

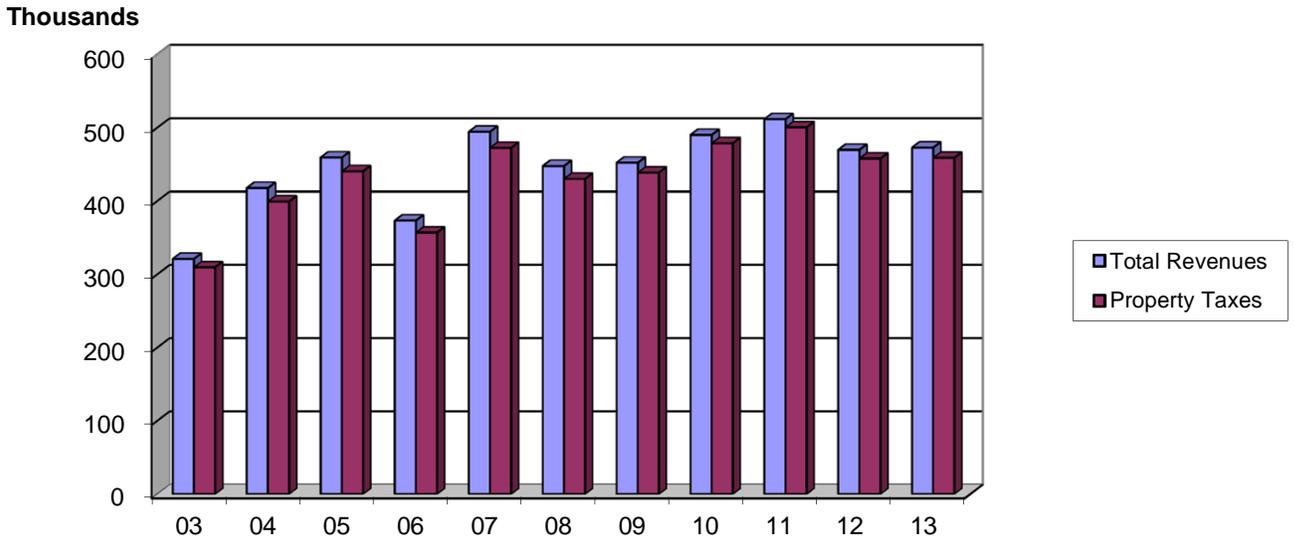


See independent auditor's report on other financial information.

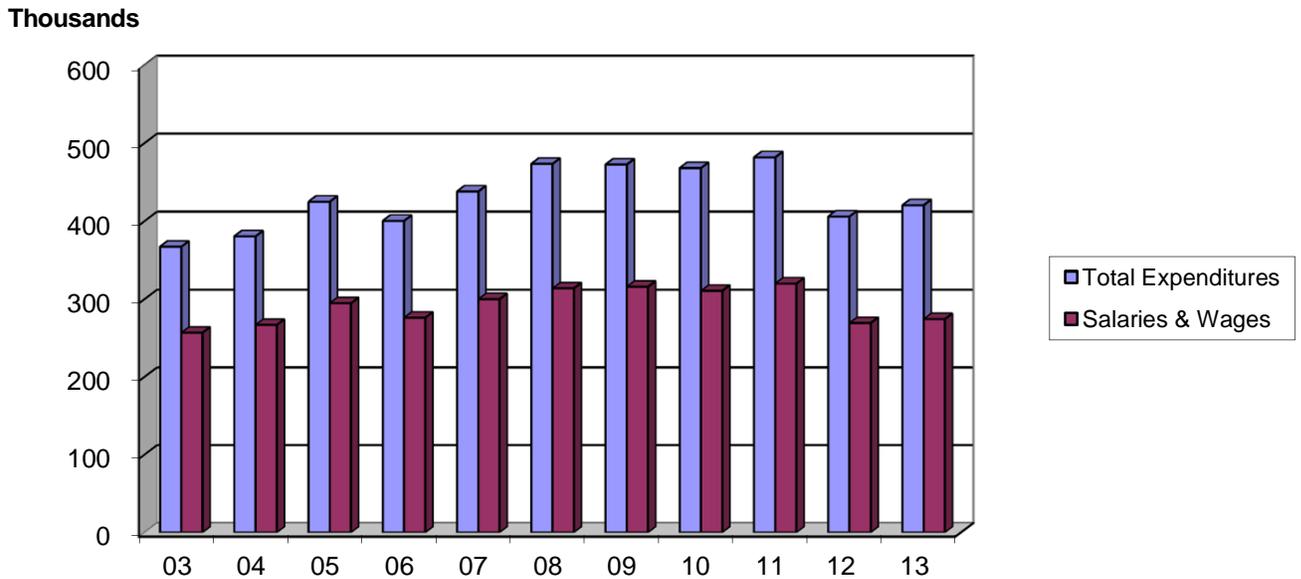
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## Revaluation Fund Revenues



## Revaluation Fund Expenditures

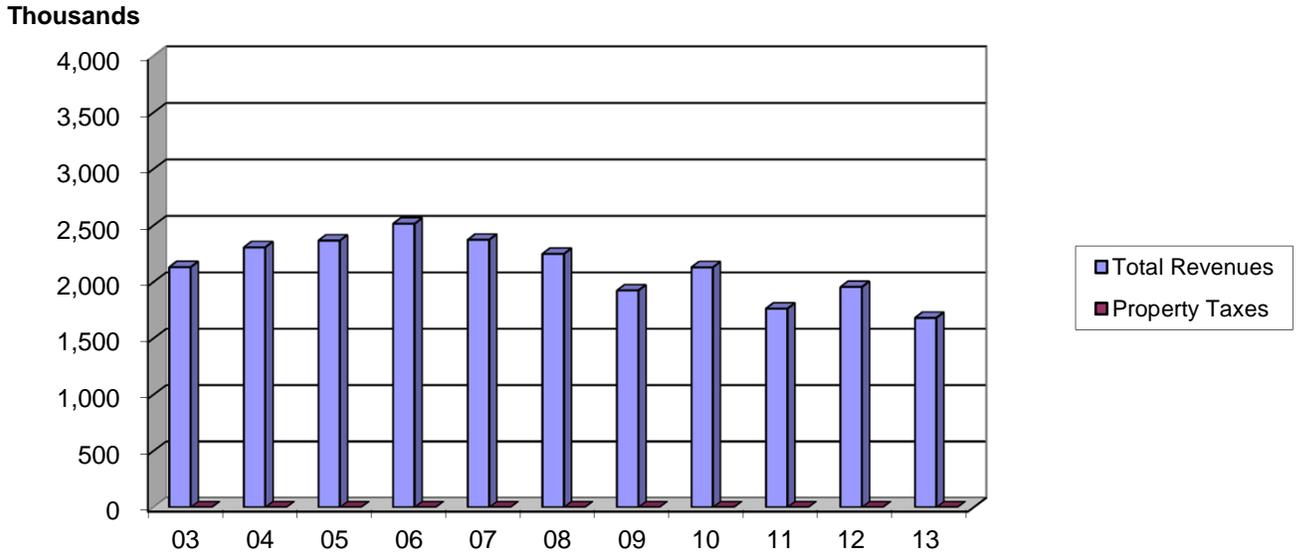


See independent auditor's report on other financial information.

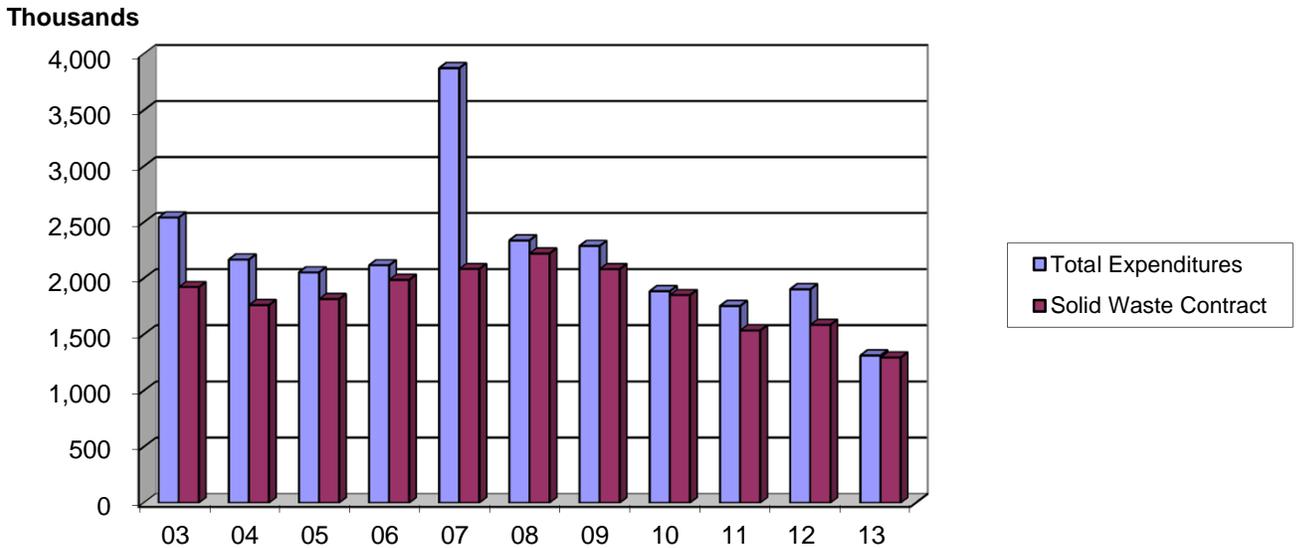
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## Solid Waste Revenues



## Solid Waste Expenditures

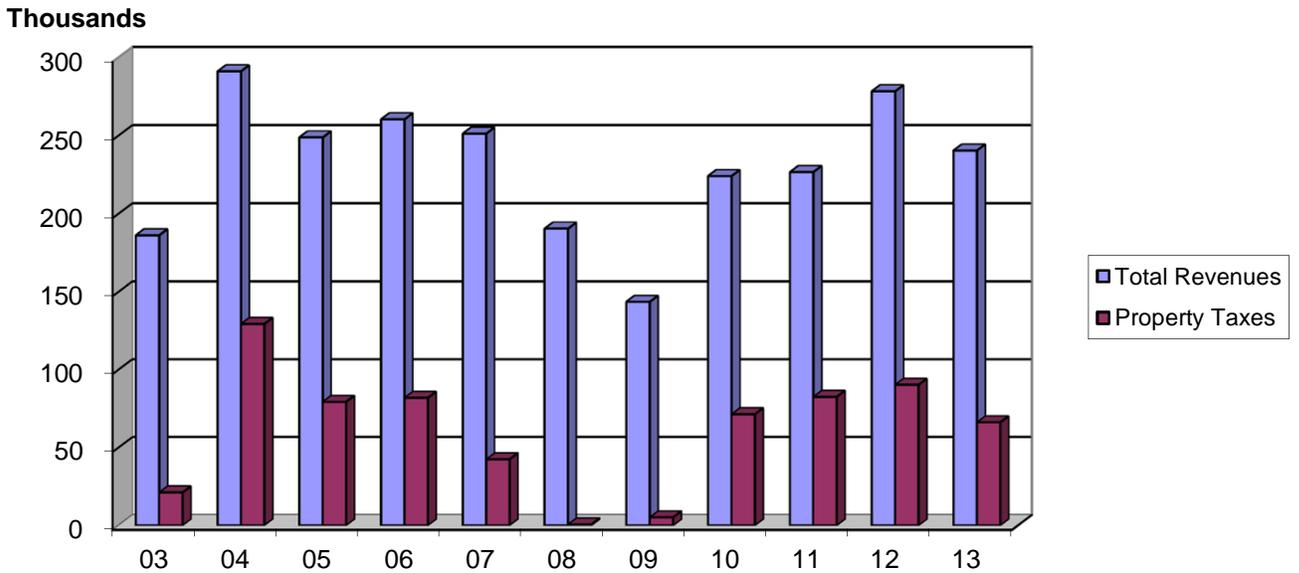


See independent auditor's report on other financial information.

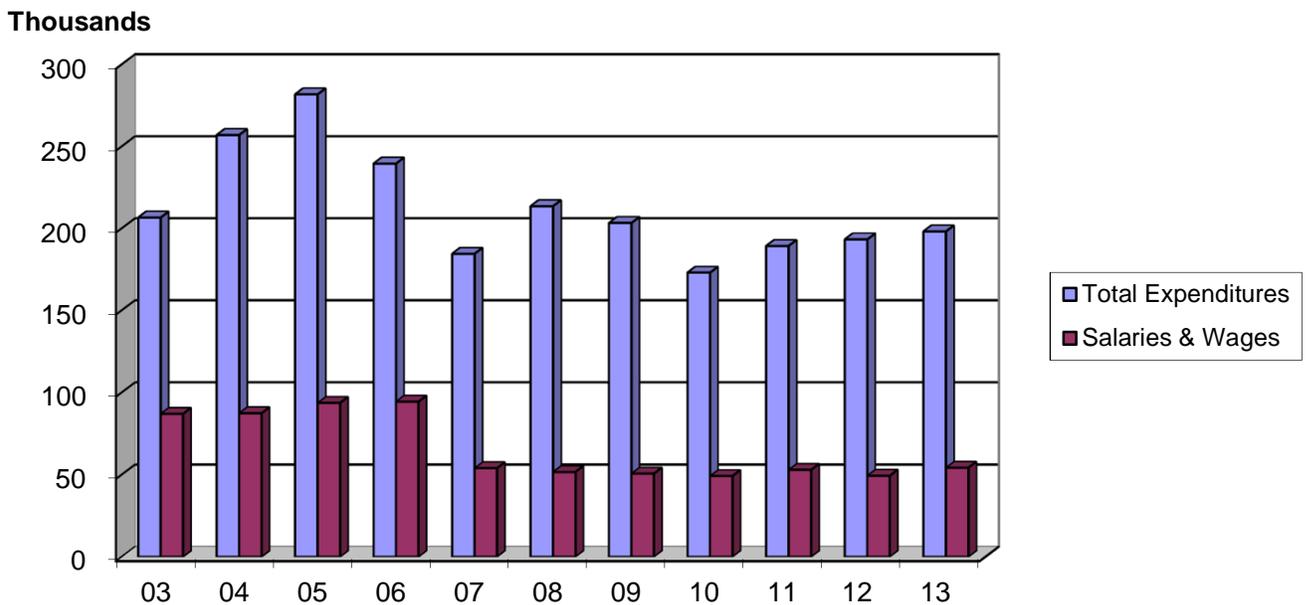
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## District Court Revenues



## District Court Expenditures

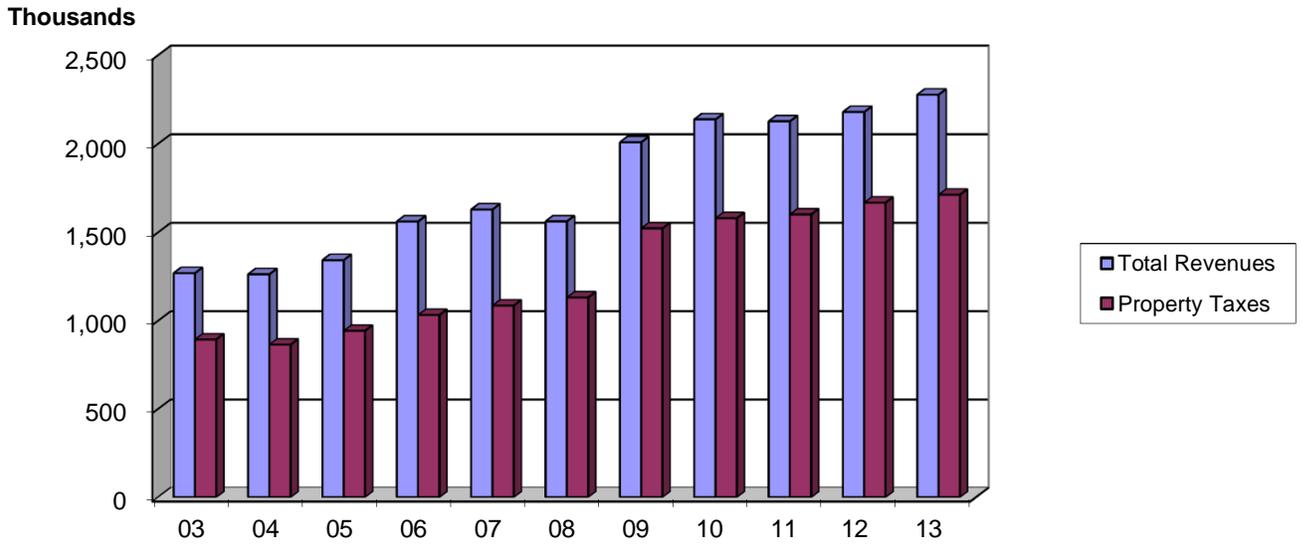


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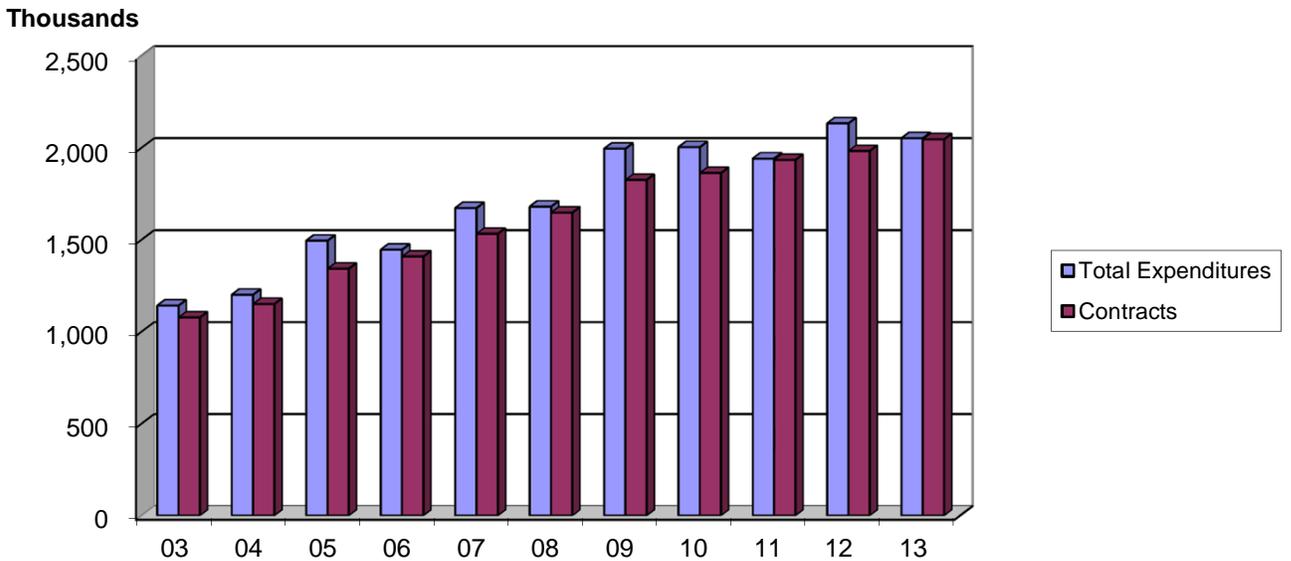
# BLAINE COUNTY, IDAHO

TEN YEAR COMPARITIVE GRAPHS - BUDGETARY DATA  
FOR THE YEAR ENDED SEPTEMBER 30, 2013

## Ambulance Revenues



## Ambulance Expenditures



See independent auditor's report on other financial information.

**BLAINE COUNTY**  
**OMB CIRCULAR A-133**  
**SUPPLEMENTARY FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013**

**OMB CIRCULAR A-133  
SUPPLEMENTARY FINANCIAL REPORT**

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& Stoker &  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

To The Board of County Commissioners  
Blaine County  
Hailey, Idaho 83333

**Report on Compliance for Each Major Federal Program**

We have audited the Blaine County's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2013. Blaine County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Blaine County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Blaine County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program***

In our opinion, Blaine County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

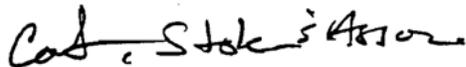
## Report on Internal Control Over Compliance

Management of Blaine County, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Blaine County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Blaine County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Condie, Stoker & Associates  
February 11, 2014

## BLAINE COUNTY, IDAHO

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2013

Description	Federal CFDA Number	Accrued (Deferred) Grant Revenue 9/30/2012	Cash/ Commodities Received 10/01/2012 thru 9/30/2013	Expenditures	Accrued (Deferred) Grant Revenue 9/30/2013
<b>Department of Homeland Security</b>					
Homeland Security Grant Program	97.067	-	74,554	53,688	(20,866)
Military Division	97.042	-	19,063	19,063	-
Pre-Disaster Mitigation	97.047	(18,120)	171,682	106,351	(83,451)
Boating Safety Financial Assistance	97.012	(23,563)	2,957	5,500	(21,020)
Total Department of Homeland Security		(41,683)	268,256	184,602	(125,337)
<b>United States Department of Justice</b>					
Juvenile Justice and Delinquency Prevention	16.540	-	2,568	2,568	-
NICS Act Record Improvement Program	16.813	-	41,376	41,376	-
State Criminal Alien Assistance Program	16.606	(24,737)	-	5,908	(18,829)
Edward Byrne Memorial Justice Assistance Grant	16.803	(2,817)	15,745	15,745	(2,817)
Juvenile Accountability Block Grants	16.523	-	10,200	10,200	-
Total United States Department of Justice		(27,554)	69,889	75,797	(21,646)
<b>Other Programs</b>					
Highway Planning and Construction*	20.205	-	154,114	166,322	12,208
Community Development Block Grant*	14.228	-	150,000	150,000	-
Energy Efficiency and Conservation Block Grant Program	81.128	(9,020)	-	9,020	-
Invasive and Noxious Plant Management	15.230	(2,218)	-	2,218	-
Cooperative Forestry Assistance	10.664	(9,292)	23,656	19,592	(13,356)
Total Other Programs		(20,530)	327,770	347,152	(1,148)
Total Federal Financial Assistance		(89,767)	665,915	607,551	(148,131)

\* Major Programs

**BLAINE COUNTY****NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013**

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**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards is a summary of the activity of the County's federal award programs presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operation of the County, it is not intended to and does not present the financial position, changes in net position of Blaine County.

**NOTE B – NON-MONETARY ASSISTANCE**

Homeland Security Equipment is reported in the schedule at the fair market value of equipment received.

**BLAINE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2013**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Blaine County.
2. No instances of noncompliance material to the financial statements were disclosed during the audit.
3. No material reportable conditions were discovered during the audit of the Major Federal Award Programs.
4. The auditor's report on compliance for the Major Federal Award Programs for Blaine County expresses an unqualified opinion.
5. The audit did not disclose any audit findings.
6. The programs tested as major programs are 20.205 Highway Planning and Construction and 14.228 Community Development Block Grant.
7. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
8. Blaine County was determined to be a low-risk Auditee.

**B. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

<u>Finding</u>	<u>Reportable Condition</u>	<u>Questioned Cost</u>
None	None	None

**C. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None