

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Ada County, Idaho

Fiscal Year Ended
September 30, 2013

ADA COUNTY, IDAHO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

CHRISTOPHER D. RICH, AUDITOR

Phil McGrane, Chief Deputy

Kathleen Graves, Controller

Prepared by Accounting Department

**Ada County
Comprehensive Annual Financial Report
For the Year Ended September 30, 2013**

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Ada County

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INTRODUCTORY SECTION



Christopher D. Rich
Ada County Clerk of the District Court
Ex-officio Auditor and Recorder

Ada County Courthouse #1196, 200 W. Front Street, Boise ID 83702-7300
Phone (208) 287-6879 Fax (208) 287-6909

Phil McGrane
Chief Deputy

December 31, 2013

To the Citizens of Ada County, Idaho:

State law requires that all general-purpose local governments with an annual budget that exceeds two hundred fifty thousand dollars annually submit a complete set of financial statements to the State of Idaho's legislative council. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of Ada County, Idaho ("County"), for the fiscal year ended September 30, 2013.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2013, are free of material misstatement. The audit was conducted in accordance with generally accepted governmental auditing standards. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the CAFR; i.e., assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and requirements involving the administration of federal awards. These reports are contained in the single audit section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Ada County, established as a political subdivision of the State of Idaho on December 22, 1864, is located in the southwestern part of the state. It is the most populous county in Idaho, as well as the center for commerce and many industries. The County covers an area of 1,055 square miles, and the most recently released estimated population (for 2012) is 409,061 or 389 persons per square mile. Boise City is the county seat of Ada County and home to the State Capitol. Other incorporated cities within its boundaries are Eagle, Garden City, Kuna, Meridian and Star. Ada County is empowered to levy a property tax on both real and personal properties located within its boundaries.

A three member elected commission with overlapping terms governs the County. Responsibilities of the County Commissioners include passing ordinances, adopting the budget, and appointing the heads of the various departments. Other elected officials within the County are the Assessor, Clerk of the District Court, Coroner, Prosecutor, Sheriff and Treasurer.

The County provides services under general governmental functions as follows: police protection, prosecution and defense services, emergency disaster preparedness, general administrative services, court services, election services, property assessment and tax collections, code enforcement, parks and recreation, and health and welfare. In addition, emergency medical services, sanitation, fair activities, and billing services are provided under an enterprise fund concept, with user charges providing revenue to pay operating expenses. The streets and sidewalks in the County are owned and maintained by the Ada County Highway District – a separately governed taxing district.

The annual budget serves as the foundation for Ada County’s financial planning and control. The County budgets its revenues and expenditures, as is required by Idaho Code Section 31, Chapter 16. Following these guidelines, the County adopts annual appropriated budgets for General, Special Revenue, Capital Project and Enterprise Funds. All appropriated budgets for Governmental and Proprietary Funds are adopted on a non-GAAP cash basis.

Prior to the third Monday in May, each elected official or department head submits to the Auditor's Office a proposed operating budget for the fiscal year

Civil Court Room 1155 Ph (208) 287-6900 Fx (208) 287-6919	Court Assistance Officer Room 1158 Ph (208) 287-6963 Fx (208) 287-6919	Criminal Court Room 1190 Ph (208) 287-6900 Fx (208) 287-6919	Elections 400 Benjamin Ln, Ste 100 Boise, ID 83704-5094 Ph (208) 287-6860 Fx (208) 287-6939	Payroll Room 1193 Ph (208) 287-6882 Fx (208) 287-6989	Recorder Room 1208 Ph (208) 287-6840 Fx (208) 287-6849
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commencing October 1. On or before the first Monday in August, the proposed budget is submitted to the County Commissioners for review and tentative approval. Public budget hearings are conducted by the Tuesday after Labor Day, and, upon conclusion, the County Commissioners legally adopt the budget. Actual expenditures for the ensuing fiscal year shall not exceed the appropriations legally adopted by the Commissioners.

The budget system is integrated with the County's accounting system to ensure management control on spending throughout the year. The level of budgetary control (level at which expenditures may not legally exceed the appropriations) is established by the personal services and other charges and services (including capital outlay) within the department and fund. The budgetary process is described in more detail in *Note to Required Supplementary Information*, beginning on page 66.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and the charities and welfare fund, this comparison is presented on pages 61-65 as part of the *Required Supplementary Information* for the governmental funds. For other governmental funds with appropriated annual budgets, this comparison is presented in the "*Combining Financial Statements*" subsection of this report, which starts on page 74.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local economy. The County has a diverse economy and, in the past, has sustained solid economic growth. Ada County is the home to the world headquarters of major corporations such as J.R. Simplot, IDACORP, MWI Veterinary Supply, WinCo and Micron Technology, as well as other varied types of industry. Advanced technology, production, education, healthcare, government, military, professional services, construction, wood products, food processing and distribution, agriculture, tourism, small manufacturing and retail establishments have historically provided employment for the area as well as a stable financial base for the local economy. Eight Ada County companies were recognized this year by Inc. magazine as among the 5,000 fastest growing in the country. Nature's Earthly Choice is the top ranked Ada County Company at 1,025.

Located within the County are two regional hospitals with multiple facilities and extensive associated medical services. Ada County is also home to the largest university in Idaho which contributes jobs, intellectual capital and revenues to the local economy. Additionally, Ada County is the center of governmental facilities in Idaho – federal, state and local municipalities – which comprise significant portions of the County's market value, but are exempt from ad valorem taxation under Idaho Code. Regardless of the current economic climate, healthcare, education and government have all experienced a rise in demand for services, which has led to an increase in new job creation in Ada County; however these employers have had to make tremendous changes internally to maintain growth.

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Several new developments have been approved and are either in the construction phase or will be soon. Several projects are underway such as JUMP (Jack's Urban Market Place in honor of JR Simplot), Trader Joes, Eagle Island Marketplace and Zion's Bank, who is building a 15-story Idaho headquarters in downtown Boise. The Village at Meridian is still in the construction phase and is scheduled to be completed in spring 2014. This economic center on the corner of the busiest intersection in Idaho will be the home of several national businesses including Marshalls, Petco, Gap outlet and Chick-fil-A. These projects will not only increase construction jobs but property values as well. Once construction is complete, the economy will further strengthened by the increase in jobs these developments will provide.

Employment in Ada County remains sluggish as a result of the national recession. However, the County's unemployment rate has decreased to 5.7 percent as of September 30, 2013; which is lower than both the statewide and national unemployment rates of 6.0 percent and 7.0 percent, respectively.

Ada County real estate market has improved from the financial crisis experienced by much of the nation in recent years. During the recession, Ada County's residential median sale price declined nearly 35%. Foreclosures and short-sale transactions dominated the residential market. The peak rates have been observed in high growth areas where speculative development was taking place. Overall, the market appreciation experienced during the early part of the last decade was negated by the decline in values in the past few years.

With the declines of the real estate market during the recession beginning to feel like a thing of the past, there are some leading indicators showing evidence of stabilization in the Ada County Market. These include: the count of foreclosed properties, number of days on market, median sale price trends, and new construction activity. During the fiscal year 2013 there were 785 homes placed in foreclosure, a decrease of 34.5% from the previous year. The average number of days on the market for residential properties has fallen to 46 days according to IMLS, a decrease of 14.8% from September 2012. The median sale price trend has finally reversed itself as prices have risen towards pre-recession values. Additionally, the number of newly constructed home sales increased from 1,133 in fiscal year 2012 to 1,526 in fiscal year 2013.

Long-term financial planning: The County takes a conservative approach to budgeting; revenues must cover expenses. With the exception of the Emergency Medical Services Fund and the new construction roll, property taxes were not increased in fiscal year 2013. Despite a brighter economic outlook for Ada County, capital purchases were limited again in fiscal year 2013 but 43 new positions (17 public safety, 1 health & welfare, 15 judicial services, 8 general government and 2 sanitation) were added to address the growing demands for governmental service.

Financial policies: The majority of the County's revenue (property tax) is received after the first quarter of the fiscal year. In order for the County to remain on a cash basis, three months' worth of expenses are reserved and unavailable for budgeting. However, some funds collect enough revenue in the first quarter that a reservation is not necessary. This policy is evaluated every budget year against every budgeted fund.

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Capital projects must be funded in advance before the County will negotiate a contract; as a result, certain funds must increase their fund balance.

The County closely monitors its Minimum Fund Balance Policy by keeping a 15% reserve of operating revenue on hand; also known as budget stabilization. The amount of the General Fund budget stabilization reserve at the end of fiscal 2013 was \$8.5 million, approximately 50% of the desired amount. Ada County will be using \$12 million of its reserve to support the fiscal year 2014 budget.

Major initiatives: *Capital Projects* - In 2013, the Idaho Legislature approved a Supreme Court request to fund and assign three additional judges to Ada County. More Judges means more clerks, prosecutors, public defenders, sheriff's personnel and law clerks. Office remodels are required in several areas of the courthouse to accommodate the new personnel required for the newly assigned judges. The project is expected to be completed by June 2014 at an expected cost of \$500K.

Landfill -The Ada County Landfill will be partially closing the Hidden Hollow Cell. The forty year old cell has already been 50% capped, and only 60 acres remain to be covered. The full closure of the cell will take some time, and will be spread out over the next ten years. Currently, the North Ravine Cell is in operation, and is the main cell for disposing waste. The partial closure of the Hidden Hollow Cell will cost \$2.5 million and is expected to be completed by September 2014.

In an effort to reduce the amount of odor coming from the landfill, a Hydrogen Sulfide Scrubber will be constructed to clean landfill gas emissions. In addition, the scrubber will allow the County to increase the amount of landfill gas that can be extracted and in turn sold to produce energy. It is estimated that the addition of the scrubber will lead to a 40% increase in the amount of gas collected. The project will cost \$3.0 million and is expected to be operational by July 2014.

Auditor - Over five years ago, the Auditor's Office started development of a new County financial system to replace the current system that is now more than 20 years old. The new system is being designed to reduce paper reports, automate approval processes and provide better methods for accessing county financial information on all levels. The launch of the new financial system is scheduled for January 2014.

Recorder - The Recorder's office is beginning the undertaking of a paperless initiative in Ada County. This initiative will inventory all the paper records in the county, the tens of thousands of square feet they consume and project the cost of digitizing them to save space, improve efficiency and save money. The project includes \$400K for new recording software to replace a home-grown system that is over 20 years old, and another \$150K for document management software.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ada County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2012. This is the twenty-fifth consecutive year that Ada County has received this prestigious award. In order to be awarded a Certificate of

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Achievement, the County must publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to uphold the stringent guidelines the Certificate of Achievement Program requires; therefore we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report has been a team effort by the County Auditor's accounting department and could not have been accomplished without their continued dedication and professionalism. In addition, appreciation is extended to the Board of County Commissioners for their encouragement, assistance and approval.

Sincerely,



Christopher D. Rich
Ada County Auditor

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Ada County
Idaho**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

ADA COUNTY, IDAHO
ELECTED COUNTY OFFICIALS AND DEPARTMENT DIRECTORS
SEPTEMBER 30, 2013

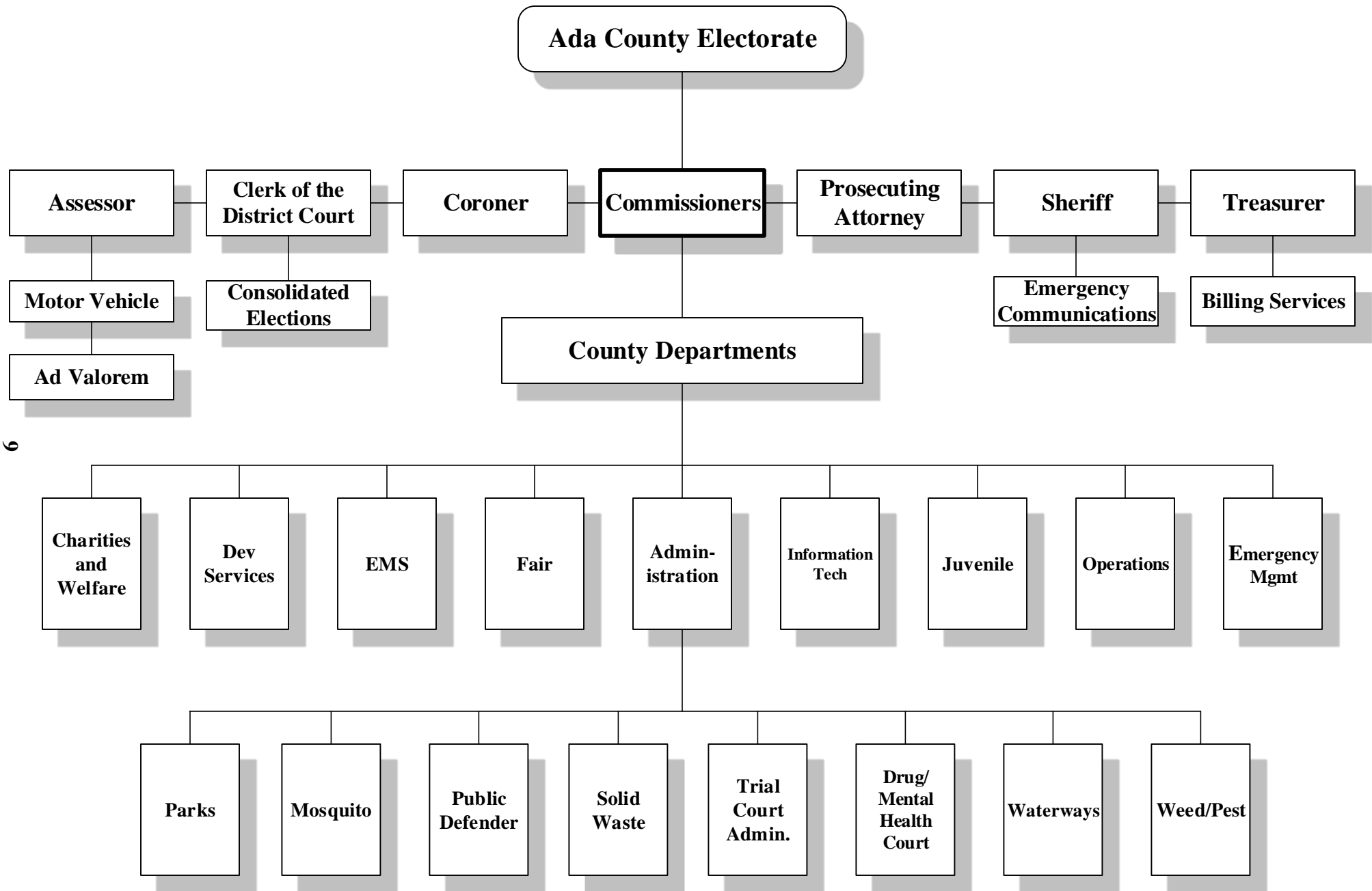
ELECTED COUNTY OFFICIALS

COMMISSIONER - FIRST DISTRICT-----Jim Tibbs
COMMISSIONER - SECOND DISTRICT-----Richard L. Yzaguirre
COMMISSIONER - THIRD DISTRICT -----David L. Case, Chairman
ASSESSOR-----Robert H. McQuade
CLERK/AUDITOR/RECORDER -----Christopher D. Rich
CORONER -----Erwin L. Sonnenberg
PROSECUTING ATTORNEY -----Greg H. Bower
SHERIFF -----Gary L. Raney
TREASURER-----Vicky McIntyre

DEPARTMENT DIRECTORS

Charities and Welfare -----John Traylor
Information Technology -----Leslie Penney
Development Services - Building and Zoning -----Megan M. Leatherman
District Court-----Larry D. Reiner
Emergency Medical Services (EMS) -----Darby Weston
Emergency Management-----Doug R. Hardman
Juvenile -----Janet M. Wallace
Operations-----David P. Logan
Public Defender -----Alan E. Trimming
Administration -----David L. Case, Liaison
Parks and Recreation/Waterways -----Scott Koberg
Solid Waste Management -----David P. Logan
Weed/Pest/Mosquito-----Brian K. Wilbur
Western Idaho Fair-----Robert A. Batista

ADA COUNTY, IDAHO ORGANIZATIONAL CHART



ADA COUNTY, IDAHO
CLASSIFICATION OF FUNDS

Category	Type	Name
GOVERNMENTAL	General	Consisting of departments: Clerk of the District Court, Sheriff, Treasurer, Assessor, Prosecutor, Juvenile, Motor Vehicle, Operations, Coroner, Information Technology, Development Services, Administration, Public Defender and General
	Special Revenue	Charities and Welfare Public Health Weed Control Pest Extermination Parks and Recreation Ad Valorem Court Monitoring District Court Drug/Mental Health Court County Court Facilities Waterways Emergency Communication Emergency Management Veterans Memorial Mosquito Abatement Consolidated Elections
	Capital Projects	Major projects: Courthouse/Corridor, Jail Construction – Pod D and Meridian Campus
PROPRIETARY	Enterprise	Emergency Medical Services Solid Waste Management Western Idaho Fair Billing Services
	Internal Service	Self Funded Health Insurance Liability Insurance
FIDUCIARY	Agency	State of Idaho Special Taxing Districts Unapportioned Account Court Suspense Restitution Accounts Sheriff's Account Other Agencies

FINANCIAL SECTION



Independent Auditor's Report

To the Board of Commissioners
Ada County, Idaho
Boise, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ada County, Idaho (the County), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2013, and the respective changes in financial position and, where, applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 13 through 25 and 61 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of American, which consisted of inquires of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report December 31, 2013 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance.



Boise, Idaho
December 31, 2013

Management's Discussion and Analysis

As management of Ada County, we offer readers of Ada County's financial statements this narrative overview and analysis of the financial activities of Ada County for the fiscal year ended September 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

Financial Highlights

- The assets of Ada County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$278,792,883 (*net position*). Of this amount, \$120,928,091 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position decreased by \$2,489,357; a decrease over last year of \$6,614,008. While revenues only increased \$2.7M, expenses increased \$9.3M. Charge for services increased \$2.4M due to an increase in recording revenue and building and plan check fees from development services; long with 911 telephone surcharges in Emergency Communications. State shared revenues (sales tax and liquor) increased \$1.3M, and property taxes increased \$1.2M due to the County taking the new construction roll in 2013. Interest and investment earnings had the largest decrease of \$2.3M due to a \$1.6M loss on investments compared to the gain last year of \$422K. General government expenses increased \$3.5M and Solid Waste Management expenses were \$3.3M more than last year due to an adjustment in the closure cost estimates.
- As of the close of the current fiscal year, Ada County's governmental funds reported combined ending fund balances of \$123,364,795, which is a decrease of \$7,556,763 in comparison with the prior year. Of that total \$29,669,216 is unassigned in the general fund; however according to Ada County's financial policies \$21.1M is required to cover the first three months of operating expenses before property taxes are received in January. Additional, \$16M should be reserved to meet our minimum fund balance policy (15% of operating revenues) also known as budget stabilization, however only \$8.5M is in fact available leaving no fund balance *available for spending* at the government's discretion.
- Ada County's capital lease debt decreased by \$3,025,000 (7%) during the current fiscal year due to scheduled principal payments.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of Ada County's assets, deferred outflows as well as liabilities and deferred inflows. The difference between assets, deferred outflows and liabilities and deferred inflows are reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Ada County is improving or deteriorating.

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

Both government-wide financial statements mentioned above distinguish functions within Ada County. These functions can be organized into *governmental activities* and *business-type activities*. The governmental activities are principally supported by taxes and intergovernmental revenues and include general government, public safety, sanitation, health and welfare, and recreational and cultural. The business-type activities of Ada County include emergency medical services, solid waste management, county fair and billing services and are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements of Ada County, which include all legally and financially accountable units (known as the *primary government*), can be found on pages 26-27 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Ada County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Ada County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Ada County maintains eighteen individual governmental funds. The general fund, charities and welfare and capital projects funds, which are considered to be major funds, are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data from the other fifteen governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Ada County adopts an annual appropriated budget for all funds except internal service funds and fiduciary funds. Budgetary comparison schedules have been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund descriptions and financial statements can be found on pages 28-32 of this report.

Proprietary funds. Ada County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Ada County uses enterprise funds for its emergency medical services, solid waste management, Western Idaho Fair, and billing services functions. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Ada County's various functions. Ada County uses internal service funds for its self-health insurance and liability insurance. Because both of these internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. They provide separate information for emergency medical services, solid waste management, and the Western Idaho Fair, all of which are presented as major funds. Billing services, which is presented as a non-major fund, is included for year-to-year consistency.

Both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund descriptions and financial statements can be found on pages 33-37 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are not available to support Ada County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on page 39 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements, preceded by an index, can be found on pages 40-60 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, which can be found on pages 61-67. The combining and individual fund statements and schedules for non-major governmental funds, internal service funds, and fiduciary funds, are presented immediately following the required supplementary information on pages 68-99 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Ada County, assets and deferred outflows exceeded liabilities and deferred inflows by \$278,792,883 at the close of the most recent fiscal year. The largest portion of Ada County's net position (50.5%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Ada County's Net Position

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 244,645,507	\$ 248,931,285	\$ 40,475,361	\$ 34,752,249	\$ 285,120,868	\$ 283,683,534
Capital assets	131,519,305	132,922,513	47,274,745	47,883,817	178,794,050	180,806,330
Total assets	<u>376,164,812</u>	<u>381,853,798</u>	<u>87,750,106</u>	<u>82,636,066</u>	<u>463,914,918</u>	<u>464,489,864</u>
Long-term liabilities outstanding	56,104,817	58,789,321	20,814,158	19,495,333	76,918,975	78,284,654
Other liabilities	12,907,149	13,664,950	2,618,603	2,838,963	15,525,752	16,503,913
Total liabilities	<u>69,011,966</u>	<u>72,454,271</u>	<u>23,432,761</u>	<u>22,334,296</u>	<u>92,444,727</u>	<u>94,788,567</u>
Deferred Inflows-Property Tax	<u>88,092,031</u>	<u>84,016,793</u>	<u>4,585,277</u>	<u>4,402,264</u>	<u>92,677,308</u>	<u>88,419,057</u>
Net position						
Net investment in capital assets	92,839,305	91,217,513	47,274,745	47,883,817	140,114,050	139,101,330
Restricted	17,750,742	14,257,039	-	-	17,750,742	14,257,039
Unrestricted	108,470,768	119,908,182	12,457,323	8,015,689	120,928,091	127,923,871
Total net position	<u>\$ 219,060,815</u>	<u>\$ 225,382,734</u>	<u>\$ 59,732,068</u>	<u>\$ 55,899,506</u>	<u>\$ 278,792,883</u>	<u>\$ 281,282,240</u>

Additionally, 6.3% of Ada County's net position is resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$120,928,091) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Ada County is able to report positive balances in all three categories of net position, for both the government as a whole and its governmental and business-type activities. The same situation held true for the prior fiscal year.

The County's business-type activities reported an overall increase of \$4,441,634 in unrestricted net position, as well as increases in each fund. The solid waste management fund increased \$2,502,308 even though there was an increase in closure/post-closure liability. The Western Idaho Fair increased by \$394,707 due to the depreciation of capital assets and even though expenses for the emergency medical services fund increased, overall revenues came in higher attributing to their increase of \$1,096,572. Revenue increased slightly more than expense, yielding an increase of \$240,155 in unrestricted net position for billing services. There was also an increase in internal balances related to business-type activities of \$207,892 for the year.

During the current year, the government's overall net position decreased by \$2,489,357. The County's business-type activities experienced an increase of \$3,832,562 due mainly to the changes mentioned above while governmental activities decreased by \$6,321,919. Changes to both, are displayed on the following chart:

Ada County's Changes in Net Position

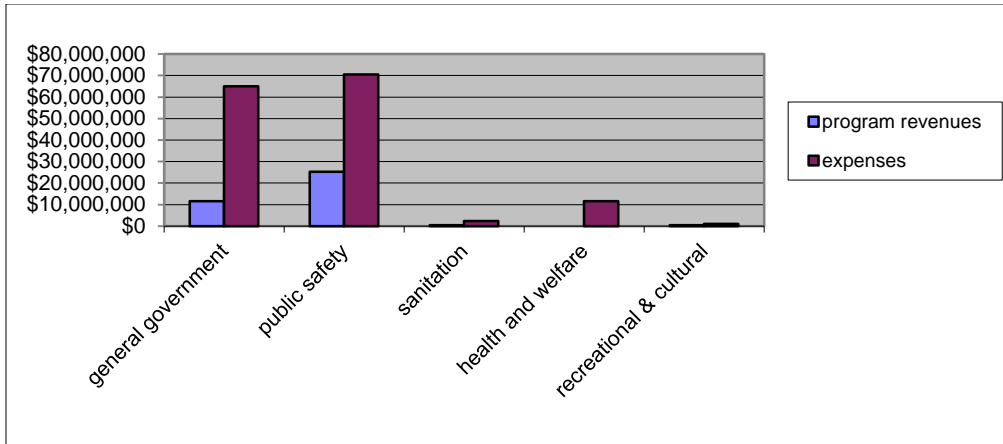
	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 33,192,253	\$ 32,309,288	\$ 28,087,622	\$ 26,547,863	\$ 61,279,875	\$ 58,857,151
Operating grants and contributions	4,166,600	4,817,043	10,110	39,172	4,176,710	4,856,215
Capital grants and contributions	352,986	172,020	133,573	-	486,559	172,020
General revenues:						
Property taxes	84,799,902	83,732,818	4,444,168	4,309,024	89,244,070	88,041,842
Other taxes	15,546,807	14,228,023	177,636	163,094	15,724,443	14,391,117
Grants and contributions not restricted to specific programs	5,386,445	5,201,959	-	-	5,386,445	5,201,959
Interest & investment earnings (loss)	67,983	2,073,274	(24,289)	287,237	43,694	2,360,511
Miscellaneous	2,324,333	2,092,009	-	4,000	2,324,333	2,096,009
Total revenues	145,837,309	144,626,434	32,828,820	31,350,390	178,666,129	175,976,824
Expenses:						
General government	64,960,121	61,484,228	-	-	64,960,121	61,484,228
Public safety	70,515,247	69,645,805	-	-	70,515,247	69,645,805
Sanitation	2,270,585	2,177,501	-	-	2,270,585	2,177,501
Health and welfare	11,565,125	10,458,674	-	-	11,565,125	10,458,674
Recreational and cultural	962,831	933,979	-	-	962,831	933,979
Interest on long-term debt	1,885,319	2,022,206	-	-	1,885,319	2,022,206
Emergency Medical Svcs.	-	-	11,499,514	11,467,618	11,499,514	11,467,618
Solid Waste Mgmt.	-	-	8,841,434	5,542,775	8,841,434	5,542,775
Western Idaho Fair	-	-	4,144,628	3,842,484	4,144,628	3,842,484
Billing Svcs.	-	-	4,510,682	4,276,903	4,510,682	4,276,903
Total expenses	152,159,228	146,722,393	28,996,258	25,129,780	181,155,486	171,852,173
Increase (decrease) in net position	(6,321,919)	(2,095,959)	3,832,562	6,220,610	(2,489,357)	4,124,651
Net position - beginning	225,382,734	227,478,693	55,899,506	49,678,896	281,282,240	277,157,589
Net position - ending	\$ 219,060,815	\$ 225,382,734	\$ 59,732,068	\$ 55,899,506	\$ 278,792,883	\$ 281,282,240

Governmental activities. Total net position for government activities decreased \$6,321,919; which is \$4,225,960 more than the prior year's loss. Key elements are:

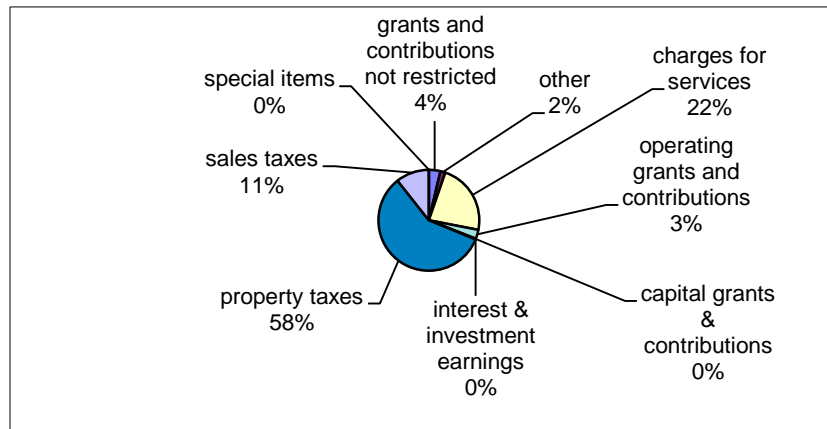
- Property taxes increased \$1,067,084. Ada County, for the first time in three years, chose to increase taxes by the growth factor related to new construction as allowed by law. The law also allows for a 3% increase of the highest budget during the last three years; this portion of the formula remained untaken and equated to a savings to the taxpayer of \$2.4M.
- Charges for services for general government activities increased by \$882,965. As the economy recovers the number of recorded documents continues to increase. Building and plan check fees in development services increased as well due to the rise in construction.
- Interest and investments earnings decreased by \$2,005,291 due to the change in the market value of the County's investments as of September 30th. The loss incurred this year was \$1.6M compared to the gain of \$422K in the prior year.
- General revenues from other taxes were higher by \$1,318,784; sales and liquor tax, along with revenue sharing from the State of Idaho were all more than expected.
- General government is the only category showing a substantial increase in expense, \$3,475,893; health and welfare is second with an increase of \$1,106,451. These differences are due to the increase in personnel costs associated with 22 new positions and 191 special salary adjustments where pay was brought into alignment with responsibilities and skills, along with adjusting those positions that were earning less than \$15/hr. There were also

increases in major computer and software upgrades along with tenant improvements and COOP (continuity of operations program). Indigent medical and in-voluntary mental health was the driving forces for the increase in health and welfare.

Expenses and Program Revenues – Governmental Activities



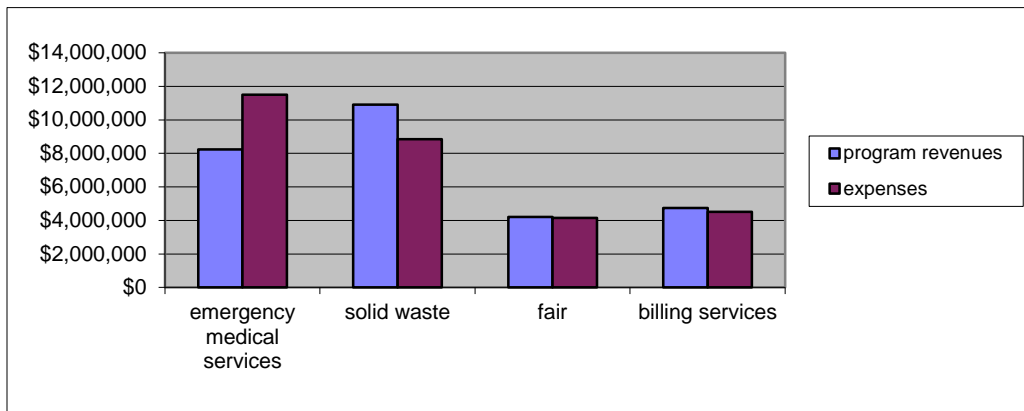
Revenues by Source – Governmental Activities



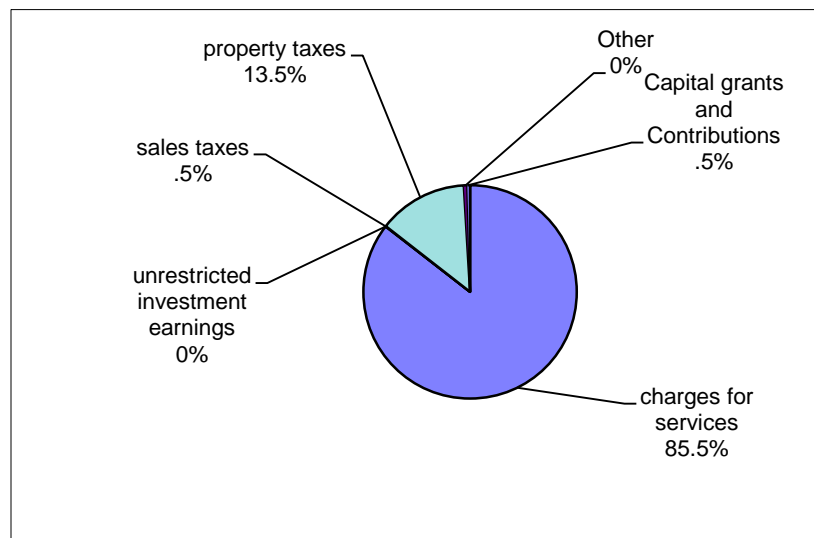
Business-type activities. Business-type activities increased the County’s net position by \$3,832,562, accounting for 153 percent of the total growth. Three of the County’s Enterprise Funds incurred modest losses due to the loss of market value of investments, while one had positive growth.

- Expenses increased by \$3,298,659 for solid waste management, the majority of which was due to an increase in the closure/post-closure liability. Closure/post-closure estimates themselves changed only slightly, however the percentage of capacity used in the Hidden Hollow cell increased to 96.9% which increased the liability. Revenues were flat however continued to remain higher than expense allowing for an overall increase of \$2,028,210.
- Emergency medical services expenses remained flat while operating revenue increased due to payments from customers and an increase in property taxes of 3% allowed by law. All this gave them an overall increase of \$1,310,055.
- Billing services rates continue to offset expenses and generated another modest increase of \$240,155.

Expenses and Program Revenues – Business-type Activities



Revenue by Source – Business-type Activities



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of Ada County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Ada County's governmental funds reported combined ending fund balances of \$123,364,795, a decrease of \$7,556,763 in comparison with the prior year. Ada County has restrictions and assignments for its fund balance. These include: \$3,271,693 restricted by granting agencies to pay for specific programs and \$14,527,376 restricted by enabling legislation. Assignments total \$75,896,510; of which \$421,190 in the general fund is assigned for future improvements to a new imaging solution for recorded documents; also \$11,922,697 in the general fund, \$4,085,738 in the capital projects fund and \$3,550,168 in all other government funds was assigned for subsequent years expenditures during the fiscal year 2014 budget process. The remaining \$55,916,717 is assigned to the capital projects fund for the courthouse lease and by definition to the special revenue funds and includes their minimum fund balance or budget stabilization and cash basis requirements. Total unassigned is \$29,669,216; of which \$21,141,364 is required to cover the first three months of operating expenses before property taxes are received in January (cash basis) with the remaining \$8,527,852 reserved for the minimum fund balance; \$7,543,734 less than the full requirement for the general fund.

The general fund is the chief operating fund of Ada County. At the end of the current fiscal year, the total fund balance of the general fund was \$45,284,796 of which \$3,271,693 was restricted as mentioned above, \$12,343,887 was assigned and \$29,669,216 was unassigned. As a measure of the general fund's liquidity, it may be useful to compare both unrestricted fund balance (committed and assigned) and total fund balance to total fund expenditures. In the current fiscal year, unrestricted fund balance represents 38 percent of total general fund expenditures while total fund balance represents 41 percent.

During the current year, the fund balance of the County's general fund decreased by \$5,265,379 after transfers for reasons similar to those described on pages 18-19 under *Governmental activities*.

- Intergovernmental revenues increased \$1,081,881 due to an increase in sales tax, liquor and revenue sharing from the State.
- Personnel costs increased \$6,320,257 due a 2% COLA and a one-time 1.5% increase authorized by the Board during the FY13 budget process. Also 25 new positions were added to General fund departments and 196 special salary adjustments bringing pay into alignment with responsibilities and skills, along with adjusting those positions that were earning less than \$15/hr.

The charities and welfare fund has an ending fund balance of \$6,365,551, an increase of \$2,274,359 over last year. All resources of this fund are to be used for providing services to indigent persons according to Idaho statute. Due to the economy, requests for services in this fund have continued to increase. In 2011 this fund carried a negative unassigned balance as there wasn't enough available fund balance to cover the required commitment of three months operating cash on hand or minimum fund balance. In 2012 property taxes from the General fund were moved to offset the increase and build fund balance. With this transfer of taxes, there is now enough fund balance to cover both requirements and have some left over. A portion of property taxes has been moved back to the General fund for 2014.

The capital projects fund's ending fund balance is \$50,205,738, of which \$4,085,738 is assigned based on this amount being budgeted for spending in the following fiscal year; the remainder is assigned to future capital lease payments. The capital projects fund experienced a decrease in fund balance of \$8,546,071 before transfers due to the planned use of fund balance to support the semi-annual lease payments until early payoff in fiscal year 2016 and completion of the jail expansion for Pod D.

Proprietary funds. Ada County's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The difference between the two perspectives is the effect of internal service fund activities related to proprietary funds. *Unrestricted* net position of emergency medical services at the end of the year amounted to \$9,646,970; those for the solid waste management fund amounted to \$(569,975); those for the Western Idaho Fair amounted to \$2,274,583; and those for billing services amounted to \$662,008. The change in net position for the four funds consisted of an increase of \$1,310,055, an increase of \$2,028,210, an increase of \$46,250, and an increase of \$240,155 respectively. Factors concerning the finances of these four funds have already been addressed in the discussion of Ada County's business-type activities on pages 16 (chart), 17, 18 (chart) and 20.

General Fund Budgetary Highlights

The final budget in the general fund was amended to reflect an increase of \$4,612,214 and can be briefly summarized as follows:

- \$ 3,080,413 in increases allocated to the juvenile department
- \$ 850,797 in increases allocated to the sheriff's department
- \$ 651,531 in increases allocated to the prosecutor's department
- \$ 29,473 in increases allocated to the development service's department

Of the changes summarized above, increases of \$4,097,438 were from various Federal and State funding sources. The remaining \$514,776 represents revenues received during the year that were unanticipated or that exceeded original budgetary estimates.

The difference between the final general fund amended revenue budget and actual revenue collected was a positive variance of \$2.2 million (presented on page 61). The largest variances were in sales tax and state shared revenues where actual revenue exceeded projections by \$895K and \$671K respectively. Grants account for the largest decline, where actual revenue fell short of projections by \$753K. This is to be expected as the County has been awarded several multi-year grants for which the full award amount is budgeted the first year and the remaining amount budgeted the following year.

The difference between the final amended general fund expenditures budget and actual expenditures was a positive variance of \$11 million (pages 61-64). "Personnel services" accounted for \$4.6 million (42%), an increase over the prior year of \$100K; \$1.4M of which is from the use of a blended rate budgeted for health insurance rather than actual per person premium. An uncertain economy and a conservative approach to budgeting resulted in a positive variance in "other services and charges" of \$5.4 million (49%).

Contract services for the Prosecutor, special department supplies, natural gas and building repairs and maintenance for Operations and contingency in the General fund were all areas that brought the General fund under budget. The General fund budget related to grants had \$4.1 million unspent at year-end that will be brought forward into the next year. Sixty-eight percent (\$2.8M) of which was Cigarette/Tobacco Tax, Lottery and Juvenile Block grants where the revenue is received in advance.

Capital Asset and Debt Administration

Capital assets. Ada County's investment in capital assets for its governmental and business type activities as of September 30, 2013, amounts to \$178,794,050 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, intangible software, construction in progress and infrastructure (sewer lines, waste water monitoring system, storm water improvements and roadways). Overall there was a one percent decrease in the County's investment in capital assets; with a 1 percent reduction in both governmental activities and business-type activities.

Major events during the current fiscal year included the following (some costs were incurred in the prior year and were in Construction in Progress (CIP) accounts until capitalized in fiscal year 2013):

- Construction of Pod D for the Jail Expansion was completed for a total cost of \$5.3M. In addition, the jail's kitchen was remodeled; total cost \$675K.
- Purchase and installation of a 700 MHz Astro 25 Repeater at the FAA site which began in FY11 was completed for a total cost \$1.1M. This repeater increases coverage in the County by enhancing the necessary radio coverage for Meridian and Kuna.
- Purchase and installation of additional 700 MHz Astro 25 Repeaters at Table Rock, Barrister and Seaman's Gulch, in addition to the Courthouse and the Eagle Star area. Increasing and enhancing coverage in these areas began in fiscal year 2012 and was completed this year for a total cost of \$2.6M.
- An in-house Financial System software re-write has incurred costs to date of \$253K. This new financial system software will offer real time financial data with enhanced drill down research ability and reporting. Go-live date scheduled for early Spring 2014.

Ada County's Capital Assets
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 7,657,147	\$ 7,510,645	\$ 4,951,841	\$ 4,951,841	\$ 12,608,988	\$ 12,462,486
Land improvements	1,710,239	1,999,391	30,608,324	31,101,681	32,318,563	33,101,072
Building	106,419,963	104,779,727	7,698,317	8,128,637	114,118,280	112,908,364
Infrastructure	1,011,558	1,232,531	1,252,034	1,325,065	2,263,592	2,557,596
Vehicles	1,490,841	1,410,797	765,625	688,852	2,256,466	2,099,649
M&E	12,939,927	10,299,350	1,989,374	1,687,741	14,929,301	11,987,091
Intangibles/software	12,371	92,720	-	-	12,371	92,720
Construction in progress	277,259	5,597,352	9,230	-	286,489	5,597,352
Total	\$ 131,519,305	\$ 132,922,513	\$ 47,274,745	\$ 47,883,817	\$ 178,794,050	\$ 180,806,330

Additional information on Ada County's capital assets can be found in note I-D-4, page 46 and II-C, pages 52-53, as well as in the Letter of Transmittal, page 5 of this report.

Long-term debt. At the end of the current fiscal year, Ada County had no bonded debt outstanding. Ada County's only remaining debt of \$38,680,000 as of September 30, 2013, is related to the acquisition of the county courthouse and administration building, related parking facilities, integrated retail space and other public improvements. Lease payments are considered to be obligations of the general government, paid with general governmental revenue sources.

Ada County's Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Capital Leases	\$ 38,680,000	\$ 41,705,000	\$ -	\$ -	\$ 38,680,000	\$ 41,705,000
Total	\$ 38,680,000	\$ 41,705,000	\$ -	\$ -	\$ 38,680,000	\$ 41,705,000

During the current fiscal year, the County's total debt decreased by \$3,025,000 or 7 %. This is due to scheduled principal payments.

Ada County maintains an 'Aa2' rating from Moody's and an 'AA' rating from Standard & Poor's for general obligation debt. The lease revenue bonds of Boise City Urban Renewal Agency (which are secured by the county's annual lease appropriation) have underlying ratings of 'Aa3' and 'AA-' by Moody's and Standard & Poor's, respectively, without regard to the Municipal Bond Insurance Policy that was purchased for this issue. Current State statutes allow for general obligation bonds to be issued without a legal limitation based on tax charges against all property and an acceptance of two-thirds of the qualified electors of Ada County. The County's last bonded debt issue, for a county jail addition, began in 1992 and ended in 2002. Additional information on the County's long-term debt can be found in note I-D-5 on page 47, and note II-G-H on pages 55-56 of this report.

Economic Factors and Next Year's Budgets and Rates

These factors were considered in preparing the County's budget for the 2014 fiscal year:

- The unemployment rate for Ada County is currently 5.7 percent, down a half a percent from a year ago. The current rate is lower than the state's average unemployment rate of 6 percent and lower than the national average rate of 7 percent.
- Sale of new homes is continues to turn around; 34 percent more newly constructed homes were sold compared to a year ago.
- Foreclosures decreased 75.5% from their high of 3,206 in 2010 to 785 in 2013.
- The population in the County increased 2.1 percent from 2011 to 2012 (the most recent information available) – from 400,842 to 409,061.

Restricted, Assigned and Unassigned fund balance in the general fund (\$45.3M) consists of: \$3.2 million (7.2%) has been restricted by granting agencies for Juvenile Court Services. There is \$11.9 million (26.3%) assigned that has been appropriated for spending in the 2014 budget and \$421K (1%) for a new imaging solution for recorded documents. The remaining \$29.6M (65.5%) is unassigned; however based on Ada County's financial policies \$21.1M is required to cover the first three months of operating expenses before property taxes are received in January. Additionally, the remaining \$8.5M covers the reservation to meet our minimum fund balance policy, also known as budget stabilization. The minimum fund balance policy allows for up to 15% of operating revenue to be reserved, the minimum fund balance at the end of 2013 is 8%.

Pursuant to Resolutions adopted during the fiscal year:

- Weed Control and Pest Extermination fees increased in FY12 for the first time in four years; however expenses have continued to increase. Fees were increased again in November 2012 by 3.4% to \$91/hr. on the low end for two men and one machine and up to 5% to \$21 for one man to cover the increasing expenses.
- The County Comprehensive Liability Plan was updated and directs the Risk Manager and the Auditor to accumulate a balance in the Insurance Liability Fund sufficient to provide adequate reserves for known claims, incurred but not reported claims, and a reserve for future catastrophic losses. The total of monies allowed to accumulate in the Insurance Liability Fund was increased from \$10 million to \$15 million.

Requests for Information

This financial report is designed to provide a general overview of Ada County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Ada County Auditor, 200 West Front Street, Boise, Idaho, 83702.

BASIC FINANCIAL STATEMENTS

Ada County
Statement of Net Position
September 30, 2013

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 17,780,384	\$ 3,692,934	\$ 21,473,318
Investments	129,381,009	27,613,551	156,994,560
Receivables, net	96,875,529	8,840,080	105,715,609
Internal balances	(253,221)	253,221	-
Lease receivable	480,367	-	480,367
Accrued interest receivable	381,439	75,575	457,014
Capital assets, net of depreciation:			
Land, not depreciated	7,657,147	4,951,841	12,608,988
Land improvements	1,710,239	30,608,324	32,318,563
Building	106,419,963	7,698,317	114,118,280
Infrastructure	1,011,558	1,252,034	2,263,592
Vehicles	1,490,841	765,625	2,256,466
Machinery & equipment	12,939,927	1,989,374	14,929,301
Intangible software	12,371	-	12,371
Construction in progress	277,259	9,230	286,489
Capital assets, net	<u>131,519,305</u>	<u>47,274,745</u>	<u>178,794,050</u>
Total assets	<u>376,164,812</u>	<u>87,750,106</u>	<u>463,914,918</u>
LIABILITIES			
Accounts payable	12,011,969	2,146,705	14,158,674
Accrued interest	317,373	-	317,373
Unavailable/advanced revenue	577,807	471,898	1,049,705
Long-term liabilities:			
Due within one year	8,276,440	2,776,302	11,052,742
Due in more than one year	47,828,377	18,037,856	65,866,233
Total liabilities	<u>69,011,966</u>	<u>23,432,761</u>	<u>92,444,727</u>
DEFERRED INFLOWS			
Property tax	<u>88,092,031</u>	<u>4,585,277</u>	<u>92,677,308</u>
NET POSITION			
Net investment in capital assets	92,839,305	47,274,745	140,114,050
Restricted for:			
Grant Programs	3,271,693	-	3,271,693
Consolidated Elections	648,193	-	648,193
Court Functions	2,709,644	-	2,709,644
Public Safety	8,770,394	-	8,770,394
Weed/Pest/Mosquito Abatement	2,235,399	-	2,235,399
Welfare and Public Health	115,419	-	115,419
Unrestricted	108,470,768	12,457,323	120,928,091
Total net position	<u>\$ 219,060,815</u>	<u>\$ 59,732,068</u>	<u>\$ 278,792,883</u>

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

Ada County
Statement of Activities
For the Year Ended September 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary government:							
Governmental activities:							
General government	\$ 64,960,121	\$ 11,217,971	\$ 370,713	\$ -	\$ (53,371,437)	\$ -	\$ (53,371,437)
Sanitation	2,270,585	433,548	6,375	-	(1,830,662)	-	(1,830,662)
Public safety	70,515,247	21,263,277	3,789,087	221,434	(45,241,449)	-	(45,241,449)
Health and welfare	11,565,125	-	-	-	(11,565,125)	-	(11,565,125)
Recreational and cultural	962,831	277,457	425	131,552	(553,397)	-	(553,397)
Interest on long-term debt	1,885,319	-	-	-	(1,885,319)	-	(1,885,319)
Total governmental activities	<u>152,159,228</u>	<u>33,192,253</u>	<u>4,166,600</u>	<u>352,986</u>	<u>(114,447,389)</u>	<u>-</u>	<u>(114,447,389)</u>
Business-type activities:							
Emergency Medical Services	11,499,514	8,229,702	10,110	133,573	-	(3,126,129)	(3,126,129)
Solid Waste Management	8,841,434	10,901,172	-	-	-	2,059,738	2,059,738
Western Idaho Fair	4,144,628	4,205,818	-	-	-	61,190	61,190
Billing Services	4,510,682	4,750,930	-	-	-	240,248	240,248
Total business-type activities	<u>28,996,258</u>	<u>28,087,622</u>	<u>10,110</u>	<u>133,573</u>	<u>-</u>	<u>(764,953)</u>	<u>(764,953)</u>
Total primary government	<u>\$ 181,155,486</u>	<u>\$ 61,279,875</u>	<u>\$ 4,176,710</u>	<u>\$ 486,559</u>	<u>(114,447,389)</u>	<u>(764,953)</u>	<u>(115,212,342)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					84,799,902	4,444,168	89,244,070
Sales taxes					15,546,807	177,636	15,724,443
Grants and contributions not restricted to specific programs					5,386,445	-	5,386,445
Interest and investment earnings					67,983	(24,289)	43,694
Miscellaneous					2,324,333	-	2,324,333
Total general revenues, special item and transfers					<u>108,125,470</u>	<u>4,597,515</u>	<u>112,722,985</u>
Change in net position					<u>(6,321,919)</u>	<u>3,832,562</u>	<u>(2,489,357)</u>
Net position - beginning					<u>225,382,734</u>	<u>55,899,506</u>	<u>281,282,240</u>
Net position - ending					<u>\$ 219,060,815</u>	<u>\$ 59,732,068</u>	<u>\$ 278,792,883</u>

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

MAJOR GOVERNMENTAL FUNDS

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

The **Charities and Welfare Fund** accounts for the operations associated with administering public assistance, medical care, and other relief to eligible indigent persons. Funding is provided by property tax dollars and reimbursement payments. This fund was established by authority of Idaho Code Section 31-863.

The **Capital Projects Fund** is used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

ADA COUNTY
Balance Sheet
Governmental Funds
September 30, 2013

	General Fund	Charities and Welfare	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 6,058,529	\$ 1,119,212	\$ 5,873,750	\$ 2,680,317	\$ 15,731,808
Investments	41,901,539	8,476,572	44,297,609	20,162,999	114,838,719
Accounts receivable	785,859	-	-	90,724	876,583
Property tax receivable	66,822,914	8,943,673	-	14,810,035	90,576,622
Accrued interest receivable	187,431	-	116,002	24,020	327,453
Due from other funds	324,249	-	-	26,521	350,770
Due from other agencies and units of government	5,332,835	-	-	89,489	5,422,324
Lease receivable	480,367	-	-	-	480,367
Total assets	<u>\$121,893,723</u>	<u>\$18,539,457</u>	<u>\$50,287,361</u>	<u>\$ 37,884,105</u>	<u>\$228,604,646</u>
 LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 8,730,281	\$ 1,044,767	\$ 81,623	\$ 1,459,607	\$ 11,316,278
Due to other funds	17,750	-	-	85,561	103,311
Unavailable/advanced revenues	1,037,982	-	-	20,192	1,058,174
Accrued liabilities	-	2,185,466	-	-	2,185,466
Total liabilities	<u>9,786,013</u>	<u>3,230,233</u>	<u>81,623</u>	<u>1,565,360</u>	<u>14,663,229</u>
 DEFERRED INFLOWS					
Property tax	<u>66,822,914</u>	<u>8,943,673</u>	<u>-</u>	<u>14,810,035</u>	<u>90,576,622</u>
 FUND BALANCES					
Restricted for:					
Grants	3,271,693	-	-	-	3,271,693
Enabling legislation	-	-	-	14,527,376	14,527,376
Assigned for:					
General government	5,423,582	-	-	1,978,283	7,401,865
Public safety	5,654,716	-	-	406,916	6,061,632
Judicial services	1,265,589	-	-	3,221,098	4,486,687
Health and welfare	-	6,365,551	-	-	6,365,551
Recreation and culture	-	-	-	1,375,037	1,375,037
Capital projects	-	-	50,205,738	-	50,205,738
Unassigned	29,669,216	-	-	-	29,669,216
Total fund balances	<u>45,284,796</u>	<u>6,365,551</u>	<u>50,205,738</u>	<u>21,508,710</u>	<u>123,364,795</u>
Total liabilities, deferred inflows and fund balances	<u>\$121,893,723</u>	<u>\$18,539,457</u>	<u>\$50,287,361</u>	<u>\$ 37,884,105</u>	

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

Ada County

**Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
September 30, 2013**

Total Fund Balances - Governmental Funds \$ 123,364,795

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	\$ 7,657,147	
Land Improvements	3,683,381	
Building	164,798,610	
Infrastructure	2,122,261	
Vehicles	5,488,877	
Intangible Software	204,134	
Machinery and Equipment	34,067,554	
Construction in Progress	277,259	
Accumulated Depreciation	<u>(86,779,918)</u>	
Total Capital Assets		131,519,305

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. The following are considered unavailable:

Delinquent Property Tax	\$ 2,484,591	
Interest Receivable on Lease	19,633	
Lease Receivable	<u>480,367</u>	
Total Unavailable Revenue		2,984,591

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:

Capital Leases Payable	\$ (38,680,000)	
Accrued Interest on the Capital Leases	(317,373)	
Compensated Absences	<u>(4,777,378)</u>	
		(43,774,751)

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. 4,966,875

Total Net Position - Governmental Activities \$ 219,060,815

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

Ada County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2013

	General Fund	Charities and Welfare	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 59,246,317	\$11,190,195	\$ -	\$ 14,764,276	\$ 85,200,788
Licenses and permits	1,302,138	-	-	156,948	1,459,086
Fines and forfeitures	174,305	-	-	1,339,272	1,513,577
Charges for services	21,465,498	902,214	875,336	7,878,756	31,121,804
Intergovernmental	22,618,968	3,610	-	2,830,260	25,452,838
Interest income	722,152	108,170	560,443	236,971	1,627,736
Net increase (decrease) in the fair value of investments	(562,675)	(103,590)	(599,304)	(253,362)	(1,518,931)
Micellaneous	2,177,205	28,655	-	403,633	2,609,493
Total revenues	<u>107,143,908</u>	<u>12,129,254</u>	<u>836,475</u>	<u>27,356,754</u>	<u>147,466,391</u>
EXPENDITURES					
Current:					
General government	45,139,485	-	83	14,516,557	59,656,125
Public safety	63,720,484	-	-	3,625,047	67,345,531
Sanitation	-	-	-	1,995,693	1,995,693
Health and welfare	-	9,850,315	-	1,749,310	11,599,625
Recreational and cultural	-	-	-	601,178	601,178
Capital outlay	1,638,952	-	4,445,727	1,236,323	7,321,002
Debt service:					
Principal retirement	-	-	3,025,000	-	3,025,000
Interest and other debt charges	-	-	1,911,736	-	1,911,736
Total expenditures	<u>110,498,921</u>	<u>9,850,315</u>	<u>9,382,546</u>	<u>23,724,108</u>	<u>153,455,890</u>
Excess (deficiency) of revenues over expenditures	<u>(3,355,013)</u>	<u>2,278,939</u>	<u>(8,546,071)</u>	<u>3,632,646</u>	<u>(5,989,499)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	402,376	-	726,000	196,152	1,324,528
Transfers (out)	<u>(2,312,742)</u>	<u>(4,580)</u>	<u>(572,706)</u>	<u>(1,764)</u>	<u>(2,891,792)</u>
Total other financing sources and uses	<u>(1,910,366)</u>	<u>(4,580)</u>	<u>153,294</u>	<u>194,388</u>	<u>(1,567,264)</u>
Net change in fund balances	(5,265,379)	2,274,359	(8,392,777)	3,827,034	(7,556,763)
Fund balance, beginning of year	<u>50,550,175</u>	<u>4,091,192</u>	<u>58,598,515</u>	<u>17,681,676</u>	<u>130,921,558</u>
Fund balance, end of year	<u>\$ 45,284,796</u>	<u>\$ 6,365,551</u>	<u>\$ 50,205,738</u>	<u>\$ 21,508,710</u>	<u>\$ 123,364,795</u>

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

Ada County

**Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2013**

Total Net Change in Fund Balances - Governmental Funds \$ (7,556,763)

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. Depreciation expense was more than Capital Outlay expense in the current year by the following amount:

Capital Outlay	\$ 7,321,002	
Depreciation Expense	<u>(8,708,624)</u>	
Excess of Depreciation Expense over Capital Outlay		(1,387,622)

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	\$ (15,586)	(15,586)
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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		(400,886)
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A lease receivable payment is reported as revenue in the governmental funds when received. The amount representing the principal payment on the lease is reported in the Statement of Net Position as a reduction of the lease receivable.

Interest receivable on the lease is not reported in the governmental funds	\$ (461,506)	
	<u>(18,861)</u>	
		(480,367)

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:

Capital Lease Payments		3,025,000
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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	\$ 26,417	
Compensated absences	<u>(334,120)</u>	
Total Additional Expenditures		(307,703)

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.

802,008

Change in Net Position - Governmental Activities \$ (6,321,919)

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

Proprietary Funds account for the County operations that provide goods or services to the general public and finance their operations mainly through user charges. The following provides a brief description of the proprietary funds.

MAJOR PROPRIETARY FUNDS

Emergency Medical Services - to account for the emergency medical services system of Ada County, including the operation and coordination of a 24 hour per day emergency response paramedic ambulance service. Revenue is provided by user fees and tax revenue.

Solid Waste Management - to account for the solid waste disposal facilities used by various participating cities and unincorporated areas of the County. Revenue is provided by user fees.

Western Idaho Fair - to account for the operations and maintenance of the Western Idaho Fairgrounds. Operations are under the direction of a Board of Directors appointed and supervised by the Ada County Commissioners. Fair operations are self-supporting.

NON-MAJOR PROPRIETARY FUND

Billing Services - to account for billing services as may be provided. Currently, the County prepares billings to the public and receives funds from the public for refuse collection by the County's contractor. The funds are used to pay the contractor, other costs, and the County for expenses related to the billing services.

Ada County
Statement of Net Position
Proprietary Funds
September 30, 2013

	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	
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 1,000,218	\$ 2,280,876	\$ 311,208	\$ 100,632	\$ 3,692,934	\$ 2,048,576
Investments	7,495,050	17,091,203	2,272,994	754,304	27,613,551	14,542,290
Receivables, net	2,207,085	584,442	38,929	351,585	3,182,041	-
Due from other funds	-	72,985	-	5	72,990	-
Due from other agencies	53,715	892,470	-	96	946,281	-
Property tax receivable	4,711,758	-	-	-	4,711,758	-
Accrued interest receivable	21,679	44,721	6,083	3,092	75,575	34,353
Total current assets	<u>15,489,505</u>	<u>20,966,697</u>	<u>2,629,214</u>	<u>1,209,714</u>	<u>40,295,130</u>	<u>16,625,219</u>
Noncurrent assets:						
Capital assets:						
Land	921,826	3,536,791	493,224	-	4,951,841	-
Land improvements	-	31,686,307	3,051,250	-	34,737,557	-
Buildings	7,054,277	1,277,017	6,932,214	-	15,263,508	-
Infrastructure	-	4,268,721	974,347	-	5,243,068	-
Vehicles	3,608,643	199,344	58,647	-	3,866,634	-
Machinery & equipment	1,206,511	1,383,599	488,713	-	3,078,823	-
Construction in progress	9,230	-	-	-	9,230	-
Less accumulated depreciation	<u>(4,277,375)</u>	<u>(6,558,307)</u>	<u>(9,040,234)</u>	<u>-</u>	<u>(19,875,916)</u>	<u>-</u>
Capital assets, net	<u>8,523,112</u>	<u>35,793,472</u>	<u>2,958,161</u>	<u>-</u>	<u>47,274,745</u>	<u>-</u>
Total assets	<u>24,012,617</u>	<u>56,760,169</u>	<u>5,587,375</u>	<u>1,209,714</u>	<u>87,569,875</u>	<u>16,625,219</u>
LIABILITIES						
Current liabilities:						
Accounts payable	714,297	1,208,438	94,193	129,777	2,146,705	695,691
Accrued liabilities	23,695	1,710	897	-	26,302	-
Due to other funds	80,121	33,388	71,555	78,442	263,506	56,943
Landfill postclosure costs	-	2,750,000	-	-	2,750,000	-
Claims and judgments	-	-	-	-	-	2,524,085
Unavailable/advanced revenues	-	-	132,411	339,487	471,898	-
Total current liabilities	<u>818,113</u>	<u>3,993,536</u>	<u>299,056</u>	<u>547,706</u>	<u>5,658,411</u>	<u>3,276,719</u>
Noncurrent liabilities:						
Accrued liabilities	439,145	31,638	55,575	-	526,358	-
Landfill postclosure costs	-	17,511,498	-	-	17,511,498	-
Claims and judgments	-	-	-	-	-	7,937,888
Total noncurrent liabilities	<u>439,145</u>	<u>17,543,136</u>	<u>55,575</u>	<u>-</u>	<u>18,037,856</u>	<u>7,937,888</u>
Total liabilities	<u>1,257,258</u>	<u>21,536,672</u>	<u>354,631</u>	<u>547,706</u>	<u>23,696,267</u>	<u>11,214,607</u>
DEFERRED INFLOWS						
Property tax	4,585,277	-	-	-	4,585,277	-
NET POSITION						
Net investment in capital assets	8,523,112	35,793,472	2,958,161	-	47,274,745	-
Unrestricted	9,646,970	(569,975)	2,274,583	662,008	12,013,586	5,410,612
Total net position	<u>\$ 18,170,082</u>	<u>\$35,223,497</u>	<u>\$ 5,232,744</u>	<u>\$ 662,008</u>	<u>59,288,331</u>	<u>\$ 5,410,612</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds: 443,737
Net position of business-type activities \$ 59,732,068

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, 2013

	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 REVENUE						
Charges for services	\$ 8,195,826	\$ 10,629,758	\$ -	\$ 4,750,930	\$ 23,576,514	\$ 18,906,849
Concessions	-	-	1,551,377	-	1,551,377	-
Admissions	-	-	1,116,699	-	1,116,699	-
Rentals	-	100	1,168,160	-	1,168,260	-
Other	33,876	271,314	369,582	-	674,772	-
Total operating revenues	<u>8,229,702</u>	<u>10,901,172</u>	<u>4,205,818</u>	<u>4,750,930</u>	<u>28,087,622</u>	<u>18,906,849</u>
OPERATING EXPENSES						
Personal services	8,821,046	642,190	704,827	-	10,168,063	-
Other services & charges	2,229,297	6,346,470	3,037,783	4,510,682	16,124,232	-
Administration	-	-	-	-	-	3,332,269
Landfill postclosure expense	-	1,279,450	-	-	1,279,450	-
Claims	-	-	-	-	-	16,109,983
Depreciation	635,149	586,301	410,955	-	1,632,405	-
Total operating expenses	<u>11,685,492</u>	<u>8,854,411</u>	<u>4,153,565</u>	<u>4,510,682</u>	<u>29,204,150</u>	<u>19,442,252</u>
Operating income (loss)	<u>(3,455,790)</u>	<u>2,046,761</u>	<u>52,253</u>	<u>240,248</u>	<u>(1,116,528)</u>	<u>(535,403)</u>
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	10,110	-	-	-	10,110	-
Capital contributions	133,573	-	-	-	133,573	-
Interest and investment revenue	96,959	195,605	22,645	10,162	325,371	166,667
Net increase (decrease) in the fair value of investments	(96,601)	(214,156)	(28,648)	(10,255)	(349,660)	(188,628)
Property & other taxes	4,621,804	-	-	-	4,621,804	-
Total nonoperating revenue (expenses)	<u>4,765,845</u>	<u>(18,551)</u>	<u>(6,003)</u>	<u>(93)</u>	<u>4,741,198</u>	<u>(21,961)</u>
Net income (loss) before contributions and transfers	1,310,055	2,028,210	46,250	240,155	3,624,670	(557,364)
Transfers in	-	-	-	-	-	1,580,597
Transfers out	-	-	-	-	-	(13,333)
Change in net position	<u>1,310,055</u>	<u>2,028,210</u>	<u>46,250</u>	<u>240,155</u>	<u>3,624,670</u>	<u>1,009,900</u>
Total net position - beginning	<u>16,860,027</u>	<u>33,195,287</u>	<u>5,186,494</u>	<u>421,853</u>	<u>4,400,712</u>	<u>4,400,712</u>
Total net position - ending	<u>\$ 18,170,082</u>	<u>\$ 35,223,497</u>	<u>\$ 5,232,744</u>	<u>\$ 662,008</u>	<u>\$ 5,410,612</u>	<u>\$ 5,410,612</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

	<u>207,892</u>
Change in net position of business-type activities	<u>\$ 3,832,562</u>

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

Ada County
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2013

	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	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 7,978,505	\$ 10,062,628	\$ 4,238,112	\$ 4,798,057	\$ 27,077,302	\$ 18,906,849
Cash paid to suppliers for goods and contracted services	(2,553,048)	(5,749,895)	(3,025,627)	(4,973,227)	(16,301,797)	(19,946,164)
Cash paid to employees for services	(8,867,515)	(630,457)	(699,595)	-	(10,197,567)	-
Other operating revenue	33,876	271,414	-	-	305,290	-
Net cash provided by (used for) operating activities	<u>(3,408,182)</u>	<u>3,953,690</u>	<u>512,890</u>	<u>(175,170)</u>	<u>883,228</u>	<u>(1,039,315)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Property taxes and other taxes	4,635,613	-	-	-	4,635,613	-
Subsidy from federal grants	143,683	-	-	-	143,683	-
Transfer in	-	-	-	-	-	1,580,597
Transfer out	-	-	-	-	-	(13,333)
Net cash provided by (used for) noncapital financing activities	<u>4,779,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,779,296</u>	<u>1,567,264</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	(848,633)	(112,202)	(62,498)	-	(1,023,333)	-
Net cash provided by (used for) capital and related financing activities	<u>(848,633)</u>	<u>(112,202)</u>	<u>(62,498)</u>	<u>-</u>	<u>(1,023,333)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Net (increase) decrease in investments	(944,864)	(4,340,381)	(517,337)	95,234	(5,707,348)	(1,406,071)
Interest income	89,602	179,624	20,208	8,184	297,618	162,576
Net cash provided by (used for) investing activities	<u>(855,262)</u>	<u>(4,160,757)</u>	<u>(497,129)</u>	<u>103,418</u>	<u>(5,409,730)</u>	<u>(1,243,495)</u>
Net increase (decrease) in cash	(332,781)	(319,269)	(46,737)	(71,752)	(770,539)	(715,546)
Cash, beginning of year	1,332,999	2,600,145	357,945	172,384	4,463,473	2,764,122
Cash, end of year	<u>\$ 1,000,218</u>	<u>\$ 2,280,876</u>	<u>\$ 311,208</u>	<u>\$ 100,632</u>	<u>\$ 3,692,934</u>	<u>\$ 2,048,576</u>

(Continued)

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

	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)	\$ (3,455,790)	\$ 2,046,761	\$ 52,253	\$ 240,248	\$ (1,116,528)	\$ (535,403)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	635,149	586,301	410,955	-	1,632,405	-
Landfill postclosure expense	-	1,279,450	-	-	1,279,450	-
Change in assets and liabilities:						
(Increase) decrease in accounts receivable, net	(217,981)	(55,513)	2,868	18,137	(252,489)	-
(Increase) decrease in due from other agencies and units of government	660	(513,630)	-	2,158	(510,812)	-
(Increase) decrease in due from other funds	-	2,013	-	(5)	2,008	-
(Increase) decrease in prepaid expense	-	-	-	-	-	-
Increase (decrease) in accounts payable	(390,877)	587,313	(7,070)	(465,989)	(276,623)	(322,378)
Increase (decrease) in accrued liabilities	23,756	6,797	8,822	-	39,375	-
Increase (decrease) in due to other funds	(3,099)	14,198	15,636	3,444	30,179	13,977
Increase (decrease) in claims and judgments	-	-	-	-	-	(195,511)
Increase (decrease) in unavailable/advanced revenue	-	-	29,426	26,837	56,263	-
Total adjustments	<u>47,608</u>	<u>1,906,929</u>	<u>460,637</u>	<u>(415,418)</u>	<u>1,999,756</u>	<u>(503,912)</u>
Net cash provided by (used for) operating activities	<u>\$ (3,408,182)</u>	<u>\$ 3,953,690</u>	<u>\$ 512,890</u>	<u>\$ (175,170)</u>	<u>\$ 883,228</u>	<u>\$ (1,039,315)</u>

Noncash investing activities for business-type enterprise funds were:

- The net decrease in the fair value of investments for Emergency Medical Services was \$ 96,601 for the year.
- The net decrease in the fair value of investments for Solid Waste Management was \$ 214,156 for the year.
- The net decrease in the fair value of investments for the Western Idaho Fair was \$ 28,648 for the year.
- The net decrease in the fair value of investments for Billing Services was \$ 10,255 for the year.

Noncash investing activities for governmental internal service funds were:

- The net decrease in the fair value of investments for Self-Funded Health Insurance was \$67,441 for the year.
- The net decrease in the fair value of investments for Liability Insurance was \$ 121,187 for the year.

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

FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the County's own programs. In Ada County, there are no trust funds – but there are several agency funds. The County's agency funds are further described and presented beginning on page 95.

ADA COUNTY
Fiduciary Funds
Statement of Fiduciary Net Position
September 30, 2013

	Agency Funds
Assets	
Cash	\$ 10,458,103
Accounts receivable	499,340
Total assets	\$ 10,957,443
Liabilities	
Accounts payable	\$ 600,053
Fines and appearance bonds to be remitted	3,072,314
Fiduciary fund liabilities:	
Judgments held in trust	855,878
Tax receipts held in trust	1,605,746
Due to prisoners	99,472
Due to victims	29,016
Due to other agencies and units of government	4,694,964
Total liabilities	\$ 10,957,443

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

**NOTES TO FINANCIAL
STATEMENTS**

ADA COUNTY

**Notes to the Financial Statements
For the Year Ended September 30, 2013**

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ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of Ada County, Idaho (the "County") have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the standard-setting body for governmental accounting and financial reporting principles.

Ada County has implemented all GASB statements that are in effect for the County's 2012-2013 fiscal year, including early implementation of Statement No. 65 *Items Previously Reported as Assets and Liabilities*. (See Note 1.D.6 – **Deferred Outflows and Deferred Inflows**).

A. Reporting Entity

Ada County was established December 22, 1864. It operates under a commissioner form of government and provides services including general government, public safety, judicial, sanitation, health and welfare, and recreational and cultural. The County follows GASB in determining the reporting entity. For financial reporting purposes, the County's reporting entity consists solely of the primary government. Accordingly, the financial statements include all funds, departments, and agencies of the primary government whose budgets are controlled or whose boards are appointed by the County's Board of Commissioners, or if exclusion of an organization would cause the County's financial statements to be misleading or incomplete. Control or dependence on the County was determined on the basis of appointment authority, budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the County, significance to the County, and legal standing. Ada County contributes to the multi-employer Public Employee Retirement System of Idaho (PERSI). PERSI is administered by the State of Idaho. A ten-year history is provided in PERSI's annual report.

B. Government-Wide and Fund Financial Statements

Government-Wide Statements

The Statement of Net Position and Statement of Activities report information on all non-fiduciary activities of the primary government, distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees and charges to external parties for goods or services. Internal service funds are included with governmental activities in the government-wide statements and are included with the proprietary funds in the fund statements. Inter-fund activity has been eliminated from the statements, except for the residual amounts due between governmental and business-type activities. Reimbursements, which are repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them, are eliminated in the financial statements to reduce the grossing-up effect of internal transactions.

Statement of Net Position

The Statement of Net Position presents the reporting entity's non-fiduciary assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Net position is displayed in the following three categories:

Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation and reduced by outstanding related debt.

Restricted Net Position result when the purpose for or manner in which net position can be used is limited by an external party, a constitutional provision, or enabling legislation. Enabling legislation both authorizes the raising of new resources and imposes legally enforceable limits on how they may be used. Decisions regarding the preferred first

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

usage of unrestricted or restricted net position are made on a program-by-program basis when both types of resources are available.

Unrestricted Net Position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position may have constraints or designations placed upon them by management, but they can be unilaterally removed.

Statement of Activities

The Statement of Activities demonstrates the degree to which the direct expenses of governmental functions and business-type activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific governmental function or business-type activity. Revenues are broken out by program and general designations. Program revenues display the extent to which programs are self-funded. Program revenues include charges to customers who purchase, use, or directly benefit from goods or services provided by a given function or activity. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other revenue sources that are not attributable to specific programs are reported instead as general revenues.

Fund Statements

The financial activities of the County are recorded in individual funds to report the financial position and results of the operations of the County. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Separate fund financial statements are presented for the governmental, proprietary, and fiduciary funds, even though fiduciary funds are excluded from the government-wide statements. The emphasis in the fund statements is on *major* funds. Major governmental and business-type funds are reported as separate columns in the fund statements. The remaining governmental and business-type funds are considered to be non-major funds and are consolidated in an "other" funds column (on the combined fund statements). If there is more than one, the non-major funds are displayed individually in combining schedules.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for services that include general government and public safety. The *General Fund* includes all financial resources of the County except those required to be accounted for in another fund.

The *Charities and Welfare Fund* accounts for the operations of providing services to indigent persons as required by authority of Idaho Code Section 31-863. Reimbursement payments are received from clients, however the majority of funding comes in the form of property taxes.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

The County reports the following major proprietary funds:

The *Emergency Medical Services Fund* accounts for resources used to operate a 24-hour per day emergency response paramedic ambulance service. Funding is from taxes and user charges.

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

The *Solid Waste Management Fund* accounts for resources used to operate the solid waste disposal facilities used by residents, businesses, various participating cities and unincorporated areas of the County. Funding is from user fees.

The *Western Idaho Fair Fund* accounts for resources used for the operations and maintenance of the Western Idaho Fairgrounds, funded solely from user fees.

There is one additional (enterprise) fund reported as an “other fund” in the Proprietary Funds statements:

The *Billing Services Fund* accounts for resources received for billing services as may be provided – currently for billing refuse collection by the County’s contractor.

Additionally, the County reports the following fund types:

Governmental Fund Type

Special Revenue Funds account for financial resources obtained from specific revenue sources that are legally restricted to expenditures for specified purposes.

Proprietary Fund Type

Internal Service Funds account for operations that render services to the County on a cost-reimbursement basis: health insurance for employees, and property, liability, worker’s comp and other types of insurance.

Fiduciary Fund Type

The *Agency Funds* account for resources that are held by the County, acting in a custodial capacity, for distribution to other governmental units or designated beneficiaries. The majority of resources accounted for in this fund will be distributed to the State of Idaho and the various taxing districts in Ada County.

Reconciling Government-Wide Statements to the Fund Statements

The governmental fund statements include reconciliation between the fund statements and the government-wide statements. Differences that make reconciliation necessary include the two differing measurement focuses and bases of accounting between the statements and the inclusion of internal service funds with governmental activities on the governmental-wide statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Fiduciary (agency) fund financial statements also use the accrual basis of accounting for asset and liability recognition, even though they have no measurement focus. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County generally considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Significant revenue sources susceptible to accrual

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

include sales and liquor taxes, interest associated with the current fiscal period, and grants. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to capital lease payments, compensated absences and most claims and judgments are recorded only when payment is due.

As a general rule the effect of interfold activity has been eliminated from the government-wide financial statements. Indirect charges have been eliminated, as well as reimbursements, which are repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them. They are eliminated in the financial statements to reduce the grossing-up effect of internal transactions. Exceptions to this general rule of elimination are inter-fund services provided and used, such as charges between the County's self-insurance programs and business-type activities, and charges between the Solid Waste function and other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include charges to customers for goods and services, operating grants and contributions, and any capital grants and contributions. All taxes as well as internally dedicated resources are reported as general revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Assets, Liabilities, Deferred Outflows, Deferred Inflows and Net Position or Equity

1. Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing earnings through investment activities. The pool's investments are stated at fair value at September 30, 2013, as determined by quoted market prices, except for the non-negotiable certificates of deposit - which are non-participating contracts, and are therefore carried at amortized cost. The individual funds' portions of the pool's fair value are presented as "Investments". Interest earned on the pooled funds is apportioned and paid or credited to the funds monthly based on the average daily balance of each participating fund. Interest earnings and increases or decreases in the fair value of investments in certain Special Revenue funds are transferred to the General Fund based on management policy. Idaho Code Section 67, Chapter 12, provides authorization for the investment of funds as well as to what constitutes an allowable investment. County policy is consistent with the State Code.

The Code limits investments to the following general types:

1. Certain revenue bonds, general obligation bonds, local improvement district bonds and registered warrants of state and local governmental entities.
2. Time deposit accounts, tax anticipation and interest-bearing notes.

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

3. Bonds, treasury bills, debentures, or other similar obligations of the United States Government and United States Government Agencies.
4. Repurchase agreements secured by the above.

Cash and investments are pooled and invested in certificates of deposit, United States Treasury Securities, United States Government Agency Securities and repurchase agreements secured by United States Government Securities or United States Government Agencies. The County's policy has been to hold investments until maturity, in an attempt to reduce market fluctuation risk.

For purposes of the statement of cash flows, the County considers all highly liquid investments purchased with maturity of three months or less to be cash. Cash and investment balances for the Enterprise and Internal Service funds represent their allocated share of pooled cash and investments of the County and can be drawn down on demand. The investment purchases and sales information is not available for individual funds and management believes that due to the nature of the pooled investments, this information is not significant for purposes of understanding the statement of cash flows. Accordingly, the net change method is used to report cash flows from investments in these statements.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are current and referred to as "due to/from other funds" as are all other outstanding balances between funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

In the proprietary funds, receivables are shown net of an allowance for uncollectibles. In the Emergency Medical Services Fund, the allowance is based on historical data from the Fund.

Property tax revenues are recognized when received in the period for which the taxes are levied. Property taxes are accrued as assets receivable and deferred inflows on the Balance Sheet when the County has an enforceable legal claim to the taxes, which occurs on January 1 of the period prior to actual receipt of the tax payments. The County's assessment date is January 1, and property taxes, levied by the second Monday of September on a market value basis, are billed to the taxpayers in November. Half of the real, personal, and mobile home property taxes are due on December 20 and the remainder is due the following June 20. Other property taxes are due December 20. Real property taxes not paid constitute a lien on the property when entered on the real property assessment roll as delinquent on the first day of January of the succeeding year.

3. Inventories

County-wide purchases of materials and supplies are consumed shortly after purchase and are recognized as an expenditure in special revenue funds and as an expense in proprietary funds when purchased (purchases method). There are no significant accumulations of inventories for GAAP reporting purposes.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (sewer lines, access roads to the landfill, wastewater monitoring systems), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Ada County has a combined highway district that has separate taxing authority; consequently, infrastructure reporting related to streets and highways is recorded within Ada County Highway District Financial Statements. Ada County infrastructure acquired prior to fiscal years ended after

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

June 30, 1980, are immaterial and not reported. The County defines capital assets as assets with an initial, individual cost of more than \$20,000 and an estimated useful life in excess of two years. All material capital assets are valued at historical cost. Donated capital assets are valued at their estimated fair value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. When an asset is disposed of, cost and related accumulated depreciation is removed, and any gain or loss arising from its disposal is credited or charged to operations. The County has implemented Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*.

Although not capitalized, all purchases of property, plant and equipment with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years are tracked for management control and inventory purposes. In addition, certain specific types of equipment purchases are monitored for control, as are any items management requests be monitored, regardless of cost.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Qualifying interest incurred during the construction phase of capital assets of business-type activities would be included as part of the capitalized value of the assets constructed.

For all depreciable major asset classes, depreciation is recorded by use of the straight-line method with no salvage value. The book value of each asset is reduced by equal amounts over its estimated useful life as follows:

<u>Asset Class</u>	<u>Estimated Useful Life (Years)</u>
Buildings	8-50
Improvements	8-20
Infrastructure	10-50
Equipment	2-15
Vehicles	3-10

5. Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Indigent Claims - In the fund financial statements for fiscal year 2013, the County recorded an accrued liability of \$2,185,466 in the major fund "Charities and Welfare" for estimated qualifying indigent services provided prior to the fiscal year-end but which will not be paid by the County until a future budget period. The County pays for medical assistance (and certain non-medical assistance) to indigent persons, who qualify, up to an \$11,000 limit, per Idaho Code, Section 31. Some services have been provided prior to the fiscal year-end, but provider billings have not been presented to the County for payment until sometime after September 30. The Charities and Welfare Special Revenue Fund sets aside money in their current budget to fund liabilities incurred during the fiscal year that will not be liquidated until a future budget period, thereby accumulating resources in the fund that will eventually be used to liquidate the liability.

Compensated Absences - The County provides personal leave to its full time employees. It is paid to employees when taken and will be paid to employees or their beneficiaries upon the employee's termination, retirement, or death. The amount of unpaid personal leave accumulated by County employees and the associated salary-related payment is accrued as an expense in the Proprietary Funds and in the Government-wide Statements. In the Governmental Fund statements, only the amounts that are liquidated with expendable available financial resources

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

due to termination, retirement or death during the year are accounted for as current-year expenditures. The County assumes a first-in, first-out flow.

Deferred Compensation – GASB Statement No. 32 rescinded prior standards and established new accounting and financial reporting standards for Internal Revenue Code Section 457 deferred compensation plans of state and local governmental employers. The County is in compliance with the IRC regulation. All assets and income of the County's 457 plan are held in a trust, custodial account or annuity contract as described in IRC Section 457(g) for the exclusive benefit of the plan participants and their beneficiaries. The County has no liability for losses under the plan, and currently makes matching contributions to this plan, not to exceed three percent of participant's bi-weekly wage. Employees may make voluntary contributions to the plan within the limits allowed by IRC Section 457 after the first of the month following 30 days of continuous employment.

Bonded Indebtedness – Bond ordinances require a levy and collection of a tax without limitation, on all property subject to taxation by the County, sufficient in amount to pay the principal and interest on such bonds when they become due. The County currently has no bonded indebtedness.

6. Deferred Outflows and Deferred Inflows

New classifications on the Balance Sheet were added based on GASB Statement No. 65, which looked at items that were previously reported as Assets and Liabilities. Prior to implementing this standard the County's property taxes were accrued as assets receivable and deferred revenue. According to the new standard, the portion of property tax reported as deferred revenue no longer meets the definition of a liability and should be reported as a deferred inflow of resources. Deferred inflow of resources is defined as 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. The definition of deferred outflow 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. The County has nothing that meets the definition of deferred outflow of resources.

7. Fund Equity

In the governmental fund financial statements; fund balances are classified as restricted or unrestricted (committed, assigned or unassigned).

Restricted – The portion of fund balance where limitations have been imposed by creditors, grantors, contributors or law and regulations of other governments or limitations have been imposed by law through constitutional provisions or enabling legislation.

Committed – The portion of fund balance where a self-imposed limitation is set in place prior to the end of the period. The limitation is imposed at the highest level of decision-making and requires formal action at the same level to remove. This would be done annually via resolution approved by the Board of County Commissioners.

Assigned – The portion of fund balance where a limitation results from intended uses either by: 1) highest level of decision-making or 2) body designated for that purpose or 3) official designated for that purpose. Ada County's financial policies adopted by the Board of County Commissioners allows that during the budget process the Board determine and adopt by resolution, the amount of fund balance to be re-budgeted as a funding source for the subsequent year's budget. The financial polices also allow for inquiries by financial staff, in conjunction with fiscal year end, of the Board, the other Elected Officials and Department Heads in order to determine if there are any intended uses of fund balance in future years that can be assigned, most likely for future capital improvements and replacement programs.

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

Unassigned – The remaining portion of fund balance in excess of the other classifications (surplus) or excess of other classifications over total fund balance (deficit).

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

II. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Idaho Code, Sections 67-1301 and 67-2328 authorizes the State Treasurer to combine the money of public agencies jointly in external investment pools, the Local Government Investment Pool (LGIP) and the Diversified Bond Fund (DBF). In order to earn a higher yield, Idaho governmental entities may voluntarily deposit moneys not needed to meet immediate operating obligations in these pools. The LGIP is a short-term investment pool. Participants have overnight availability to their funds, up to \$10 million. Withdrawals of more than \$10 million require 3 business day's notification. The DBF was created for those state and public entities able to exchange current liquidity for potentially greater returns over the long run (3.5 years or longer). Withdrawals of \$10 million or less generally require 5 business days' notification prior to the last day of the month; those in excess of \$10 million require 25 business day's notification.

The State Treasurer must operate and invest the funds of both pools for the benefit of the participants. They make investments in accordance with Idaho Code, Sections 67-1210 and 67-1210A. The Pools are not registered with the Securities and Exchange Commission or any other regulatory body. The State Treasurer does not provide any legally binding guarantees to support the value of the shares to participants.

Credit Risk. Ada County's investment policy requires individual investments to have a credit rating of A or better by Standard and Poor's Corporation or an equivalent nationally recognized statistical rating organization. All investments meet this requirement.

Concentration Credit Risk. Ada County's investment policy, where possible, allows for no more than 50% in a specific issuer and 50% in a specific class of securities. The County has less than 50% in each issuer; however it has 74% in a specific class. In addition, GASB 40 requires disclosure of concentrations over 5% in a single issuer. As of September 30, 2013 the following issuers hold more than 5% of Ada County's total portfolio. Federal Home Loan Bank – 15%, Federal National Mortgage Association – 12%, Federal Home Loan Mortgage Corp – 18%, Federal Farm Credit Bank – 10%, Federal Farm Credit System – 8%, Boise City Urban Renewal Agency – 6%, State of Idaho Local Government Investment Pool – 12% and State of Idaho Diversified Bond Fund – 13%.

Custodial Credit Risk - investments. This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. The County's investment policy requires working with primary or regional dealers for the purchase of its authorized securities. Investments are made with banks designated by the State Treasurer as a state depository. Through an agreement with Mountain West Bank, the Sheriff's accounts invest idle cash in uninsured repurchase agreements. The repurchase agreements are fully collateralized with an undivided, fractional interest in obligations of, or obligations that are fully guaranteed by the United States government, its agencies or instrumentalities. Title to the securities are vested in the County or in the name of the bank but held by a third party custodian in the name of the County. The bank repurchases the undivided, fractional interest from the County on the next banking day. At

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

September 30, 2013, the market value of the repurchase agreements was \$2,489,812. The investment in repurchase agreements is uninsured and collateralized with securities.

Custodial Credit Risk – deposits. This is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's investment policy requires any deposits exceeding insurance limits to be fully collateralized by government and/or agency securities held by the pledging financial institutions. As of September 30, 2013, the County's deposits, over and above, the FDIC insurance limits; were covered under the Dodd-Frank Wall Street Reform and Consumer Protection Act. The County also had \$6,500,000 that were collateralized with securities held by the entity or by its agent in the entity's name and \$17,573,589 collateralized under an irrevocable letter of credit with the Federal Home Loan Bank. The remaining \$176,684 is uninsured and uncollateralized.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from changes in interest rates, the Treasurer may invest funds of the County that are not identified as operating funds, in investments with maturities longer than 365 days, but not to exceed five years; unless there is unanimous consent of the Board of County Commissioners. The County's investments are in compliance with this policy. The County assumes that its callable investments will not be called. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by holding all investments to maturity as permitted by cash flows and liquidity needs.

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

The table below presents the County's exposure to credit risk in accordance with the Segmented Time Distribution method.

Investment Type:	Credit Rating	30 Days And Under	31-180 Days	Maturity			Market Value	Cost
				181-365 Days	1-5 Years	Over 5 Years		
Ada & Canyon School District #2 Gen Ob	S&P A+	\$ -	\$ -	\$ 35,976	\$ 1,139,300	\$ 877,390	\$ 2,052,666	\$ 2,179,375
American Falls – BANS	MOODY'S MIG 1	-	1,012,708	-	-	-	1,012,708	1,032,158
Bonneville & Bingham School District #93	MOODY'S Aa3	-	-	-	462,413	-	462,413	494,658
Boise City Idaho Arpt. Rev, DS	MOODY'S A1	-	-	-	48,283	-	48,283	49,118
Boise City Urban Renewal Agency	S&P AA-	-	-	192,589	3,194,249	5,781,017	9,167,855	9,736,439
Bingham School District #52	MOODY'S AAA	-	-	25,448	-	-	25,448	25,493
Boise State Revenue Bonds	S&P A+	-	-	25,596	241,795	-	267,391	278,508
Federal Farm Credit Bank	S&P AA+	-	-	-	15,984,696	-	15,984,696	16,094,651
Federal Farm Credit System	S&P AA+	-	-	1,500,753	10,974,917	-	12,475,670	12,493,750
Federal Home Loan Bank	S&P AA+	-	-	-	23,804,155	-	23,804,155	24,007,164
Federal Home Loan Mortgage Corp.	S&P AA+	-	-	-	28,519,794	-	28,519,794	28,588,599
Federal National Mortgage Assoc.	S&P AA+	-	1,255,929	1,011,183	17,009,817	-	19,276,929	19,316,493
Idaho Housing	MOODY'S Aa3	-	-	-	378,449	-	378,449	395,481
Idaho State Building Authority	S&P AA	-	-	-	401,491	-	401,491	405,003
Latah County School District 281B	MOODY'S AAA	-	-	-	177,883	-	177,883	178,178
Nez Perce County, Idaho	S&P A+	-	-	-	1,645,983	-	1,645,983	1,723,344
Pocatello Water	MOODY'S AA3	-	20,162	-	-	-	20,162	21,312
Payette Co Id School District 373	MOODY'S AAA	-	-	-	161,753	-	161,753	171,609
University of Idaho	S&P A+	-	-	-	31,272	-	31,272	33,179
State of Idaho - LGIP	UNRATED	18,438,073	-	-	-	-	18,438,073	18,377,427
State of Idaho - DBF	UNRATED	20,151,674	-	-	-	-	20,151,674	20,537,165
Mountain West Repurchase Sweep	UNRATED	2,489,812	-	-	-	-	2,489,812	2,489,812
Total Investments		\$ 41,079,559	\$ 2,288,799	\$ 2,791,545	\$104,176,250	\$ 6,658,407	\$ 156,994,560	\$ 158,628,916

* Some investments have call dates prior to the actual maturity

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

B. Receivables

Ada County reports the General, Charities and Welfare, and Capital Projects funds as major governmental funds - and Emergency Medical Services, Solid Waste Management, and Western Idaho Fair as major enterprise funds. The "allowance for doubtful accounts" is immaterial except for Emergency Medical Services. All receivables are expected to be collected within one year.

Receivables at September 30, 2013, were as follows:

	Accounts	Taxes	Due from Other Governments	Interest	Lease	Total Receivables
Governmental activities:						
General	\$ 785,859	\$ 66,822,914	\$ 5,332,835	\$ 187,431	\$ 480,367	\$ 73,609,406
Charities & Welfare	-	8,943,673	-	-	-	8,943,673
Capital Projects	-	-	-	116,002	-	116,002
Other Governmental	90,724	14,810,035	89,489	24,020	-	15,014,268
<i>Total receivables</i>	<u>876,583</u>	<u>90,576,622</u>	<u>5,422,324</u>	<u>327,453</u>	<u>480,367</u>	<u>97,683,349</u>
Reconciliation of balances in fund financial statements to government-wide financial statements:						
Internal Service				34,353		34,353
Lease Receivable				19,633		19,633
<i>Total - governmental activities</i>	<u>\$ 876,583</u>	<u>\$ 90,576,622</u>	<u>\$ 5,422,324</u>	<u>\$ 381,439</u>	<u>\$ 480,367</u>	<u>\$ 97,737,335</u>
Business-type activities:						
Emergency Medical Services	\$ 4,412,594	\$ 4,711,758	\$ 53,715	\$ 21,679	\$ -	\$ 9,199,746
Less Allowance for Doubtful accounts:	<u>(2,205,509)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,205,509)</u>
<i>Receivables, Net</i>	<u>2,207,085</u>	<u>4,711,758</u>	<u>53,715</u>	<u>21,679</u>	<u>-</u>	<u>6,994,237</u>
Solid Waste Management	584,442	-	892,470	44,721	-	1,521,633
Western Idaho Fair	38,929	-	-	6,083	-	45,012
Billing Services	351,585	-	96	3,092	-	354,773
<i>Total - business-type activities</i>	<u>\$ 3,182,041</u>	<u>\$ 4,711,758</u>	<u>\$ 946,281</u>	<u>\$ 75,575</u>	<u>\$ -</u>	<u>\$ 8,915,655</u>

Governmental funds report deferred inflow of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period, i.e. property taxes. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflow of resources and unavailable/advanced revenue reported in the governmental funds were as follows:

Deferred Inflow of Resources:

Taxes Levied for Subsequent Period	\$ 88,092,031
Current Year Delinquent Taxes	1,197,108
Prior Years' Delinquent Taxes	<u>1,287,483</u>
Total deferred inflow of resources for governmental funds	<u>\$ 90,576,622</u>

Unavailable/Advanced Revenue:

Lease Receivable	\$ 480,367
Unavailable Rental Revenue	20,192
Advanced Grant Revenue	<u>557,615</u>
Total unavailable/advanced revenue for governmental funds	<u>\$ 1,058,174</u>

ADA COUNTY**Notes to the Financial Statements
For the Year Ended September 30, 2013****C. Capital Assets**

Capital asset activity for the year ended September 30, 2013 was as follows:

Primary Government	2013 Beginning Balance	Increases	Decreases	2013 Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 7,510,645	\$ 146,502	\$ -	\$ 7,657,147
Construction in progress	5,597,352	5,934,534	11,254,627	277,259
Total capital assets, not being depreciated	<u>13,107,997</u>	<u>6,081,036</u>	<u>11,254,627</u>	<u>7,934,406</u>
Capital assets, being depreciated:				
Land improvements	3,683,381	-	-	3,683,381
Buildings and improvements	158,586,833	6,211,777	-	164,798,610
Vehicles	5,235,777	749,657	496,557	5,488,877
Machinery and equipment	28,897,581	5,543,198	373,225	34,067,554
Intangible software	204,134	-	-	204,134
Infrastructure	2,122,261	-	-	2,122,261
Total capital assets being depreciated	<u>198,729,967</u>	<u>12,504,632</u>	<u>869,782</u>	<u>210,364,817</u>
Less accumulated depreciation for:				
Land improvements	1,683,990	289,152	-	1,973,142
Buildings and improvements	53,807,106	4,571,541	-	58,378,647
Vehicles	3,824,980	649,142	476,086	3,998,036
Machinery and equipment	18,598,231	2,897,467	368,071	21,127,627
Intangible software	111,414	80,349	-	191,763
Infrastructure	889,730	220,973	-	1,110,703
Total accumulated depreciation	<u>78,915,451</u>	<u>8,708,624</u>	<u>844,157</u>	<u>86,779,918</u>
Total capital assets, being depreciated, net	<u>119,814,516</u>	<u>3,796,008</u>	<u>25,625</u>	<u>123,584,899</u>
Governmental activities capital assets, net	<u>\$ 132,922,513</u>	<u>\$ 9,877,044</u>	<u>\$ 11,280,252</u>	<u>\$ 131,519,305</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 3,777,774
Public safety	4,210,894
Sanitation	289,372
Recreation	<u>430,584</u>
Total depreciation expense - governmental activities:	<u>\$ 8,708,624</u>
Emergency Medical Services	\$ 635,149
Solid Waste	612,443
Western Idaho Fair	<u>410,955</u>
Total depreciation expense - business-type activities:	<u>\$ 1,658,547</u>

ADA COUNTY

**Notes to the Financial Statements
For the Year Ended September 30, 2013**

	2013 Beginning Balance	Increases	Adjustments/ Decreases	2013 Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 4,951,841	\$ -	\$ -	\$ 4,951,841
Construction in progress	-	9,230	-	9,230
Total capital assets, not being depreciated	<u>4,951,841</u>	<u>9,230</u>	<u>-</u>	<u>4,961,071</u>
Capital assets, being depreciated:				
Land improvements	34,737,557	-	-	34,737,557
Buildings and improvements	15,250,253	62,498	49,243	15,263,508
Vehicles	3,498,439	396,914	28,719	3,866,634
Machinery and equipment	2,497,990	580,833	-	3,078,823
Infrastructure	5,243,068	-	-	5,243,068
Total capital assets being depreciated	<u>61,227,307</u>	<u>1,040,245</u>	<u>77,962</u>	<u>62,189,590</u>
Less accumulated depreciation for:				
Land improvements	3,635,876	493,357	-	4,129,233
Buildings and improvements	7,121,616	492,818	49,243	7,565,191
Vehicles	2,809,587	320,141	28,719	3,101,009
Machinery and equipment	810,249	279,200	-	1,089,449
Infrastructure	3,918,003	73,031	-	3,991,034
Total accumulated depreciation	<u>18,295,331</u>	<u>1,658,547</u>	<u>77,962</u>	<u>19,875,916</u>
Total capital assets, being depreciated, net	<u>42,931,976</u>	<u>(618,302)</u>	<u>-</u>	<u>42,313,674</u>
Business-type activities capital assets, net	<u>\$ 47,883,817</u>	<u>\$ (609,072)</u>	<u>\$ -</u>	<u>\$ 47,274,745</u>

D. Payables

Payables at September 30, 2013, were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Internal Service	Total Payables
Governmental activities:					
General	\$ 3,038,915	\$ 5,691,366	\$ -	\$ -	\$ 8,730,281
Charities & Welfare	960,452	84,315	-	-	1,044,767
Capital Projects	81,623	-	-	-	81,623
Other Governmental	476,353	983,254	-	-	1,459,607
Reconciliation of balances in fund financial statements to government-wide financial statements	-	-	317,373	695,691	1,013,064
Total - governmental activities	<u>\$ 4,557,343</u>	<u>\$ 6,758,935</u>	<u>\$ 317,373</u>	<u>\$ 695,691</u>	<u>\$ 12,329,342</u>

ADA COUNTY

**Notes to the Financial Statements
For the Year Ended September 30, 2013**

	Vendors	Salaries and Benefits	Accrued Interest	Internal Service	Total Payables
Business-type activities:					
Emergency Medical Svcs.	\$ 142,448	\$ 571,849	\$ -	\$ -	\$ 714,297
Solid Waste Management	1,160,759	47,679	-	-	1,208,438
Western Idaho Fair	48,638	45,555	-	-	94,193
Billing Services	129,777	-	-	-	129,777
Total - business-type activities	<u>\$ 1,481,622</u>	<u>\$ 665,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,146,705</u>

E. Internal Balances and Inter-fund Transfers

Due to/from other funds as of September 30, 2013 is as follows:

		Due From				
		General Fund	Non-major Funds	Proprietary Funds	Internal Service	Total
Due To	General Fund	\$ 10,941	\$ 73,936	\$ 182,429	\$ 56,943	\$ 324,249
	Non-major Governmental	6,809	11,625	8,087	-	26,521
	Proprietary	-	-	72,990	-	72,990
	Total	<u>\$ 17,750</u>	<u>\$ 85,561</u>	<u>\$ 263,506</u>	<u>\$ 56,943</u>	<u>\$ 423,760</u>

These balances result from the time lag between the dates that: (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. All balances will be repaid within one year.

Inter-fund transfers for the year ended September 30, 2013, consisted of the following:

		Transfer Out					
		General Fund	Charities & Welfare	Non Major Governmental	Internal Service	Capital Projects	Total
Transfer In	General Fund	\$ -	\$ 4,580	\$ 1,764	\$ -	\$ 396,032	\$ 402,376
	Capital Projects Fund	726,000	-	-	-	-	726,000
	Non-Major Governmental	6,145	-	-	13,333	176,674	196,152
	Internal Service	1,580,597	-	-	-	-	1,580,597
	Total	<u>\$ 2,312,742</u>	<u>\$ 4,580</u>	<u>\$ 1,764</u>	<u>\$ 13,333</u>	<u>\$ 572,706</u>	<u>\$ 2,905,125</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with statutory or budgetary authorizations.

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

F. Lease Receivable

The County has entered into a leasing arrangement with the City of Boise for the former County Administration building. The thirteen-year leasing arrangement calls for annual installments of \$500,000 – the first of which was received in fiscal year 2002 – and includes a bargain purchase option. Payment was received in 2013 as agreed. Imputed interest ranges from 1.9% to 4.95%. The following is a schedule of future minimum lease payments:

Year Ending Sept. 30	Interest	Principal	Total Lease Payment
2014	\$ 19,633	\$ 480,367	\$ 500,000
Total	\$ 19,633	\$ 480,367	
Total minimum lease payments			500,000
Less: Amount representing interest			19,633
Present value of net minimum lease payments			\$ 480,367

G. Capital Lease Payable

In fiscal 2000, the County entered into a capital lease (Court Complex Lease Agreement) for the construction and acquisition of a new courthouse/administration building complex which also includes parking facilities, integrated retail space and other public improvements (**See Note M – Contingencies and Commitments**). The lease term was 30 years with a series of one-year leases subject to annual appropriation of funds by the County. During fiscal 2005, the County renegotiated the lease, resulting in a reduction of 7 years on the lease term, and a favorable imputed interest rate based on the lease payments – from 6.46% over the initial 30-year term to 5.92% over the revised 23-year term – resulting in overall interest savings of \$22,891,186. During fiscal year 2007, the County paid \$3,285,582 toward reducing future interest on the lease, resulting in additional savings over the remaining term of \$5,947,580. During fiscal 2013, the County incurred net lease payments totaling \$4,936,736 for the Facility, and the County's remaining obligation at September 30 is \$38,680,000. Upon satisfaction of the County's outstanding lease obligation, the County may purchase the Facilities for \$1.00. The historical cost and accumulated amortization of the Facilities are \$69,328,654 and \$16,494,251, respectively.

The following chart represents the County's future lease payments based on the September 30 obligation, amortized according to the Bond document lease payment schedule until the incurred obligation is satisfied.

Year Ending Sept. 30	Court Complex Lease		
	Principal	Interest	Total
2014	\$ 3,330,000	\$ 1,904,237	\$ 5,234,237
2015	3,580,000	1,732,663	5,312,663
2016	3,925,000	1,547,150	5,472,150
2017	4,285,000	1,351,550	5,636,550
2018	4,665,000	1,137,300	5,802,300
2019-2022	18,895,000	2,196,700	21,091,700
Total	\$ 38,680,000	\$ 9,869,600	\$ 48,549,600

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

H. Long-Term Debt

Changes in long-term liabilities: Long-term liability activity for the year ended September 30, 2013, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital leases	\$ 41,705,000	\$ -	\$ 3,025,000	\$ 38,680,000	\$ 3,330,000
Compensated absences	4,443,258	551,965	217,845	4,777,378	236,889
Claims and judgments	12,641,063	4,313,697	4,307,321	12,647,439	4,709,551
<i>Governmental activity</i>					
<i>Long-term liabilities</i>	<u>\$ 58,789,321</u>	<u>\$ 4,865,662</u>	<u>\$ 7,550,166</u>	<u>\$ 56,104,817</u>	<u>\$ 8,276,440</u>
Business-type activities:					
Compensated absences	\$ 513,285	\$ 59,212	\$ 19,837	\$ 552,660	\$ 26,302
Landfill closure	18,982,048	1,279,450	-	20,261,498	2,750,000
<i>Business-type activity</i>					
<i>Long-term liabilities</i>	<u>\$ 19,495,333</u>	<u>\$ 1,338,662</u>	<u>\$ 19,837</u>	<u>\$ 20,814,158</u>	<u>\$ 2,776,302</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$10,461,973 of internal service fund claim liabilities for the County's self-insurance programs are included in the above amounts. For the governmental activities, approximately 91 percent of compensated absences are generally liquidated by the general fund, and the remainder by special revenue funds. In addition to compensated absences, claims in the business-type funds represent the landfill closure/post closure liability, inclusive of any liabilities for groundwater contamination.

I. Solid Waste Landfill Closure and Post-Closure Costs

The County owns and operates a landfill site located in the northern portion of the County. State and federal laws will require the County to close the landfill once its capacity is reached and to monitor and maintain the site for 30 subsequent years. The County recognizes a portion of the closure and post-closure care costs in each operating period even though actual payouts will not occur until the landfill is closed. The amount recognized each year is based on the landfill capacity used as of the balance sheet date. As of September 30, 2013, the County has recorded a combined liability of \$20,261,498, which represents the estimated closure and post-closure costs based on 96.9% of landfill capacity used to date in the Hidden Hollow Cell and 2.5% capacity used to date in the new North Ravine Cell. The remaining estimated liability for these costs is \$910,954 and \$27,460,053, respectively, which will be recognized as the remaining capacity is used (estimated to be 4 years for Hidden Hollow and 94 years for the North Ravine Cell). The estimated costs are subject to change from year to year as the effects of inflation, revision of laws and other variables occur. The County has demonstrated closure, post-closure care, and/or corrective action financial assurance by satisfying the financial ratio alternative method prescribed by Title 40 Part 258.74 of the Code of Federal Regulations.

J. Retirement Plan

The Public Employee Retirement System of Idaho (PERSI) – The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members' years of service, age and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI.

After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% or 2.3% (depending upon employee classification) of the average monthly salary for the highest consecutive 42 months.

PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website www.persi.idaho.gov.

The actuarially determined contribution requirements of the County and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended September 30, 2013, the required contribution rate as a percentage of covered payroll for members was 6.79% for general members and 8.36% for sheriff employees. The employer rate as a percentage of covered payroll was 11.32% for general members and 11.66% for sheriff employees.

Ada County's contributions required and paid were \$8,800,530, \$8,023,420 and \$7,721,905 for the three years ended September 30, 2013, 2012, and 2011, respectively.

K. Insurance

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and errors or omissions. Idaho Code Title 6, Chapter 9, authorizes political subdivisions of the State of Idaho to "levy an annual property tax in the amount necessary to provide for a comprehensive liability plan whether by the purchase of insurance or otherwise". In 1986, the County established a Liability Insurance Fund (an Internal Service Fund) to account for and finance its insured and uninsured risks of loss. Ada County's Department of Administration - Risk Management division, as authorized by Resolution, manages the Fund. Under its self-insurance plan, it is the intent of the County to provide amounts to the Insurance Fund through an annual levy not to exceed \$300,000, until the fund balance is sufficient to provide adequate reserves for known and incurred but not reported claims and a reserve for future catastrophic losses, not to exceed \$15,000,000. In fiscal 2013, due to budgetary constraints, management ultimately determined that the transfer into the fund for future catastrophic losses would not be possible; however at year end a transfer from the General Fund was made to offset the loss of the annual levy. At September 30, 2013, the Liability Insurance Fund had net position of \$1,181,153.

In prior years and for the period of October 1, 2003 to January 1, 2004, the County purchased workers' compensation insurance from the State of Idaho in accordance with State requirements. Effective January 1, 2004, the County became self-insured for workers' compensation as authorized by the Idaho Industrial Commission. The program is administered by a third party and the County purchases excess workers' compensation insurance (with an aggregate limit of \$1,000,000) to provide coverage for individual claims above the county's self-insured retention (SIR). The County retains responsibility for the first \$600,000 of each claim for all employees.

The County purchases property insurance from independent carriers. The County has property insurance coverage up to \$211,182,625 with a \$25,000 deductible. All funds of the County participate in the self-insurance program and make premium payments to the Liability Insurance Fund based on historical cost and loss information, adjusted annually.

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

There have been no significant reductions in insurance coverage from the previous year, and no settlements in excess of insurance coverage in any of the prior three fiscal years.

Beginning in fiscal year 2000, the County established a Self-Funded Health Fund (an Internal Service Fund) for risks associated with the employee's health insurance plan where assets are set aside for claim settlements. All funds with employees eligible for benefits participate, and make payments to the Health Insurance Fund based on the number of qualifying employees in each fund and on estimates of potential usage. The County funded an initial reserve of \$1.2 million through a transfer from the General Fund, based on advice from actuarial consultants and in accordance with State requirements. Provisions are also made for unexpected and unusual claims. Third parties administer the plan, covering medical, dental and vision claims. Stop-loss coverage for medical claims exceeding \$150,000 per employee (to the policy maximum of \$2,000,000 per year) is purchased from the third party administrator, and at September 30, 2013, the Self-Funded Health Insurance Fund had net position of \$4,229,459.

A liability for a claim in either insurance fund is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated based on the estimated ultimate cost of settling the claim, considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. Claim liabilities include any specific, incremental claim adjustment expense, and any material estimated recoveries are deducted from the liability for unpaid claims.

Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	<u>Liability Insurance</u>		<u>Self Funded Health</u>	
	Fiscal Year		Fiscal Year	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Unpaid claims as of October 1	\$ 9,152,037	\$ 8,979,491	\$ 1,505,447	\$ 1,346,116
Total incurred claims (including IBNRs) and prior period changes in claim estimates	1,855,044	1,746,542	14,254,939	15,970,681
Total payments	<u>1,655,284</u>	<u>1,573,996</u>	<u>14,650,210</u>	<u>15,811,350</u>
Unpaid claims as of September 30	<u>\$ 9,351,797</u>	<u>\$ 9,152,037</u>	<u>\$ 1,110,176</u>	<u>\$ 1,505,447</u>

L. Fund Equity

Ada County's financial policies outline the following classifications of fund balance that are reported on the governmental funds' balance sheet (page 29):

Assigned – This portion of fund balance reflects the amount of FY2013 fund balance that has been re-budgeted as a funding source for the County's FY2014 budget; also known as 'subsequent years' expenditures'. Future capital improvements that are in the planning stages and any replacement programs are also included. If the County had any special revenue funds that did not meet the definition of a special revenue fund they would be combined with the General Fund and their total fund balance would be considered "assigned" for their fund. Currently, all special revenue funds meet the definition and stand alone.

Unassigned – This portion of fund balance reflects the amount of FY2013 fund balance that is needed to fund the first three months of FY2014 because the first-half property taxes are not due until December 20; known as 'cash basis'. Also included in this classification is the amount of

ADA COUNTY

Notes to the Financial Statements For the Year Ended September 30, 2013

'minimum fund balance' the County desires to keep on hand to mitigate current and future risks and ensures service levels. Minimum fund balance is 15% of operating revenues. Finally, any residual net resources or total fund balance in excess of the other classifications; also known as 'surplus' that is available for any purpose is included here.

The General Fund is the only fund that reflects a positive "unassigned" since any surplus within a special revenue fund is automatically "assigned" to that fund per the definition of a special revenue fund. Any negative "unassigned" amounts would reflect 'deficits' where there is an excess of other classifications over total fund balance. Ada County does not have any negative "unassigned" fund balance.

M. Contingencies and Commitments

The County has assumed responsibility for groundwater contamination that has been identified near its sanitary landfill. Based on recommendations and evaluative advice from Consultants, the Solid Waste Management Fund initiated remediation procedures – the cost of which is included in the liability described in **Note I-Solid Waste Landfill Closure and Post-Closure Costs**.

Also, the County is contingently liable with respect to certain lawsuits and other claims that have arisen in the ordinary course of its operations. County officials believe that potential claims resulting from such litigation would not materially affect the financial condition or results of operations. Reserves for contingent liabilities and conservative revenue accruals are routinely evaluated. The County is a recipient of federal funds and is subject to audits by governmental agencies. County officials are of the opinion that findings, if any, resulting from these audits, will not materially affect the financial condition of the County. The estimated liabilities for lawsuits and claims are accounted for in the internal service funds.

After the close of the fiscal year, the county received notification of a suit filed by Hidden Hollow Energy LLC and Hidden Hollow Energy 2 LLC claiming the County breached express or implied terms of franchise agreements relating to using the County's landfill gas as an energy source. Service of process has not been complete, however if and when that happens the County will vigorously defend the lawsuit and believes it has meritorious defenses.

The Urban Renewal Agency of Boise City, Idaho, also known as the Capital City Development Corporation (CCDC), is an urban renewal agency, and is an independent public body corporate and politic of the State of Idaho. The County has leased to CCDC approximately 10.3 acres of land owned by the County. CCDC had obtained Urban Renewal Lease Revenue Bonds, Series 1999 (advance refunded during 2005 as Urban Renewal Lease Revenue Refunding Bonds, Series 2005) for the Ada County Courts Complex Project in order to finance the acquisition, construction and improvement of a new county courthouse and administration building for use by Ada County, and related parking facilities, integrated retail space and other public improvements. The Bonds are obligations of CCDC, payable from and secured solely by lease payments made by the County under a Courts Complex Lease Agreement between CCDC and the County. In the Agreement, the County is obligated to pay the lease payments only to the extent that funds for the lease payments are budgeted and appropriated each year by the County. According to the 2005 renegotiated lease agreement, the County leases the Courthouse/ Administration Building portion of the project over an overall remaining, as of September 30, 2013, 9-year term from the CCDC, with title reverting to the County at the end of the lease term. A special payment by the County in fiscal year 2007 reduced future interest payments on the lease by over five million dollars and resulted in a revised lease agreement. The remaining term of the lease is unchanged. The lease payments, which began in fiscal year 2000 under the prior lease agreement, are considered obligations of Ada County, and are paid from the Capital Projects Fund with general governmental revenue sources. Some of these revenues are legislatively restricted for Courthouse facilities, and some have been obtained from the sale of County-owned buildings.

ADA COUNTY

**Notes to the Financial Statements
For the Year Ended September 30, 2013**

At the end of fiscal year 2011, the County transferred their ownership right to a future income stream from CCDC for the parking garage facilities and their related operations and maintenance. At the end of 30 years (9/30/42) the County has the option to purchase the Avenue A East Garage for \$1. **(See Note G – Capital Leases Payable).**

As of September 30, 2013, the County had the following outstanding contractual commitments:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Paid to Date</u>	<u>Remaining Commitment</u>
Server Room A/C	\$ 12,920	\$ 9,018	\$ 3,902
Total Remaining Commitments			<u>\$ 3,902</u>

N. Other Post-Employment Benefits

The County provides postemployment health care to its retirees and their enrolled dependents at the time of their retirement up to age 65 (Medicare eligible). To be eligible for the benefits, an employee must be at least 55 years of age, or at least 50 if they qualify under PERSI's "Rule of 80", and have accrued at least 10 years of continuous service as a County employee. Benefits include medical coverage, vision and dental.

Ada County made significant changes to its plan in fiscal year 2012. The County provides and maintains a flat \$3,600 subsidy for retirees, with no increase for inflation, and provides no subsidy for spouses or dependents of retirees. The County uses a third-party to recalculate the required monthly contribution every year and requires retirees to pay the entire true cost that was calculated. Currently, 41 participants take advantage of this benefit and pay the total cost of the premium (employer and employee portions). In fiscal year 2013, 8 employees were added, 4 become Medicare eligible and were removed and 2 dropped coverage.

After the changes to the plan Ada County initiated an actuarial study by Buck Consultants regarding the County's OPEB liability. Calculations were obtained using the "Projected Unit Credit" method. At that time, the County's Actuarial Accrued Liability (AAL) was \$1,875,000 and the Annual Required Contribution (ARC) was \$174,000.

It is the County's position the AAL will be maintained at the above level in future years and is not significant to the financial statements. As such, the County did not accrue a liability in this fiscal year and does not anticipate accruing any liability in future years.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**Ada County
General Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 58,770,190	\$ 58,770,190	\$ 59,246,317	\$ 476,127
Sales tax allocation	13,750,000	13,750,000	14,645,951	895,951
State shared	5,194,308	5,194,308	5,864,885	670,577
Payments in lieu of taxes	750,000	750,000	716,024	(33,976)
Licenses and permits	1,191,617	1,206,938	1,302,138	95,200
Charges for services	20,464,428	20,905,047	21,328,537	423,490
Grants	689,264	2,210,272	1,457,207	(753,065)
Interest income	1,004,000	1,004,000	953,942	(50,058)
Miscellaneous	1,838,462	1,838,832	2,269,455	430,623
Total general fund revenues	\$ 103,652,269	\$ 105,629,587	\$ 107,784,456	\$ 2,154,869
Expenditures:				
General Government				
Clerk of the District Court:				
Personal services	\$ 2,323,014	\$ 2,323,014	\$ 2,191,397	\$ 131,617
Other services and charges	748,164	816,367	787,314	29,053
Capital outlays	70,000	1,797	-	1,797
Total clerk of the district court	3,141,178	3,141,178	2,978,711	162,467
Treasurer:				
Personal services	876,604	876,604	783,915	92,689
Other services and charges	316,033	328,703	232,098	96,605
Capital outlays	14,125	1,455	-	1,455
Total treasurer	1,206,762	1,206,762	1,016,013	190,749
Assessor:				
Personal services	664,457	664,457	617,734	46,723
Other services and charges	78,860	78,860	65,042	13,818
Capital outlays	-	-	-	-
Total assessor	743,317	743,317	682,776	60,541
Assessor Motor Vehicle:				
Personal services	1,961,172	1,961,172	1,892,004	69,168
Other services and charges	452,156	468,745	353,580	115,165
Capital outlays	20,500	3,911	-	3,911
Total assessor motor vehicle	2,433,828	2,433,828	2,245,584	188,244
Prosecuting Attorney:				
Personal services	11,690,230	11,730,212	11,358,451	371,761
Other services and charges	760,425	1,427,054	917,833	509,221
Capital outlays	101,822	46,742	-	46,742
Total prosecuting attorney	12,552,477	13,204,008	12,276,284	927,724

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

(Continued)

**Ada County
General Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
<u>General Government (Continued)</u>				
Operations:				
Personal services	2,125,124	2,125,124	2,019,277	105,847
Other services and charges	5,629,413	6,064,034	4,906,459	1,157,575
Capital outlays	786,223	351,602	222,560	129,042
Total operations	<u>8,540,760</u>	<u>8,540,760</u>	<u>7,148,296</u>	<u>1,392,464</u>
Development Services:				
Personal services	1,491,577	1,491,577	1,380,288	111,289
Other services and charges	94,648	115,294	103,354	11,940
Capital outlays	-	8,827	-	8,827
Total development services	<u>1,586,225</u>	<u>1,615,698</u>	<u>1,483,642</u>	<u>132,056</u>
Information Technology:				
Personal services	3,924,877	3,924,877	3,568,290	356,587
Other services and charges	1,095,776	2,046,754	2,034,139	12,615
Capital outlays	1,227,000	276,022	275,973	49
Total information technology	<u>6,247,653</u>	<u>6,247,653</u>	<u>5,878,402</u>	<u>369,251</u>
Public Defender:				
Personal services	5,546,101	5,546,101	5,228,283	317,818
Other services and charges	1,889,963	1,889,854	1,796,155	93,699
Capital outlays	-	109	-	109
Total public defender	<u>7,436,064</u>	<u>7,436,064</u>	<u>7,024,438</u>	<u>411,626</u>
Department of Administration:				
Personal Services	2,085,444	2,085,444	2,002,986	82,458
Other services and charges	2,044,883	2,044,883	1,978,942	65,941
Capital outlays	-	-	-	-
Total administration	<u>4,130,327</u>	<u>4,130,327</u>	<u>3,981,928</u>	<u>148,399</u>

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

**Ada County
General Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
<u>General Government (Continued)</u>				
General:				
Personal services	100,000	100,000	12,223	87,777
Other services and charges	1,475,000	1,914,078	1,325,644	588,434
Capital outlays	550,500	111,422	92,542	18,880
Total general	<u>2,125,500</u>	<u>2,125,500</u>	<u>1,430,409</u>	<u>695,091</u>
Total general government (including capital outlays)	50,144,091	50,825,095	46,146,483	4,678,612
Less: capital outlays	2,770,170	801,887	591,075	210,812
Total general government (excluding capital outlays)	<u>\$ 47,373,921</u>	<u>\$ 50,023,208</u>	<u>\$ 45,555,408</u>	<u>\$ 4,467,800</u>
<u>Public Safety</u>				
Sheriff:				
Personal services	\$ 48,479,119	\$ 48,960,108	\$ 47,171,835	\$ 1,788,273
Other services and charges	7,594,149	8,352,088	7,644,910	707,178
Capital outlays	1,461,951	1,073,820	1,018,032	55,788
Total sheriff	<u>57,535,219</u>	<u>58,386,016</u>	<u>55,834,777</u>	<u>2,551,239</u>
Coroner:				
Personal services	1,443,384	1,443,384	1,363,971	79,413
Other services and charges	171,070	191,070	179,974	11,096
Capital outlays	20,000	-	-	-
Total coroner	<u>1,634,454</u>	<u>1,634,454</u>	<u>1,543,945</u>	<u>90,509</u>
Juvenile:				
Personal services	7,560,522	7,862,888	6,899,688	963,200
Other services and charges	742,670	2,648,894	698,792	1,950,102
Capital outlays	13,000	884,823	139,048	745,775
Total juvenile	<u>8,316,192</u>	<u>11,396,605</u>	<u>7,737,528</u>	<u>3,659,077</u>
Total public safety (including capital outlays)	67,485,865	71,417,075	65,116,250	6,300,825
Less: capital outlays	1,494,951	1,958,643	1,157,080	801,563
Total public safety (excluding capital outlays)	<u>\$ 65,990,914</u>	<u>\$ 69,458,432</u>	<u>\$ 63,959,170</u>	<u>\$ 5,499,262</u>
Total general fund expenditures (excluding capital outlays)	\$ 113,364,835	\$ 119,481,640	\$ 109,514,578	\$ 9,967,062
Add: capital outlays	4,265,121	2,760,530	1,748,155	1,012,375
Total general fund expenditures (including capital outlays)	<u>\$ 117,629,956</u>	<u>\$ 122,242,170</u>	<u>\$ 111,262,733</u>	<u>\$ 10,979,437</u>

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

(Continued)

**Ada County
General Fund
Schedule of Revenue, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts	Actual Amounts	Variance with
	Original	Final	Final Budget
Revenue Over (Under) Expenditures		(3,478,277)	
OTHER FINANCING SOURCES (USES)			
Transfers In		402,376	
Transfers Out		(2,312,742)	
Total Other Financing Sources (Uses)		(1,910,366)	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses		(5,388,643)	
Reconciling Items			
Changes Affected by Accrued Revenues		(640,546)	
Changes Affected by Accrued Expenditures		763,810	
Fund Balances - Beginning of Year		50,550,175	
Fund Balances - End of Year		\$ 45,284,796	

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

**Ada County
Charities and Welfare
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 11,059,672	\$ 11,059,672	\$ 11,190,195	\$ 130,523
Intergovernmental	-	-	3,610	3,610
Charges for services	250,000	250,000	902,215	652,215
Miscellaneous	-	-	28,655	28,655
Total revenues	<u>11,309,672</u>	<u>11,309,672</u>	<u>12,124,675</u>	<u>815,003</u>
Expenditures:				
Current-				
Health and welfare				
Personal services	1,370,281	1,370,281	1,275,617	94,664
Other services and charges	9,939,391	9,939,391	8,183,242	1,756,149
Capital outlays	-	-	-	-
Total expenditures	<u>11,309,672</u>	<u>11,309,672</u>	<u>9,458,859</u>	<u>1,850,813</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>2,665,816</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			<u>(4,580)</u>	
Total Other Financing Sources (Uses)			<u>(4,580)</u>	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			2,661,236	
Reconciling Items				
Changes Affected by Accrued Revenues			4,580	
Changes Affected by Accrued Expenditures			(391,457)	
Fund Balances - Beginning of Year			<u>4,091,192</u>	
Fund Balance - End of Year			<u>\$ 6,365,551</u>	

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

Ada County

Required Supplementary Information

**Note to Required Supplementary Information – Basis of Budgetary Reporting,
Stewardship, Compliance, and Accountability
For the Year Ended September 30, 2013**

Basis of Budgetary Accounting

The County's legal budget is prepared using cash basis records. Encumbrances are allowed for budgetary control purposes, but lapse at the close of the year. The Budget and Actual Schedules are prepared on the budgetary basis and include this variation from GAAP. The reconciliation at the bottom of the budget and actual statements shows the difference between the basis of budgeting and GAAP.

Stewardship, Compliance, and Accountability

Budgetary Information

The County budgets its revenues and expenditures, as is required by Idaho Code Section 31, Chapter 16. Following these guidelines, the County adopts annual appropriated budgets for General, Special Revenue, Capital Project and Enterprise Funds. All appropriated budgets for Governmental and Proprietary Funds are adopted on a non-GAAP cash basis. The following is a summary of the budgetary process for the County:

Prior to the third Monday in May, each elected official or department head submits to the Auditor's Office a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures by department categorized by personal services and other charges and services (including capital outlay) and the means of financing them. The Auditor's office assures the budgets are balanced. Budget hearings, give the County departments an opportunity to present their proposed budgets to the County Commissioners and the public at large.

On or before the first Monday in August, the proposed budget is submitted to the County Commissioners for review and tentative approval. When the tentative budget has been approved it must be published in the newspaper. Public budget hearings are conducted by the County on or before the Tuesday after Labor Day to obtain taxpayer comments, and upon conclusion of the hearing, the County Commissioners legally adopt the budget by a resolution in the official minutes of the board.

The budget in no event shall be greater than the amount of the advertised tentative budget. Per Idaho Code Section 31, the actual expenditures for the ensuing fiscal year shall not exceed the appropriations legally adopted by the Commissioners. The County's policy is that amounts may not be transferred between personal services and other charges and services (including capital outlay) and amounts may not be transferred between departments or funds.

Ada County may increase the total appropriations budget during the current year as grants are subsequently awarded by federal or state agencies, for donations to various departments, for carrying forward prior year incomplete major capital construction project balances and for receipt of unscheduled and/or unanticipated revenue, provided that there is no increase in anticipated property taxes. The appropriations budget may only be increased by the amount of actual revenues

received or carried forward in the case of major capital construction projects. Such budget revisions must be advertised, discussed in a public hearing, and adopted by a resolution from the Board of County Commissioners. The County increased the total 2013 budget by \$13,294,494 which had no impact on property taxes.

The level of budgetary control (level at which expenditures may not legally exceed the appropriations) is established by the personal services and other charges and services (including capital outlay) within the department and fund.

The County employs budgetary integration as a management control device during the year for all Governmental and Proprietary Funds. All appropriations, other than those for capital improvements not yet completed, lapse at the end of the fiscal year and become null and void. However, appropriation accounts may remain open until the first Monday in November for the payment of claims incurred prior to the close of the fiscal year. Lawful claims presented thereafter against any subsequent appropriation will be provided for in the ensuing budget.

Encumbrance accounting, the recording of purchase orders, contracts and other commitments for the expenditure of monies to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all Governmental Funds. All encumbrances are canceled when appropriations lapse.

**COMBINING FINANCIAL
STATEMENTS**

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Public Health - to account for the County's portion of services provided on a regional basis by the State of Idaho. Funding is provided by property tax dollars. This fund was established by authority of Idaho Code Section 31-862.

Weed Control - to account for operations of noxious weed control throughout the County. Revenues are provided primarily from user fees and property tax dollars. This fund was established by authority of Idaho Code Section 22-2406.

Pest Extermination - to account for the operation of the extermination of pests, primarily gophers, in the unincorporated areas of the County. Funding is provided by property tax dollars and minimal user fees. This fund was established by authority of Idaho Code Section 25-2601, 2602, 2604.

Parks and Recreation - to account for the operation and maintenance of Barber Park as well as other recreational projects. Initial capital expenditures have been provided by federal grants. Revenues are provided by user fees and property tax dollars. This fund was established by authority of Idaho Code Section 63-805.4a.

Ad Valorem - to account for operations of the reappraisal division of the assessor's office which provides a continuing program of valuation of all properties. All parcels of property under the assessor's jurisdiction are appraised at current market value for assessment purposes. This fund was established by authority of Idaho Code Section 63-314.3.

Court Monitoring - to account for a surcharge collected on all fines for persons violating the state law against driving a motor vehicle while under the influence of alcohol, drugs or other intoxicating substance, monies may be utilized for the purchase of ignition interlock and electronic devices. The court may also utilize moneys in this fund for alcohol or drug abuse related probation, treatment or prevention programs for adults or juveniles. This fund was established by authority of Idaho Code Section 18-8010.

District Court - to account for operations of the court exclusive of courthouse construction and remodeling costs. Funding is provided by property tax dollars, court filing fees, fines and forfeitures. This fund was established by authority of Idaho Code Section 31- 867.

SPECIAL REVENUE FUNDS (CONTINUED)

Drug Court & Mental Health Court – to accumulate funds from fees charged to persons admitted into a drug court or mental health court. Moneys in this fund shall be expended exclusively for expenses incurred in connection with the drug court or mental health court programs, such as treatment, testing, and private counseling. A fee may be ordered as a condition of probation and is in addition to all other fines and fees levied. This fund was established by authority of Idaho Code Section 31-3201E.

County Court Facilities - to account for court planning, remodeling and construction of court facilities. The County Court Facilities fund is separate and distinct from the District Court fund. At the discretion of the Board of County Commissioners, funds deposited in the County Court Facilities fund may be accumulated from year to year. Revenue is provided by an administrative surcharge on each civil case. This fund was established by authority of Idaho Code Section 31-867.3.

Waterways - to account for operations of the County boat patrol and other expenditures related to improvements of public waterways within the County. Revenue is provided by user fees. This fund was established by authority of Idaho Code Section 57-1501 and 67-7013.

Emergency Communications - to account for initiation, maintenance and enhancement of a consolidated emergency communications system (911) within Ada County. A telephone user fee of seventy five cents (\$.75) was authorized by the electorate of the County to provide for the funding of a consolidated communications system which is vital to enhancing the public health, safety and welfare of the residents. This fund was established by authority of Idaho Code Section 31-48.

Emergency Management Fund – to account for operations of the “Emergency Resources Management Plan” pursuant to Idaho Code Section 46, Chapter 1009. All cities within the County participate along with the County to finance the disaster preparedness plan. Revenues are also received from the Federal government.

Veterans Memorial - to assist in the maintenance, upkeep and repair of servicemen’s memorials within Ada County. This fund was established by authority of Idaho Code Section 65-102,103.

Mosquito Abatement – to account for the abatement of mosquitoes and/or other vermin of public health importance. Revenue is provided by a levy upon taxable property within the boundaries of the district. Authorization to form a mosquito abatement district is established by Idaho Code Section 39-2801, 2805.

Consolidated Elections – to account for all costs related to conducting political subdivision elections with the exception of the Ada County Highway District. Funding is provided through distribution of sales tax. This fund was established by authority of Idaho Code Section 31-809A.

Ada County
Combining Balance Sheet
Non-major Governmental Funds
September 30, 2013

Special Revenue Funds

	Public Health Fund	Weed Control Fund	Pest Extermination Fund	Parks and Recreation Fund	Ad Valorem Fund	Court Monitoring Fund	District Court Fund
ASSETS							
Cash and cash equivalents	\$ 13,462	\$ 68,388	\$ 71,526	\$ 142,274	\$ 249,929	\$ 3,434	\$ 466,560
Investments	101,957	515,676	536,134	1,076,705	1,891,750	26,010	3,501,017
Accounts receivable	-	14,091	45	-	-	-	-
Property tax receivable	1,776,039	486,886	541,283	156,413	2,662,027	-	8,246,897
Accrued interest receivable	-	-	1,457	-	-	-	-
Due from other funds	-	26,521	-	-	-	-	-
Due from other agencies and units of government	-	50,178	6,632	-	-	-	-
Total assets	<u>\$ 1,891,458</u>	<u>\$1,161,740</u>	<u>\$ 1,157,077</u>	<u>\$1,375,392</u>	<u>\$4,803,706</u>	<u>\$ 29,444</u>	<u>\$12,214,474</u>
LIABILITIES							
Accounts payable	\$ -	\$ 74,211	\$ 19,010	\$ 35,273	\$ 163,396	\$ -	\$ 745,380
Due to other funds	-	1,687	1,563	-	-	-	1,099
Unavailable/advanced revenue	-	-	-	20,192	-	-	-
Total liabilities	<u>-</u>	<u>75,898</u>	<u>20,573</u>	<u>55,465</u>	<u>163,396</u>	<u>-</u>	<u>746,479</u>
DEFERRED INFLOWS							
Property tax	<u>1,776,039</u>	<u>486,886</u>	<u>541,283</u>	<u>156,413</u>	<u>2,662,027</u>	<u>-</u>	<u>8,246,897</u>
FUND BALANCES							
Restricted for:							
Enabling Legislation	115,419	598,956	595,221	-	-	-	-
Assigned for:							
General government	-	-	-	-	1,978,283	-	-
Public safety	-	-	-	-	-	29,444	-
Judicial services	-	-	-	-	-	-	3,221,098
Recreation and culture	-	-	-	1,163,514	-	-	-
Total Fund Balances	<u>115,419</u>	<u>598,956</u>	<u>595,221</u>	<u>1,163,514</u>	<u>1,978,283</u>	<u>29,444</u>	<u>3,221,098</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,891,458</u>	<u>\$1,161,740</u>	<u>\$ 1,157,077</u>	<u>\$1,375,392</u>	<u>\$4,803,706</u>	<u>\$ 29,444</u>	<u>\$12,214,474</u>

Ada County
Combining Balance Sheet
Non-major Governmental Funds
September 30, 2013

Special Revenue Funds								Total
Drug/Mental Health Court Fund	County Court Facilities Fund	Waterways Fund	Emergency Communications Fund	Emergency Management Fund	Veterans Memorial Fund	Mosquito Abatement Fund	Consolidated Elections Fund	Non-major Governmental Funds
\$ 328,973	\$ 1,712	\$ 27,229	\$ 1,047,318	\$ 46,196	\$ 215	\$ 126,986	\$ 86,115	\$ 2,680,317
2,491,540	12,968	204,101	7,850,345	349,118	1,626	951,847	652,205	20,162,999
-	-	-	76,588	-	-	-	-	90,724
-	-	-	-	-	19,400	921,090	-	14,810,035
-	-	671	19,220	-	-	2,672	-	24,020
-	-	-	-	-	-	-	-	26,521
-	-	-	16,627	8,734	-	7,318	-	89,489
<u>\$ 2,820,513</u>	<u>\$ 14,680</u>	<u>\$ 232,001</u>	<u>\$ 9,010,098</u>	<u>\$ 404,048</u>	<u>\$ 21,241</u>	<u>\$ 2,009,913</u>	<u>\$ 738,320</u>	<u>\$ 37,884,105</u>
\$ 102,484	\$ -	\$ 2,319	\$ 200,735	\$ 26,522	\$ -	\$ 41,414	\$ 48,863	\$ 1,459,607
-	-	20,000	6,972	54	-	12,922	41,264	85,561
-	-	-	-	-	-	-	-	20,192
<u>102,484</u>	<u>-</u>	<u>22,319</u>	<u>207,707</u>	<u>26,576</u>	<u>-</u>	<u>54,336</u>	<u>90,127</u>	<u>1,565,360</u>
-	-	-	-	-	19,400	921,090	-	14,810,035
2,718,029	14,680	-	8,802,391	-	-	1,034,487	648,193	14,527,376
-	-	-	-	-	-	-	-	1,978,283
-	-	-	-	377,472	-	-	-	406,916
-	-	-	-	-	-	-	-	3,221,098
-	-	209,682	-	-	1,841	-	-	1,375,037
<u>2,718,029</u>	<u>14,680</u>	<u>209,682</u>	<u>8,802,391</u>	<u>377,472</u>	<u>1,841</u>	<u>1,034,487</u>	<u>648,193</u>	<u>21,508,710</u>
<u>\$ 2,820,513</u>	<u>\$ 14,680</u>	<u>\$ 232,001</u>	<u>\$ 9,010,098</u>	<u>\$ 404,048</u>	<u>\$ 21,241</u>	<u>\$ 2,009,913</u>	<u>\$ 738,320</u>	<u>\$ 37,884,105</u>

Ada County
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Non-major Governmental Funds
For the Year Ended September 30, 2013

Special Revenue Funds

	Public Health Fund	Weed Control Fund	Pest Extermination Fund	Parks and Recreation Fund	Ad Valorem Fund	Court Monitoring Fund	District Court Fund
REVENUES							
Taxes	\$ 1,733,398	\$ 447,719	\$ 512,435	\$ 161,043	\$ 2,831,105	\$ -	\$ 8,151,901
Licenses and permits	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	1,339,272
Charges for services	-	431,517	2,031	120,509	85,552	-	777,243
Intergovernmental	1,033	6,715	24,779	131,658	1,582	-	260,108
Interest income	2,805	6,189	6,613	11,257	23,242	302	43,834
Net increase (decrease) in the fair value of investments	(1,354)	(6,591)	(6,518)	(13,701)	(23,900)	(347)	(45,149)
Miscellaneous	-	418	-	295,387	4,865	46,694	45,372
Total revenues	<u>1,735,882</u>	<u>885,967</u>	<u>539,340</u>	<u>706,153</u>	<u>2,922,446</u>	<u>46,649</u>	<u>10,572,581</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	2,638,346	-	10,485,571
Sanitation	-	852,573	408,716	-	-	-	-
Public safety	-	-	-	-	-	47,600	-
Health and welfare	1,749,310	-	-	-	-	-	-
Recreational and cultural	-	-	-	460,583	-	-	-
Capital outlay	-	24,993	-	140,397	-	-	-
Total expenditures	<u>1,749,310</u>	<u>877,566</u>	<u>408,716</u>	<u>600,980</u>	<u>2,638,346</u>	<u>47,600</u>	<u>10,485,571</u>
Excess (deficiency) of revenues over expenditures	<u>(13,428)</u>	<u>8,401</u>	<u>130,624</u>	<u>105,173</u>	<u>284,100</u>	<u>(951)</u>	<u>87,010</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	27,869	72,436	2,444	658	45	1,315
Transfers (out)	(1,452)	-	-	-	-	-	-
Total other financing sources and uses	<u>(1,452)</u>	<u>27,869</u>	<u>72,436</u>	<u>2,444</u>	<u>658</u>	<u>45</u>	<u>1,315</u>
Net change in fund balance	(14,880)	36,270	203,060	107,617	284,758	(906)	88,325
Fund balance, beginning of year	<u>130,299</u>	<u>562,686</u>	<u>392,161</u>	<u>1,055,897</u>	<u>1,693,525</u>	<u>30,350</u>	<u>3,132,773</u>
Fund balance, end of year	<u>\$ 115,419</u>	<u>\$ 598,956</u>	<u>\$ 595,221</u>	<u>\$ 1,163,514</u>	<u>\$ 1,978,283</u>	<u>\$ 29,444</u>	<u>\$ 3,221,098</u>

Ada County
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Non-major Governmental Funds
For the Year Ended September 30, 2013

Special Revenue Funds							Total	
Drug/Mental Health Court Fund	County Court Facilities Fund	Waterways Fund	Emergency Communications Fund	Emergency Management Fund	Veterans Memorial Fund	Mosquito Abatement Fund	Consolidated Election Fund	Non-major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,380	\$ 907,295	\$ -	\$ 14,764,276
-	-	156,948	-	-	-	-	-	156,948
-	-	-	-	-	-	-	-	1,339,272
257,434	-	-	6,204,470	-	-	-	-	7,878,756
1,147,240	-	425	-	640,415	16	24,058	592,231	2,830,260
30,453	17	2,638	84,481	4,490	52	12,692	7,906	236,971
(31,581)	(169)	(2,587)	(97,614)	(4,403)	(23)	(11,715)	(7,710)	(253,362)
1,298	-	-	2,073	-	-	1,014	6,512	403,633
<u>1,404,844</u>	<u>(152)</u>	<u>157,424</u>	<u>6,193,410</u>	<u>640,502</u>	<u>19,425</u>	<u>933,344</u>	<u>598,939</u>	<u>27,356,754</u>
1,038,947	441	-	-	-	-	-	353,252	14,516,557
-	-	-	-	-	-	734,404	-	1,995,693
116,562	-	-	2,880,502	580,383	-	-	-	3,625,047
-	-	-	-	-	-	-	-	1,749,310
-	-	120,595	-	-	20,000	-	-	601,178
-	-	-	1,070,933	-	-	-	-	1,236,323
<u>1,155,509</u>	<u>441</u>	<u>120,595</u>	<u>3,951,435</u>	<u>580,383</u>	<u>20,000</u>	<u>734,404</u>	<u>353,252</u>	<u>23,724,108</u>
<u>249,335</u>	<u>(593)</u>	<u>36,829</u>	<u>2,241,975</u>	<u>60,119</u>	<u>(575)</u>	<u>198,940</u>	<u>245,687</u>	<u>3,632,646</u>
1,128	153	-	-	-	-	90,104	-	196,152
-	-	-	-	(87)	(29)	-	(196)	(1,764)
<u>1,128</u>	<u>153</u>	<u>-</u>	<u>-</u>	<u>(87)</u>	<u>(29)</u>	<u>90,104</u>	<u>(196)</u>	<u>194,388</u>
250,463	(440)	36,829	2,241,975	60,032	(604)	289,044	245,491	3,827,034
<u>2,467,566</u>	<u>15,120</u>	<u>172,853</u>	<u>6,560,416</u>	<u>317,440</u>	<u>2,445</u>	<u>745,443</u>	<u>402,702</u>	<u>17,681,676</u>
<u>\$ 2,718,029</u>	<u>\$ 14,680</u>	<u>\$ 209,682</u>	<u>\$ 8,802,391</u>	<u>\$ 377,472</u>	<u>\$ 1,841</u>	<u>\$ 1,034,487</u>	<u>\$ 648,193</u>	<u>\$ 21,508,710</u>

BUDGET AND ACTUAL COMPARISONS
FOR GOVERNMENTAL FUNDS
OTHER THAN THE
GENERAL AND MAJOR SPECIAL REVENUE FUNDS

Ada County
Capital Projects
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	926,400	926,400	875,336	(51,064)
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Interest	425,000	425,000	546,635	121,635
Miscellaneous	500,000	500,000	726,000	226,000
Total revenues	1,851,400	1,851,400	2,147,971	296,571
Expenditures:				
General Government				
Other services and charges	30,000	5,650,818	5,049,186	601,632
Debt Service-				
Principal retirement	3,025,000	3,025,000	3,025,000	-
Interest and other debt charges	2,062,738	2,062,738	1,911,736	151,002
Total expenditures	5,117,738	10,738,556	9,985,922	752,634
Excess (deficiency) of revenues over expenditures and other uses, cash basis			(7,837,951)	
 OTHER FINANCING SOURCES (USES)				
Transfers In			726,000	
Transfers Out			(572,706)	
Total Other Financing Sources (Uses)			153,294	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			(7,684,657)	
 Reconciling Items				
Changes Affected by Accrued Revenues			(1,311,496)	
Changes Affected by Accrued Expenditures/Capital Outlay			603,376	
Fund Balances - Beginning of Year			58,598,515	
Fund Balance - End of Year			\$ 50,205,738	

(Continued)

**Ada County
Public Health
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,710,312	\$ 1,710,312	\$ 1,733,398	\$ 23,086
Intergovernmental	-	-	1,033	1,033
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>1,710,312</u>	<u>1,710,312</u>	<u>1,734,431</u>	<u>24,119</u>
Expenditures:				
Current -				
Health and welfare				-
Other services and charges	<u>1,749,312</u>	<u>1,749,312</u>	<u>1,749,312</u>	-
Total expenditures	<u>1,749,312</u>	<u>1,749,312</u>	<u>1,749,312</u>	-
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>(14,881)</u>	
 OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			<u>(1,452)</u>	
Total Other Financing Sources (Uses)			<u>(1,452)</u>	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			(16,333)	
Reconciling Items				
Changes Affected by Accrued Revenues			1,453	
Changes Affected by Accrued Expenditures			-	
Fund Balances - Beginning of Year			<u>130,299</u>	
Fund Balance - End of Year			<u>\$ 115,419</u>	

**Ada County
Weed Control
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 440,970	\$ 440,970	\$ 447,719	\$ 6,749
Intergovernmental	-	7,000	8,260	1,260
Charges for services	568,727	568,727	404,526	(164,201)
Miscellaneous	-	-	15,555	15,555
Total revenues	<u>1,009,697</u>	<u>1,016,697</u>	<u>876,060</u>	<u>(140,637)</u>
Expenditures:				
Current -				
Sanitation				
Personal services	508,804	510,904	445,439	65,465
Other services and charges	501,103	496,343	410,779	85,564
Capital outlays	6,000	15,660	11,660	4,000
Total expenditures	<u>1,015,907</u>	<u>1,022,907</u>	<u>867,878</u>	<u>155,029</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>8,182</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			27,869	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>27,869</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			36,051	
Reconciling Items				
Changes Affected by Accrued Revenues			9,907	
Changes Affected by Accrued Expenditures			(9,688)	
Fund Balances - Beginning of Year				
			<u>562,686</u>	
Fund Balance - End of Year				
			<u>\$ 598,956</u>	

(Continued)

Ada County
Pest Extermination
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 506,660	\$ 506,660	\$ 512,435	\$ 5,775
Intergovernmental	16,588	16,588	24,466	7,878
Charges for services	2,000	2,000	2,407	407
Miscellaneous	-	-	72,436	72,436
Interest	-	-	6,011	6,011
Total revenues	<u>525,248</u>	<u>525,248</u>	<u>617,755</u>	<u>92,507</u>
Expenditures:				
Current -				
Sanitation				
Personal services	163,733	163,733	138,503	25,230
Other services and charges	361,298	334,798	270,618	64,180
Capital outlays	4,000	30,500	-	30,500
Total expenditures	<u>529,031</u>	<u>529,031</u>	<u>409,121</u>	<u>119,910</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>208,634</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			72,436	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>72,436</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			281,070	
Reconciling Items				
Changes Affected by Accrued Revenues			(78,415)	
Changes Affected by Accrued Expenditures			405	
Fund Balances - Beginning of Year				
			<u>392,161</u>	
Fund Balance - End of Year				
			<u>\$ 595,221</u>	

Ada County
Parks and Recreation
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 158,285	\$ 158,285	\$ 161,043	\$ 2,758
Intergovernmental	-	180,133	132,829	(47,304)
Charges for services	98,000	98,000	120,508	22,508
Miscellaneous	300,500	300,500	318,285	17,785
Total revenues	<u>556,785</u>	<u>736,918</u>	<u>732,665</u>	<u>(4,253)</u>
Expenditures:				
Current -				
Recreational and cultural				
Personal services	311,066	311,066	232,178	78,888
Other services and charges	254,943	301,646	242,725	58,921
Capital outlays	72,000	204,259	140,397	63,862
Total expenditures	<u>638,009</u>	<u>816,971</u>	<u>615,300</u>	<u>201,671</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>117,365</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			2,444	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>2,444</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			119,809	
Reconciling Items				
Changes Affected by Accrued Revenues			(26,514)	
Changes Affected by Accrued Expenditures			14,322	
Fund Balances - Beginning of Year				
			<u>1,055,897</u>	
Fund Balance - End of Year				
			<u>\$ 1,163,514</u>	

(Continued)

Ada County
Ad Valorem
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 2,798,166	\$ 2,798,166	\$ 2,831,105	\$ 32,939
Intergovernmental	-	-	1,582	1,582
Charges for services	47,000	47,000	85,552	38,552
Miscellaneous	-	-	4,865	4,865
Total revenues	<u>2,845,166</u>	<u>2,845,166</u>	<u>2,923,104</u>	<u>77,938</u>
Expenditures:				
Current -				
General government				
Personal services	2,676,212	2,676,212	2,427,727	248,485
Other services and charges	299,743	316,583	235,926	80,657
Capital outlays	29,670	12,830	-	12,830
Total expenditures	<u>3,005,625</u>	<u>3,005,625</u>	<u>2,663,653</u>	<u>341,972</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>259,451</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			658	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>658</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			260,109	
Reconciling Items				
Changes Affected by Accrued Revenues			(658)	
Changes Affected by Accrued Expenditures			25,307	
Fund Balances - Beginning of Year				
			<u>1,693,525</u>	
Fund Balance - End of Year				
			<u>\$ 1,978,283</u>	

Ada County
Court Monitoring
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	54,212	54,212	47,951	(6,261)
Total revenues	<u>54,212</u>	<u>54,212</u>	<u>47,951</u>	<u>(6,261)</u>
Expenditures:				
Current -				
Public safety				
Personal services	-	-	-	-
Other services and charges	54,212	54,212	47,600	6,612
Capital outlays	-	-	-	-
Total court monitoring	<u>54,212</u>	<u>54,212</u>	<u>47,600</u>	<u>6,612</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>351</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			45	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>45</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			396	
Reconciling Items				
Changes Affected by Accrued Revenues			(1,302)	
Changes Affected by Accrued Expenditures			-	
Fund Balances - Beginning of Year			<u>30,350</u>	
Fund Balance - End of Year			<u>\$ 29,444</u>	

(Continued)

**Ada County
District Court
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenue:				
Taxes	\$ 8,095,683	\$ 8,095,683	\$ 8,151,901	\$ 56,218
Intergovernmental	170,280	170,280	172,128	1,848
Charges for services	936,824	936,824	777,656	(159,168)
Fines and forfeitures	1,558,574	1,558,574	1,331,954	(226,620)
Miscellaneous	17,523	17,523	45,534	28,011
Total revenues	<u>10,778,884</u>	<u>10,778,884</u>	<u>10,479,173</u>	<u>(299,711)</u>
Expenditures:				
Current -				
General government				
Personal services	9,809,335	9,809,335	9,204,044	605,291
Other services and charges	1,478,641	1,533,305	1,325,918	207,387
Capital outlays	71,174	16,510	-	16,510
Total expenditures	<u>11,359,150</u>	<u>11,359,150</u>	<u>10,529,962</u>	<u>829,188</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>(50,789)</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			1,315	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>1,315</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			(49,474)	
Reconciling Items				
Changes Affected by Accrued Revenues			93,408	
Changes Affected by Accrued Expenditures			44,391	
Fund Balances - Beginning of Year			<u>3,132,773</u>	
Fund Balance - End of Year			<u>\$ 3,221,098</u>	

Ada County
Drug Court/Mental Health Court
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	837,746	837,746	1,147,240	309,494
Charges for services	96,542	96,542	257,434	160,892
Licenses and permits	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	1,298	1,298
Total revenues	<u>934,288</u>	<u>934,288</u>	<u>1,405,972</u>	<u>471,684</u>
Expenditures:				
Current -				
Public safety				
Personal services	802,354	1,097,225	838,306	258,919
Other services and charges	254,944	418,551	306,048	112,503
Capital outlays	-	-	-	-
Total expenditures	<u>1,057,298</u>	<u>1,515,776</u>	<u>1,144,354</u>	<u>371,422</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>261,618</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			1,128	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>1,128</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			262,746	
Reconciling Items				
Changes Affected by Accrued Revenues			(1,128)	
Changes Affected by Accrued Expenditures			(11,155)	
Fund Balances - Beginning of Year			<u>2,467,566</u>	
Fund Balance - End of Year			<u>\$ 2,718,029</u>	

(Continued)

Ada County
County Court Facilities
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current -				
General government	-	-	-	-
Personal services	-	-	-	-
Other services and charges	-	-	-	-
Capital outlays	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>-</u>	
 OTHER FINANCING SOURCES (USES)				
Transfers In			153	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>153</u>	
 Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			153	
 Reconciling Items				
Changes Affected by Accrued Revenues			(593)	
Changes Affected by Accrued Expenditures			-	
 Fund Balances - Beginning of Year				
			<u>15,120</u>	
 Fund Balance - End of Year				
			<u>\$ 14,680</u>	

**Ada County
Waterways
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	28,000	425	(27,575)
Charges for services	-	-	-	-
Licenses and permits	173,500	173,500	156,948	(16,552)
Interest	2,000	2,000	2,321	321
Miscellaneous	-	-	-	-
Total revenues	<u>175,500</u>	<u>203,500</u>	<u>159,694</u>	<u>(43,806)</u>
Expenditures:				
Current -				
Recreational and cultural				
Personal services	-	-	-	-
Other services and charges	160,489	203,500	120,595	82,905
Capital outlays	15,011	-	-	-
Total expenditures	<u>175,500</u>	<u>203,500</u>	<u>120,595</u>	<u>82,905</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>39,099</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>-</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			39,099	
Reconciling Items				
Changes Affected by Accrued Revenues			(2,270)	
Changes Affected by Accrued Expenditures			-	
Fund Balances - Beginning of Year			<u>172,853</u>	
Fund Balance - End of Year			<u>\$ 209,682</u>	

(Continued)

Ada County
Emergency Communications
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	5,456,100	5,456,100	6,392,675	936,575
Interest	57,600	57,600	77,344	19,744
Miscellaneous	2,000	2,000	2,073	73
Total revenues	<u>5,515,700</u>	<u>5,515,700</u>	<u>6,472,092</u>	<u>956,392</u>
Expenditures:				
Current -				
Public safety				
Personal services	820,305	820,305	633,462	186,843
Other services and charges	2,182,299	2,609,066	2,236,842	372,224
Capital outlays	5,599,595	5,172,828	1,070,933	4,101,895
Total expenditures	<u>8,602,199</u>	<u>8,602,199</u>	<u>3,941,237</u>	<u>4,660,962</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>2,530,855</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>-</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			2,530,855	
Reconciling Items				
Changes Affected by Accrued Revenues			(278,682)	
Changes Affected by Accrued Expenditures			(10,198)	
Fund Balances - Beginning of Year			<u>6,560,416</u>	
Fund Balance - End of Year			<u>\$ 8,802,391</u>	

Ada County
Emergency Management
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	492,684	983,711	618,109	(365,602)
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	492,684	983,711	618,109	(365,602)
Expenditures:				
Current -				
Public safety				
Personal services	430,923	430,923	407,887	23,036
Other services and charges	110,427	596,119	157,916	438,203
Capital outlays	-	-	-	-
Total expenditures	541,350	1,027,042	565,803	461,239
Excess (deficiency) of revenues over expenditures and other uses, cash basis			52,306	
 OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			(87)	
Total Other Financing Sources (Uses)			(87)	
 Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			52,219	
 Reconciling Items				
Changes Affected by Accrued Revenues			22,393	
Changes Affected by Accrued Expenditures			(14,580)	
 Fund Balances - Beginning of Year				
			317,440	
 Fund Balance - End of Year				
			\$ 377,472	

(Continued)

**Ada County
Veterans Memorial
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 19,100	\$ 19,100	\$ 19,380	\$ 280
Intergovernmental	-	-	16	16
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>19,100</u>	<u>19,100</u>	<u>19,396</u>	<u>296</u>
Expenditures:				
Current -				
Recreational and cultural				
Personal services	-	-	-	-
Other services and charges	20,000	20,000	20,000	-
Capital outlays	-	-	-	-
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>(604)</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			<u>(29)</u>	
Total Other Financing Sources (Uses)			<u>(29)</u>	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			(633)	
Reconciling Items				
Changes Affected by Accrued Revenues			29	
Changes Affected by Accrued Expenditures			-	
Fund Balances - Beginning of Year			<u>2,445</u>	
Fund Balance - End of Year			<u><u>\$ 1,841</u></u>	

Ada County
Mosquito Abatement
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 894,622	\$ 894,622	\$ 907,295	\$ 12,673
Intergovernmental	13,273	13,273	26,463	13,190
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Interest	-	-	11,588	11,588
Miscellaneous	-	-	91,119	91,119
Total revenues	<u>907,895</u>	<u>907,895</u>	<u>1,036,465</u>	<u>128,570</u>
Expenditures:				
Current -				
Sanitation				
Personal services	412,101	412,101	320,195	91,906
Other services and charges	479,966	494,372	409,367	85,005
Capital outlays	<u>22,500</u>	<u>8,094</u>	-	<u>8,094</u>
Total expenditures	<u>914,567</u>	<u>914,567</u>	<u>729,562</u>	<u>185,005</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>306,903</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			90,104	
Transfers Out			-	
Total Other Financing Sources (Uses)			<u>90,104</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			397,007	
Reconciling Items				
Changes Affected by Accrued Revenues			(103,121)	
Changes Affected by Accrued Expenditures			(4,842)	
Fund Balances - Beginning of Year			<u>745,443</u>	
Fund Balance - End of Year			<u>\$ 1,034,487</u>	

(Continued)

Ada County
Consolidated Elections
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Cash Basis)
For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	562,807	562,807	592,231	29,424
Charges for services	-	-	-	-
Miscellaneous	-	-	6,511	6,511
Total revenues	<u>562,807</u>	<u>562,807</u>	<u>598,742</u>	<u>35,935</u>
Expenditures:				
Current-				
General Government				
Personal services	-	-	-	-
Other services and charges	562,807	562,807	270,724	292,083
Capital outlays	-	-	-	-
Total expenditures	<u>562,807</u>	<u>562,807</u>	<u>270,724</u>	<u>292,083</u>
Excess (deficiency) of revenues over expenditures and other uses, cash basis			<u>328,018</u>	
OTHER FINANCING SOURCES (USES)				
Transfers In			-	
Transfers Out			(196)	
Total Other Financing Sources (Uses)			<u>(196)</u>	
Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses			327,822	
Reconciling Items				
Changes Affected by Accrued Revenues			195	
Changes Affected by Accrued Expenditures			(82,526)	
Fund Balances - Beginning of Year			<u>402,702</u>	
Fund Balance - End of Year			<u>\$ 648,193</u>	

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the County.

Self-Funded Health Insurance - to account for the County's self-funded health insurance program, consisting of medical, dental and vision coverage. The County became self-insured for health insurance in fiscal year 2000.

Liability Insurance - to account for the County's self-insurance for liability and auto coverage, purchased insurance for property losses, and worker's compensation insurance.

Ada County
Internal Service Funds
Combining Statement of Net Position
September 30, 2013

	Self-Funded Health Insurance	Liability Insurance	Total
ASSETS			
Cash	\$ 695,139	\$ 1,353,437	\$ 2,048,576
Investments	5,210,529	9,331,761	14,542,290
Accrued interest receivable	10,044	24,309	34,353
	<u>5,915,712</u>	<u>10,709,507</u>	<u>16,625,219</u>
Total current assets			
	<u>5,915,712</u>	<u>10,709,507</u>	<u>16,625,219</u>
LIABILITIES			
Current liabilities:			
Accounts payable	576,077	119,614	695,691
Due to other funds	-	56,943	56,943
Claims and judgments	1,110,176	1,413,909	2,524,085
	<u>1,686,253</u>	<u>1,590,466</u>	<u>3,276,719</u>
Total current liabilities			
	<u>1,686,253</u>	<u>1,590,466</u>	<u>3,276,719</u>
Noncurrent liabilities:			
Claims and judgments	-	7,937,888	7,937,888
	<u>-</u>	<u>7,937,888</u>	<u>7,937,888</u>
Total noncurrent liabilities			
	<u>-</u>	<u>7,937,888</u>	<u>7,937,888</u>
Total liabilities	<u>1,686,253</u>	<u>9,528,354</u>	<u>11,214,607</u>
NET POSITION			
Unrestricted	4,229,459	1,181,153	5,410,612
Total net position	<u>\$ 4,229,459</u>	<u>\$ 1,181,153</u>	<u>\$ 5,410,612</u>

Ada County
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2013

	Self-Funded Health Insurance	Liability Insurance	Total
OPERATING REVENUES			
Charges for services	\$ 16,796,377	\$ 2,110,472	\$ 18,906,849
Total operating revenues	<u>16,796,377</u>	<u>2,110,472</u>	<u>18,906,849</u>
OPERATING EXPENSES			
Claims Administration	14,254,939	1,855,044	16,109,983
	<u>2,894,678</u>	<u>437,591</u>	<u>3,332,269</u>
Total operating expenses	<u>17,149,617</u>	<u>2,292,635</u>	<u>19,442,252</u>
Income (loss) before nonoperating income (expense) and transfers	<u>(353,240)</u>	<u>(182,163)</u>	<u>(535,403)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest income	51,196	115,471	166,667
Net increase (decrease) in the fair value of investments	(67,441)	(121,187)	(188,628)
	<u>-</u>	<u>-</u>	<u>-</u>
Total nonoperating income	<u>(16,245)</u>	<u>(5,716)</u>	<u>(21,961)</u>
Income (loss) before operating transfers	<u>(369,485)</u>	<u>(187,879)</u>	<u>(557,364)</u>
Transfers in	1,380,578	200,019	1,580,597
Transfers out	<u>-</u>	<u>(13,333)</u>	<u>(13,333)</u>
Change in net position	<u>1,011,093</u>	<u>(1,193)</u>	<u>1,009,900</u>
Total net position - beginning	<u>3,218,366</u>	<u>1,182,346</u>	<u>4,400,712</u>
Total net position - ending	<u>\$ 4,229,459</u>	<u>\$ 1,181,153</u>	<u>\$ 5,410,612</u>

Ada County
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2013

	Self-Funded Health Insurance	Liability Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from services provided to other funds	\$ 16,796,377	\$ 2,110,472	\$ 18,906,849
Cash paid to suppliers for goods and contracted services	<u>(17,923,817)</u>	<u>(2,022,347)</u>	<u>(19,946,164)</u>
Net cash provided by (used for) operating activities	<u>(1,127,440)</u>	<u>88,125</u>	<u>(1,039,315)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer in	1,380,578	200,019	1,580,597
Transfer out	<u>-</u>	<u>(13,333)</u>	<u>(13,333)</u>
Net cash provided by (used for) noncapital financing activities	<u>1,380,578</u>	<u>186,686</u>	<u>1,567,264</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net (increase) decrease in investments	(555,406)	(850,665)	(1,406,071)
Interest income	<u>50,556</u>	<u>112,020</u>	<u>162,576</u>
Net cash provided by (used for) investing activities	<u>(504,850)</u>	<u>(738,645)</u>	<u>(1,243,495)</u>
Net increase (decrease) in cash	(251,712)	(463,834)	(715,546)
Cash, beginning of year	<u>946,851</u>	<u>1,817,271</u>	<u>2,764,122</u>
Cash, end of year	<u><u>\$ 695,139</u></u>	<u><u>\$ 1,353,437</u></u>	<u><u>\$ 2,048,576</u></u>

(Continued)

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

	Self-Funded Health Insurance	Liability Insurance	Total
Operating income (loss)	\$ (353,240)	\$ (182,163)	\$ (535,403)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Increase (decrease) in accounts payable	(378,929)	56,551	(322,378)
Increase (decrease) in due to other funds	-	13,977	13,977
Increase (decrease) in claims and judgments	(395,271)	199,760	(195,511)
Total adjustments	(774,200)	270,288	(503,912)
Net cash provided by (used for) operating activities	\$ (1,127,440)	\$ 88,125	\$ (1,039,315)

Noncash investing activities for governmental internal service funds were:

The net decrease in the fair value of investments for Self-Funded Health Insurance was \$67,441 for the year.

The net decrease in the fair value of investments for Liability Insurance was \$121,187 for the year.

AGENCY FUNDS

Agency Funds account for the receipt and disbursement of various monies and property collected by the County, acting in the capacity of an agent, for distribution to other governmental units, organizations, or individuals.

State of Idaho - to account for monies received from court collections, sales tax, motor vehicle licenses, property tax collection for water pollution and unclaimed money.

Special Taxing Districts - to account for monies from property tax collection due to the following taxing districts: libraries, school districts, cities, cemeteries, fire protection, sewers, drainage and other miscellaneous districts.

Unapportioned Account - to account for tax and other revenues turned to the County from the Tax Collector and State of Idaho.

Court Suspense - to account for the monies received by the courts (traffic, magistrate and district) primarily comprised of filing fees, fines and bonds.

Restitution Accounts - to account for the non-treasury monies received and disbursed by the Public Defender, Prosecuting Attorney and Juvenile Departments.

Sheriff's Account - to account for non-treasury monies collected by the sheriff from writs, garnishments and delinquent property taxes (civil) and prisoner funds.

Other Agencies - to account for property tax refunds resulting from assessment errors and incorrect tax distribution.

ADA COUNTY, IDAHO
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
September 30, 2013

	State of Idaho	Special Taxing Districts	Unappor- tioned Account	Court Suspense	Resti- tution Accounts	Sheriff's Account	Other Agencies	Total
Assets								
Cash	\$ 3,088,892	\$ 661,375	\$ 1,605,746	\$ 4,117,724	\$ 29,016	\$ 955,350	\$ -	\$ 10,458,103
Accounts Receivable	430,327	69,013	-	-	-	-	-	499,340
Total assets	<u>3,519,219</u>	<u>730,388</u>	<u>1,605,746</u>	<u>4,117,724</u>	<u>29,016</u>	<u>955,350</u>	<u>-</u>	<u>10,957,443</u>
Liabilities								
Accounts payable	\$ 33,361	\$ 20,622	\$ -	\$ 546,070	\$ -	\$ -	\$ -	\$ 600,053
Fines and appearance bonds to be remitted	-	-	-	3,072,314	-	-	-	3,072,314
Fiduciary fund liabilities:								
Judgements held in trust	-	-	-	-	-	855,878	-	855,878
Tax receipts held in trust	-	-	1,605,746	-	-	-	-	1,605,746
Due to prisoners	-	-	-	-	-	99,472	-	99,472
Due to victims	-	-	-	-	29,016	-	-	29,016
Due to other agencies and units of government	3,485,858	709,766	-	499,340	-	-	-	4,694,964
Total liabilities	<u>3,519,219</u>	<u>730,388</u>	<u>1,605,746</u>	<u>4,117,724</u>	<u>29,016</u>	<u>955,350</u>	<u>-</u>	<u>10,957,443</u>

ADA COUNTY, IDAHO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

FUND	Balance 9/30/12	Additions	Deductions	Balance 9/30/13
State of Idaho				
Assets:				
Cash	\$ 2,687,593	\$ 45,089,858	\$ 44,688,559	\$ 3,088,892
Accounts Receivable	476,354	430,327	476,354	430,327
Total Assets	\$ 3,163,947	\$ 45,520,185	\$ 45,164,913	\$ 3,519,219
Liabilities:				
Accounts payable	\$ 100	\$ 42,034,327	\$ 42,001,066	\$ 33,361
Due to other agencies and units of government	3,163,847	3,485,858	3,163,847	3,485,858
Total liabilities	\$ 3,163,947	\$ 45,520,185	\$ 45,164,913	\$ 3,519,219
Special Taxing Districts				
Assets:				
Cash	\$ 858,677	\$ 360,312,921	\$ 360,510,223	\$ 661,375
Accounts Receivable	105,936	69,013	105,936	69,013
	\$ 964,613	\$ 360,381,934	\$ 360,616,159	\$ 730,388
Liabilities:				
Accounts payable	\$ 59,282	\$ 20,622	\$ 59,282	\$ 20,622
Due to other agencies and units of government	905,331	360,361,312	360,556,877	709,766
	\$ 964,613	\$ 360,381,934	\$ 360,616,159	\$ 730,388
Unapportioned				
Assets:				
Cash	\$ 1,696,924	\$ 1,858,088,166	\$ 1,858,179,344	\$ 1,605,746
	\$ 1,696,924	\$ 1,858,088,166	\$ 1,858,179,344	\$ 1,605,746
Liabilities:				
Tax receipts held in trust	\$ 1,696,924	\$ 1,858,088,166	\$ 1,858,179,344	\$ 1,605,746
	\$ 1,696,924	\$ 1,858,088,166	\$ 1,858,179,344	\$ 1,605,746

ADA COUNTY, IDAHO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

<u>FUND</u>	<u>Balance 9/30/12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9/30/13</u>
<u>Court Suspense</u>				
Assets:				
Cash	\$ 3,540,928	\$ 17,555,467	\$ 16,978,671	\$ 4,117,724
Total Assets	<u>\$ 3,540,928</u>	<u>\$ 17,555,467</u>	<u>\$ 16,978,671</u>	<u>\$ 4,117,724</u>
Liabilities:				
Accounts payable	\$ 122,121	\$ 13,983,813	\$ 13,559,864	\$ 546,070
Due to agencies	582,290	499,340	582,290	499,340
Fines and appearance bonds to be remitted	<u>2,836,517</u>	<u>3,072,314</u>	<u>2,836,517</u>	<u>3,072,314</u>
Total liabilities	<u>\$ 3,540,928</u>	<u>\$ 17,555,467</u>	<u>\$ 16,978,671</u>	<u>\$ 4,117,724</u>
<u>Restitution Accounts</u>				
Assets:				
Cash	<u>\$ 21,177</u>	<u>\$ 1,588,858</u>	<u>\$ 1,581,019</u>	<u>\$ 29,016</u>
	<u>\$ 21,177</u>	<u>\$ 1,588,858</u>	<u>\$ 1,581,019</u>	<u>\$ 29,016</u>
Liabilities:				
Due victims	<u>\$ 21,177</u>	<u>\$ 1,588,858</u>	<u>\$ 1,581,019</u>	<u>\$ 29,016</u>
	<u>\$ 21,177</u>	<u>\$ 1,588,858</u>	<u>\$ 1,581,019</u>	<u>\$ 29,016</u>
<u>Sheriff's Accounts</u>				
Assets:				
Cash	<u>\$ 926,269</u>	<u>\$ 16,803,556</u>	<u>\$ 16,774,475</u>	<u>\$ 955,350</u>
	<u>\$ 926,269</u>	<u>\$ 16,803,556</u>	<u>\$ 16,774,475</u>	<u>\$ 955,350</u>
Liabilities:				
Due to prisoners	\$ 103,649	\$ 1,262,603	\$ 1,266,780	\$ 99,472
Judgment held in trust	<u>822,620</u>	<u>15,540,953</u>	<u>15,507,695</u>	<u>855,878</u>
	<u>\$ 926,269</u>	<u>\$ 16,803,556</u>	<u>\$ 16,774,475</u>	<u>\$ 955,350</u>

(Continued)

ADA COUNTY, IDAHO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

FUND	Balance 9/30/12	Additions	Deductions	Balance 9/30/13
Other Agencies				
Assets:				
Cash	\$ 185	\$ 1,130,548	\$ 1,130,733	\$ -
Total Assets	<u>\$ 185</u>	<u>\$ 1,130,548</u>	<u>\$ 1,130,733</u>	<u>\$ -</u>
Liabilities:				
Accounts payable	\$ 185	\$ 1,130,548	\$ 1,130,733	\$ -
Total liabilities	<u>\$ 185</u>	<u>\$ 1,130,548</u>	<u>\$ 1,130,733</u>	<u>\$ -</u>
TOTAL ALL AGENCY FUNDS:				
Assets:				
Cash	\$ 9,731,753	\$ 2,300,569,374	\$ 2,299,843,024	\$ 10,458,103
Accounts Receivable	582,290	499,340	582,290	499,340
	<u>\$ 10,314,043</u>	<u>\$ 2,301,068,714</u>	<u>\$ 2,300,425,314</u>	<u>\$ 10,957,443</u>
Liabilities:				
Accounts payable	\$ 181,688	\$ 57,169,310	\$ 56,750,945	\$ 600,053
Fines and appearance bonds to be remitted	2,836,517	3,072,314	2,836,517	3,072,314
Judgments held in trust	822,620	15,540,953	15,507,695	855,878
Tax receipts held in trust	1,696,924	1,858,088,166	1,858,179,344	1,605,746
Due to prisoners	103,649	1,262,603	1,266,780	99,472
Due to victims	21,177	1,588,858	1,581,019	29,016
Due to other agencies and units of government	4,651,468	364,346,510	364,303,014	4,694,964
	<u>\$ 10,314,043</u>	<u>\$ 2,301,068,714</u>	<u>\$ 2,300,425,314</u>	<u>\$ 10,957,443</u>

STATISTICAL SECTION

This part of Ada County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Pages</u>
Financial Trends (Schedules 1 – 4) <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	100-105
Revenue Capacity (Schedules 5 – 8) <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	106-109
Debt Capacity (1) (Schedules 9 – 13) <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	110-114
Demographic and Economic Information (Schedules 14 – 15) <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	115-116
Operating Information (Schedules 16 – 18) <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	117-119

(1) Although Ada County has no legal margin pertaining to the issuance of debt, a hypothetical margin has been computed on Schedule 12 utilizing legal maximum property tax.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

Schedule 1
 Ada County
 Net Position by Component,
 Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities				
Net investment in capital assets	\$ 50,527,624	\$ 50,761,483	\$ 54,745,311	\$ 77,996,260
Restricted	51,151,283	60,873,439	27,339,891	20,562,666
Unrestricted	36,718,291	40,748,998	99,934,565	109,397,452
Total governmental activities net position	<u>\$ 138,397,198</u>	<u>\$ 152,383,920</u>	<u>\$ 182,019,767</u>	<u>\$ 207,956,378</u>
Business-type activities				
Net investment in capital assets	\$ 9,854,251	\$ 13,046,297	\$ 28,144,613	\$ 31,370,655
Unrestricted	13,288,919	18,915,611	11,368,331	11,044,254
Total business-type activities net position	<u>\$ 23,143,170</u>	<u>\$ 31,961,908</u>	<u>\$ 39,512,944</u>	<u>\$ 42,414,909</u>
Primary government				
Net investment in capital assets	\$ 60,381,875	\$ 63,807,780	\$ 82,889,924	\$ 109,366,915
Restricted	51,151,283	60,873,439	27,339,891	20,562,666
Unrestricted	50,007,210	59,664,609	111,302,896	120,441,706
Total primary government net position	<u>\$ 161,540,368</u>	<u>\$ 184,345,828</u>	<u>\$ 221,532,711</u>	<u>\$ 250,371,287</u>

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 87,719,664	\$ 90,423,756	\$ 88,847,732	\$ 89,750,109	\$ 91,217,513	\$ 92,839,305
23,166,023	18,833,918	19,766,888	11,602,787	14,257,039	17,750,742
<u>110,577,070</u>	<u>113,753,487</u>	<u>115,463,248</u>	<u>126,125,797</u>	<u>119,908,182</u>	<u>108,470,768</u>
<u>\$ 221,462,757</u>	<u>\$ 223,011,161</u>	<u>\$ 224,077,868</u>	<u>\$ 227,478,693</u>	<u>\$ 225,382,734</u>	<u>\$ 219,060,815</u>
\$ 32,861,601	\$ 41,505,019	\$ 44,217,618	\$ 48,798,551	\$ 47,883,817	\$ 47,274,745
8,687,207	3,760,014	2,926,742	880,345	8,015,689	12,457,323
<u>\$ 41,548,808</u>	<u>\$ 45,265,033</u>	<u>\$ 47,144,360</u>	<u>\$ 49,678,896</u>	<u>\$ 55,899,506</u>	<u>\$ 59,732,068</u>
\$ 120,581,265	\$ 131,928,775	\$ 133,065,350	\$ 138,548,660	\$ 139,101,330	\$ 140,114,050
23,166,023	18,833,918	19,766,888	11,602,787	14,257,039	17,750,742
<u>119,264,277</u>	<u>117,513,501</u>	<u>118,389,990</u>	<u>127,006,142</u>	<u>127,923,871</u>	<u>120,928,091</u>
<u>\$ 263,011,565</u>	<u>\$ 268,276,194</u>	<u>\$ 271,222,228</u>	<u>\$ 277,157,589</u>	<u>\$ 281,282,240</u>	<u>\$ 278,792,883</u>

Schedule 2
 Ada County
 Changes in Net Position, Last Ten Fiscal Years
 (accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Expenses				
Governmental activities:				
General government	\$ 43,740,895	\$ 45,539,444	\$ 46,977,794	\$ 52,170,385
Public safety	42,583,796	44,102,776	48,083,014	52,647,819
Sanitation	1,067,514	1,516,825	1,291,724	2,024,030
Health and Welfare	7,200,293	7,562,599	4,792,298	5,287,717
Recreational & Cultural	626,455	771,402	925,717	883,819
Education	171,841	205,473	185,584	230,756
Interest on long-term debt	2,394,837	3,005,333	2,061,611	2,599,255
Total governmental activities expenses	<u>97,785,631</u>	<u>102,703,852</u>	<u>104,317,742</u>	<u>115,843,781</u>
Business-type Activities:				
Emergency Medical Services	8,376,772	8,815,039	9,187,061	8,697,888
Solid Waste Management	5,593,317	109,108	6,768,032	8,824,916
Western Idaho Fair	3,335,164	3,126,586	3,431,519	3,511,749
Billing Services	3,575,586	3,388,534	3,283,362	3,509,084
Total Business-type Activities Expenses	<u>20,880,839</u>	<u>15,439,267</u>	<u>22,669,974</u>	<u>24,543,637</u>
Total Primary Government Expenses	<u>\$ 118,666,470</u>	<u>\$ 118,143,119</u>	<u>\$ 126,987,716</u>	<u>\$ 140,387,418</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 10,459,647	\$ 11,975,216	\$ 13,145,778	\$ 12,500,483
Sanitation	316,282	385,591	347,019	369,165
Public safety	13,478,053	14,752,609	15,996,195	17,595,763
Recreational and cultural	361,976	376,537	405,336	540,643
Operating grants and contributions	2,983,127	6,422,511	7,043,774	5,512,550
Capital grants and contributions	-	-	-	-
Total governmental activities program revenues	<u>27,599,085</u>	<u>33,912,464</u>	<u>36,938,102</u>	<u>36,518,604</u>
Business-type Activities:				
Charges for services:				
Emergency Medical Services	5,176,301	5,679,540	8,341,010	6,366,450
Solid Waste Management	6,634,193	7,458,910	10,051,962	9,545,456
Western Idaho Fair	2,670,114	3,009,623	3,517,297	3,693,718
Billing Services	3,812,613	3,413,900	3,227,213	3,297,502
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>18,293,221</u>	<u>19,561,973</u>	<u>25,137,482</u>	<u>22,903,126</u>
Total primary government program revenues	<u>\$ 45,892,306</u>	<u>\$ 53,474,437</u>	<u>\$ 62,075,584</u>	<u>\$ 59,421,730</u>
Net (Expense)/Revenue				
Governmental activities	\$ (70,186,546)	\$ (68,791,388)	\$ (67,379,640)	\$ (79,325,177)
Business-type Activities	(2,587,618)	4,122,706	2,467,508	(1,640,511)
Total primary government net expense	<u>\$ (72,774,164)</u>	<u>\$ (64,668,682)</u>	<u>\$ (64,912,132)</u>	<u>\$ (80,965,688)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	\$ 58,757,020	\$ 64,199,339	\$ 71,357,699	\$ 75,125,349
Sales taxes	10,716,039	12,045,623	13,731,326	14,795,681
Unrestricted grants and contributions	2,397,086	2,516,646	2,763,521	4,760,277
Investment earnings	2,408,020	3,258,628	7,387,507	9,151,715
Miscellaneous	897,625	757,874	1,006,073	1,428,766
Transfers	(165,724)	-	(139,418)	-
Special items	-	-	908,779	-
Total governmental activities	<u>75,010,066</u>	<u>82,778,110</u>	<u>97,015,487</u>	<u>105,261,788</u>
Business-type Activities:				
Taxes				
Property Taxes	2,554,566	2,712,800	2,987,616	3,275,673
Sales taxes	130,731	148,114	167,427	183,519
Investment earnings	566,436	611,726	1,232,764	998,511
Miscellaneous	-	-	556,303	84,773
Transfers	165,724	105,617	139,418	-
Total Business-type activities	<u>3,417,457</u>	<u>3,578,257</u>	<u>5,083,528</u>	<u>4,542,476</u>
Total primary government	<u>\$ 78,427,523</u>	<u>\$ 86,356,367</u>	<u>\$ 102,099,015</u>	<u>\$ 109,804,264</u>
Change in Net Position				
Governmental activities	\$ 4,823,520	\$ 13,986,722	\$ 29,635,847	\$ 25,936,611
Business-type activities	829,839	7,700,963	7,551,036	2,901,965
Total primary government	<u>\$ 5,653,359</u>	<u>\$ 21,687,685</u>	<u>\$ 37,186,883</u>	<u>\$ 28,838,576</u>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$	56,754,618	\$ 60,278,077	\$ 58,584,760	\$ 58,526,634	\$ 61,484,228	\$ 64,960,121
	60,025,033	66,365,684	64,925,425	68,724,187	69,645,805	70,515,247
	2,137,534	2,389,758	2,532,523	2,262,190	2,177,501	2,270,585
	6,788,432	9,327,152	9,948,451	10,084,812	10,458,674	11,565,125
	1,035,666	1,270,222	1,080,420	1,096,802	933,979	962,831
	153,879	-	-	-	-	-
	<u>1,974,928</u>	<u>1,943,494</u>	<u>2,190,645</u>	<u>2,140,307</u>	<u>2,022,206</u>	<u>1,885,319</u>
	<u>128,870,090</u>	<u>141,574,387</u>	<u>139,262,224</u>	<u>142,834,932</u>	<u>146,722,393</u>	<u>152,159,228</u>
	9,760,710	9,891,228	10,308,696	11,363,354	11,467,618	11,499,514
	17,424,254	9,948,898	9,599,649	8,013,967	5,542,775	8,841,434
	3,692,851	3,528,574	3,742,215	3,810,884	3,842,484	4,144,628
	3,810,141	4,190,431	4,408,850	2,395,015	4,276,903	4,510,682
	<u>34,687,956</u>	<u>27,559,131</u>	<u>28,059,410</u>	<u>25,583,220</u>	<u>25,129,780</u>	<u>28,996,258</u>
\$	<u>163,558,046</u>	<u>169,133,518</u>	<u>167,321,634</u>	<u>168,418,152</u>	<u>171,852,173</u>	<u>181,155,486</u>
\$	10,071,190	\$ 8,431,614	\$ 8,684,928	\$ 9,854,503	\$ 10,420,478	\$ 11,217,971
	365,455	629,343	663,617	410,989	433,674	433,548
	21,271,616	21,473,736	20,759,001	20,855,993	21,155,331	21,263,277
	300,632	281,368	276,481	249,440	299,805	277,457
	3,705,763	6,679,011	5,074,372	6,344,399	4,817,043	4,166,600
	-	-	459,381	319,840	172,020	352,986
	<u>35,714,656</u>	<u>37,495,072</u>	<u>35,917,780</u>	<u>38,035,164</u>	<u>37,298,351</u>	<u>37,711,839</u>
	7,487,474	7,137,575	7,543,075	7,673,408	7,662,036	8,229,702
	13,602,397	12,210,403	11,054,437	11,079,603	10,652,812	10,901,172
	3,644,401	3,298,213	3,275,178	3,312,926	3,779,678	4,205,818
	4,186,425	3,990,866	3,683,752	1,969,200	4,453,337	4,750,930
	-	-	-	37,506	39,172	10,110
	-	-	-	50,078	-	133,573
	<u>28,920,697</u>	<u>26,637,057</u>	<u>25,556,442</u>	<u>24,122,721</u>	<u>26,587,035</u>	<u>28,231,305</u>
\$	<u>64,635,353</u>	<u>64,132,129</u>	<u>61,474,222</u>	<u>62,157,885</u>	<u>63,885,386</u>	<u>65,943,144</u>
\$	(93,155,434)	\$ (104,079,315)	\$ (103,344,444)	\$ (104,799,768)	\$ (109,424,042)	\$ (114,447,389)
	(5,767,259)	(922,074)	(2,502,968)	(1,460,499)	1,457,255	(764,953)
\$	<u>(98,922,693)</u>	<u>(105,001,389)</u>	<u>(105,847,412)</u>	<u>(106,260,267)</u>	<u>(107,966,787)</u>	<u>(115,212,342)</u>
\$	79,689,693	\$ 82,630,115	\$ 84,021,542	\$ 83,715,268	\$ 83,732,818	\$ 84,799,902
	14,459,564	12,411,494	11,998,048	13,071,774	14,228,023	15,546,807
	4,608,140	4,384,595	3,937,492	4,035,220	5,201,959	5,386,445
	6,354,998	4,229,018	1,696,044	1,940,852	2,073,274	67,983
	1,549,418	1,972,497	2,758,025	3,177,143	2,092,009	2,324,333
	-	-	-	-	-	-
	-	-	-	2,260,336	-	-
	<u>106,661,813</u>	<u>105,627,719</u>	<u>104,411,151</u>	<u>108,200,593</u>	<u>107,328,083</u>	<u>108,125,470</u>
	3,567,680	3,810,007	3,988,094	4,142,323	4,309,024	4,444,168
	173,859	146,670	142,264	149,631	163,094	177,636
	919,235	678,622	216,437	225,485	287,237	(24,289)
	240,384	3,000	35,500	(522,404)	4,000	-
	-	-	-	-	-	-
	<u>4,901,158</u>	<u>4,638,299</u>	<u>4,382,295</u>	<u>3,995,035</u>	<u>4,763,355</u>	<u>4,597,515</u>
\$	<u>111,562,971</u>	<u>110,266,018</u>	<u>108,793,446</u>	<u>112,195,628</u>	<u>112,091,438</u>	<u>112,722,985</u>
\$	13,506,379	\$ 1,548,404	\$ 1,066,707	\$ 3,400,825	\$ (2,095,959)	\$ (6,321,919)
	(866,101)	3,716,225	1,879,327	2,534,536	6,220,610	3,832,562
\$	<u>12,640,278</u>	<u>5,264,629</u>	<u>2,946,034</u>	<u>5,935,361</u>	<u>4,124,651</u>	<u>(2,489,357)</u>

Schedule 3
 Ada County
 Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund										
Restricted	\$ 1,474,433	\$ 2,726,322	\$ 2,961,143	\$ 1,775,181	\$ 1,438,037	\$ 1,189,823	\$ 1,216,216	\$ 2,722,455	\$ 2,993,967	\$ 3,271,693
Assigned	8,624,162	6,435,150	22,385,777	20,249,494	2,349,002	159,900	13,271,925	18,145,965	14,482,549	12,343,887
Unassigned	<u>29,431,096</u>	<u>41,359,125</u>	<u>28,887,248</u>	<u>30,728,649</u>	<u>30,291,603</u>	<u>38,675,681</u>	<u>34,933,700</u>	<u>36,021,439</u>	<u>33,073,659</u>	<u>29,669,216</u>
Total general fund	\$ <u>39,529,691</u>	\$ <u>50,520,597</u>	\$ <u>54,234,168</u>	\$ <u>52,753,324</u>	\$ <u>34,078,642</u>	\$ <u>40,025,404</u>	\$ <u>49,421,841</u>	\$ <u>56,889,859</u>	\$ <u>50,550,175</u>	\$ <u>45,284,796</u>
All Other Governmental Funds										
Nonspendable	\$ 55,650	\$ 75,779	\$ 47,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	3,806,206	4,906,165	4,263,416	5,372,051	7,692,971	9,701,445	11,239,328	11,648,347	11,276,393	14,527,376
Assigned	31,909,963	32,086,858	52,632,979	55,861,205	76,126,011	68,750,220	66,918,888	65,417,987	69,094,990	63,552,623
Unassigned	-	-	-	-	-	-	-	(1,075,123)	-	-
Total all other governmental funds	\$ <u>35,771,819</u>	\$ <u>37,068,802</u>	\$ <u>56,944,115</u>	\$ <u>61,233,256</u>	\$ <u>83,818,982</u>	\$ <u>78,451,665</u>	\$ <u>78,158,216</u>	\$ <u>75,991,211</u>	\$ <u>80,371,383</u>	\$ <u>78,079,999</u>
Grand Total Governmental Funds	\$ <u>75,301,510</u>	\$ <u>87,589,399</u>	\$ <u>111,178,283</u>	\$ <u>113,986,580</u>	\$ <u>117,897,624</u>	\$ <u>118,477,069</u>	\$ <u>127,580,057</u>	\$ <u>132,881,070</u>	\$ <u>130,921,558</u>	\$ <u>123,364,795</u>

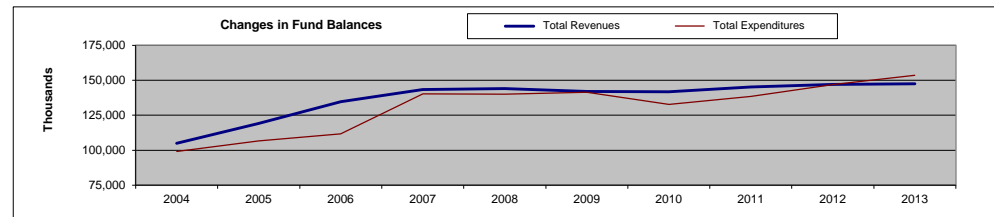
Schedule 4
 Ada County
 Changes in Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Property Taxes	\$ 58,752,777	\$ 64,310,738	\$ 71,376,370	\$ 74,823,351	\$ 78,690,959	\$ 81,084,044	\$ 83,818,073	\$ 84,061,312	\$ 84,460,830	\$ 85,200,788
Licenses and Permits	1,169,811	1,163,233	1,120,437	1,267,325	1,364,599	1,397,900	1,266,905	1,357,644	1,451,436	1,459,086
Intergovernmental	16,096,252	20,984,780	23,538,621	25,068,508	22,773,467	23,475,100	21,469,293	23,771,233	24,419,045	25,452,838
Charges for Services	23,206,909	26,028,315	28,542,424	28,854,813	29,581,174	28,008,592	27,808,125	28,775,816	30,065,568	31,121,804
Fines and Forfeitures	1,290,366	1,153,574	1,321,227	1,996,638	1,738,443	1,916,172	1,847,861	1,542,318	1,365,628	1,513,577
Miscellaneous	2,417,984	2,601,927	2,397,689	3,193,850	4,501,933	2,449,872	4,071,422	4,006,810	3,262,916	2,609,493
Interest Income	2,264,489	3,550,187	5,946,970	7,620,065	5,850,773	2,977,295	1,932,897	1,709,444	1,856,012	1,627,736
Net Change in Fair Value of Investments	(182,064)	(668,647)	551,582	441,475	(337,454)	737,725	(381,744)	84,402	61,090	(1,518,931)
Total Revenues	105,016,524	119,124,107	134,795,320	143,266,025	144,163,894	142,046,700	141,832,832	145,308,979	146,942,525	147,466,391
Expenditures										
General Government	40,122,849	44,337,748	45,068,796	48,903,489	54,064,422	54,291,715	53,306,533	51,833,010	55,684,557	59,656,125
Public Safety	40,893,929	43,166,037	47,795,451	50,647,989	56,848,717	62,361,569	60,118,064	62,303,788	64,698,759	67,345,531
Sanitation	1,032,441	1,507,314	1,219,396	1,889,501	1,959,076	2,214,515	2,302,103	1,993,245	1,972,854	1,995,693
Recreational and Cultural	529,626	687,664	750,010	713,009	734,038	948,947	710,245	727,596	578,605	601,178
Education	171,841	205,473	185,584	230,756	153,879	-	-	-	-	-
Health and Welfare	7,991,232	8,240,817	5,677,477	6,195,072	7,253,842	9,598,295	7,732,560	12,570,816	10,458,699	11,599,625
Capital Outlay	6,036,167	5,473,069	8,235,136	28,491,005	15,625,440	8,423,950	4,506,044	4,564,967	8,850,103	7,321,002
Debt Service										
Interest	2,394,837	3,005,333	2,061,611	2,714,185	1,974,928	1,953,264	2,204,295	2,158,989	2,043,022	1,911,736
Principal	(26,275)	(6,423)	682,336	394,338	1,510,000	1,675,000	1,850,000	2,415,000	2,665,000	3,025,000
Total expenditures	99,146,647	106,617,032	111,675,797	140,179,344	140,124,342	141,467,255	132,729,844	138,567,411	146,951,599	153,455,890
Excess of revenues over (under) expenditures	5,869,877	12,507,075	23,119,523	3,086,681	4,039,552	579,445	9,102,988	6,741,568	(9,074)	(5,989,499)
Other Financing Sources (Uses)										
Proceeds from sale (1)	-	-	908,779	-	-	-	-	-	-	-
Transfers in	3,144,400	3,861,358	16,372,819	27,285,697	39,379,319	5,962,638	3,829,413	2,444,485	8,029,146	1,312,238
Transfers out	(3,321,354)	(4,080,544)	(16,812,237)	(27,564,081)	(39,507,827)	(5,962,638)	(3,829,413)	(3,885,040)	(9,979,584)	(2,879,502)
Proceeds from Capital lease	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(176,954)	(219,186)	469,361	(278,384)	(128,508)	-	-	(1,440,555)	(1,950,438)	(1,567,264)
Net change in fund balances	\$ 5,692,923	\$ 12,287,889	\$ 23,588,884	\$ 2,808,297	\$ 3,911,044	\$ 579,445	\$ 9,102,988	\$ 5,301,013	\$ (1,959,512)	\$ (7,556,763)
Debt service as a percentage of noncapital expenditures (2)	2.5%	3.0%	2.7%	2.8%	2.8%	2.7%	3.2%	3.4%	3.4%	3.4%

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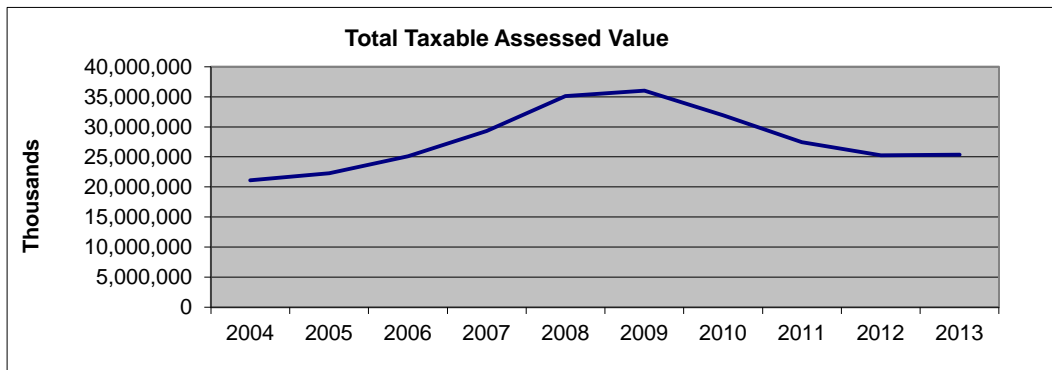
(1) Proceeds from sale of real property
 Proceeds from sale of land

(2) Debt service represents debt service principal and interest expenditures presented above.
 Noncapital expenditures represents Total Expenditures above, less the category of Capital Outlay expenditures (which represents all capital asset expenditures for all governmental functions).



Schedule 5
 Ada County
 Assessed Value and Actual Value of Taxable Property ⁽¹⁾
 Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Real Property	Personal Property	Mobile Home Property	Public Utilities	Total Actual Value	(2) Less: Homeowner Tax Exemption	Total Taxable Assessed Value	Total Direct Tax Rate
2004	\$ 23,003,399	\$ 1,065,055	\$94,561	\$ 628,743	\$24,791,757	\$ 3,697,866	\$ 21,093,891	\$ 3
2005	24,573,709	934,873	81,397	565,068	26,155,047	3,862,769	22,292,278	3.12
2006	27,462,027	1,095,288	77,413	573,664	29,208,391	4,084,464	25,123,927	3.10
2007	34,046,274	1,264,355	68,126	570,031	35,948,786	6,622,739	29,326,047	2.82
2008	41,118,797	1,442,401	67,227	604,277	43,232,702	8,123,941	35,108,762	2.52
2009	42,835,490	1,501,000	68,601	651,623	45,056,714	9,039,771	36,016,943	2.56
2010	38,415,658	1,572,854	59,756	650,489	40,698,757	8,769,962	31,928,795	2.93
2011	33,479,770	1,297,866	52,404	631,305	35,461,345	8,001,348	27,459,997	3.39
2012	30,484,252	1,203,166	48,295	701,621	32,437,334	7,171,652	25,265,682	3.70
2013	30,198,562	1,209,710	45,551	711,453	32,165,276	6,816,148	25,349,128	3.74



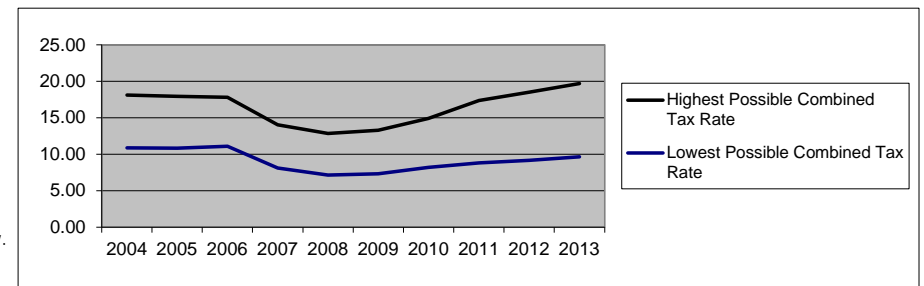
Notes:

- (1) Property is assessed at 100% of actual value; therefore, the assessed values are equal to actual value.
- (2) An initiative was passed by the Idaho electorate in 1983 which exempts certain taxable assessed value by 50% or \$50,000, whichever is less. By special session in 2006, the \$50,000 was changed to \$75,000 for fiscal 2007 and indexed to the Federal House Price Index for each year thereafter. The new indexed amount for fiscal year 2008 was \$89,325, fiscal 2009 was \$100,938, fiscal 2010 was \$104,471, fiscal 2011 was \$101,153, fiscal 2012 was \$92,040, and fiscal 2013 was \$83,974.

Schedule 6
 Ada County
 Direct and Overlapping Property Tax Rates,
 Last Ten Fiscal Years
(rate per \$1000 of assessed value)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
County direct rates										
General	\$ 2.80	\$ 2.86	\$ 2.83	\$ 2.56	\$ 2.28	\$ 2.30	\$ 2.63	\$ 3.06	\$ 3.32	\$ 3.36
Emergency Medical Services	0.12	0.12	0.12	0.11	0.10	0.11	0.13	0.15	0.17	0.18
Pest Extermination	0.10	0.11	0.12	0.12	0.11	0.12	0.14	0.15	0.17	0.16
Mosquito Abatement ⁽¹⁾	n/a	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.04	0.04
Total Direct rate	3.02	3.12	3.10	2.82	2.52	2.56	2.93	3.39	3.70	3.74
Ada County Highway district rate	1.01	1.03	1.01	0.95	0.87	0.91	1.02	1.19	1.29	1.29
City rates										
Boise	5.56	5.79	5.74	5.49	5.03	5.15	5.87	6.98	7.78	8.32
Eagle	1.07	1.06	1.01	0.86	0.78	0.83	1.00	1.01	1.01	1.01
Garden City	2.99	3.02	3.07	2.93	2.70	2.72	2.99	3.57	4.06	4.24
Kuna	2.30	2.33	2.18	2.11	1.94	2.06	2.60	3.16	3.63	4.01
Meridian	3.06	3.11	3.01	2.81	2.67	2.86	3.49	4.09	4.48	4.55
Star	2.42	2.35	2.39	2.18	1.82	2.04	2.73	3.16	3.58	3.49
Average of the 6 City rates	2.90	2.94	2.90	2.73	2.49	2.61	3.11	3.66	4.09	4.27
School district rates ⁽²⁾										
College of Western Idaho ⁽⁴⁾	n/a	n/a	n/a	n/a	n/a	0.11	0.13	0.16	0.18	0.19
Boise Ind School Dist #1	8.44	7.94	7.92	4.74	4.43	4.56	4.92	5.58	5.50	6.11
Meridian Jt School Dist #2	6.31	6.69	6.56	3.89	3.65	3.58	3.51	3.49	3.40	4.60
Kuna Jt School Dist #3	6.53	6.53	6.48	3.86	3.32	3.33	4.63	5.03	4.79	7.86
Melba Jt School Dist #136	6.83	6.69	7.98	5.41	5.35	5.34	4.92	5.00	5.51	4.46
Average Rate of 7 Fire districts	1.51	1.46	1.53	1.54	1.44	1.54	1.74	1.96	2.09	2.11
Average Rate of 3 Library districts	0.58	0.57	0.55	0.53	0.46	0.50	0.58	0.66	0.66	0.66
Average Rate of 7 Cemetery districts	0.07	0.08	0.07	0.07	0.06	0.06	0.07	0.07	0.08	0.08
Average Rate of 4 Sewer districts ⁽³⁾	0.26	0.26	0.26	0.24	0.22	0.24	0.33	0.39	1.62	1.68
Average Rate of Miscellaneous districts	0.07	0.09	0.09	0.08	0.07	0.08	0.09	0.11	0.11	0.12
Highest Possible Combined Tax Rate	18.13	17.93	17.80	14.03	12.87	13.29	14.91	17.37	18.53	19.72
Lowest Possible Combined Tax Rate	10.86	10.81	11.10	8.12	7.13	7.33	8.18	8.82	9.14	9.64

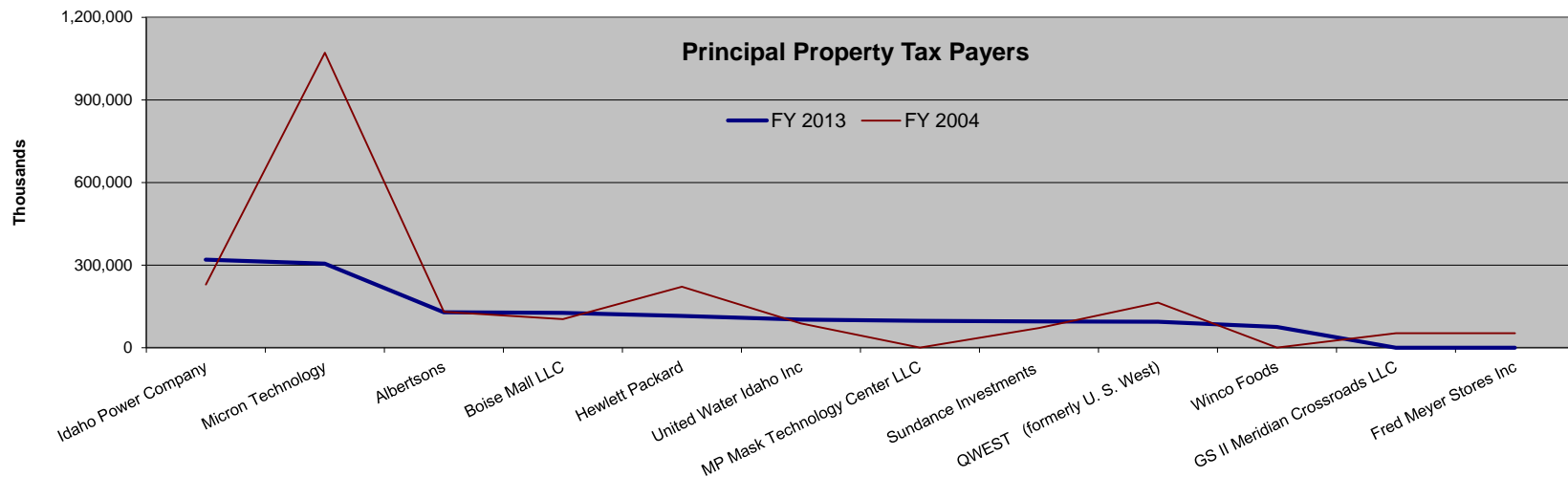
- (1) In early 2004, the Board of Commissioners agreed to operate and integrate the Southwest Ada County Mosquito Abatement District as a County department. For the years prior to the change, Mosquito Abatement was included within the designation: Miscellaneous districts.
- (2) By special Idaho legislative session in 2006, funding for all School District's Maintenance & Operations changed it's revenue source from levy to a one cent state sales tax increase. Also, public support for tax relief caused other Districts to request lower funding amounts.
- (3) A new district, Meridian Heights Sewer, levied 5.34 in FY 2013, significantly raising the average sewer levy.
- (4) A new district, College of Western Idaho, first levied in FY 2009.



Schedule 7
 Ada County
 Principal Property Tax Payers,
 Fiscal Year and Nine Years Ago

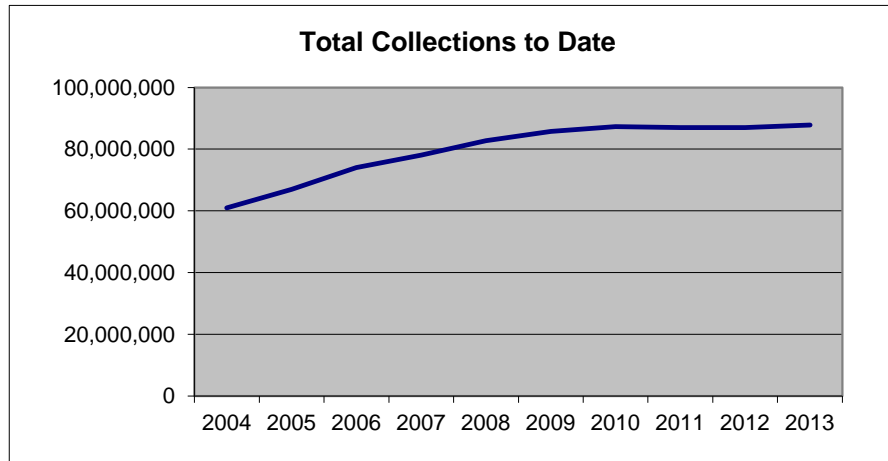
Taxpayer	Type of Business	Fiscal Year 2013			Fiscal Year 2004		
		Taxable Assessed Valuation	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total County Taxable Assessed Value
Idaho Power Company	Electric Utility	\$ 319,928,924	1	1.26 %	\$ 229,344,905	2	1.03 %
Micron Technology	Electronics Manufacturer	305,677,900	2	1.21	1,071,975,700	1	4.81
Albertsons	Retail Grocery	128,279,300	3	0.51	130,129,900	5	0.58
Boise Mall LLC	Real Estate Holding	127,009,900	4	0.50	103,485,500	6	0.46
Hewlett Packard	Electronics Manufacturer	116,014,400	5	0.46	221,731,200	3	0.99
United Water Idaho Inc	Water Utility	101,913,824	6	0.40	88,295,406	7	0.40
MP Mask Technology Center LLC	Electronics Manufacturer	97,773,500	7	0.39	-----	----	----
Sundance Investments	Commercial Construction	95,870,700	8	0.38	71,797,700	8	0.32
QWEST (formerly U. S. West)	Telephone Utility	94,663,027	9	0.37	164,085,802	4	0.74
Winco Foods	Retail Grocery	75,691,100	10	0.30	-----	----	----
GS II Meridian Crossroads LLC	Real Estate Holding	-----	----	----	52,467,600	9	0.24
Fred Meyer Stores Inc	Retail Grocery	-----	----	----	52,246,800	10	0.23
Ten Largest Taxpayers		1,462,822,575		5.77 %	2,396,802,684		9.80 %
All Other Taxpayers		23,886,305,099		94.23 %	19,895,475,614		90.20 %
Total Ada County Market Valuation		\$ 25,349,127,674		100.00 %	\$ 22,292,278,298		100.00 %

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Schedule 8
 Ada County
 Property Tax Levies and Collections,
 Last Ten Fiscal Years

Fiscal Year Ended Sept 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 61,143,158	\$ 60,356,173	98.71 %	\$ 612,848	\$ 60,969,021	99.72 %
2005	67,012,955	66,352,900	99.02	606,948	66,959,848	99.92
2006	74,121,204	73,457,192	99.10	623,050	74,080,242	99.94
2007	78,254,651	77,198,247	98.65	847,027	78,045,274	99.73
2008	83,063,301	81,224,050	97.79	1,518,874	82,742,924	99.61
2009	86,148,471	83,321,611	96.72	2,432,778	85,754,389	99.54
2010	87,575,480	85,215,903	97.31	2,047,681	87,263,584	99.64
2011	87,408,655	85,532,876	97.85	1,508,848	87,041,724	99.58
2012	87,718,521	86,245,350	98.32	752,905	86,998,255	99.18
2013	89,114,534	87,818,040	98.55	-	87,818,040	98.55



Schedule 9
 Ada County
 Ratios of Outstanding Debt by Type,
 Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Total Primary Government	Percentage of Personal Income ⁽²⁾	Per Capita ⁽²⁾
	Gross Bonded Debt	Capital Leases ⁽¹⁾	Gross Bonded Debt	Capital Leases			
2004	\$ -	\$ 54,522	\$ -	\$ -	\$ 54,522	0.47 %	\$ 168
2005	-	54,010	-	-	54,010	0.44	162
2006	-	52,784	-	-	52,784	0.39	153
2007	-	51,820	-	-	51,820	0.35	144
2008	-	50,310	-	-	50,310	0.31	135
2009	-	48,635	-	-	48,635	0.30	128
2010	-	46,785	-	-	46,785	0.31	122
2011	-	44,370	-	-	44,370	0.29	113
2012	-	41,705	-	-	41,705	0.26	104
2013	-	38,680	-	-	38,680	0.23	95

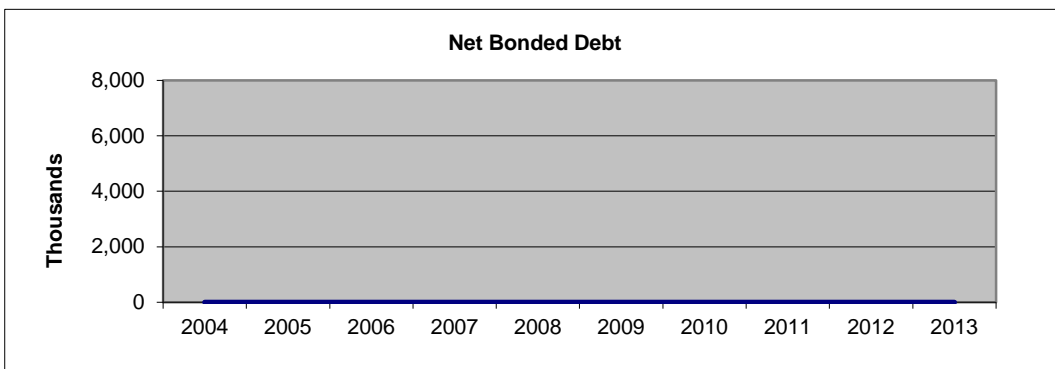
Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

(1) In fiscal 2000, the county entered into the Court Complex Lease Agreement for 30 years of one year leases. In fiscal 2005, the Court Complex Lease Agreement was renegotiated, resulting in a revised 23-year term of one year leases.

(2) See Schedule 14 for personal income and population data used to calculate percentage and per capita.

Schedule 10
 Ada County
 Ratios of Net General Bonded Debt Outstanding,
 Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year	Gross Bonded Debt	Debt Service Monies Available	Net Bonded Debt	Percentage of Actual Taxable Value ⁽¹⁾ of Property	Per Capita ⁽²⁾
2004	\$ 0	\$ 0	\$ 0	0.00 %	\$ 0
2005	0	0	0	0.00	0
2006	0	0	0	0.00	0
2007	0	0	0	0.00	0
2008	0	0	0	0.00	0
2009	0	0	0	0.00	0
2010	0	0	0	0.00	0
2011	0	0	0	0.00	0
2012	0	0	0	0.00	0
2013	0	0	0	0.00	0



Notes:

- (1) See Schedule 5 for property value data.
- (2) Population data can be found in Schedule 14.

Schedule 11
 Ada County
 Direct and Overlapping Governmental Activities Debt,
 As of September 30, 2013
 (dollars in thousands)

Government Unit	Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
<i>Ada County Direct Indebtedness:</i>			
Capital Leases	\$ 38,680	100.000 %	\$ 38,680
<i>Overlapping Bonded Indebtedness:</i>			
School District No. 1	\$ 79,328	99.998 %	\$ 79,326
School District No. 2	147,522	99.075 %	146,157
School District No. 3	40,727	84.538 %	34,430
School District No. 136J	2,833	19.659 %	557
Boise City	74,207	100.000 %	74,207
Eagle City	2,272	100.000 %	2,272
Garden City	1,850	100.000 %	1,850
Kuna Fire	135	93.278 %	126
Eagle Sewer	4,717	100.000 %	4,717
Meridian Heights Water & Sewer	180	100.000 %	180
Kuna Library	338	84.538 %	286
Meridian Library	560	100.000 %	560
Subtotal, overlapping debt	<u>354,669</u>		<u>344,668</u>
Total direct and overlapping debt	<u>\$ 393,349</u>		<u>\$ 383,348</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ada County Board of Equalization and assessment. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Ada County. This process recognizes that, when considering the county's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the county's boundaries and dividing it by each unit's total taxable assessed value.

Schedule 12
 Ada County
 Legal Debt Margin Information,
 Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2013	
Maximum Property Tax for Ada County Governmental Funds	\$106,086
Debt Limit (could exceed above with 2/3 vote of qualified electors)	\$106,086
Debt applicable to limit:	
General obligation bonds	-
Less: amount set aside for repayment of debt	-
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$106,086</u>

	Fiscal Year									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt limit ⁽¹⁾	\$ 59,114	\$ 63,234	\$ 68,494	\$ 75,407	\$ 82,576	\$ 87,879	\$ 91,895	\$ 98,566	\$ 101,987	\$ 106,086
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 59,114</u>	<u>\$ 63,234</u>	<u>\$ 68,494</u>	<u>\$ 75,407</u>	<u>\$ 82,576</u>	<u>\$ 87,879</u>	<u>\$ 91,895</u>	<u>\$ 98,566</u>	<u>\$ 101,987</u>	<u>\$ 106,086</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Schedule 10 - Net Debt, Idaho Code 31-Chapter 19; 57-Chapter 2, and Maximum Allowable Non-exempt Property Tax Budget

Note: Under Idaho State Code, bonded debt may be incurred by Counties when authorized by a vote of 2/3 of qualified electors, as a levy on all taxable property within the county - with no other limitations. Debt may be offset by amounts set aside for repaying general obligation bonds.

(1) Although voters could authorize bonded indebtedness in excess of current statutory property tax limits, the County has no such debt - therefore, the amounts shown for debt limit are equal to the County's legal property tax limit.

Schedule 13
 Ada County
 Pledged-Revenue Coverage,
 Last Ten Fiscal Years
(dollars in thousands)

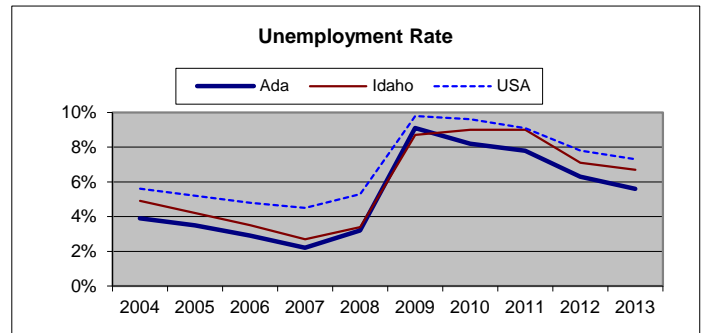
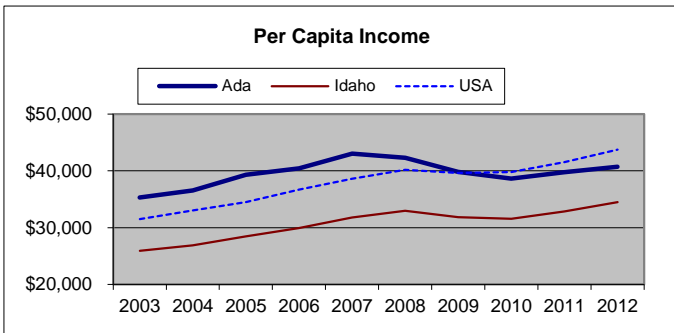
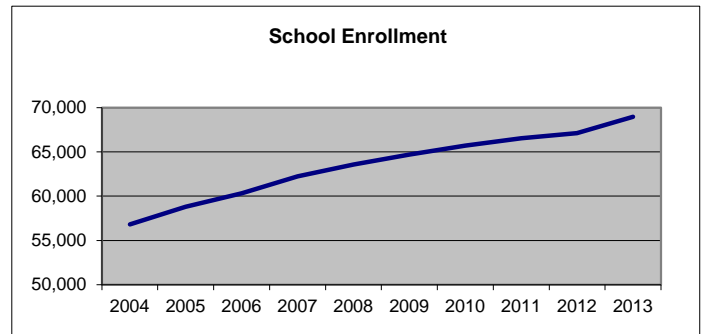
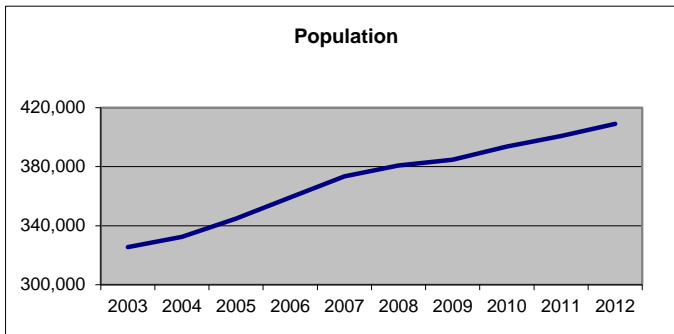
Fiscal Year	Courthouse Corridor Capital Lease											
	Sales	Rent	Bldg. Sales	Charge	Gen'l		Total	Less:	Net	Debt Service		Coverage
	Tax	Savings	& Lease Revenue	for Services	Interest	Fund Bal. Transfer	Revenue	Operating Expenses	Available Revenue	Principal	Interest	
2004	\$ 2,000	\$ 139	\$ 500	\$ 971	\$ 496	-	\$4,106	\$ 62	\$ 4,044	\$ (26)	\$ 2,395	1.71 %
2005	2,000	141	500	869	582	91	4,183	16	4,167	(6)	3,005	1.39
2006	2,000	145	500	955	1,231	-	4,831	27	4,804	682	2,062	1.75
2007	2,000	148	500	1,054	3,600	-	7,302	25	7,277	394	2,714	2.34
2008	2,000	121	500	1,072	1,464	2,675	7,832	25	7,807	1,510	1,975	2.24
2009	2,000	124	500	1,106	1,565	-	5,295	25	5,270	1,675	1,953	1.45
2010	2,000	128	500	1,100	574	-	4,302	25	4,277	1,850	2,204	1.06
2011 ⁽¹⁾	-	-	500	990	645	-	2,135	2	2,133	2,415	2,159	0.47
2012	-	-	500	940	654	-	2,094	-	2,094	2,665	2,043	0.44
2013	-	-	500	875	(40)	-	1,335	-	1,335	3,025	1,912	0.27

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Ada County's planned use of fund balance to cover the increasing lease payments begins.

Schedule 14
 Ada County
 Demographic and Economic Statistics,
 Last Ten Calendar and Fiscal Years

Calendar Year	Population ⁽¹⁾	Personal Income <i>(in thousands of dollars)</i> ⁽²⁾	Per Capita Personal Income ⁽²⁾	Median Age ⁽³⁾	Fiscal Year	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2003	325,482	11,497,481	35,324	33.5	2004	56,810	3.9
2004	332,523	12,152,307	36,543	34.4	2005	58,790	3.5
2005	344,727	13,575,500	39,302	34.9	2006	60,326	2.9
2006	359,035	14,626,750	40,445	34.6	2007	62,249	2.2
2007	373,406	16,056,425	43,028	34.6	2008	63,594	3.2
2008	380,920	16,036,284	42,273	34.7	2009	64,714	9.1
2009	384,656	15,319,574	39,827	34.3	2010	65,706	8.2
2010	393,531	15,200,836	38,633	35.0	2011	66,564	7.8
2011	400,842	15,927,071	39,734	35.2	2012	67,133	6.3
2012	409,061	16,665,376	40,741	35.4	2013	68,965	5.6



Notes:

Calendar Year is from January to December. For example, the last Calendar Year shown above (2012) is from 1/1/12 - 12/31/12.

Fiscal Year is from October to September. For example, the last Fiscal Year shown above (2013) is from 10/1/12 - 9/30/13.

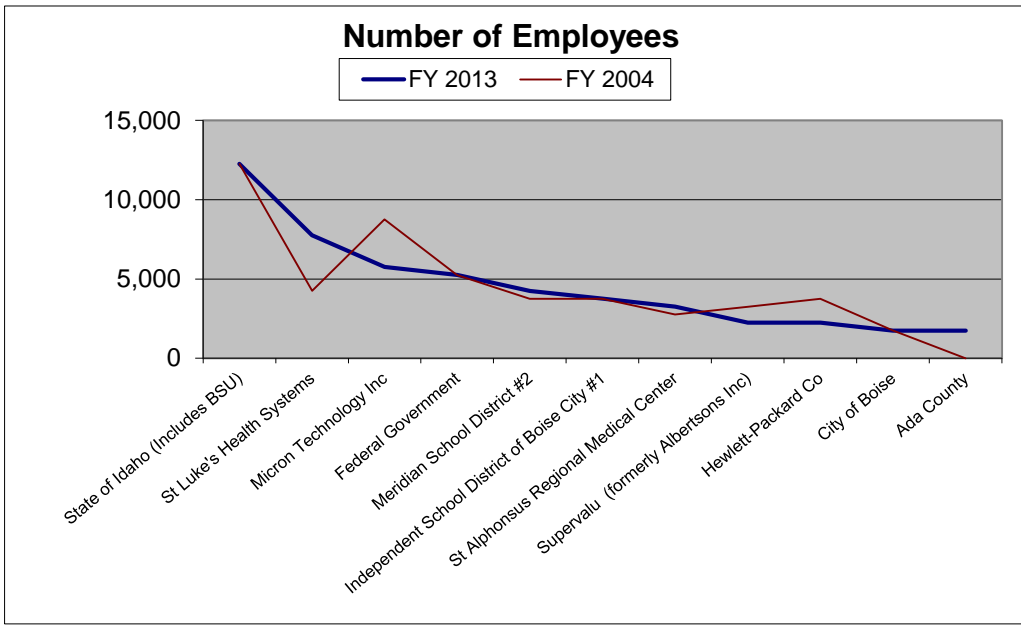
Sources:

- (1) Population Division, U.S. Census Bureau for July 1, 2012, release date September, 2013.
- (2) Bureau of Economic Accounts (BEA) for 2012, release date November 21, 2013.
- (3) U.S. Census Bureau American Community Survey for 2012, release date September 19, 2013.
- (4) Idaho State Dept of Education for the 2012-2013 School Year.
- (5) Idaho Department of Labor, Public Affairs. Beginning fiscal 2009, the reported unemployment rate changed from a 12 month average to the single last month of the fiscal year (FY 2013 = September 2013). This provides a better reflection of the present economy.

Schedule 15
 Ada County
 Principal Employers,
 Fiscal Year and Nine Years ago

Employer	Fiscal Year 2013			Fiscal Year 2004		
	Employees	Rank	Percentage of Total County Employment ⁽¹⁾	Employees	Rank	Percentage of Total County Employment ⁽¹⁾
State of Idaho (Includes BSU)	12,000 - 12,500	1	6.14%	12,000 - 12,500	1	6.15%
St Luke's Health Systems	7,500 - 8,000	2	3.88%	4,000 - 4,500	4	2.13%
Micron Technology Inc	5,500 - 6,000	3	2.88%	8,500 - 9,000	2	4.39%
Federal Government	5,000 - 5,500	4	2.63%	5,000 - 5,500	3	2.64%
Meridian School District #2	4,000 - 4,500	5	2.13%	3,500 - 4,000	5	1.88%
Independent School District of Boise City #1	3,500 - 4,000	6	1.88%	3,500 - 4,000	5	1.88%
St Alphonsus Regional Medical Center	3,000 - 3,500	7	1.63%	2,500 - 3,000	9	1.38%
Supervalu (formerly Albertsons Inc)	2,000 - 2,500	8	1.13%	3,000 - 3,500	8	1.63%
Hewlett-Packard Co	2,000 - 2,500	8	1.13%	3,500 - 4,000	5	1.88%
City of Boise	1,500 - 2,000	10	0.88%	1,500 - 2,000	10	0.88%
Ada County	1,500 - 2,000	10	0.88%	- - -	-	-
Totals	47,500 - 53,000		25.19%	47,000 - 52,000		24.84%

Total Number of Ada County Nonfarm Jobs 199,500 199,200



(1) Percentage calculated from the mid-point of the given range of Employees and from the total Nonfarm Jobs in Ada County

Source: Idaho Department of Labor, Communications & Research Bureau
 November 26, 2013

Schedule 16
 Ada County
 Full-time Equivalent County Government Employees by Function/Program,
 Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of September 30									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<i>Governmental Activities</i>										
General Government										
Clerk/Auditor	124	125	129	136	136	133	133	136	141	144
Treasurer	12	12	12	12	12	12	12	12	14	14
Assessor	14	12	11	12	12	12	11	11	9	11
Prosecutor	114	115	123	130	139	140	132	135	137	138
Motor Veh.	46	46	47	48	51	42	39	38	38	38
Operations	29	29	31	34	34	33	33	33	36	36
Information Technology	40	40	41	44	43	43	43	43	46	46
Development Services	42	51	59	54	37	21	19	18	19	22
Public Defender	45	48	50	55	58	59	58	60	63	67
Ad Valorem	40	43	46	46	47	45	45	44	44	44
District Court	74	75	79	88	88	88	83	84	92	99
Other	22	25	28	28	29	27	27	26	29	27
Public Safety										
Sheriff	454	494	512	526	593	577	577	595	611	631
Juvenile	132	132	128	125	143	130	130	131	139	139
Other	20	20	22	23	27	28	27	28	33	33
Sanitation										
Weed	11	15	17	17	20	20	21	17	20	19
Health & Welfare										
Charities	21	22	22	21	22	21	22	23	23	23
Recreation & Culture										
Parks & Waterways	<u>6</u>	<u>6</u>	<u>7</u>	<u>6</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>6</u>	<u>6</u>	<u>5</u>
Total Governmental Activities	1246	1310	1364	1405	1496	1436	1417	1440	1500	1536
<i>Business-type Activities</i>										
Emerg Medical Svcs	104	105	110	127	122	122	122	123	126	127
Solid Waste Mgmt	14	12	12	12	12	12	13	12	14	16
Western Idaho Fair	<u>15</u>	<u>15</u>	<u>16</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>
Total Business-Type Activities	133	132	138	153	148	148	149	149	154	157
Grand Total	1,379	1,442	1,502	1,558	1,644	1,584	1,566	1,589	1,654	1,693

Source: Ada County Auditors Office

Schedule 17
 Ada County
 Operating Indicators by Function/Program,
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
General government										
Number of recorded documents	172,703	186,104	209,802	181,285	145,792	140,572	124,804	110,723	131,044	148,428
Primary election, May										
Number of registered voters at cutoff	158,117	-----	179,457	-----	184,624	-----	198,302	-----	204,112	-----
Additional election day registrants (1)	1,812	-----	2,892	-----	2,562	-----	3,011	-----	1,544	-----
Percentage voting in:	15.6%	-----	21.2%	-----	21.1%	-----	21.8%	-----	16.4%	-----
General election, November										
Number of registered voters at cutoff	-----	169,413	-----	181,741	-----	194,758	-----	200,250	-----	212,950
Additional election day registrants (1)	-----	38,755	-----	20,332	-----	38,279	-----	15,107	-----	38,517
Percentage voting in:	-----	75.8%	-----	61.1%	-----	78.0%	-----	56.7%	-----	73.2%
Building permits issued (outside cities)										
Residential	1,122	1,512	1,359	598	459	176	193	160	308	431
Commercial	33	25	31	37	19	8	3	13	12	5
Combined value of Building permits (in 1,000's)	\$ 218,868	\$ 319,012	\$ 323,530	\$ 169,064	\$ 117,609	\$ 37,753	\$ 45,108	\$ 34,305	\$ 62,915	\$ 91,399
County-wide new construction value (in 1,000's)	\$ 873,994	\$ 1,182,393	\$ 1,720,591	\$ 1,952,266	\$ 1,311,835	\$ 701,031	\$ 370,451	\$ 259,291	\$ 291,989	\$ 482,194
Number of Taxable property parcels assessed	163,364	168,269	178,567	186,359	186,806	190,097	189,734	190,236	191,154	191,186
Motor vehicles registered (Calendar Year) (2)	292,299	304,185	311,451	309,164	311,489	299,807	312,324	317,490	361,810	n/a
Drivers licenses in force (Calendar Year) (2)	231,216	242,653	251,822	259,768	265,195	269,456	274,164	280,056	285,790	n/a
Sanitation										
Acres sprayed for weed control	7,400	7,500	5,800	6,000	4,272	3,261	5,915	4,535	3,601	3,980
Acres sprayed for pest control	61,000	65,000	50,000	76,000	106,668	125,548	42,322	51,927	37,022	14,145
Acres sprayed for mosquito abatement (3)	52,641	31,493	141,526	48,939	68,135	105,609	57,744	54,258	56,651	105,262
Public Safety										
Traffic violations issued	69,368	58,738	61,729	63,682	68,311	62,648	61,276	60,358	66,533	57,717
Physical arrests	23,312	23,386	26,704	24,857	25,038	24,672	21,502	20,455	18,647	16,599
Average jail population	825	949	916	923	946	887	879	892	865	787
Health and welfare										
Number of cases processed	3,273	2,429	2,075	2,401	2,485	2,477	2,893	2,699	2,605	2,590
Recreational and cultural										
Barber Park Number of Visitors (4)	107,926	78,454	75,747	94,253	127,507	111,338	113,275	110,800	111,399	159,136
Education										
Amount of tuition assistance to county residents for community college (5)	\$ 171,841	\$ 205,473	\$ 185,584	\$ 230,756	\$ 153,879	\$ -	\$ -	\$ -	\$ -	\$ -
Business-type activities:										
Number of emergency responses	17,940	18,268	20,147	21,221	22,803	20,018	21,157	22,370	22,132	23,365
Cubic Yards of trash deposited at landfill (in 1,000's)	1,788	1,884	1,846	1,917	1,580	1,340	1,211	1,195	1,177	1,198
Western Idaho Fair attendance	207,404	219,601	228,836	243,610	232,674	225,046	217,769	224,731	233,523	222,461

- (1) Information of same day election registrants has been added to this schedule.
 (2) Calendar year information for 2013 not available as of September 30, 2013
 (3) In 2004, a more effective adulticiding formula was used to treat acres after mosquitos became resistant to the previous formula.
 In 2006, Ada County had the highest number of West Nile reported cases in the nation. An emergency aerial application covering 84,366 acres was completed.
 (4) In 2005, an alcohol ban on the Boise River by the City of Boise caused a drop in visitors. In 2008, off season and event center users were tracked and counted for the first time. In 2013, shuttle riders were tracked and counted for the first time.
 (5) Beginning with the fall semester of 2008, tuition assistance has been discontinued due to the formation of local taxing district College of Western Idaho.

Sources: Various county departments, Idaho Transportation Department and Idaho Secretary of State Website

Schedule 18
 Ada County
 Capital Asset Statistics by Function/Program,
 Last Nine Fiscal Years ⁽¹⁾

Function/Program	Fiscal Year								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:									
General Government									
Land (acres) ⁽²⁾	27	27	27	32	27	27	27	284	284
Buildings	5	5	6	7	8	8	9	9	9
Vehicles	13	14	17	16	15	15	16	16	16
Public Safety									
Land (acres)	28	28	28	28	29	29	29	29	29
Buildings	11	11	11	11	11	11	11	11	11
Patrol Vehicles	80	96	97	106	115	116	119	122	118
Other Vehicles	24	27	33	39	42	40	42	47	49
Boats	2	2	2	3	3	3	2	3	3
Sanitation									
Land (acres)	2	2	2	2	2	2	2	2	2
Buildings	2	0	3	3	3	3	3	3	3
Vehicles	9	9	11	12	13	14	14	16	17
Recreational and Cultural									
Land (acres)	68	82	82	82	106	106	106	106	124
Buildings	4	4	5	5	5	5	5	5	5
Vehicles	2	2	2	2	2	2	2	2	2
Boats	1	1	1	1	1	1	1	1	1
Business-type activities:									
Emergency Medical Services									
Land (acres)	0	0	0	1	3	4	4	4	4
Buildings	4	4	4	6	5	5	8	8	7
Ambulances	21	23	24	26	27	26	26	28	30
Other Vehicles	9	9	9	10	10	10	12	13	14
Solid Waste Management									
Land (acres)	2,713	2,716	2,716	2,716	2,716	2,716	2,716	2,716	2,716
Buildings	3	3	3	3	3	3	3	3	3
Vehicles	4	4	4	4	4	4	7	6	7
Western Idaho Fair									
Land (acres)	240	240	240	240	240	240	240	240	240
Buildings	11	13	13	13	13	13	13	13	13
Vehicles	2	2	2	2	2	2	2	2	2

(1) The County will continue to annually report information until this schedule includes 10 fiscal years.

(2) Ada County purchased 256.5 acres called Red Hawks Estate in 2012.

Source: Fixed Asset Reports and Various County Departments

SINGLE AUDIT



Independent Auditor's Report on Internal control over Financial Reporting and on Compliance with Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Ada County, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of American and in standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ada County, Idaho, (the County) as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 31, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not yet been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questions costs that we consider to be a significant deficiency as item 2013-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those

provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
December 31, 2013



Independent Auditor's Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by OMB Circular A-133

To the Board of Commissioners
Ada County, Idaho

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the County, as of and for the year ended September 30, 2013, and have issued our report thereon dated December 31, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Boise, Idaho
December 31, 2013

**ADA COUNTY, IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

FEDERAL GRANT/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NUMBER	TOTAL EXPENDITURES
<i>Department of Agriculture</i>			
<u>Pass Through Payments From State of Idaho Superintendent of Public Instruction:</u>			
Cash Assistance:			
School Breakfast Program (a)	10.553	-	\$ 21,757
National School Lunch Program (a)	10.555	-	38,790
Non-Cash Assistance (Commodities):			
National School Lunch Program (a)	10.555	-	<u>3,728</u>
Total Department of Agriculture			<u>64,275</u>
<i>Department of the Interior-Bureau of Land Mgmt</i>			
<u>Pass Through Payments From State of Idaho Department of Agriculture:</u>			
Invasive and Noxious Plant Management	15.230	L11AC20096	<u>6,375</u>
<i>Department of Justice</i>			
Enhanced Training and Services to End Violence and Abuse of Women Later in Life	16.528	2011-EW-AX-K003	12,716
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program - Prosecutor	16.590	2007-WE-AX-0012	143,732
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program - Sheriff	16.590	2007-WE-AX-0012	<u>48,457</u>
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program - Total	16.590		192,189
State Criminal Alien Assistance Program	16.606	2012-H5053-ID-AP	16,901
Bulletproof Vest Partnership Program	16.607	2012	2,588
Edward Byrne Memorial Justice Assistance Grant Program (b)	16.738	2010-DJ-BX-0828 2011-DJ-BX-2485	13,714
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government (b)	16.804	2009-SB-B9-2259	85,198
<u>Pass Through Payments From City of Boise:</u>			
Edward Byrne Memorial Justice Assistance Grant Program (b)	16.738	2012-DJ-BX-0694	28,730

(continued)

**ADA COUNTY, IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

FEDERAL GRANT/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NUMBER	TOTAL EXPENDITURES
<u>Pass Through Payments From State of Idaho</u>			
<u>Department of Juvenile Corrections:</u>			
Juvenile Accountability Block Grant	16.523	10-JA41-01 11-JA41-01	20,716
Juvenile Accountability Block Grant - Re-entry	16.523	08-JB-0032 09-JB-0051 10-JB-0078	760
Juvenile Accountability Block Grant - Total	16.523		21,476
Juvenile Justice & Delinquency Prevention_Allocation to States	16.540	11-JFFX-16	798
<u>Pass Through Payments From State of Idaho</u>			
<u>Office of the Attorney General:</u>			
Missing Children's Assistance	16.543	-	2,377
Recovery Act - Internet Crimes Against Children Task Force Program	16.800	2009-SN-B9-K030	3,027
<u>Pass Through Payments From State of Idaho</u>			
<u>State Police:</u>			
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States & Territories - Prosecutor (b)	16.803	09RJAGAC	22,943
NICS Act Record Improvement Program	16.813	2011-BJS-2978	44,636
Total Department of Justice			447,293
 <i>Department of Transportation</i>			
<u>Pass Through Payments From State of Idaho</u>			
<u>Department of Transportation:</u>			
Highway Planning & Construction - Oregon Trails	20.205	STP-0100(175)	131,552
State and Community Highway Safety (c)	20.600	-	6,678
Alcohol Impaired Driving Countermeasures Incentive Grant (c)	20.601	-	5,350
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	-	2,200
Total Department of Transportation			145,780

**ADA COUNTY, IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

FEDERAL GRANT/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NUMBER	TOTAL EXPENDITURES
<i>Department of Energy</i>			
Energy Efficiency & Conservation Block Grant Program (EECBG)	81.128	DE-SC0003203	<u>21,042</u>
<i>Department of Health & Human Services</i>			
<u>Pass Through Payments From State of Idaho</u> <u>Department of Health and Welfare:</u>			
Centers for Disease Control and Prevention_Investigations and Technincal Assistance	93.283	HC790000	8,900
National Bioterrorism Hospital Preparedness Program	93.889	-	6,810
Total Department of Health & Human Services			<u>15,710</u>
<i>United States Coast Guard</i>			
<u>Pass Through Payments From State of Idaho</u> <u>Department of Parks and Recreation:</u>			
Boating Safety Financial Assistance	97.012	-	<u>31,176</u>
<i>Department of Homeland Security</i>			
<u>Pass Through Payments From State of Idaho</u> <u>Military Division:</u>			
Emergency Management Performance Grant	97.042	EMW-2011-EP-00082 EMW-2012-EP-00065	123,896
Homeland Security Grant Program - State Preparedness Equipment Grant	97.067	2010-SS-T0-0088	135,573
Homeland Security Grant Program - Training & Exercise	97.067	2010-SS-T0-0088 EMW-2011-SS-00018	42,812
Homeland Security Grant Program - Training & Exercise Shared	97.067	2008-GE-T8-0044 EMW-2011-SS-00018	12,702
Homeland Security Grant Program - Administration	97.067	EMW-2011-SS-00018	7,658
Homeland Security Grant Program - Citizen Corp	97.067	2010-SS-T0-0088 EMW-2011-SS-00018	20,515

(continued)

**ADA COUNTY, IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

FEDERAL GRANT/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROJECT NUMBER	TOTAL EXPENDITURES
Homeland Security Grant Program - National Incident Management System Shared	97.067	2008-GE-T8-0044	73
Homeland Security Grant Program - Emergency Planning	97.067	2010-SS-T0-0088 EMW-2011-SS-00018	41,439
Homeland Security Grant Program - Total	97.067		<u>260,772</u>
Total Department of Homeland Security			<u>384,668</u>
		TOTAL FEDERAL ASSISTANCE	<u>\$ 1,116,319</u>

- (a) School Lunch Cluster - \$64,275
- (b) Justice Assistance Cluster - \$150,585
- (c) Highway Safety Cluster - \$12,028

ADA COUNTY, IDAHO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. The Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Ada County, Idaho. The reporting entity is defined in Note I to the County's basic financial statements.
2. The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as described in Note I to the County's basic financial statements.
3. Major programs are identified in the Schedule of Findings and Questioned Costs.

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

SECTION I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
97.067	U.S. Department of Homeland Security – Homeland Security Grant Program
Edward Bryne Memorial Justice Assistance Cluster	
16.738	Edward Bryne Memorial Justice Assistance Grant
16.804	Edward Bryne Memorial Justice Assistance Grant – ARRA
16.803	Edward Bryne Memorial Justice Assistance Grant – ARRA

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	Yes

SECTION II - Financial Statement Findings

2013-001

Criteria: The Ada County investment policy states that, “Where possible...the investment portfolio should not consist of more than 50% of any class of security”. Also, Governments should provide information about the credit risk associated with their investments by disclosing the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations-rating agencies-as of the date of their financial statements (GASB No. 40, Paragraph 7).

Condition: The language of the investment policy regarding diversification of asset class has not been in line with the investing activities of the County since 2005 when the restrictive language on asset class diversification percentage was placed into effect. For the year ended September 30, 2013, over 50% of the fair market value of the investment balance is invested in debt securities. During our testing of the investment information provided for financial reporting, we noted several debt securities that did not report accurate credit ratings as of year-end.

Effect: The investment portfolio is less diversified than directed by the investment policy. The investment information provided for financial reporting did not contain accurate credit ratings on all debt securities as of year-end.

Cause: The 2005, 2008 and 2011 investment policies have not met the needs of the current or predecessor Treasurers. Additionally, the control and reporting structure of debt securities includes obtaining the credit quality rating at the date of purchase in order to comply with the investment policy. The control and reporting structure does not include a process to update the ratings on debt securities at year-end for financial reporting purposes.

Recommendation: We recommend that the Treasurer’s office consider updating the investment policy to allow greater than 50% of investments in a class. The Treasurer’s office should also implement a process to update the ratings on debt securities at year-end for financial reporting purposes.

Management’s response: The Treasurer’s office agrees with the finding.

Corrective Action Plan (CAP)

Action Planned in Response to Finding:

- 1) GASB 40 year-end reporting requires the credit quality of debt securities to be updated during the 2014 budget planning year; the Treasurer obtained funding to put a Bloomberg terminal in the department. Bloomberg will provide direct access to the bond market and allow for periodic updating of credit quality to the portfolio. The contracting process began in August 2013 and is in its final stages of acquisition. Once operational, internal procedures will be reviewed and updated to include this tool.
- 2) The investment portfolio at year-end is less diversified than directed by the investment policy. Ada County is only authorized to invest in two classifications of asset class (fixed-income and money markets & cash equivalents). This resulted from a provision placed in the investment policy in 2005 by someone who didn’t understand asset classes. The investment policy is currently being reviewed in FY14. This clause will be removed or altered to provide better tracking of portfolio diversity.

Investing is a moving target. County cash flow and budget demands are also moving targets as the County budgeting process methodology does not provide the necessary information for liquidity projections. This results in the potential for asset class imbalance, depending on the time of analysis.

Action to be taken: The investment policy is currently under review as required in Section 10. Any changes will be initiated through resolution.

Explanation of Disagreement: None

Official Responsible for Ensuring Corrective Action – Ada County Treasurer

Planned Completion for Corrective Action: June 2014

Plan to Monitor Completion of Corrective Action: The Treasurer will monitor the progress of the corrective action to ensure it meets the operational and financial reporting needs of the County.

SECTION III - Federal Award Findings and Questioned Costs

None reported