

## A Reader's Guide

### Understanding Ada County's Comprehensive Annual Financial Report (CAFR) For the Fiscal Year Ended September 30, 2019

A basic understanding of the financial statements is essential for anyone interested in public finance. This brief guide is designed to help you understand and relate to the information provided in the CAFR, as well as enhance your ability to evaluate the financial and economic information. We have provided specific examples of ways you can use the CAFR to look for answers to questions that may interest you. You will find illustrative financial statements with additional detail about interpreting the CAFR.

#### What is the purpose of the financial statements?

County government operations differ from private-sector businesses. While private-sector businesses focus on maximizing profits for investors, governments focus on providing services to all citizens. In most cases, the County does not bill citizens directly for services received. Instead, we primarily finance services with taxes, federal grants, and other fees applied generally to the public. Because citizens have little choice in paying taxes, and it is not always clear how the services received relate to the taxes paid, government has an important responsibility to demonstrate accountability to the public. Financial statements are an important way to provide this accountability.

#### Government-Wide Financial Statements

The first two financial statements in the CAFR are the government-wide financial statements---the Statement of Net Position (CAFR page 26) and the Statement of Activities (CAFR page 27). The government-wide statements provide comprehensive information about the entire government, which includes the following:

- *Government Activities* encompass most of the County's basic services, such as general government, public safety, health and human services, and recreation. Revenues from taxes, federal grants and charges for services finance most of these activities.
- *Business-Type Activities* account for operations that function in a manner similar to private business, where all or a significant portion of their costs are recovered through user fees and charges to external customers.

The government-wide statements do not include fiduciary funds, which account for resources the government manages on behalf of others and are not available to support the County's programs. The Statement of Net

Position contains information about what the County owns (assets), what the County owes (liabilities), and what is left after assets are used to satisfy liabilities (net assets) on the last day of the fiscal year (September 30). The Statement of Activities contains information about the costs of providing public services (expenses) and resources obtained to finance services (revenues) during the reported fiscal year.

#### Fund Financial Statements

Fund financial statements provide a detailed look at the individual major funds of the County and total the remaining non-major governmental funds in a single column. Fund financial statements are comprised of the following:

- *Governmental funds* report the finances of the County's most basic services. Governmental funds focus on short-term assets and liabilities and do not include capital assets or long-term debt. The governmental fund financial statements include the Balance Sheet (CAFR page 29) and the Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR page 31). The governmental fund statements also include reconciliations that identify the differences between the fund and government-wide statements (CAFR pages 30 and 32).
- *Proprietary funds* report the activities the County operates like a business, where the cost of providing goods or services is primarily financed by fees charged to the users of their services. Proprietary funds include enterprise and internal service funds. Enterprise funds report activities that provide supplies or services to the general public; internal service funds report activities that provide supplies and services for the County's programs and activities. Proprietary fund financial statements include the Statement of Net Position (CAFR page 34); Statement of Revenues, Expenses, and Changes in Fund Net Position (CAFR page 35); and Statement of Cash Flows (CAFR page 36).
- *Fiduciary funds* account for resources the County manages or holds on behalf of parties outside the County. These funds are not shown in government-wide financial statements because the resources of these funds are not available to support the County's programs. The Fiduciary funds financial statement is the Statement of Fiduciary Net Position (CAFR page 39).

## Notes to the Financial Statements

The notes to the financial statements (CAFR pages 41 - 65) provide a wide variety of detailed information about the government that is not included or readily apparent on the financial statements, such as the County's significant accounting methods and assumptions, major financial commitments, and long term debt.

### Supporting Financial Statement Information

- *An Independent Auditor's Report* (CAFR pages 10 - 12) provides reasonable assurance about whether financial statements are free of material misstatement. After thorough evaluation of the CAFR, the auditor issues an opinion regarding the statements' conformity with accounting principals generally accepted in the United States. The Ada County financial statements received an unmodified opinion, the best opinion that can be received, meaning the statements are fairly presented in all material respects.
- *Management's Discussion and Analysis* (MD&A on CAFR pages 13 - 25) gives an objective and easily read analysis of the County's financial activities based on currently known facts, decisions, or conditions. It presents short and long-term analyses of the County's activities and compares the current-year results with those of the prior year. It will help you determine whether the County's finances have improved or deteriorated during the year. It concludes with a description of currently known facts and decisions that are expected to have a significant effect on the County's future financial position and operations.
- *The Combining Financial Statements and Budget and Actual Comparisons* (CAFR pages 77 - 107) provide more detail for non-major governmental, internal service and agency funds as well as comparing what the County planned (budget) to receive and spend to what actually happened.
- *The Statistical Section* (CAFR pages 108 - 127) provides information that will help you understand the health of the County and the underlying economy. This section contains 10-year trend tables of financial, economic, and demographic data. The statistical section is often of interest to investors and creditors because the trends and non-financial factors it identifies can provide crucial insight to those assessing the County's creditworthiness.

## How You Can Use the Financial Statements

Now that you have a better understanding of the major components of the CAFR, we will show you how to use this report to analyze some of the issues that were important to Ada County citizens this past year, as follows:

- **Property Tax Revenues** – Property tax revenues of \$135.4 million for 2019 are presented on page 27 of the CAFR. Property tax revenues increased \$8.9 million from the previous fiscal year due to Ada County levying for the new construction roll and the 3% increase of base, both of which are allowed by law; as discussed in the MD&A on CAFR page 18. Additional data may be found on Schedules 2 & 4 - 8 of the Statistical Section (CAFR pages 110 – 111 & 113 - 117).
- **Sales Tax Revenue** – Sales tax revenues from the State of \$25.2 million for 2019 are presented on page 27 of the CAFR. An increase of \$1.8 million from the year before reflects the growing economy. Additional sales tax data may be found on Schedule 2 of the Statistical Section (CAFR pages 110 - 111)
- **Budgetary Compliance** – Idaho Constitution Article VII, stipulates that municipalities cannot spend more money than they have been appropriated, unless specifically authorized. Budgetary controls are incorporated into the County's financial systems to ensure expenditures do not exceed authorized appropriations. You can compare Ada County's approved budget with the actual expenditures for the General and Health and Welfare funds in CAFR pages 66 - 70. Comparisons between budget and actual amounts for the non-major governmental funds are on CAFR pages 81 - 97. Details about the County's budget process can be found in the Notes to Required Supplementary Information (CAFR pages 71 and 72).

**Ada County  
Statement of Net Position  
September 30, 2019**

The Statement of Net Position reports what the government owns (assets), owes (liabilities), and what is left after assets are used to satisfy liabilities (net assets) at a specific point in time (September 30, the fiscal year-end).

Governmental Activities cover traditional activities of county government such as public safety, health and human services, and recreation. They are financed through taxes, federal grants, fees, interest and other shared governmental revenues.

Business-type Activities provide services that are primarily financed by charging a fee directly to the users of the service such as EMS, Expo Idaho, Billing Services and Solid Waste.

Assets are presented in order of how readily they can be converted to cash. Cash is the most liquid; capital assets are least liquid.

Internal balances consist of short-term receivables and payables for activities occurring within the County.

Most capital assets are shown at their original purchase/construction cost, less annual depreciation charges accumulated over time. However, land and roadways are not depreciated. More information on capital assets and depreciation can be found in the Notes and Required Supplementary Information sections.

Deferred outflows of resources is a consumption of net position that is applicable to a future reporting period: the effect is positive, similar to an asset but is not an asset.

Liabilities are shown in order of maturity or when cash is expected to be used to pay them.

Unavailable/advanced revenues are resources received that have not yet met the criteria for being recorded as revenues.

The Notes provide information about the major types of long-term liabilities, purpose of liability, beginning and ending balances, and how major categories of liabilities have changed during the previous year.

Deferred inflows is an acquisition of net position that is applicable to a future reporting period - it has a negative effect similar to a liability, but is not a liability.

Constraints on the use of net position that are externally imposed by creditors, grantors, contributors, or state law through the *Idaho Constitution* or legislation are listed separately as "restricted" to show net position that is not available to support primary government programs.

Unrestricted net position may be used at the County's discretion but often have limitations on use based on state statutes.

Total assets + deferred outflows - total liabilities - deferred inflows = total net position \$563,839,102 + \$11,654,688 - \$99,340,069 - \$166,036,929 = \$310,116,792

|   | <b>Primary Government</b>      |                                 |                       |
|---|--------------------------------|---------------------------------|-----------------------|
|   | <b>Governmental Activities</b> | <b>Business-type Activities</b> | <b>Total</b>          |
| <b>ASSETS</b>                               |                                |                                 |                       |
| Cash and cash equivalents                   | \$ 37,975,135                  | \$ 6,166,856                    | \$ 44,141,991         |
| Investments                                 | 129,280,669                    | 37,600,925                      | 166,881,594           |
| Receivables, net                            | 153,186,730                    | 10,649,747                      | 163,836,477           |
| Internal balances                           | (3,920,258)                    | 3,920,258                       | -                     |
| Accrued interest receivable                 | 460,532                        | 125,181                         | 585,713               |
| Capital assets, net of depreciation:        |                                |                                 |                       |
| Land, not depreciated                       | 7,848,014                      | 5,092,482                       | 12,940,496            |
| Land improvements                           | 854,587                        | 41,028,758                      | 41,883,345            |
| Building                                    | 95,936,603                     | 10,028,109                      | 105,964,712           |
| Infrastructure                              | 3,164,255                      | 3,725,207                       | 6,889,462             |
| Vehicles                                    | 2,802,419                      | 912,231                         | 3,714,650             |
| Machinery & equipment                       | 11,261,308                     | 1,586,380                       | 12,847,688            |
| Intangible Software                         | 1,135,472                      | -                               | 1,135,472             |
| Leased Assets                               | 826,019                        | -                               | 826,019               |
| Construction in progress                    | 2,191,483                      | -                               | 2,191,483             |
| Capital assets, net                         | <u>126,020,160</u>             | <u>62,373,167</u>               | <u>188,393,327</u>    |
| <b>Total assets</b>                         | <u>443,002,968</u>             | <u>120,836,134</u>              | <u>563,839,102</u>    |
| <b>DEFERRED OUTFLOWS</b>                    |                                |                                 |                       |
| Pension                                     | <u>10,904,388</u>              | <u>750,300</u>                  | <u>11,654,688</u>     |
| <b>LIABILITIES</b>                          |                                |                                 |                       |
| Accounts payable                            | 15,320,351                     | 3,136,280                       | 18,456,631            |
| Accrued interest                            | 16,579                         | -                               | 16,579                |
| Unavailable/advanced revenue                | 63,198                         | 214,207                         | 277,405               |
| Long-term liabilities:                      |                                |                                 |                       |
| Due within one year                         | 7,597,960                      | 28,746                          | 7,626,706             |
| Due in more than one year-other liabilities | 10,909,953                     | 25,142,426                      | 36,052,379            |
| Pension liability                           | 33,391,537                     | 3,518,832                       | 36,910,369            |
| <b>Total liabilities</b>                    | <u>67,299,578</u>              | <u>32,040,491</u>               | <u>99,340,069</u>     |
| <b>DEFERRED INFLOWS</b>                     |                                |                                 |                       |
| Pension                                     | 141,178,994                    | 6,664,912                       | 147,843,906           |
| Property tax                                | 16,847,977                     | 1,345,046                       | 18,193,023            |
| <b>Total deferred inflows</b>               | <u>158,026,971</u>             | <u>8,009,958</u>                | <u>166,036,929</u>    |
| <b>NET POSITION</b>                         |                                |                                 |                       |
| Net investment in capital assets            | 124,812,980                    | 62,373,167                      | 187,186,147           |
| Restricted for:                             |                                |                                 |                       |
| Grant Programs                              | 4,015,293                      | -                               | 4,015,293             |
| Consolidated Elections                      | 560,895                        | -                               | 560,895               |
| Court Functions                             | 5,749,598                      | -                               | 5,749,598             |
| Public Safety                               | 6,794,338                      | -                               | 6,794,338             |
| Weed/Pest/Mosquito Abatement                | 3,688,043                      | -                               | 3,688,043             |
| Welfare and Public Health                   | 139,456                        | -                               | 139,456               |
| Community Infrastructure                    | 607,926                        | -                               | 607,926               |
| Unrestricted                                | 82,212,278                     | 19,162,818                      | 101,375,096           |
| <b>Total net position</b>                   | <u>\$ 228,580,807</u>          | <u>\$ 81,535,985</u>            | <u>\$ 310,116,792</u> |

The notes to the financial statements are an integral part of this statement.

The Statement of Activities contains information about costs of providing services (expenses) and resources obtained to finance services (revenues) during the current fiscal year.

Program revenues display the extent to which programs are self-funded. Program revenues are categorized as charges for services, grants, and contributions. Program revenues reduce the net expense of functions/programs to the public.

**Ada County  
Statement of Activities  
For the Year Ended September 30, 2019**

This column shows the full cost of the program.

**Program Revenues**

Operating Grants and Contributions  
Capital Grants & Contributions

**Net (Expense) Revenue and Changes in Net Position  
Primary Government**

Governmental Activities  
Business-Type Activities  
Total

Functions show the major programs for which the County spends resources.

| Functions/Programs             |
|--------------------------------|
| <b>Primary government:</b>     |
| Governmental activities:       |
| General government             |
| Sanitation                     |
| Public safety                  |
| Health and welfare             |
| Recreational and cultural      |
| Community infrastructure       |
| Interest on long-term debt     |
| Total governmental activities  |
| Business-type activities:      |
| Emergency Medical Services     |
| Solid Waste Management         |
| Western Idaho Fair             |
| Billing Services               |
| Total business-type activities |
| Total primary government       |

| Expenses              | Charges for Services | Operating Grants and Contributions | Capital Grants & Contributions |
|-----------------------|----------------------|------------------------------------|--------------------------------|
| \$ 90,955,638         | \$ 12,687,153        | \$ 108,792                         | \$ 279,852                     |
| 2,625,139             | 317,705              | 11,633                             | -                              |
| 98,259,839            | 26,414,347           | 3,027,187                          | 204,031                        |
| 11,927,361            | 994,776              | -                                  | -                              |
| 1,471,166             | 415,705              | -                                  | -                              |
| 308,848               | -                    | -                                  | -                              |
| 162,624               | -                    | -                                  | -                              |
| <u>205,710,615</u>    | <u>40,829,686</u>    | <u>3,147,612</u>                   | <u>483,883</u>                 |
| 16,642,912            | 10,032,109           | 57,652                             | 100,771                        |
| 11,074,010            | 13,360,539           | -                                  | -                              |
| 4,878,088             | 5,716,222            | -                                  | -                              |
| 5,552,349             | 5,927,366            | -                                  | -                              |
| <u>38,147,359</u>     | <u>35,036,236</u>    | <u>57,652</u>                      | <u>100,771</u>                 |
| <u>\$ 243,857,974</u> | <u>\$ 75,865,922</u> | <u>\$ 3,205,264</u>                | <u>\$ 584,654</u>              |

| Governmental Activities | Business-Type Activities | Total                |
|-------------------------|--------------------------|----------------------|
| \$ (77,879,841)         | \$ -                     | \$ (77,879,841)      |
| (2,295,801)             | -                        | (2,295,801)          |
| (68,614,274)            | -                        | (68,614,274)         |
| (10,932,585)            | -                        | (10,932,585)         |
| (1,055,461)             | -                        | (1,055,461)          |
| (308,848)               | -                        | (308,848)            |
| (162,624)               | -                        | (162,624)            |
| <u>(161,249,434)</u>    | <u>-</u>                 | <u>(161,249,434)</u> |
| -                       | (6,452,380)              | (6,452,380)          |
| -                       | 2,286,529                | 2,286,529            |
| -                       | 838,134                  | 838,134              |
| -                       | 375,017                  | 375,017              |
| <u>-</u>                | <u>(2,952,700)</u>       | <u>(2,952,700)</u>   |
| <u>(161,249,434)</u>    | <u>(2,952,700)</u>       | <u>(164,202,134)</u> |

Are programs self supporting?  
The total is obtained by subtracting program revenues from expenses. A (negative) figure indicates the portion of program expenses not covered by program revenues; therefore, the program was partially financed with tax revenues and other general revenues, which are shown on the bottom half of this statement. A positive figure indicates that program revenues exceeded program expenses, making a net contribution to governmental revenues.

An example of how this statement works: The total cost of the County's Public safety was \$98.3 million. The County raised \$26.4 million from charges for services, and received \$3.2 million of operating and capital grants and contributions. When program revenues are subtracted from expenses for Public Safety, a net expense of \$68.6 million is left. This is the portion of Public safety costs financed with taxes and other general revenues, rather than being financed by the revenues generated by the services themselves.

| General revenues:  |
|--|
| Taxes:   |
| Property taxes, levied for general purposes                  |
| Sales taxes  |
| Grants and contributions not restricted to specific programs |
| Interest and investment earnings                             |
| Miscellaneous  |
| Transfers  |
| Total general revenues and transfers                         |
| Change in net assets   |
| Net position - beginning                                     |
| Net position - ending  |

|                       |                      |                       |
|-----------------------|----------------------|-----------------------|
| 129,149,791           | 6,293,016            | 135,442,807           |
| 24,899,754            | 340,702              | 25,240,456            |
| 10,017,395            | -                    | 10,017,395            |
| 6,017,269             | 1,465,125            | 7,482,394             |
| 2,189,821             | (65,818)             | 2,124,003             |
| 175,000               | (175,000)            | -                     |
| <u>172,449,030</u>    | <u>7,858,025</u>     | <u>180,307,055</u>    |
| 11,199,596            | 4,905,325            | 16,104,921            |
| 217,381,211           | 76,630,660           | 294,011,871           |
| <u>\$ 228,580,807</u> | <u>\$ 81,535,985</u> | <u>\$ 310,116,792</u> |

Did the County's financial position improve or deteriorate during the fiscal year?  
The change in net position indicates whether sufficient resources were raised during the year to cover the costs. The net position of governmental activities increased by \$11.2 million, and business-type activities net position increased by \$4.9 million.

The notes to the financial statements are an integral part of this statement.

**ADA COUNTY  
Balance Sheet  
Governmental Funds  
September 30, 2019**

The governmental fund balance sheet serves a purpose similar to the Statement of Net Position. This statement reports what is owned or controlled and what is owed by governmental funds. However, the focus is on short-term, rather than long-term, assets and liabilities.

Governmental funds present current financial resources which do not include capital assets or long-term debt. Current financial resources are generally turned into cash or consumed within a year.

Governmental funds report unavailable/advanced revenues in connection with receivables that aren't available to liquidate liabilities of the current period. See detail in Notes, CAFR page 51.

Deferred inflows is an acquisition of net position that is applicable to a future reporting period - it has a negative effect similar to a liability, but is not a liability.

Restricted fund balances are the portion of a governmental fund's balance that is not available for spending in the subsequent year's budget due to grant or enabling legislation.

This statement presents the County's most significant or 'major' funds individually and aggregates other funds in a single column.

To see the detail of the different funds that make up Other Governmental Funds, turn to the combining financial statements on CAFR pages 77-78.

**ASSETS**

|   |                       |
|---|-----------------------|
| Cash  | \$ 11,474,137         |
| Investments                                     | 63,771,177            |
| Accounts receivable                             | 157,699               |
| Property tax receivable                         | 113,998,893           |
| Accrued interest receivable                     | 350,467               |
| Due from other funds                            | 289,396               |
| Due from other agencies and units of government | 9,312,898             |
| <b>Total assets</b>                             | <b>\$ 199,354,667</b> |

| General Fund          | Charities and Welfare | Other Governmental Funds | Total Governmental Funds |
|-----------------------|-----------------------|--------------------------|--------------------------|
| \$ 11,474,137         | \$ 1,815,314          | \$ 20,893,912            | \$ 34,183,363            |
| 63,771,177            | 11,121,351            | 31,886,193               | 106,778,721              |
| 157,699               | -                     | 292,357                  | 450,056                  |
| 113,998,893           | 8,103,361             | 21,011,575               | 143,113,829              |
| 350,467               | -                     | 36,326                   | 386,793                  |
| 289,396               | -                     | 17,515                   | 306,911                  |
| 9,312,898             | -                     | 309,947                  | 9,622,845                |
| <b>\$ 199,354,667</b> | <b>\$ 21,040,026</b>  | <b>\$ 74,447,825</b>     | <b>\$ 294,842,518</b>    |

**LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES**

Liabilities:

|                               |                  |
|-------------------------------|------------------|
| Accounts payable              | \$ 9,536,578     |
| Due to other funds            | 14,007           |
| Unavailable/advanced revenues | -                |
| Accrued liabilities           | -                |
| <b>Total liabilities</b>      | <b>9,550,585</b> |

|                  |                  |                  |                   |
|------------------|------------------|------------------|-------------------|
| \$ 9,536,578     | \$ 1,205,118     | \$ 2,485,349     | \$ 13,227,045     |
| 14,007           | -                | 59,761           | 73,768            |
| -                | -                | 63,198           | 63,198            |
| -                | 2,305,506        | -                | 2,305,506         |
| <b>9,550,585</b> | <b>3,510,624</b> | <b>2,608,308</b> | <b>15,669,517</b> |

**DEFERRED INFLOWS**

|              |             |
|--------------|-------------|
| Property tax | 113,998,893 |
|--------------|-------------|

|             |           |            |             |
|-------------|-----------|------------|-------------|
| 113,998,893 | 8,103,361 | 21,011,575 | 143,113,829 |
|-------------|-----------|------------|-------------|

**FUND BALANCES:**

|                                   |                   |
|-----------------------------------|-------------------|
| Restricted for:                   |                   |
| Grants                            |                   |
| Juvenile court services           | 3,059,225         |
| Sheriff                           | 470,889           |
| Public Defender                   | 485,179           |
| Enabling Legislation              |                   |
| Public health services            | -                 |
| Weed/Pest/Mosquito                | -                 |
| Alternative courts and monitoring | -                 |
| Emergency communications          | -                 |
| Consolidated elections            | -                 |
| Community Infrastructure          | -                 |
| Assigned for:                     |                   |
| General government                |                   |
| Administration                    | 1,550,000         |
| Computer services                 | 1,619,574         |
| Appraisal/Land record             | -                 |
| Public safety                     |                   |
| Juvenile court services           | 306,153           |
| Emergency management              | -                 |
| Judicial services                 |                   |
| Public Defender                   | 150,000           |
| District court and monitoring     | -                 |
| Health and welfare                |                   |
| Indigent services                 | -                 |
| Recreation and culture            |                   |
| Parks and Waterways               | -                 |
| Capital projects                  |                   |
| All other capital projects        | -                 |
| Unassigned:                       | 68,164,169        |
| <b>Total fund balances</b>        | <b>75,805,189</b> |

|                   |                  |                   |                    |
|-------------------|------------------|-------------------|--------------------|
| -                 | -                | -                 | 3,059,225          |
| -                 | -                | -                 | 470,889            |
| -                 | -                | -                 | 485,179            |
| -                 | -                | 139,456           | 139,456            |
| -                 | -                | 3,693,887         | 3,693,887          |
| -                 | -                | 5,785,970         | 5,785,970          |
| -                 | -                | 6,841,546         | 6,841,546          |
| -                 | -                | 561,264           | 561,264            |
| -                 | -                | 607,853           | 607,853            |
| -                 | -                | -                 | -                  |
| 1,550,000         | -                | -                 | 1,550,000          |
| 1,619,574         | -                | -                 | 1,619,574          |
| -                 | -                | 2,523,728         | 2,523,728          |
| 306,153           | -                | -                 | 306,153            |
| -                 | -                | 560,856           | 560,856            |
| -                 | -                | -                 | -                  |
| 150,000           | -                | -                 | 150,000            |
| -                 | -                | 7,338,038         | 7,338,038          |
| -                 | 9,426,041        | -                 | 9,426,041          |
| -                 | -                | 1,962,977         | 1,962,977          |
| -                 | -                | 20,812,367        | 20,812,367         |
| 68,164,169        | -                | -                 | 68,164,169         |
| <b>75,805,189</b> | <b>9,426,041</b> | <b>50,827,942</b> | <b>136,059,172</b> |

**Total liabilities, deferred inflows and fund balances**

|                       |                      |                      |  |
|-----------------------|----------------------|----------------------|--|
| <b>\$ 199,354,667</b> | <b>\$ 21,040,026</b> | <b>\$ 74,447,825</b> |  |
|-----------------------|----------------------|----------------------|--|

**Ada County**

**Reconciliation of the Governmental Funds Balance Sheet**

**To the Statement of Net Position  
September 30, 2019**

This reconciliation shows the reasons that total fund balances on the governmental fund Balance Sheet differ from total net position for governmental activities on the government-wide Statement of Net Position.

**Total Fund Balances - Governmental Funds**

\$ 136,059,172 ←

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. These assets consist of the following:

|                          |                      |   |
|--------------------------|----------------------|---|
| Land                     | 7,848,014            | } The largest difference between the government-wide and governmental fund statements is that fund statements do not report capital assets, such as land, buildings, etc. |
| Land Improvements        | 3,398,867            |   |
| Building                 | 183,527,756          |   |
| Infrastructure           | 5,538,974            |   |
| Vehicles                 | 9,337,583            |   |
| Intangible Software      | 1,524,653            |   |
| Machinery and Equipment  | 39,632,332           |   |
| Construction in Progress | 2,191,483            |   |
| Leased Assets            | 2,293,815            |   |
| Accumulated Depreciation | <u>(129,273,317)</u> |   |
| Total Capital Assets     |                      | 126,020,160   |

Some of the County's revenue will be collected after year-end but is not available soon enough to pay for the current period's expenditures and therefore is considered unavailable in the funds. Delinquent property tax is considered unavailable: 1,934,835

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Position. These liabilities consist of the following:

|                           |                    |  |
|---------------------------|--------------------|--|
| Net Pension Liability     | (33,391,537)       | } The governmental fund Balance Sheet does not report long-term liabilities; the government-wide Statement of Net Position does. |
| Accrued Interest of Bonds | (16,579)           |  |
| Lease Payable             | (1,207,180)        |  |
| Bonds Payable             | (2,391,487)        |  |
| Compensated Absences      | <u>(6,480,420)</u> |  |
|                           |                    | (43,487,203)   |

Deferred outflows and inflows of resources related to pensions are applicable to future periods, and therefore, are not reported in the funds

|   |                  |  |
|---|------------------|--|
| Deferred outflows of resources related to pensions: |                  | } The governmental fund Balance Sheet does not report deferred outflow of resources; the government-wide Statement of Net Position does. |
| Differences between expected and actual experience  | 3,485,022        |  |
| Changes of assumptions                              | 1,849,356        |  |
| Contributions made subsequent to measurement date   | 3,316,953        |  |
| Change in proportionate share                       | <u>2,253,057</u> |  |
|   |                  | 10,904,388   |

|   |                    |   |
|---|--------------------|---|
| Deferred inflows of resources related to pensions:  |                    | } The governmental fund Balance Sheet does not report deferred inflow of resources; the government-wide Statement of Net Position does. |
| Net difference between projected and actual investment earnings on pension plan investments | (11,763,714)       |   |
| Differences between expected and actual experience  | (3,942,219)        |   |
| Changes in proportionate share  | <u>(1,142,044)</u> |   |
|   |                    | (16,847,977)  |

Internal service funds are used by management to charge the costs of health and liability insurance to individual funds and are reported separately from governmental funds in the fund statements. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. 13,997,432

**Total Net Position - Governmental Activities**

\$ 228,580,807 ←

The notes to the financial statements are an integral part of this statement.

The governmental funds total fund balance of \$136.1 million (see CAFR page 29) reconciles to the \$228.6 million total of the governmental activities net position reported on government-wide Statement of Net Position (see CAFR page 26). The difference between these numbers can be seen on this reconciliation which primarily shows that the governmental funds report short-term financial information, whereas the government-wide statements report both short-term and long-term information.

This statement and other similar operating statements (such as the Statement of Activities) contain information on revenues and expenditures occurring during the fiscal year; by contrast, balance sheets and net position statements contain data as of a single point in time - the end of the fiscal year.

**Ada County  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended September 30, 2019**

Several funds make up the Other Governmental column. To see greater detail of the individual funds summarized in this column, turn to the combining financial statements on CAFR pages 79-80.

This statement shows the flow of short-term resources into and out of the County. In governmental funds, revenues are included only if cash is received during the year or within 30 days of the end of the fiscal year. Revenues are reported by major source.

Expenditures generally are recorded when the County has received the goods or services and payment is due and payable. The expenditures are listed by major functional category.

Capital Outlay shows the purchase, construction, and improvement of capital assets. This amount is different than that of the government-wide statements, which adds the cost to the capital account on the Statement of Net Position and subtracts the cost over the useful life of the asset in the form of depreciation expense.

|  | General Fund         | Charities and Welfare | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|-----------------------|--------------------------|--------------------------|
| <b>REVENUES</b>  |                      |                       |                          |                          |
| Taxes  | \$ 101,953,871       | \$ 6,817,828          | \$ 20,192,312            | \$ 128,964,011           |
| Licenses and permits                                     | 1,472,954            | -                     | 257,073                  | 1,730,027                |
| Fines and forfeitures                                    | 723,066              | -                     | 1,300,018                | 2,023,084                |
| Charges for services                                     | 26,987,037           | 994,776               | 9,094,762                | 37,076,575               |
| Intergovernmental  | 33,743,423           | 3,610                 | 4,801,611                | 38,548,644               |
| Interest income  | 2,635,368            | 392,846               | 1,272,949                | 4,301,163                |
| Net increase (decrease) in the fair value of investments | 446,203              | 92,389                | 282,967                  | 821,559                  |
| Miscellaneous  | 2,534,913            | 227,131               | 1,101,044                | 3,863,088                |
| <b>Total revenues</b>                                    | <b>170,496,835</b>   | <b>8,528,580</b>      | <b>38,302,736</b>        | <b>217,328,151</b>       |
| <b>EXPENDITURES</b>                                      |                      |                       |                          |                          |
| Current:   |                      |                       |                          |                          |
| General government                                       | 64,324,883           | -                     | 20,365,089               | 84,689,972               |
| Public safety  | 87,286,621           | -                     | 5,977,592                | 93,264,213               |
| Sanitation   | -                    | -                     | 2,308,217                | 2,308,217                |
| Health and welfare                                       | -                    | 10,041,615            | 2,125,775                | 12,167,390               |
| Recreational and cultural                                | -                    | -                     | 1,079,203                | 1,079,203                |
| Community infrastructure                                 | -                    | -                     | 685,622                  | 685,622                  |
| Capital outlay   | 4,306,324            | 46,670                | 2,863,537                | 7,216,531                |
| Debt service:  |                      |                       |                          |                          |
| Principal retirement                                     | 114,561              | -                     | 773,173                  | 887,734                  |
| Interest and other debt charges                          | 9,637                | -                     | 153,247                  | 162,884                  |
| <b>Total expenditures</b>                                | <b>156,042,026</b>   | <b>10,088,285</b>     | <b>36,331,455</b>        | <b>202,461,766</b>       |
| Excess (deficiency) of revenues over expenditures        | 14,454,809           | (1,559,705)           | 1,971,281                | 14,866,385               |
| <b>OTHER FINANCING SOURCES (USES)</b>                    |                      |                       |                          |                          |
| Transfers in   | 2,192,211            | -                     | 4,512,531                | 6,704,742                |
| Transfers (out)  | (4,512,531)          | (485,235)             | (1,448,714)              | (6,446,480)              |
| <b>Total other financing sources and uses</b>            | <b>(2,320,320)</b>   | <b>(485,235)</b>      | <b>3,063,817</b>         | <b>258,262</b>           |
| Net change in fund balances                              | 12,134,489           | (2,044,940)           | 5,035,098                | 15,124,647               |
| Fund balance, beginning of year                          | 63,670,700           | 11,470,981            | 45,792,844               | 120,934,525              |
| <b>Fund balance, end of year</b>                         | <b>\$ 75,805,189</b> | <b>\$ 9,426,041</b>   | <b>\$ 50,827,942</b>     | <b>\$ 136,059,172</b>    |

The General Fund, and most other government funds had positive changes in fund balances (revenues and other financing sources exceeded expenditures and financing uses) while the Charities and Welfare fund and some other government funds had negative

These are the fund balances that appear on the governmental funds Balance Sheet.

The notes to the financial statements are an integral part of this statement.

This reconciliation shows the reasons that the net changes in fund balances on the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance differ from change in net position for governmental activities on the government-wide Statement of Activities.

The net change in fund balances comes from the total column of governmental funds on the Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR page 31).

**Ada County**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended September 30, 2019**

**Total Net Change in Fund Balances - Governmental Funds**

\$ 15,124,647

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital Outlays expense was less than Depreciation expense in the current year by the following amount:

|  |              |             |
|--|--------------|-------------|
| Capital Outlay                                     | 7,216,531    |             |
| Depreciation Expense                               | (11,569,216) |             |
| Excess of Depreciation Expense over Capital Outlay |              | (4,352,685) |

Miscellaneous transactions involving capital assets such as sales and other disposals (gain/loss), as well as donations, are reported in the Statement of Activities but only proceeds from sales are reported in the governmental funds.

|                                |  |           |
|--------------------------------|--|-----------|
| Sales, disposals and donations |  | (361,273) |
|--------------------------------|--|-----------|

Some revenues in the governmental funds are unavailable because they are not collected within the prescribed time period after year-end. On the accrual basis, however, those revenues would be recognized, regardless of when they are collected. Because of the "availability" criterion under the modified accrual basis of accounting the following has been recorded as unavailable:

|                         |  |         |
|-------------------------|--|---------|
| Delinquent Property Tax |  | 185,780 |
|-------------------------|--|---------|

Lease payments represent expenditures in the governmental funds but represent a reduction of long-term liabilities for government-wide reporting.

|                                  |  |         |
|----------------------------------|--|---------|
| Dispatch Lease Payment           |  | 748,894 |
| Election Equipment Lease Payment |  | 114,561 |

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of:

|                          |  |        |
|--------------------------|--|--------|
| Avimor CID Bond Payments |  | 24,279 |
|--------------------------|--|--------|

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. Also, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

|  |             |           |
|--|-------------|-----------|
| Accrued interest calculated for capital leases payable | 260         |           |
| Compensated absences                                   | (567,771)   |           |
| Pension expenditures                                   | (3,172,403) |           |
| Pension contributions                                  | 3,317,890   |           |
| Total  |             | (422,024) |

Internal service funds are used by management to charge the costs of health and liability insurance to individual funds and are reported separately from governmental funds in the fund statements. In the government-wide statements, internal service funds are included with governmental activities.

**Change in Net Position - Governmental Activities**

137,417

\$ 11,199,596

The notes to the financial statements are an integral part of this statement.

Internal service funds are reported in proprietary fund statements because they operate like a business and charge County departments a price for goods and services in order to recoup their costs. Since they provide services mainly to other funds of the County, internal service funds are included with the governmental activities in the government-wide statements.

This is the amount you will find in the Governmental Activities column on the government-wide Statement of Activities (CAFR page 27).



**Ada County  
Statement of Net Position  
Proprietary Funds  
September 30, 2019**

Proprietary funds account for operations that function in a manner similar to private business, where the cost of providing goods or services is primarily financed through user charges. There are two types of proprietary funds -- internal service and enterprise funds. Internal service funds provide goods and services to county departments on a cost-reimbursement basis; enterprise funds account for services or goods provided outside of county government. Enterprise funds and business-type activities on the government-wide Statement of Net Position are synonymous.

Only one fund comprises the Nonmajor Enterprise Funds column. The County chooses to present the other three Enterprise Funds as Major Funds in an ongoing manner for year-to-year comparative analysis.

|                               | Business-Type Activities - Enterprise Funds |                              |                          |                     | Total        | Governmental<br>Activities-<br>Internal<br>Service<br>Funds |
|-------------------------------|---|------------------------------|--------------------------|---------------------|--------------|---|
|                               | Major Funds                                 |                              |                          | Other Funds         |              |   |
|                               | Emergency<br>Medical<br>Services            | Solid<br>Waste<br>Management | Western<br>Idaho<br>Fair | Billing<br>Services |              |   |
| <b>ASSETS</b>                 |   |                              |                          |                     |              |   |
| Current Assets:               |   |                              |                          |                     |              |   |
| Cash and cash equivalents     | \$ 1,676,241                                | \$ 3,703,767                 | \$ 649,903               | \$ 136,945          | \$ 6,166,856 | \$ 3,791,772  |
| Investments                   | 10,298,841                                  | 22,752,489                   | 3,708,665                | 840,930             | 37,600,925   | 22,501,948  |
| Receivables, net              | 2,721,076                                   | 616,575                      | 29,707                   | 276,733             | 3,644,091    | -   |
| Due from other funds          | -   | 20,134                       | -                        | 776                 | 20,910       | -   |
| Due from other agencies       | 92,749                                      | 150,791                      | -                        | 2,316               | 245,856      | -   |
| Property tax receivable       | 6,759,800                                   | -                            | -                        | -                   | 6,759,800    | -   |
| Accrued interest receivable   | 35,422                                      | 74,040                       | 12,558                   | 3,161               | 125,181      | 73,739  |
| Total current assets          | 21,584,129                                  | 27,317,796                   | 4,400,833                | 1,260,861           | 54,563,619   | 26,367,459  |
| Noncurrent assets:            |   |                              |                          |                     |              |   |
| Capital assets:               |   |                              |                          |                     |              |   |
| Land                          | 1,034,137                                   | 3,565,121                    | 493,224                  | -                   | 5,092,482    | -   |
| Land improvements             | -   | 44,762,204                   | 1,296,929                | -                   | 46,059,133   | -   |
| Buildings                     | 8,927,579                                   | 1,277,017                    | 9,716,959                | -                   | 19,921,555   | -   |
| Infrastructure                | -   | 7,913,382                    | 974,347                  | -                   | 8,887,729    | -   |
| Vehicles                      | 4,529,284                                   | 289,834                      | 58,647                   | -                   | 4,877,765    | -   |
| Machinery & equipment         | 1,206,511                                   | 2,464,863                    | 554,624                  | -                   | 4,225,998    | -   |
| Leased assets                 | -   | -                            | -                        | -                   | -            | -   |
| Construction in progress      | -   | -                            | -                        | -                   | -            | -   |
| Less accumulated depreciation | (7,524,503)                                 | (10,497,257)                 | (8,669,735)              | -                   | (26,691,495) | -   |
| Capital assets, net           | 8,173,008                                   | 49,775,164                   | 4,424,995                | -                   | 62,373,167   | -   |
| Total assets                  | 29,757,137                                  | 77,092,960                   | 8,825,828                | 1,260,861           | 116,936,786  | 26,367,459  |
| <b>DEFERRED OUTFLOWS</b>      |   |                              |                          |                     |              |   |
| Pension                       | 622,497                                     | 52,675                       | 60,440                   | 14,688              | 750,300      | -   |
| <b>LIABILITIES</b>            |   |                              |                          |                     |              |   |
| Current liabilities:          |   |                              |                          |                     |              |   |
| Accounts payable              | 688,832                                     | 2,005,381                    | 211,609                  | 230,458             | 3,136,280    | 2,093,306   |
| Accrued liabilities           | 24,584                                      | 1,954                        | 2,208                    | -                   | 28,746       | -   |
| Due to other funds            | 92,857                                      | 17,031                       | 54,588                   | 20,419              | 184,895      | 69,158  |
| Claims and judgments          | -   | -                            | -                        | -                   | -            | 4,084,215   |
| Unavailable/advanced revenues | -   | -                            | 112,723                  | 101,484             | 214,207      | -   |
| Total current liabilities     | 806,273                                     | 2,024,366                    | 381,128                  | 352,361             | 3,564,128    | 6,246,679   |
| Noncurrent liabilities:       |   |                              |                          |                     |              |   |
| Accrued liabilities           | 529,786                                     | 34,517                       | 53,771                   | 15,201              | 633,275      | -   |
| Pension                       | 2,930,766                                   | 261,722                      | 268,563                  | 57,781              | 3,518,832    | -   |
| Landfill postclosure costs    | -   | 24,509,151                   | -                        | -                   | 24,509,151   | -   |
| Claims and judgments          | -   | -                            | -                        | -                   | -            | 2,039,105   |
| Total noncurrent liabilities  | 3,460,552                                   | 24,805,390                   | 322,334                  | 72,982              | 28,661,258   | 2,039,105   |
| Total liabilities             | 4,266,825                                   | 26,829,756                   | 703,462                  | 425,343             | 32,225,386   | 8,285,784   |
| <b>DEFERRED INFLOWS</b>       |   |                              |                          |                     |              |   |
| Property tax                  | 6,664,912                                   | -                            | -                        | -                   | 6,664,912    | -   |
| Pension                       | 1,136,364                                   | 96,912                       | 89,792                   | 21,978              | 1,345,046    | -   |
| Total deferred inflows        | 7,801,276                                   | 96,912                       | 89,792                   | 21,978              | 8,009,958    | -   |
| <b>NET POSITION</b>           |   |                              |                          |                     |              |   |
| Investment in capital assets  | 8,173,008                                   | 49,775,164                   | 4,424,995                | -                   | 62,373,167   | -   |
| Unrestricted                  | 10,138,525                                  | 443,803                      | 3,668,019                | 828,228             | 15,078,575   | 18,081,675  |
| Total net position            | \$ 18,311,533                               | \$ 50,218,967                | \$ 8,093,014             | \$ 828,228          | 77,451,742   | \$ 18,081,675   |

Internal service funds are included with governmental activities in the government-wide statements. To see greater detail of the individual funds included in this column, turn to the combining financial statements (CAFR page 99-102).

As a general rule, current assets and liabilities on the proprietary fund statements are those assets and liabilities expected to mature within one year of the end of the fiscal period (Sept 30). Noncurrent assets and liabilities are those assets and liabilities expected to mature in more than one year from the end of the fiscal period.

Additional details on capital assets and infrastructure can be found in the Notes to the Financial Statements (CAFR pages 46 and 52-53).

Deferred outflows of resources is a consumption of net position that is applicable to a future reporting period: the effect is positive, similar to an asset but is not an asset.

Additional details on noncurrent (long term) liabilities can be found in the Notes to the Financial Statements (CAFR page 56-58).

Deferred inflows is an acquisition of net position that is applicable to a future reporting period - it has a negative effect similar to a liability, but is not a liability.

This total net position amount is the same as that found for business-type activities in the government-wide Statement of Net Position (CAFR page 26). The total net position amount also agrees with the ending net position shown on the Statement of Activities (CAFR page 27).

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds  
 Net position of business-type activities \$ 4,084,243  
\$ 81,535,985

The notes to the financial statements are an integral part of this statement.

**Ada County**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2019**

Enterprise funds account for services or goods provided to those outside of county government.

Proprietary funds report the finances of activities the County operates like a business. Proprietary activities charge a fee to users that covers most of the cost of providing the service. There are two types of proprietary funds -- enterprise and internal service funds.

Internal service funds provide services or goods to other county departments.

**Business-Type Activities - Enterprise Funds**

|   | Major Funds                |                        |                     |                                 | Total              | Governmental Activities- Internal Service Funds |
|---|----------------------------|------------------------|---------------------|---------------------------------|--------------------|---|
|   | Emergency Medical Services | Solid Waste Management | Western Idaho Fair  | Other Funds<br>Billing Services |                    |   |
| <b>OPERATING REVENUE</b>                                    |                            |                        |                     |                                 |                    |   |
| Charges for services  | \$ 9,914,991               | \$ 12,598,108          | \$ -                | \$ 5,927,286                    | \$ 28,440,385      | \$ 27,248,732                                   |
| Concessions   | -                          | -                      | 2,390,182           | -                               | 2,390,182          | -   |
| Admissions  | -                          | -                      | 1,381,320           | -                               | 1,381,320          | -   |
| Rentals   | -                          | -                      | 1,528,085           | -                               | 1,528,085          | -   |
| Other   | 117,118                    | 762,431                | 416,635             | 80                              | 1,296,264          | -   |
| <b>Total operating revenues</b>                             | <b>10,032,109</b>          | <b>13,360,539</b>      | <b>5,716,222</b>    | <b>5,927,366</b>                | <b>35,036,236</b>  | <b>27,248,732</b>                               |
| <b>OPERATING EXPENSES</b>                                   |                            |                        |                     |                                 |                    |   |
| Personal services   | 12,450,309                 | 1,121,261              | 1,029,376           | 256,718                         | 14,857,664         | -   |
| Other services & charges                                    | 3,764,668                  | 7,567,749              | 3,596,978           | 5,299,643                       | 20,229,038         | -   |
| Landfill postclosure expense                                | -                          | 1,540,342              | -                   | -                               | 1,540,342          | -   |
| Administration  | -                          | -                      | -                   | -                               | -                  | 3,691,784                                       |
| Claims  | -                          | -                      | -                   | -                               | -                  | 23,869,154                                      |
| Depreciation  | 716,418                    | 874,063                | 291,496             | -                               | 1,881,977          | -   |
| <b>Total operating expenses</b>                             | <b>16,931,395</b>          | <b>11,103,415</b>      | <b>4,917,850</b>    | <b>5,556,361</b>                | <b>38,509,021</b>  | <b>27,560,938</b>                               |
| <b>Operating income (loss)</b>                              | <b>(6,899,286)</b>         | <b>2,257,124</b>       | <b>798,372</b>      | <b>371,005</b>                  | <b>(3,472,785)</b> | <b>(312,206)</b>                                |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                     |                            |                        |                     |                                 |                    |   |
| Intergovernmental   | 442,865                    | -                      | -                   | -                               | 442,865            | -   |
| Gain (loss) on disposition of assets                        | (262,005)                  | (88,255)               | -                   | -                               | (350,260)          | -   |
| Interest and investment revenue                             | 329,877                    | 722,647                | 84,711              | 28,242                          | 1,165,477          | 732,155   |
| Net increase (decrease) in the fair value of investments    | 78,712                     | 186,359                | 28,429              | 6,148                           | 299,648            | 162,392   |
| Property & other taxes                                      | 6,633,718                  | -                      | -                   | -                               | 6,633,718          | -   |
| <b>Total nonoperating revenue (expenses)</b>                | <b>7,223,167</b>           | <b>820,751</b>         | <b>113,140</b>      | <b>34,390</b>                   | <b>8,191,448</b>   | <b>894,547</b>                                  |
| <b>Net income (loss) before contributions and transfers</b> | <b>323,881</b>             | <b>3,077,875</b>       | <b>911,512</b>      | <b>405,395</b>                  | <b>4,718,663</b>   | <b>582,341</b>                                  |
| Transfers out   | (175,000)                  | -                      | -                   | -                               | (175,000)          | (83,262)  |
| <b>Change in net position</b>                               | <b>148,881</b>             | <b>3,077,875</b>       | <b>911,512</b>      | <b>405,395</b>                  | <b>4,543,663</b>   | <b>499,079</b>                                  |
| Total net position - beginning                              | 18,162,652                 | 47,141,092             | 7,181,502           | 422,833                         |                    | 17,582,596                                      |
| <b>Total net position - ending</b>                          | <b>\$ 18,311,533</b>       | <b>\$ 50,218,967</b>   | <b>\$ 8,093,014</b> | <b>\$ 828,228</b>               |                    | <b>\$ 18,081,675</b>                            |

Operating revenues include fees and charges received from providing goods or services to customers in the course of the fund's principal ongoing activity.

Operating expenses are the costs paid for goods or services in the course of the fund's principal ongoing activity.

This line shows if the operating revenues generated were sufficient to cover expenses.

Nonoperating revenues (expenses) represent nonexchange transactions and those transactions outside the course of the fund's principal ongoing activity.

You can use this line to judge the financial sustainability of the activities. A loss would indicate that an activity is not supporting itself and must use resources accumulated from the past, push costs off to the future, or utilize some other financing method to cover costs.

To see greater detail of the individual funds aggregated in this column, turn to the combining financial statements (CAFR page 99-102).

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.  
 Change in net position of business-type activities

361,662  
 \$ 4,905,325

**Ada County  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended September 30, 2019**

This statement shows if and how the proprietary funds met their cash needs. It shows whether a proprietary activity raised enough cash to pay its bills.

|  | Business-Type Activities - Enterprise Funds |                              |                          |                     |               | Governmental<br>Activities-<br>Internal<br>Service<br>Funds |
|--|---|------------------------------|--------------------------|---------------------|---------------|---|
|  | Major Funds                                 |                              |                          | Other Funds         |               |   |
|  | Emergency<br>Medical<br>Services            | Solid<br>Waste<br>Management | Western<br>Idaho<br>Fair | Billing<br>Services | Total         |   |
| <b>CASH FLOWS FROM OPERATING<br/>ACTIVITIES</b>                                |   |                              |                          |                     |               |   |
| Cash received from customers   | \$ 9,495,800                                | \$ 12,586,979                | \$ 5,687,774             | \$ 5,592,445        | \$ 33,362,998 | \$ 28,166,699   |
| Cash paid to suppliers for goods<br>and contracted services                    | (4,112,787)                                 | (11,081,745)                 | (4,158,528)              | (5,313,067)         | (24,666,127)  | (26,770,837)  |
| Cash paid to employees<br>for services   | (12,422,937)                                | (1,104,543)                  | (1,049,477)              | (251,278)           | (14,828,235)  | -   |
| Other operating revenue  | 117,118                                     | 762,431                      | -                        | 80                  | 879,629       | -   |
| Net cash provided by (used for)<br>operating activities                        | (6,922,806)                                 | 1,163,122                    | 479,769                  | 28,180              | (5,251,735)   | 1,395,862   |
| <b>CASH FLOWS FROM NONCAPITAL<br/>FINANCING ACTIVITIES</b>                     |   |                              |                          |                     |               |   |
| Property taxes and other taxes   | 6,618,114                                   | -                            | -                        | -                   | 6,618,114     | -   |
| Subsidy from federal grants  | 57,652                                      | -                            | -                        | -                   | 57,652        | -   |
| Municipal revenue  | 284,442                                     | -                            | -                        | -                   | 284,442       | -   |
| Transfer out   | (175,000)                                   | -                            | -                        | -                   | (175,000)     | (83,262)  |
| Net cash provided by (used for)<br>noncapital financing activities             | 6,785,208                                   | -                            | -                        | -                   | 6,785,208     | (83,262)  |
| <b>CASH FLOWS FROM CAPITAL AND<br/>RELATED FINANCING ACTIVITIES</b>            |   |                              |                          |                     |               |   |
| Purchase of capital assets   | (378,998)                                   | (5,504,770)                  | (617,382)                | -                   | (6,501,150)   | -   |
| Net cash provided by (used for)<br>capital and related financing<br>activities | (378,998)                                   | (5,504,770)                  | (617,382)                | -                   | (6,501,150)   | -   |
| <b>CASH FLOWS FROM INVESTING<br/>ACTIVITIES</b>                                |   |                              |                          |                     |               |   |
| Net (increase) decrease<br>in investments                                      | 1,338,144                                   | 6,010,311                    | 502,423                  | 40,813              | 7,891,691     | 575,213   |
| Interest income  | 333,812                                     | 746,803                      | 85,213                   | 28,416              | 1,194,244     | 733,884   |
| Net cash provided by (used for)<br>investing activities                        | 1,671,956                                   | 6,757,114                    | 587,636                  | 69,229              | 9,085,935     | 1,309,097   |
| Net increase (decrease) in cash  | 1,155,360                                   | 2,415,466                    | 450,023                  | 97,409              | 4,118,258     | 2,621,697   |
| Cash, beginning of year  | 520,881                                     | 1,288,301                    | 199,880                  | 39,536              | 2,048,598     | 1,170,075   |
| Cash, end of year  | \$ 1,676,241                                | \$ 3,703,767                 | \$ 649,903               | \$ 136,945          | \$ 6,166,856  | \$ 3,791,772  |

Cash flow operating activities relate to money received from providing services and the cash paid to employees and suppliers for services and goods.

Noncapital financing activities relate to grants and property taxes paid to Emergency Medical Services and includes transfers.

Capital and related financing activities relate to receipt and use of cash for purchase or construction of capital assets.

Investing activities relate to the sale, purchase, and earnings from investments.

To see greater detail of the individual funds included in this column, turn to the combining financial statements (CAFR pages 99-102).

The amounts on this line agree with the 'cash and cash equivalents' line on the Proprietary Funds Statement of Net Position. (CAFR page 34).

This reconciliation should be viewed in connection with the previous document (the 'Statement of Cash Flows').

**Reconciliation of operating income (loss) to net cash provided by (used for) operating activities**

The amounts on this line agree with the Total Operating income (loss) shown on the 'Statement of Revenues, Expenses, and Changes in Fund Net Position' (CAFR page 35).

The reconciliation explains the differences between the flows of cash and the operating income (loss) reported on an accrual basis on the 'Statement of Revenues, Expenses and Changes in Fund Net Position' for proprietary funds.

|   | Business-Type Activities - Enterprise Funds |                        |                    |                  |                       | Governmental Activities-Internal Service Funds |
|---|---|------------------------|--------------------|------------------|-----------------------|--|
|   | Major Funds                                 |                        |                    | Other Funds      |                       |  |
|   | Emergency Medical Services                  | Solid Waste Management | Western Idaho Fair | Billing Services | Total                 |  |
| Operating income (loss)   | \$ (6,899,286)                              | \$ 2,257,124           | \$ 798,372         | \$ 371,005       | \$ (3,472,785)        | \$ (312,206)                                   |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: |   |                        |                    |                  |                       |  |
| Depreciation expense  | 716,418                                     | 874,063                | 291,496            | -                | 1,881,977             | -  |
| Landfill postclosure expense  | -   | 10,883                 | -                  | -                | 10,883                | -  |
| Pension   | (13,134)                                    | (1,102)                | (972)              | (254)            | (15,462)              | -  |
| Change in assets and liabilities:   |   |                        |                    |                  |                       |  |
| (Increase) decrease in accounts receivable, net   | (411,407)                                   | (27,576)               | (16,136)           | (48,577)         | (503,696)             | 135,360  |
| (Increase) decrease in due from other agencies and units of government                                    | (7,785)                                     | 17,726                 | -                  | 3,924            | 13,865                | -  |
| (Increase) decrease in due from other funds   | -   | (1,278)                | -                  | (237)            | (1,515)               | 782,607  |
| Increase (decrease) in accounts payable   | (267,743)                                   | (1,957,273)            | (564,250)          | (11,860)         | (2,801,126)           | (436,370)                                      |
| Increase (decrease) in accrued liabilities  | 27,184                                      | 2,608                  | (19,611)           | 4,029            | 14,210                | -  |
| Increase (decrease) in due to other funds   | (67,053)                                    | (12,053)               | 3,182              | 101              | (75,823)              | 14,798   |
| Increase (decrease) in claims and judgements  | -   | -                      | -                  | -                | -                     | 1,211,673                                      |
| Increase (decrease) in deferred revenue   | -   | -                      | (12,312)           | (289,951)        | (302,263)             | -  |
| Total adjustments   | (23,520)                                    | (1,094,002)            | (318,603)          | (342,825)        | (1,778,950)           | 1,708,068                                      |
| Net cash provided by (used for) operating activities  | <u>\$ (6,922,806)</u>                       | <u>\$ 1,163,122</u>    | <u>\$ 479,769</u>  | <u>\$ 28,180</u> | <u>\$ (5,251,735)</u> | <u>\$ 1,395,862</u>                            |

This line agrees with net cash for operating activities shown on the 'Statement of Cash Flows'.

Noncash investing activities for business-type enterprise funds were:

- The net increase in the fair value of investments for Emergency Medical Services was \$78,712 for the year.
- The net increase in the fair value of investments for Solid Waste Management was \$186,359 for the year.
- The net increase in the fair value of investments for the Western Idaho Fair was \$28,429 for the year.
- The net increase in the fair value of investments for Billing Services was \$6,148 for the year.

Noncash investing activities for governmental internal service funds were:

- The net increase in the fair value of investments for Self-Funded Health Insurance was \$86,638 for the year.
- The net increase in the fair value of investments for Liability Insurance was \$75,754 for the year.

Noncash transactions are not reported on the 'Statement of Revenues, Expenses, and Changes in Fund Net Position' as operating income or in the 'Statement of Cash Flows' as a cash transaction. These represent the movement of market value of investments from year to year.

The notes to the financial statements are an integral part of this statement.

**ADA COUNTY  
Fiduciary Funds  
Statement of Fiduciary Net Assets  
September 30, 2019**

Fiduciary funds account for resources the County manages or holds on behalf of others. Fiduciary funds are not available to support the County's programs.

|  | Agency<br>Funds      |
|--|----------------------|
| <b>Assets</b>                                    |                      |
| Cash   | \$ 16,256,535        |
| Accounts receivable                              | 103,744              |
| Total assets                                     | <u>\$ 16,360,279</u> |
| <b>Liabilities</b>                               |                      |
| Accounts payable                                 | \$ 5,892,631         |
| Fines and appearance<br>bonds to be remitted     | 5,237,055            |
| Fiduciary fund liabilities:                      |                      |
| Judgments held in trust                          | 1,169,022            |
| Tax receipts held in trust                       | 3,797,802            |
| Due to prisoners                                 | 153,547              |
| Due to victims                                   | 22,076               |
| Due to other agencies and<br>units of government | 88,146               |
| Total liabilities                                | <u>\$ 16,360,279</u> |

The notes to the financial statements are an integral part of this statement.

Agency funds contain resources held on a temporary, purely custodial basis. Every resource held by these funds is due to be passed along to the individuals or organizations to which it belongs; therefore, assets equal liabilities at all times and there is no net position.

**Ada County**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**

The information in a budgetary comparison schedule will help you judge the County's compliance with its budget and assess the County's fiscal management capacity.

**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Cash Basis)**  
**For the Year Ended September 30, 2019**

The original budget includes the original adopted budget and legally authorized adjustments made before the beginning of the fiscal year. The final budget includes the original budget with all changes made subsequent to the start of the year.

*General Fund and Major Special Revenue Funds*

| GENERAL FUND  | Budgeted Amounts      |                       | Actual Amounts<br>(Budgetary Basis)  | Variance with<br>Final Budget |                   |
|---|-----------------------|-----------------------|--|-------------------------------|-------------------|
|   | Original              | Final                 |  |                               |                   |
| <b>Revenues:</b>  |                       |                       |  |                               |                   |
| Property taxes  | \$ 100,849,941        | \$ 100,849,941        | \$ 101,953,871   | \$ 1,103,930                  |                   |
| Sales tax allocation  | 23,500,000            | 23,500,000            | 23,571,526   | 71,526                        |                   |
| State shared  | 6,165,438             | 6,165,438             | 7,154,650  | 989,212                       |                   |
| Payments in lieu of taxes   | 825,000               | 825,000               | 823,457  | (1,543)                       |                   |
| Licenses and permits  | 1,408,250             | 1,428,727             | 1,472,953  | 44,226                        |                   |
| Charges for services  | 24,501,388            | 26,458,243            | 27,315,584   | 857,341                       |                   |
| Grants  | 730,662               | 1,875,452             | 1,710,983  | (164,469)                     |                   |
| Interest income   | 1,350,000             | 1,350,000             | 3,725,049  | 2,375,049                     |                   |
| Miscellaneous   | 2,210,975             | 2,331,553             | 3,258,110  | 926,557                       |                   |
| <b>Total general fund revenues</b>  | <b>\$ 161,541,654</b> | <b>\$ 164,784,354</b> | <b>\$ 170,986,183</b>  | <b>\$ 6,201,829</b>           |                   |
| <b>Expenditures:</b>  |                       |                       |  |                               |                   |
| <u>General Government</u>   |                       |                       |  |                               |                   |
| Total clerk of the district court   | \$ 3,452,896          | \$ 3,452,896          | \$ 3,233,075   | \$ 219,821                    |                   |
| Total treasurer   | 1,594,415             | 1,594,415             | 1,313,112  | 281,303                       |                   |
| Total assessor  | 846,707               | 846,707               | 827,513  | 19,194                        |                   |
| Total assessor motor vehicle  | 2,861,038             | 2,864,534             | 2,684,135  | 180,399                       |                   |
| Total prosecuting attorney  | 16,454,861            | 16,673,070            | 15,767,873   | 905,197                       |                   |
| Total operations  | 11,956,080            | 12,559,805            | 11,419,104   | 1,140,701                     |                   |
| Total development services  | 2,822,274             | 2,822,274             | 2,539,950  | 282,324                       |                   |
| Total information technology  | 14,072,238            | 14,072,238            | 12,698,869   | 1,373,369                     |                   |
| Total public defender   | 10,059,791            | 12,197,733            | 11,040,754   | 1,156,979                     |                   |
| Total administrative services   | 5,155,681             | 5,155,681             | 4,711,632  | 444,049                       |                   |
| Total general   | 7,224,277             | 7,224,277             | 4,090,175  | 3,134,102                     |                   |
| <b>Total general government<br/>(including capital outlays)</b>   | <b>76,500,258</b>     | <b>79,463,630</b>     | <b>70,326,192</b>  | <b>9,137,438</b>              |                   |
| <u>Public Safety</u>  |                       |                       |  |                               |                   |
| Total sheriff   | 76,053,877            | 79,297,731            | 76,341,180   | 2,956,551                     |                   |
| Total coroner   | 2,947,365             | 2,947,365             | 2,837,848  | 109,517                       |                   |
| Total juvenile  | 9,258,037             | 12,393,908            | 8,793,141  | 3,600,767                     |                   |
| <b>Total public safety<br/>(including capital outlays)</b>  | <b>88,259,279</b>     | <b>94,639,004</b>     | <b>87,972,169</b>  | <b>6,666,835</b>              |                   |
| <b>Total general fund expenditures<br/>(including capital outlays)</b>  | <b>\$ 164,759,537</b> | <b>\$ 174,102,634</b> | <b>\$ 158,298,361</b>  | <b>\$ 15,804,273</b>          |                   |
| The note to the required supplementary information - basis of budgeting - is an integral part of this schedule. |                       |                       | The Idaho Constitution prohibits expenditures exceeding the final approved budget. This last column is obtained by subtracting actual expenditures from the final budget amount. A positive figure indicates the program stayed within its budget. |                               |                   |
| <b>Revenue Over (Under) Expenditures</b>  |                       |                       |  |                               | <b>12,687,822</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                       |                       |  |                               |                   |
| Transfers In  |                       |                       | 2,192,211  |                               |                   |
| Transfers Out   |                       |                       | (4,512,531)  |                               |                   |
| <b>Total Other Financing Sources (Uses)</b>   |                       |                       | <b>(2,320,320)</b>   |                               |                   |
| <b>Revenues and Other Financing Sources Over (Under)<br/>Expenditures and Other Financing Uses</b>              |                       |                       | <b>10,367,502</b>  |                               |                   |
| <b>Reconciling Items</b>  |                       |                       |  |                               |                   |
| Changes Affected by Accrued Revenues  |                       |                       | (489,346)  |                               |                   |
| Changes Affected by Accrued Expenditures  |                       |                       | 2,256,333  |                               |                   |
| <b>Fund Balances - Beginning of Year</b>  |                       |                       | <b>63,670,700</b>  |                               |                   |
| <b>Fund Balances - End of Year</b>  |                       |                       | <b>\$ 75,805,189</b>   |                               |                   |

Notice that the final budget is more than the original budget. The final budget amounts include the original budget plus grant appropriations, transfers, and other legally adopted adjustments to the original budget - such as unanticipated revenues. See CAFR pages 22-23 for additional details.

The Idaho Constitution prohibits expenditures exceeding the final approved budget. This last column is obtained by subtracting actual expenditures from the final budget amount. A positive figure indicates the program stayed within its budget.

This section reconciles the above cash basis revenue and expenditures with the modified accrual basis used in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR page 29 and 31).

The information in a budgetary comparison schedule will help you judge the County's compliance with its budget and assess the County's fiscal management capacity.

**Ada County**

Required Supplementary Information

Budgetary Comparison Schedule

**Schedule of Revenues, Expenditures, and Changes in Fund Balances**

**Budget and Actual (Non-GAAP Cash Basis)**

**For the Year Ended September 30, 2019**

The original budget includes the original adopted budget and legally authorized adjustments made before the beginning of the fiscal year. The final budget includes the original budget with all changes made subsequent to the start of the year.

**CHARITIES AND WELFARE MAJOR SPECIAL REVENUE FUND**

Revenues:

|                       | Budgeted Amounts |                  | Actual Amounts<br>(Budgetary Basis) | Variance with<br>Final Budget |
|-----------------------|------------------|------------------|-------------------------------------|-------------------------------|
|                       | Original         | Final            |                                     |                               |
| Taxes                 | \$ 6,724,917     | \$ 6,724,917     | \$ 6,817,828                        | \$ 92,911                     |
| Intergovernmental     | -                | -                | 3,610                               | 3,610                         |
| Charges for services  | 805,000          | 805,000          | 994,776                             | 189,776                       |
| Miscellaneous         | 200,000          | 200,000          | 227,131                             | 27,131                        |
| <b>Total revenues</b> | <b>7,729,917</b> | <b>7,729,917</b> | <b>8,043,345</b>                    | <b>313,428</b>                |

Expenditures:

|                            |                   |                   |                  |                |
|----------------------------|-------------------|-------------------|------------------|----------------|
| Current-                   |                   |                   |                  |                |
| Health and welfare         |                   |                   |                  |                |
| Personal services          | 1,352,741         | 1,352,741         | 1,196,468        | 156,273        |
| Other services and charges | 8,920,143         | 8,961,284         | 8,410,228        | 551,056        |
| Capital outlays            | 87,645            | 196,216           | 195,670          | 546            |
| <b>Total expenditures</b>  | <b>10,360,529</b> | <b>10,510,241</b> | <b>9,802,366</b> | <b>707,875</b> |

The final budget amounts include the original budget plus grant appropriations, transfers, and other legally adopted adjustments to the original budget - such as unanticipated revenues. See CAFR pages 22-23 for additional details. The Charities & Welfare fund had no changes between original & final budget.

Excess (deficiency) of revenues over expenditures and other uses, cash basis

(1,759,021)

The Idaho Constitution prohibits expenditures exceeding the final approved budget. This last column is obtained by subtracting actual expenditures from the final budget amount. A positive figure indicates the program stayed within its budget.

**OTHER FINANCING SOURCES (USES)**

|   |                  |
|---|------------------|
| Transfers In                                | -                |
| Transfers Out                               | (485,235)        |
| <b>Total Other Financing Sources (Uses)</b> | <b>(485,235)</b> |

**Revenues and Other Financing Sources Over (Under)**

Expenditures and Other Financing Uses (2,244,256)

**Reconciling Items**

Changes Affected by Accrued Revenues 485,236

Changes Affected by Accrued Expenditures (285,920)

This section reconciles the above cash basis revenue and expenditures with the modified accrual basis used in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances (CAFR pages 29 and 31).

Fund Balances - Beginning of Year 11,470,981

Fund Balance - End of Year \$ 9,426,041

The note to the required supplementary information - basis of budgeting - is an integral part of this schedule.