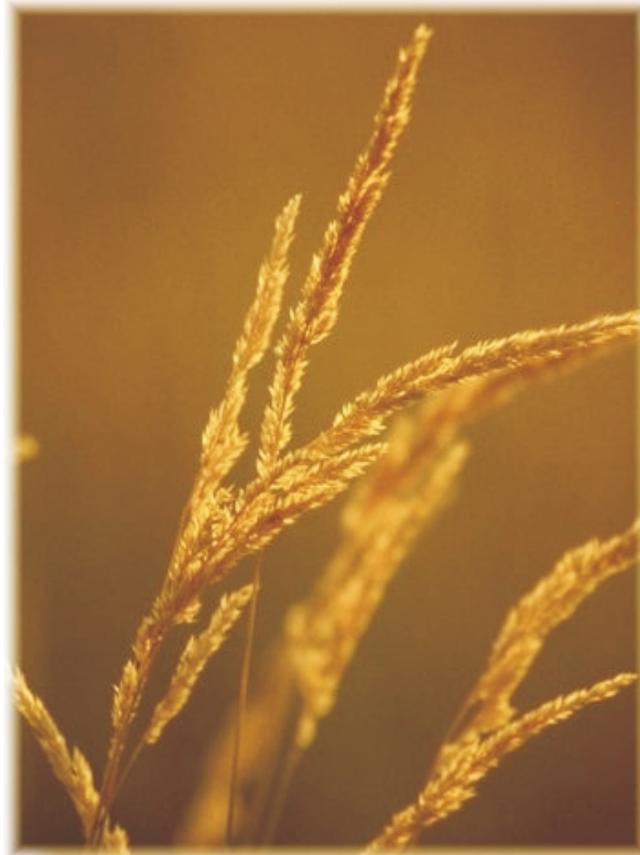


Kootenai County, Idaho



**COMPREHENSIVE ANNUAL FINANCIAL REPROT
SEPTEMBER 30, 2002
DANIEL J. ENGLISH ~ AUDITOR**

KOOTENAI COUNTY, IDAHO



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

**Prepared by: Kootenai County Auditor's Office
David R. McDowell, Finance Director**

**KOOTENAI COUNTY, IDAHO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002**

TABLE OF CONTENTS

	Page Number
INTRODUCTORY SECTION	
Auditor's Letter of Transmittal	1
List of Elected Officials	8
Organization Table	9
FINANCIAL SECTION	
Report of Independent Auditor.	13
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined Balance Sheet - All Fund Types, Account Groups, and Discretely Presented Component Units	18
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds	20
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General, Special Revenue, and Capital Projects Funds	22
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types and Discretely Presented Component Units	24
Combined Statement of Cash Flows - All Proprietary Fund Types and Discretely Presented Component Units	25
Index to Notes to the Financial Statements	27
Notes to the Financial Statements	29
SUPPLEMENTAL COMBINING, INDIVIDUAL FUND, AND ACCOUNT GROUP STATEMENTS AND SCHEDULES:	
General Fund:	
Description of the General Fund	47
Schedule of Revenues - Budget and Actual- General Fund	49
Schedule of Expenditures - Budget and Actual - General Fund.	53
Special Revenue Funds:	
Description of Special Revenue Funds	59
Combining Balance Sheet	62
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	66
Individual Schedules of Revenues and Expenditures - Budget and Actual	70
Capital Projects Funds:	
Description of Capital Projects Funds	79
Balance Sheet	81
Combining Statement of Revenues, Expenditures, and Fund Balances	82
Schedule of Revenues and Expenditures - Budget and Actual.	84

Solid Waste Enterprise Fund:

Description of Enterprise Fund. 89
Balance Sheet 91
Statement of Revenues, Expenses, and Changes in Retained Earnings. 92

Fiduciary Funds:

Description of Fiduciary Funds 93
Combining Balance Sheet 95
Statement of Revenues, Expenditures, and Changes in Fund Equity
Expendable Trust Funds 96
Combining Statement of Changes in Assets and Liabilities -Agency Funds 97

General Fixed Assets Account Group:

Description of General Fixed Assets Account Group 99
Schedule of General Fixed Assets by Source 101
Schedule of General Fixed Assets by Function and Activity 102
Schedule of Changes in General Fixed Assets by Function and Activity 103

STATISTICAL SECTION

General Government Revenues by Source, Last Ten Fiscal Years. 107
General Government Expenditures by Function, Last Ten Fiscal Years 108
Assessed Valuation and Tax Rates, Last Ten Fiscal Years 109
Property Tax Levies and Collections, Last Ten Fiscal Years 110
Schedule of Principal Taxpayers. 111
Property Tax Rates: Direct and Overlapping Governments, Last Ten Fiscal Years 112
Schedule of Direct and Overlapping Debt 113
Computation of Legal Debt Margin 114
Schedule of Revenue Bond Coverage, Last Seven Fiscal Years 115
Building Permits and Construction Values, Last Ten Years 116
Miscellaneous Demographic Data and Statistics 117

SINGLE AUDIT SECTION

Auditor's Section

Report on compliance and internal control 123
Report on compliance with requirements in accordance OMB Circular A-133 125
Schedule of audit findings 127

Auditees' Section

Schedule of expenditures of federal awards 133
Corrective action plan 135
Summary schedule of prior audit findings. 136

INTRODUCTORY SECTION



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Kootenai County,
Idaho

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



William Patrick Pate
President

Jeffrey L. Esser
Executive Director

DAN ENGLISH

CLERK OF THE
DISTRICT COURT

AUDITOR

RECORDER

OFFICE OF THE
KOOTENAI COUNTY CLERK

451 GOVERNMENT WAY
P.O. BOX 9000
COEUR D'ALENE, IDAHO 83816-9000
PHONE (208) 446-1650 • FAX (208) 446-1662
E-MAIL: denglish@kcgov.us



January 31, 2003

Board of County Commissioners

Kootenai County

Coeur d'Alene, Idaho

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of Kootenai County, Idaho, prepared in accordance with generally accepted accounting principles (GAAP), for the fiscal year ending September 30, 2002. The purpose of the report is to provide citizens, investors, grantor agencies, and other interested parties with reliable financial information about the County. Responsibility for the accuracy of the data, as well as the completeness and fairness of the presentation, including all disclosures, rests with Kootenai County. To the best of our knowledge and belief, the report is accurate in all material respects, and is designed to present fairly the financial position and results of operations of the various fund and account groups of the County. All disclosures necessary to enable the reader to gain an understanding of Kootenai County's financial activities have been included.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Kootenai County for its comprehensive annual financial report for the fiscal year ending September 30, 2001. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Kootenai County has received a Certificate of Achievement for the last eight consecutive years (fiscal years 1994-2001). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA. We would also like to acknowledge the individuals involved in the preparation of the report and jointly responsible for the County receiving the award: Kim Stevenson, Celia Peterson, Kirk Miller, David McDowell, and Daniel Duffey.

The comprehensive annual financial report is presented in four sections: Introductory, Financial, Statistical, and Single Audit. The introductory section includes this transmittal letter, the County's organization chart, and a list of principal officials. The financial section includes the general purpose financial statements, and the combining and individual fund and account group financial statements and schedules, as well as the independent auditor's report. The Statistical Section includes unaudited financial and demographic information, generally presented on a multi-year, comparative basis.

Kootenai County is required to undergo an annual single audit in conformity with provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Institutions. Information related to the single audit, including the schedule of federal financial assistance and reports of the independent auditor on the internal control structure and compliance with applicable laws and regulations are included in the single audit section of this report.

Kootenai County provides a full range of government services. These include police protection, judicial systems, jails, 9-1-1 service, health and social services, a regional airport, emergency management, noxious weed control, parks and recreation (including bicycling, boating, and snowmobile facilities), as well as cultural and historical society support. The County also provides general services such as planning and zoning, code enforcement, driver and vehicle licensing, managing federal, state, and local elections, recording of deeds and legal documents and administration of the tax system. The collection and distribution of property tax for all

Kootenai County Comprehensive Annual Financial Report - FY 2002

taxing districts within the county is also managed by Kootenai County. The districts include cities, highway districts, fire districts, school districts, North Idaho Community College, and Kootenai Medical Center.

The County has also provided for the disposal of solid waste through the development and maintenance of a solid waste transfer station and landfill. This operation is a self-supporting facility, managed as an enterprise fund.

This report includes all funds, account groups, and component units of the County. In addition to general county activities, the Board of Commissioners is financially accountable for both the Kootenai County Fair and the Kootenai County Emergency Medical Services System.

ECONOMIC CONDITION AND OUTLOOK

Kootenai County is located in northern Idaho, an area known as the Panhandle. The County is 1,310 square miles and has a population of approximately 110,000. The largest city and county seat is Coeur d'Alene. Nearby population centers include Spokane, Washington, thirty miles to the west, and Missoula, Montana 150 miles to the east, with a populations of approximately 200,000 and 60,000 respectively.

Kootenai County contains several beautiful lakes covering 70.6 square miles, including the twenty-five mile long Lake Coeur d'Alene, and is adjacent to the Panhandle National Forest. The county also includes Spirit Lake, Silverwood Theme Park, Farragut State Park on Lake Pend Orielle, the Coeur d'Alene Resort, and the Cataldo Mission, Idaho's oldest building. These attractions, recreation and tourism, are important elements of our local economy. Other important industries include construction, trades, light manufacturing, health care, professional services, and government. Major employers include Hagadone Hospitality Corporation, North Idaho College, Kootenai Medical Center, Harpers Furniture, Crown Pacific, Coldwater Creek, and Advanced Input Devices. Kootenai County aggressively pursues new industry through Jobs Plus, Inc., a development organization funded with public and private resources. Jobs Plus has been successful in attracting several small and medium sized industries to Kootenai County by marketing the County's well trained work force, environment, and low operating costs.

The population and economy of Kootenai County has grown rapidly over the last decade. Regional economic forecasts indicate slower yet continued growth in the regional economy. The projections are that Idaho in general will continue to grow at a pace greater than the national averages.

MAJOR INITIATIVES

The major accomplishments and events of the County during 2002 included continued facilities improvement. Several goals were met during fiscal year 2002. These include:

1. Completion of the three-year construction project to expand the County jail facilities.
2. Complete construction project which levels and resurfaces the main airport runway.
3. Decommissioning of the voter approved sales tax ordinance subject to State Court orders.
4. Reorganization and stabilization of the ambulance services in the county. This included the passage of an override levy to fund the costs necessary to accomplish this goal.

ONGOING ACTIVITIES AND FUTURE PROJECTS

The County has continued to focus on the needs resulting from rapid growth. The County's justice system has experienced the most significant increases historically and has reached a point to be able to accommodate current needs with the completion of the major corrections construction projects completed over the last couple of fiscal years. Additionally, new improvements and adjustments are planned for 2003. These include:

1. Planning and development for the expansion of the solid waste transfer station on Ramsey.
2. Continuing long-range planning and development of the existing landfill location and future collection facilities throughout the county.
3. A more cost efficient facilities plan that will increase the efficiency of the current expenditures.

FINANCIAL INFORMATION

Kootenai County remains in sound financial condition at the conclusion of fiscal year 2002. The overall state economy has continued to contract in the post-September 11 economy. Kootenai County has not seen the same level of contraction as the state, but the local economy has leveled off substantially but continues to grow.

The Kootenai County Auditor's Office is responsible for providing financial services to the County. These include: financial accounting and reporting, payroll and accounts payable disbursement functions, debt management, budgeting, cash receipts, and financial analysis. The Treasurer's Office is responsible for tax collections, cash, and investment management.

INTERNAL CONTROL

Management of Kootenai County is responsible for establishing and maintaining an internal control structure designed to ensure that assets of the County are protected from loss, theft, or misuse. The internal control structure should provide reasonable assurance that (1) financial transactions are processed only with management's authorization, (2) transactions comply with County policy and Idaho law, and (3) financial records allow for the safeguarding of assets and allow for the timely preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these goals are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefit likely to be derived from implementation, and (2) the evaluation of cost and benefit requires estimates and judgment by management.

BASIS OF ACCOUNTING

The County's accounting records for governmental fund type operations are maintained on the modified accrual basis, and on the accrual basis for the proprietary fund. The modified accrual basis of accounting requires that revenue be recognized when both measurable and available to liquidate liabilities of the current period. Expenditures are generally recognized when the liability is incurred, and draws upon current usable resources. The accrual basis of accounting recognizes revenues when earned and expenses when incurred.

SINGLE AUDIT

The County receives federal and state pass through financial assistance and is responsible for maintaining an adequate control structure to ensure compliance with applicable laws and regulations pertaining to those programs. The internal control structure is subject to periodic evaluation by the Board of County Commissioners and the Auditor's Office.

As part of the County's single audit, tests are performed to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, to determine that the County has complied with applicable rules and regulations. The results of the County's single audit for the fiscal year ending September 30, 2002 provided no instances of material weakness.

BUDGETARY CONTROL

The annual County budget process begins in April each year with a series of meetings and the distribution of budget request packets to elected officials and department heads. By the third Monday in May, budget requests must be submitted to the Auditor's Office. Budget requests include proposed expenditures, and projections of department generated revenues.

The County Auditor, acting as the Chief Budget Officer, reviews the budget submissions, forecasts revenue, and meets with department heads and elected officials to prepare a proposed budget. The proposed budget is submitted to the Board of County Commissioners for adjustment and approval or disapproval. A final budget is legally adopted by the Board after public hearings in September.

The County maintains budgetary controls to ensure compliance with the adopted budget. The budget is integrated with the County fund accounting system to ensure management control throughout the year. The level of budgetary control (level at which expenditures cannot exceed appropriation without management approval) is established at the department level. Expenditures made or liabilities incurred in excess of the budget appropriation, when not approved by the Board of County Commissioners, are the liability of the elected official making or incurring the liability, not the County.

Kootenai County Comprehensive Annual Financial Report - FY 2002

Kootenai County does not utilize encumbrance accounting. Appropriations of funds lapse at the close of each fiscal year with the exception of ongoing capital construction projects, and ongoing grant or funding agreements that are run on a year different than our fiscal year.

GENERAL GOVERNMENT FUNCTIONS

Revenue:

Exhibit A presents a summary of general, special revenue and capital projects fund revenues for the fiscal years ending September 30, 2002 and 2001. The percentages of increases and decreases from one year to the next are also illustrated.

EXHIBIT A: Summary Schedule of General, Special Revenue, and Capital Projects Fund Revenues: Comparison of Fiscal Years 2002 and 2001

Revenue Source	2002		2001		Increase (Decrease) Over 2001	Percent of Increase (Decrease)
	Amount	Percent of Total	Amount	Percent of Total		
Taxes	27,762,097	59%	27,727,887	59%	34,210	0.1%
Licenses & Permits	1,183,035	3%	1,144,058	2%	38,977	3.4%
Intergovernmental	8,977,409	19%	8,660,288	18%	317,121	3.7%
Charges for Services	7,330,092	15%	6,367,727	13%	962,365	15.1%
Fines & Forfeits	912,785	2%	989,524	2%	(76,739)	-7.8%
Miscellaneous	1,154,209	2%	2,383,813	5%	(1,229,604)	-51.6%
Total	47,319,627	100%	47,273,297	100%	46,330	0.1%

Note: Exhibit A does not include Trust Receipts of \$990,179 and \$2,898,813 for 2002 and 2001 respectively.

EXHIBIT B: Summary Schedule of General, Special Revenue, and Capital Projects Fund Expenditures: Comparison of Fiscal Years 2002 and 2001

Expenditure Classification	2002		2001		Increase (Decrease) over 2001	Percent of Increase (Decrease)
	Amount	Percent of Total	Amount	Percent of Total		
General Government	16,328,404	34%	15,073,765	30%	1,254,639	8.3%
Public Safety	19,292,767	41%	17,881,085	35%	1,411,682	7.9%
Sanitation	272,388	1%	216,281	0%	56,107	25.9%
Health & Welfare	2,168,336	5%	1,920,732	4%	247,604	12.9%
Culture & Recreation	691,150	1%	835,812	2%	(144,662)	-17.3%
Debt Service	2,054,451	4%	3,188,855	6%	(1,134,404)	-35.6%
Capital Outlay	6,681,114	14%	11,522,881	23%	(4,841,767)	-42.0%
Total	47,488,610	100%	50,639,411	100%	(3,150,801)	-6.2%

Notes: Exhibit B does not include Trust Turnovers of \$524,692 and \$3,498,952 for 2002 and 2001 respectively. Differences in percentage totals due to rounding.

Exhibit A indicates a \$46,330 (.1%) increase in total revenue. The increase in tax revenue collections of \$34,210 represents .1% of the total increase.

Intergovernmental revenue increased by approximately \$317,121 representing 3.7% of the increase, as a result of more federal and state grant money received by the County. Charges for services increased by, \$962,365 representing another 15.1% of the increase. This is primarily due to the growth in recording fee revenues as the result of a robust real estate market.

Other miscellaneous revenue decreased mainly because of a one time refund from the state sponsored PERSI retirement plan in 2001, and poorer than expected investment results.

Expenditures:

Exhibit B (previous page) presents a summary of general, special revenue and capital projects fund expenditures for the fiscal years ending September 30, 2002 and 2001. The percentages of increases and decreases from one year to the next are also reflected.

As the exhibit indicates, total expenditures decreased by \$3,150,801.

Most of this decrease is explained by the \$4,841,767 change in capital outlays, which accounts for 42.0% of the difference under the previous year. The two major projects in progress during the fiscal year are the jail expansion, and the main runway leveling and resurfacing project at the airport, accounting for the bulk of the capital projects.

Public safety expenditures increased \$1,411,682 resulting from increasing personnel costs in the Sheriff's department, expansion of grant activities in the prosecuting attorney's office, juvenile probation, and changes in the cost allocations at the juvenile detention center that shifted more costs to the county as a result of higher percentage of the annual census in the facility.

Debt service decreased approximately \$1,134,404 under the previous fiscal year, primarily due to the completion Juvenile Detention Facility lease in 2001.

Summary:

Exhibit A and B indicate that expenditures exceeded revenues for the noted funds by approximately \$168,983 for the fiscal year ending September 30, 2002. In fiscal year 2001, expenditures exceeded revenues by \$3.3 million; in 2000, expenditures exceeded revenues by approximately \$4.0 million; and in fiscal year 1999, expenditures exceeded revenues by \$1.0 million.

This year's expenditure deficit was planned, and funded through cash reserves. Finance proceeds were also received in Fiscal Year 2001 to fund \$9,500,000 of the capital outlay costs which will conclude in fiscal year 2003.

Revenue surpluses in prior years are indicative of a conservative approach to budgeting revenue, and careful management of resources in an effort to reduce operating costs wherever possible. The County enters fiscal year 2003 in sound financial condition, with a commitment to effective and efficient governmental operations.

ENTERPRISE FUND

Kootenai County has one enterprise operation, the Solid Waste Department. The Solid Waste Department operates the County Transfer Station, Fighting Creek Landfill, rural drop box and commercial solid waste collections and recycling programs. The solid waste operation receives no ad valorem tax revenue for either operating or capital outlays.

Solid Waste Enterprise Fund operations resulted in net income of \$1,437,051 for the year ending September 30, 2002, compared with net income of \$2,066,763 in 2001, and \$1,975,832 in 2000.

Operating revenues have increased by \$125,247 and operating expenses have decreased \$533,738, since the prior fiscal year. The revenues and expenses are driven by the volume processed during the year and the related utilization rate of the Fighting Creek Landfill.

FIDUCIARY FUNDS

Kootenai County acts as an agent for all taxing districts in Kootenai County, including cities, schools, fire districts, and highway districts. The County collects taxes for these entities and disburses the funds on a periodic basis. The County also maintains several expendable trust funds, used to account for trust type activities, including holding of District Court personal bond funds, child support payments, and court ordered victim restitution.

Kootenai County Comprehensive Annual Financial Report - FY 2002

COMPONENT UNITS

Kootenai County includes both the Kootenai County Fair and the Kootenai County Emergency Medical Services System (KCEMSS) as component units in the comprehensive annual financial report. The decision is based upon the financial accountability criteria as set forth in GASB statement No. 14.

The Kootenai County Board of Commissioners (the Board) appoints the Kootenai County Fair Board, which has the responsibility of managing the County Fair. The Board also has the authority to approve or disapprove the County Fair's annual budget. Additionally, the County is contingently liable for the debt of the Fair.

The County Fair is managed as an enterprise fund. The Fair's fiscal year runs from January 1 through December 31. For the fiscal year ending December 31, 2001, the Fair had net income of \$38,885. For the fiscal year ending December 31, 2000, the Fair had net income of \$82,404.

KCEMSS is also presented as a distinct reporting unit. The Board approves the annual budget and levies taxes under the Emergency Medical Services levy, the balance necessary to fund the approved budget. One member of the Joint-Powers Board is appointed from the current Board of County Commissioners. The reporting year for KCEMSS is the same fiscal year as the county and for the current fiscal year reported a net loss of \$(124,513). This is largely attributable to a change in the allowance for doubtful accounts from 29% in 2001 to 56% in 2002.

The going concern qualification included in the prior year report has been cleared. This is in no small part due to the successful efforts of the local fire departments in providing a comprehensive and cost efficient system along with the support provided by an override levy to clear up the outstanding debts incurred by the prior administration.

CASH MANAGEMENT

Cash temporarily idle during the year was invested in time certificates of deposit or in the Idaho State Investment Pool. Interest revenue of \$1,123,935 was recognized in fiscal year 2002. Of this amount, \$496,930 was deposited to the Solid Waste Fund. The balance was deposited to the funds from which investment principal was drawn, primarily the General Fund.

DEBT MANAGEMENT

As of September 30, 2002, Kootenai County had \$845,000 in general obligation bonds outstanding, the Solid Waste Disposal Facility Refunding Bond, Series 1993. The bonds were issued in 1993 to retire \$7,155,000 of outstanding notes (Solid Waste Certificates of Participation, Series 1991). The notes were originally issued to provide funding for the construction of the Fighting Creek Landfill and the Ramsey Landfill/Transfer Station projects.

Near the end of fiscal year 2000, the financing package for the work release center and jail expansion was completed and jail facility tax revenue note was issued totaling \$9,500,000. The revenue generated by the voter approved Resort Sales Tax had been pledged to support the debt service requirements; however, the enabling legislation for the local option tax was challenged and over turned by the Idaho State Supreme Court effective July, 2002. The current plan is to reintroduce new legislation to once again provide the local option tax, or in absence of the tax fund the debt service out of the regular county operating revenues.

The County is contingently liable for its component unit's (Kootenai County Fair) note payable. The original note, totaling \$250,000, was used to finance the construction of the Food Court building. The balance at December 31, 2001, \$17,091, will be repaid through fair revenues.

RISK MANAGEMENT

Kootenai County purchases insurance through the Idaho Counties Reciprocal Management Program (ICRMP). ICRMP is an insurance pool that serves all public entities in Idaho through provision of property, general liability, automobile liability, physical damage, and public officials' insurance. ICRMP provides loss prevention training to enable its subscribers to minimize their exposure to loss through implementation of proper policies and procedures.

Kootenai County has agreed to a self-insured reserve (SIR) to provide group health insurance benefits for the employees and their dependants.

The County also employs a risk manager whose duties include monitoring and reviewing contracts and claims against the County, and evaluating the adequacy of insurance coverage. The risk manager educates employees regarding loss exposure responsibilities of their job duties.

OTHER INFORMATION

Idaho state statute requires an annual audit by an independent auditor firm. The accounting firm of LeMaster and Daniels, PLLC was selected to perform the audit with the approval of the Board of County Commissioners. In addition to meeting the requirements set forth in the Idaho statutes, the audit was also designed to meet the requirements of the Single Audit Act of 1984 and OMB Circular A-133. The auditor's report on the general purpose financial statements and combining and individual fund statements, schedules, and the single audit are included in the financial and single audit section of this report.

Sincerely,

A handwritten signature in black ink that reads "Dan English". The signature is written in a cursive, flowing style.

Daniel J. English
Kootenai County Auditor



Steve J. "Gus" Johnson
Commissioner District #1



Ronald D. Rankin
Commissioner District #2



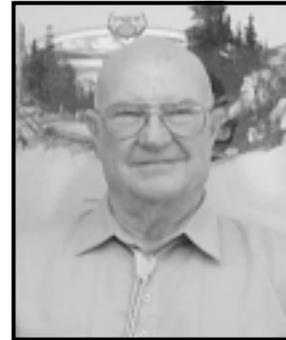
Richard C. Panabaker
Commissioner District #3



Daniel J. English
County Clerk



Tom Malzahn
County Treasurer



Ray Lee
County Assessor



Rocky Watson
County Sheriff



Bill Douglas
County Prosecutor

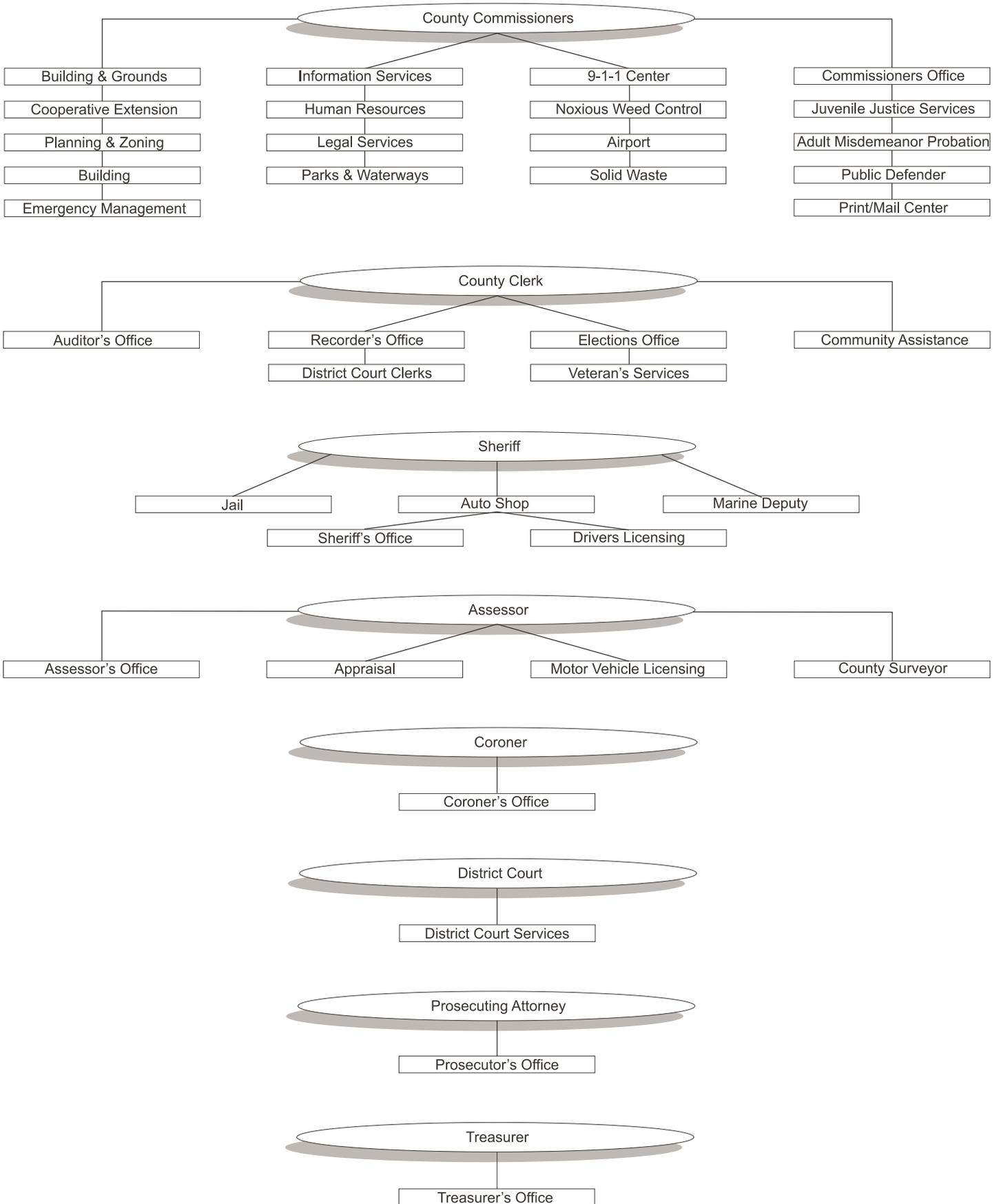


Dr. Robert West
County Coroner

District Judge
District Judge
District Judge
Magistrate Judge
Magistrate Judge
Magistrate Judge
Magistrate Judge
Magistrate Judge

John T. Mitchell
John P. Luster
Charles Hosack
Scott Wayman
Barry E. Watson
Robert B. Burton
Benjamin R. Simpson
Eugene A. Marano

KOOTENAI COUNTY, IDAHO ORGANIZATIONAL TABLE Elected Officials and Areas of Responsibility





FINANCIAL SECTION







LE MASTER &
DANIELS PLLC

SPOKANE
COLFAX
GRANDVIEW
MOESLAKE
OMAK
OTHELLO

QUINCY
TRI-CITIES
WALLA WALLA
WENATCHEE
YAKIMA

INDEPENDENT AUDITORS' REPORT

ACCOUNTING

AND

CONSULTING Board of County Commissioners
Kootenai County
SERVICES Coeur d'Alene, Idaho

MEMBER OF

McGLADREY

NETWORK

We have audited the accompanying general-purpose financial statements of Kootenai County, Idaho (the County) as of and for the year ended September 30, 2002, as listed in the table of contents. These general-purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the County's component units – County Fair as of and for the year ended December 31, 2001, and Kootenai County Emergency Medical Services System as of and for the year ended September 30, 2002, which are included in the County's general-purpose financial statements. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units – County Fair and Kootenai County Emergency Medical Services System, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Kootenai County, Idaho, as of September 30, 2002, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2002, 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, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements referred to in the first paragraph taken as a whole. The accompanying supplemental information on pages 47 to 103 is presented for purposes of additional analysis and is not a required part of the above 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 Organizations*, and is also not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

LeMaster & Daniels PLLC

Spokane, Washington
December 24, 2002

GENERAL PURPOSE FINANCIAL STATEMENTS







Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO COMBINED BALANCE SHEET ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS SEPTEMBER 30, 2002

	Governmental Fund Types			Proprietary Fund Type
	General	Special Revenue	Capital Projects	Enterprise
Assets				
Cash in bank and investments	\$ 7,381,197	\$ 6,020,707	\$ 0	\$ 7,379,090
Receivables:				
Taxes delinquent	1,050,956	258,784		248,820
Accounts receivable, net	1,274,154	48,851	8,396	1,073,698
Interest receivable	9,292	144		9,125
Due from other Governments	1,000	605,609		
Due from other funds	849,223			605,609
Grants receivable	307,133	20,619	119,488	
Other current assets:				
Property, plant and equipment, net				13,719,228
Note issue costs, net				18,279
Cash held for closure and postclosure				2,912,000
Amount to be provided for retirement of general long-term debt				
Total Assets	\$ 10,872,955	\$ 6,954,714	\$ 127,884	\$ 25,965,849
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ 854,270	\$ 304,402	\$ 212,121	\$ 235,975
Accrued payroll	1,195,946	42,659		19,733
Compensated absences payable				137,046
Deferred compensation payable				
Deferred revenues	84,537	10,000		
Deferred property tax revenue	948,630	233,554		
Interest payable				6,277
Bonds payable				845,000
Notes payable				
Capital leases payable: due in 1 yr.				
Capital leases payable: due in more than 1 yr.				
Landfill closure liability				2,912,000
Due to other Governments				
Due to other funds	374,643	838,333	197,035	
Due to other individuals	939			
Due to other taxing districts				
Total Liabilities	3,458,965	1,428,948	409,156	4,156,031
Equity And Other Credits:				
Investment in general fixed assets				
Contributed capital				271,371
Retained earnings:				
Reserved for landfill closure				2,912,000
Unreserved retained earnings				18,626,447
Fund Balances:				
Reserved	261,029	4,796,209	(281,272)	
Unreserved	7,152,961	729,557		
Equity: component unit				
Total Equity And Other Credits	7,413,990	5,525,766	(281,272)	21,809,818
Total Liabilities, Equity and Other Credits	\$ 10,872,955	\$ 6,954,714	\$ 127,884	\$ 25,965,849

The accompanying notes are an integral part of this financial statement.

Kootenai County Comprehensive Annual Financial Report - FY 2002

Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)		Component Units	
			(Primary Government)		County Fair	KC Emergency Medical Services System
			2002	2001	As of December 31, 2001	As of September 30, 2002
Trust and Agency	General Fixed Assets	General Long-Term Debt				
\$ 4,490,524	\$	\$	\$ 25, 271,518	\$ 22,905,952	\$ 205,180	\$ 51,116
4, 273,001			5,831,561	5,688,304		
429,670			2,834,769	2,723,388	7,343	263,779
			18,561	52,810		
			606,609	22,792		
			1,454,832	284,500		
			447, 240	1,035, 256		
	69,460,335		83,179,563	78,737,571	1,346, 220	300,509
			18, 279	36,559		
			2,912,000	2,148,000		
		13,575,947	13,575,947	13,714,186		
\$ 9,193,195	\$ 69,460,335	\$ 13,575,947	\$ 136,150,879	\$ 127,349,318	\$ 1,558,743	\$ 615,404
\$ 18,871	\$	\$	\$ 1,625,638	\$ 2,873,071	\$ 2,373	\$ 671,146
			1, 258,338	162,735	3,741	26,769
		2,633,357	2,770,403	2,437,163		
1,528,740			1,528,740	1,741,139		
973,526			1,068,063	487,465		
			1,182,184	2,024,921		
			6, 277	12,969		
			845,000	1,655,000		
					17,091	169,362
		1,535,792	1,535,792	1,340,979		
		9,406,798	9,406,798	10,049,592		134,405
			2,912,000	2,148,000		
926,729			926,729	910,589		605,609
44,820			1,454,832	284,500		
5,763			6,702	8,612		
5,018,950			5,018,950	4,938,783		
8,517,399		13,575,947	31,546,446	31,075,518	23, 205	1,607, 291
	69,460,335		69,460,335	64,188,504		
			271,371	271,371	624,514	287, 207
			2,912,000	2,148,000		
			18,626,447	17,953,396	911,024	(1, 279,094)
675,796			5,451,762	3,042,376		
			7,882,518	8,670,153		
675,796	69,460,335		104,604,433	96, 273,800	1,535,538	(991,887)
\$ 9,193,195	\$ 69,460,335	\$ 13,575,947	\$ 136,150,879	\$ 127,349,318	\$ 1,558,743	\$ 615,404

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
Revenues:			
Taxes	\$ 17,773,753	\$ 9,918,166	\$
Tax related charges	71,038	(860)	
Licenses and permits	1,050,654	132,381	
Intergovernmental	6,061,333	534,976	2,381,100
Charges for services	7,145,020	185,072	
Fines and forfeitures	275,881	636,904	
Trust receipts			
Miscellaneous	857,579	263,303	33,327
Total Revenues	33,235,258	11,669,942	2,414,427
Expenditures:			
Current:			
General Government	14,431,158	1,766,566	130,680
Public safety	17,918,857	1,373,910	
Sanitation		272,388	
Health and welfare	378	2,167,958	
Culture and recreation	11,985	679,165	
Trust turnovers			
Debt service	650,579	1,403,872	
Capital outlay	2,067,673	144,054	4,469,387
Total Expenditures	35,080,630	7,807,913	4,600,067
Revenues Over (Under) Expenditures	(1,845,372)	3,862,029	(2,185,640)
Other Financing Sources (Uses):			
Proceeds of capital leases	938,880		
Proceeds insurance	4,678	1,014	
Finance proceeds	30,003		
Gain/loss on sale-assets/property	53,030	786	
Grant match transfers-in/(out)	779	(42,189)	358,713
Transfers to component unit		(113,400)	
Operating transfers in	4,142,970	25,361	712,521
Operating transfers (out)	(2,453,862)	(2,092,965)	(13,029)
Total Other Financing Sources (Uses)	2,716,478	(2,221,393)	1,058,205
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	871,106	1,640,636	(1,127,435)
Fund Balances, Beginning	6,542,884	3,885,130	846,163
Fund Balances, Ending	\$ 7,413,990	\$ 5,525,766	\$ (281,272)

The accompanying notes are an integral part of this financial statement.

Kootenai County Comprehensive Annual Financial Report - FY 2002

Fiduciary Fund Type		Totals (Memorandum Only)	
Expendable Trust	2002	2001	
\$	\$ 27,691,919	\$ 27,727,887	
	70,178	0	
	1,183,035	1,144,058	
	8,977,409	8,660,288	
	7,330,092	6,367,727	
	912,785	989,524	
990,179	990,179	2,898,449	
	1,154,209	2,383,813	
990,179	48,309,806	50,171,746	
	16,328,404	15,073,765	
	19,292,767	17,881,085	
	272,388	216,281	
	2,168,336	1,920,732	
	691,150	835,812	
524,692	524,692	3,498,952	
	2,054,451	3,188,855	
	6,681,114	11,522,881	
524,692	48,013,302	54,138,363	
465,487	296,504	(3,966,617)	
	938,880	23,976	
	5,692	0	
	30,003	0	
	53,816	0	
	317,303	0	
	(113,400)	(99,600)	
60,678	4,941,530	5,536,390	
(288,721)	(4,848,577)	(5,025,854)	
(228,043)	1,325,247	434,912	
237,444	1,621,751	(3,531,705)	
438,352	11,712,529	15,244,234	
\$ 675,796	\$ 13,334,280	\$ 11,712,529	

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - GENERAL, SPECIAL REVENUE, AND CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 18,009,695	\$ 17,773,753	\$ (235,942)
Tax related charges	0	71,038	71,038
Licenses and permits	945,400	1,050,654	105,254
Intergovernmental	5,011,518	6,061,333	1,049,815
Charges for services	6,253,982	7,145,020	891,038
Fines and forfeitures	225,571	275,881	50,310
Interest			
Green fees-revenue sharing			
Miscellaneous	2,760,720	857,579	(1,903,141)
Total Revenues	33,206,886	33,235,258	28,372
Expenditures:			
Current:			
General Government	14,588,120	14,431,158	156,962
Public safety	18,208,178	17,918,857	289,321
Sanitation			
Health and welfare	75,000	378	74,622
Culture and recreation	10,000	11,985	(1,985)
Debt service	497,422	650,579	(153,157)
Capital outlay	1,606,704	2,067,673	(460,969)
Total Expenditures	34,985,424	35,080,630	(95,206)
Revenues Over (Under) Expenditures	(1,778,538)	(1,845,372)	(66,834)
Other Financing Sources (Uses):			
Proceeds of capital leases	0	938,880	938,880
Proceeds insurance	334,362	4,678	(329,684)
Finance proceeds	0	30,003	30,003
Gain/loss on sale-assets/property	3,000	53,030	50,030
Grant match transfers-in/(out)	22,365	779	(21,586)
Transfers to component unit			
Operating transfers in	2,470,185	4,142,970	1,672,785
Operating transfers (out)	(2,105,185)	(2,453,862)	(348,677)
Total Other Financing Sources (Uses)	724,727	2,716,478	1,991,751
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	\$ (1,053,811)	871,106	\$ 1,924,917
Fund Balances, October 1, 2001		6,542,884	
Fund Balances, September 30, 2002		\$ 7,413,990	

The accompanying notes are an integral part of this financial statement.

Kootenai County Comprehensive Annual Financial Report - FY 2002

Special Revenue Funds			Capital Projects Funds			
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	
\$ 5,960,113	\$ 9,918,166	\$ 3,958,053	\$	\$	\$	
0	(860)	(860)				
0	132,381	132,381				
113,591	534,976	421,385	1,767,866	2,381,100	613,234	
554,767	185,072	(369,695)				
197,360	636,904	439,544				
773,250	0	(773,250)				
0	7,362	7,362				
999,478	255,941	(743,537)	3,860,000	33,327	(3,826,673)	
8,598,559	11,669,942	3,071,383	5,627,866	2,414,427	(3,213,439)	
3,918,081	3,572,266	345,815	71,415	130,680	(59,265)	
947,313	501,638	445,675				
2,060,395	2,167,958	(107,563)				
138,000	18,125	119,875				
1,448,772	1,403,872	44,900				
106,159	144,054	(37,895)	5,225,118	4,469,387	755,731	
8,618,720	7,807,913	810,807	5,296,533	4,600,067	696,466	
(20,161)	3,862,029	3,882,190	331,333	(2,185,640)	(2,516,973)	
0	1,014	1,014				
0	786	786				
0	(42,189)	(42,189)	0	358,713	358,713	
0	(113,400)	(113,400)				
25,361	25,361	0	10,000	712,521	702,521	
0	(2,092,965)	(2,092,965)	0	(13,029)	(13,029)	
25,361	(2,221,393)	(2,246,754)	10,000	1,058,205	1,048,205	
\$ 5,200	1,640,636	\$ 1,635,436	\$ 341,333	(1,127,435)	\$ (1,468,768)	
	3,885,130			846,163		
	\$ 5,525,766			\$ (281,272)		

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002 (WITH COMPARATIVE TOTALS FOR 2001)

	Primary Government		Component Unit	
	Enterprise Fund		County Fair	KCEMSS
	2002	2001	Year ending December 31, 2001	Year ending September 30, 2002
Operating Revenues:				
Charges for services	\$ 7,492,618	\$ 7,372,001	\$ 572,988	\$ 2,132,149
Miscellaneous	8,689	4,059		18,739
Total Operating Revenues	7,501,307	7,376,060	572,988	2,150,888
Operating Expenses:				
Salaries and wages	1,385,480	1,317,247	225,304	888,572
Operating expenses	2,111,940	2,446,486	347,393	2,085,814
Depreciation and amortization	1,849,009	1,256,461	67,181	135,524
Landfill closure expense	764,000	431,250		
Total Operating Expenses	6,110,429	5,451,444	639,878	3,109,910
Operating Income (Loss)	1,390,878	1,924,616	(66,890)	(959,022)
Non operating Revenues (Expenses):				
Tax transmittal & refund				995,978
Interest income	496,930	570,093	7,103	1,856
Interest expense	(51,654)	(96,167)	(1,328)	(57,619)
Proceeds-insurance	1,258			
Gain (Loss) on disposal of fixed assets	0	79,157		(105,706)
Non operating Income (Loss)	446,534	553,083	5,775	834,509
Income (Loss) Before Operating Transfers	1,837,412	2,477,699	(61,115)	(124,513)
Operating transfers in (out)	(400,361)	(410,936)		
Operating transfer from primary Government			100,000	
Net Income (Loss)	1,437,051	2,066,763	38,885	(124,513)
Retained Earnings/Equity, Beginning	20,372,767	18,034,633	872,139	(1,154,581)
Prior Period Adjustment				
Retained Earnings/Equity, Ending	\$ 21,809,818	\$ 20,101,396	\$ 911,024	\$ (1,279,094)

The accompanying notes are an integral part of this financial statement.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002 (WITH COMPARATIVE TOTALS FOR 2001)

	Primary Government		Component Units	
	Enterprise Fund		County Fair	KCEMSS
	2002	2001	As of December 31, 2001	As of September 30, 2002
Cash Flows From Operating Activities:				
Reconciliation Of Operating Income To Net Cash Provided (Used) By Operating Activities:				
Operating Income (Loss)	\$ 1,390,878	\$ 1,924,616	\$ (66,890)	\$ (959,022)
Prior period adjustment				
Adjustments to reconcile Operating Income to net				
Cash provided by operating activities:				
Depreciation and amortization	1,849,009	1,256,461	67,181	135,524
Change in Assets and Liabilities:				
(Increase) decrease in interest receivable	13,924	88,343	(1,803)	
(Increase) decrease in accounts receivable				152,993
(Increase) decrease in penalty receivable				(35,891)
(Increase) decrease in solid waste fees delinquent	(98,889)	(47,308)		
(Increase) decrease due from other funds	(321,109)	173,833		
(Increase) decrease in prepaid expenses	0	79,975		
Increase (decrease) in accounts payable	(217,226)	(180,194)	(4,577)	(33,696)
Increase (decrease) in accrued expenses	32,697	(30,457)		
Increase (decrease) in accrued liabilities				(134,142)
Increase (decrease) in contracts payable				397,699
Increase (decrease) in interest payable	(6,692)	(6,045)		
Increase (decrease) in landfill closure liability	764,000	404,000		
Net Cash Provided (Used) by Operating Activities	3,406,592	3,663,224	(6,089)	(476,535)
Cash Flows From Noncapital Financing Activities:				
Tax Transmittal				975,715
Tax penalty refund				20,262
Operating transfer from primary Government			100,000	
Operating transfers out	(400,361)	(410,936)		
Net Cash Provided (Used) by Noncapital Financing Activities	(400,361)	(410,936)	100,000	995,977
Cash Flows From Capital And Related Financing Activities:				
Principal paid on capital lease obligations	0	(47,727)		
Interest paid on capital lease obligations	0	(2,059)		
Principal paid on bonds payable	(810,000)	(770,000)	(5,065)	
Interest paid on capital bonds payable	(51,654)	(94,108)	(1,328)	
Cash held to fund closure and postclosure costs	(2,912,000)	(2,148,000)		
Reduction to cash held for closure and postclosure	2,148,000	1,744,000		
Interest paid				(57,619)
Draws on line of credit				(641,553)
New long term borrowings				605,608
Repayment of long term debt				(385,303)
Gain on disposal of assets				
Proceeds from State Insurance Fund	1,258	365,145		
Purchase of fixed assets	(1,000,890)	(774,144)	(52,810)	
Net Cash Provided (Used) by Financing Activities	(2,625,286)	(1,726,893)	(59,203)	(478,867)
Cash Flows From Investing Activities:				
Interest received	496,930	570,093	7,103	1,856
Net Cash Provided by Investing Activities	496,930	570,093	7,103	1,856
Net Increase (Decrease) In Cash And Cash Equivalents	877,875	2,095,488	41,811	42,431
Cash And Cash Equivalents, Beginning	6,501,215	4,405,727	163,369	8,685
Cash And Cash Equivalents, Ending	\$ 7,379,090	\$ 6,501,215	\$ 205,180	\$ 51,116

The accompanying notes are an integral part of this statement.

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

**KOOTENAI COUNTY, IDAHO
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002**

PRIMARY GOVERNMENT:

1. Cash paid for interest during fiscal year ending September 30, 2002 totaled \$51,654

COMPONENT UNITS:

North Idaho Fair:

1. Debt of \$5,065, with interest of \$1,328, backed by the full faith and credit of the County, was retired during the year. Current resources of \$6,393 were used to retire the debt and interest due.

KCEMSS (Kootenai County Emergency Medical Services System):

2. The total paid for debt service during the fiscal year was \$442,922 which includes principal of \$385,303 and interest of \$57,619. The System had new borrowings during the fiscal year totaling \$605,608 which were used to service this debt, purchase capital equipment and fund operating short falls.

NOTES TO THE FINANCIAL STATEMENTS

INDEX

	Page
Note 1: Reporting Entity and Basis of Presentation	29
Note 2: Summary of Significant Accounting Policies	30
Note 3: Cash, Cash Equivalents, and Investments	34
Note 4: Receivables	35
Note 5: Property, Plant, and Equipment	36
Note 6: Bond & Note Issuance Costs	36
Note 7: General Long-Term Debt	37
Note 8: Notes Payable: Component Units	38
Note 9: Long-Term Debt: Enterprise Fund	38
Note 10: Operating Leases	39
Note 11: Landfill Closure and Postclosure Care Cost	39
Note 12: Risk Management	39
Note 13: Pension Plan	40
Note 14: Deferred Compensation	40
Note 15: Excess of Expenditure Over Budget in Individual Funds	41
Note 16: Contributed Capital, Enterprise Fund	41
Note 17: Transfers to Component Units	41
Note 18: Classification of Funds	42
Note 19: Joint Governed Organizations	42
Note 20: Contingent Liabilities	42
Note 21: Interfund Receivables and Payables	42
Note 22: Fund Equity	42



NOTE 1: REPORTING ENTITY AND BASIS OF PRESENTATION

A. Financial Reporting Entity

Kootenai County is governed by a three member Board of County Commissioners (BOCC) elected by the voters of Kootenai County. The BOCC serves as the taxing authority, the contracting body, and the chief administrators of public services for the County. Other elected officials are the Prosecutor, Treasurer, Clerk/Auditor, Assessor, Sheriff, Coroner, three District Judges, and five Magistrate Judges.

The elected officials and their departments comprise the primary government unit for Kootenai County. As required by generally accepted accounting principles (GAAP), the financial statements of the reporting entity include those of Kootenai County (the primary government) and two component units, the Kootenai County Fair and the Kootenai County Emergency Medical Services System. Both entities are included as component units in the reporting entity because of the significance of their financial relationship with the County, as discussed below in the component unit section.

Component Units: Kootenai County Fair, and Kootenai County Emergency Medical Services System

In conformity with generally accepted accounting principles, the financial statements of the Kootenai County Fair and the Kootenai County Emergency Medical Services System (KCEMSS) have been included in the financial reporting entity as discretely presented component units, reflecting their nature as legally separate entities. We present these component units as separate columns within the general-purpose financial statements.

The Kootenai County Fair is included as a component unit because Kootenai County maintains financial accountability. The Kootenai County Board of County Commissioners (BOCC) appoints all members of the County Fair Board. Furthermore, the BOCC has the authority to modify or approve the annual budget of the Fair. In addition, the County has assumed secondary responsibility for debt of the County Fair.

The Board of County Commissioners approves the annual KCEMSS operating budget, and is responsible for levying the balance necessary to fund the approved budget under the Emergency Medical Services levy. Additionally, the County Commission appoints a member to the Joint Powers Board, the KCEMSS governing body.

Complete financial statements of the Kootenai County Fair and KCEMSS are available directly from the administrative offices at the following addresses, respectively:

Kootenai County Fair	KCEMSS
N. 4060 Government Way	P.O. Box 2823
Coeur d'Alene, ID 83814	Post Falls, ID 83877

Both the County Fair and KCEMSS operate similar to private enterprises. Accordingly, we use enterprise funds to account for these operations (enterprise funds use the accrual basis of accounting and the flow of economic resources measurement focus.) The County Fair fiscal year runs from January 1 through December 31, while the KCEMSS fiscal year runs parallel to the County's.

B. Basis of Presentation – Fund Accounting

The County uses fund and account groups to report its financial position and the results of operations. Fund accounting demonstrates legal compliance and to aid financial management by segregating transactions related to certain County functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device that provides asset and liability accountability not recorded in funds, because they do not directly affect net expendable financial resources.

Kootenai County uses three fund categories: governmental, proprietary and fiduciary. Each category is comprised of separate fund types, as described in the following paragraphs.

Kootenai County Comprehensive Annual Financial Report - FY 2002

Governmental Fund Types:

Governmental funds account for the County's general activities, including expendable financial resources (except for those accounted for in proprietary funds), and the acquisition and or construction of general fixed assets. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the County's governmental fund types:

1. General Fund – The general fund accounts for all financial resources except those meeting the requirements for accounting in another fund.
2. Special Revenue Funds – Special revenue funds account for the proceeds of specific revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.
3. Capital Project Funds – Capital project funds account for financial resources used for the acquisition or construction of major capital assets (other than those financed by proprietary funds).

Proprietary Fund Types:

Proprietary funds account for ongoing organizations and activities of a government, which are similar to those found in the private sector. The measurement focus is upon the determination of net income. Kootenai County has one proprietary fund type, an enterprise fund used to account for solid waste disposal activities.

1. Enterprise Funds – Enterprise funds account for operations that meet one of two criteria. (1) The activity runs in a manner similar to private business enterprises. Moreover, the intent of the governing body is that the ongoing operating costs (including depreciation) of providing goods or services to the public are financed or recovered primarily through user charges. (2) Where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Fund Types:

Fiduciary funds account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

1. Trust and Agency Funds – Expendable trust funds to account for funds held in a trustee capacity. The accounting is essentially the same manner used for governmental funds. Agency funds are purely custodial in nature (assets = liabilities) thus do not involve measurement of the results of operations.

Account Groups:

Account groups establish accounting control and accountability for general fixed assets and general long-term debt of the County. The following are the County's account groups:

1. General Fixed Assets Account Group – This account group tracks all fixed assets of the County, other than those accounted for in the proprietary fund.
2. General Long-Term Debt Account Group – We provide accounting for the long-term debt of the County under this group of accounts, except for that accounted for in the proprietary fund.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Kootenai County have been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America as applied to governmental units. The preparation of the financial statements in conformity with GAAP, as applied to governmental units, require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The most significant of the County's accounting policies are described below.

Measurement Focus and Basis of Accounting:

The measurement focus determines the accounting and financial reporting treatment applied to a fund. All governmental and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only

current assets and liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e. revenue and other financing sources) and decreases (i.e. expenditures and other financing sources) in net current assets.

The proprietary fund is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of the fund are included on the balance sheet. Fund equity (i.e. net total assets) is segregated into contributed capital, if applicable, and retained earnings components. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in net total assets. The County follows all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, except those that conflict with pronouncements of the Governmental Accounting Standards Board, in accounting and reporting for its enterprise fund operations.

Reporting of the governmental fund types, expendable trust funds, and agency funds is on the modified accrual basis of accounting. Under this method of accounting, the County recognizes revenue when it becomes both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to liquidate liabilities of the current period. For the County, this period is sixty days after the close of the fiscal year.

Expenditure recognition occurs in the accounting period in which we incur the liability if measurable. Principal and interest on general long-term debt are recognized as fund liabilities when due, or when amounts have been accumulated (if appropriate) in a debt service fund for payments to be made in the following year.

Revenues accrued at the end of the year include intergovernmental revenues (including state and federal grants) and charges for current services. Other revenues including licenses, permits, fines, forfeitures, and miscellaneous are not measurable until received; therefore, recognition occurs upon collection.

The County reports deferred revenue on its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, as we meet both revenue recognition criteria, this triggers the revenue entry and reduces the deferred revenue liability.

The proprietary fund is accounted for using the accrual basis of accounting. Revenue recognition occurs in the accounting period in which they are both earned and become measurable. Expenditure recognition is in the period incurred, if measurable.

Property Taxes:

The County levies property taxes on or before the third Monday in September and billings are sent to the taxpayers in November. The taxes are due in two installments. One-half of the real property taxes and all of the personal property taxes are due by December 20. The remainder is due by the following June 20. Real property taxes not paid constitute a lien on the property when entered on the real property assessment role as delinquent on the first day of January of the succeeding year. In accordance with applicable GAAP standards, we record the property taxes collected within the sixty days following the fiscal year closing, as revenue for the period ending September 30. The related property tax levy occurred in the prior year(s). Deferred revenues include the balance of delinquent taxes, which are those not collected within the sixty-day period.

Budgetary Process:

The fiscal year for Idaho Counties begins on October 1, and runs through September 30 of the ensuing calendar year. By state law, the County is required to adopt annual budgets for all funds except trust and agency funds, and does so.

Kootenai County employs formal budgetary accounting as a management control. The BOCC adopts the annual budget via resolution and formally integrates the budget into the accounting system. The annual budget is prepared and adopted in a manner consistent with generally accepted accounting principles. Budgets for governmental funds are prepared in accordance with the modified accrual basis, which is the same accounting basis used to reflect actual revenues and expenditures. The enterprise fund budget is prepared on the accrual basis of accounting, which is the same basis that we use to recognize revenues and expenses.

The level of budgetary control at which expenditures may not exceed appropriations is the department level. Management can revise the budget to meet unanticipated events, but not increase the overall budget after adoption. The one budget revision exclusion is the transfer of funds between personnel and non-personnel costs. The County may only increase the total appropriations budget through the receipt of unanticipated revenue. Budget increases can only occur after advertising the proposed change, holding a public hearing, and a subsequent resolution of the BOCC.

Kootenai County Comprehensive Annual Financial Report - FY 2002

All appropriations, other than appropriations for incomplete capital improvements, lapse at the end of the fiscal year. Appropriation accounts remain open until the first Monday in November for the payment of claims incurred against such appropriations before the close of the fiscal year. Payment of any lawful claim presented after that day comes out of the ensuing budget.

All balances in any appropriation for incomplete capital improvements carry forward and integrate into the budget for the ensuing year.

For the year ending September 30, 2002, there was one supplemental appropriation for unanticipated revenue received over the course of the fiscal year totaling \$2,396,978.

Encumbrance Accounting:

Kootenai County does not use encumbrance accounting.

Cash and Cash Equivalents:

The County's cash and cash equivalents are considered cash balances in bank accounts, petty cash, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Cash equivalents are generally considered short-term, highly liquid investments and reported at fair value.

Fixed Assets and Depreciation:

The fixed asset values were originally determined at September 30, 1989 by assigning original acquisition costs when such information was available. In cases where information supporting original cost was not available, estimated historical costs were developed. We have calculated the estimates for some fixed assets by indexing estimated current costs back to the estimated year of acquisition. Our policy for recording donated fixed assets is to capitalize them at fair market value on the date donated.

1. General Fixed Assets Account Group – General fixed assets (fixed assets used in governmental funds) are recorded as expenditures in the general government fund acquiring or constructing the asset. The Auditor's Office records the assets in the General Fixed Asset Accounts Group (GFAAG). All such assets are valued at historical cost. Assets in the GFAAG are not depreciated. The costs of normal maintenance and repairs that do not add appreciably to the utility and value of the asset, or materially extend the useful life are not capitalized. Accordingly, we do capitalize the cost of improvements that materially extend the useful life or increase the capacity, utility, or operating efficiency of the asset in the GFAAG. Public domain (infrastructure) general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized or reported. These assets are immovable and of value only to the government.
2. Proprietary Fund Fixed Assets – Proprietary fund fixed assets are reported in the proprietary fund. Depreciation is calculated using the straight-line method over the useful lives of the assets. The assets of the solid waste enterprise fund are depreciated on the following basis:

<u>Description</u>	<u>Estimated Life</u>
Buildings and Structures	15 years
Machinery and Equipment	5-7 years
Vehicles	5 years

Compensated Absences:

Government Accounting Standards Board codification specifies that a liability should be accrued for leave benefits that meet the following conditions:

1. The employer's obligation relative to employee rights to receive compensation for future absences is attributable to employee services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the obligation is probable.
4. The amount can be reasonably estimated.

The County records a liability for accrued vacation and sick time for all governmental fund employees when the vacation or sick time is earned. The County adheres to reporting requirements as outlined in GASB 16. The County uses the vesting method to calculate the compensated absence liability. The liability is recorded in the General Long-Term Debt Account Group.

In proprietary funds, compensated absences are expensed when earned. The entire amount of compensated absences is reported as a fund liability.

At September 30, 2002, total compensated absences payable by the County is \$2,770,403. Of this amount, \$2,633,357 arises from governmental fund operations, and \$137,046 is attributable to enterprise fund operations.

Intergovernmental Revenues:

County governmental funds recognize intergovernmental resources such as grants awarded on a non-reimbursement basis, shared revenues, and entitlements of revenues and receivables when measurable and available. Reimbursable grants and contracts are recorded as revenue and receivables when the related expenditures are incurred.

Grants, entitlements, or shared revenues received for proprietary fund operating purposes are recognized as non-operating revenue in the accounting period when they are earned and become measurable.

Long-term Obligations:

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in a debt service fund for payment early in the following year. For other long-term obligations, only the portion to be financed from expendable and available financial resources is reported as a liability of the governmental fund. The remaining portion of such obligations is reported in the General Long-Term Debt Account Group. Long-term liabilities to be repaid or financed by proprietary fund operations are accounted for in the proprietary fund.

Prepayments and Deferrals:

The County utilizes the non-allocation method of accounting for prepayments and deferrals.

Capitalization of Interest:

County policy is to capitalize net interest on proprietary fund construction projects until substantial completion of the project. Capitalized interest is amortized over the estimated useful life of the asset on the same basis as the asset.

Fund Equity:

The difference between fund assets and fund liabilities is called fund equity. For governmental and fiduciary fund types the equity position is called fund balance, while for proprietary fund types that operate on a business basis it is called retained earnings. Contributed capital is also recorded in proprietary funds which represents cash from other funds. Reservations of fund equity identify assets that are not available for appropriation in the following year or are legally segregated for specific future uses. See footnote 22 for the detailed Reserved Fund Equity schedule.

Interfund Transactions:

During the course of normal operations, the County has transactions between funds. The most significant types are operating transfers, reimbursements, and residual equity transfers.

1. Operating Transfers – Operating transfers are transfers of resources from one fund to another fund, where the resources will be expended.
2. Reimbursements – Reimbursements from one fund to another are expensed in the reimbursing fund; and reduce the expenditures/expenses of the fund being reimbursed.
3. Residual Equity Transfer – Residual equity transfers are non-recurring and non-routine transfers of equity between funds, or the transfer of residual balances of discontinued funds or projects to the general fund, capital projects funds, or debt service funds.

Total Columns on Combined Statements (Memorandum Only):

Total columns in the combined statements are captioned (Memorandum Only) to indicate they are presented only to facilitate financial analysis. Data in these columns does not represent financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund elimination's have not been made in the aggregation of this data. Total columns presented do not include component information.

Kootenai County Comprehensive Annual Financial Report - FY 2002

NOTE 3: CASH, CASH EQUIVALENTS, AND INVESTMENTS

The County substantially pools all cash, cash equivalents and investments, except for separate cash and investment accounts maintained in accordance with legal restrictions. The County Treasurer is the investment officer for all monies on deposit. Investment policies of the County Treasurer are governed by Idaho Code, Sections 67-1210 and 67-1210A. Cash and cash equivalents do not include cash and investments restricted for landfill closure and postclosure care costs in the Solid Waste Enterprise Fund. Those funds are designated as "Cash held for closure and postclosure" on the balance sheet. Each fund's equity share of the total pooled cash and cash equivalents is summarized on the Combined Balance Sheet under the caption, "Cash in bank and investments."

Idaho Code, Title 67, Chapter 12, provides authorization and regulation for the investment of idle funds in the State Treasurer's Local Government Investment Pool (LGIP). The State Treasurer maintains this investment pool for local governments under Section 67-2328, authorizing the Joint Exercise of Powers Trust Fund, sponsored for all other Idaho governmental entities (cities, counties, school districts, etc.) to voluntarily contribute excess funds in this pool to earn higher interest rates. The State Treasurer's Office must operate and invest the funds according to its state investment policy for the benefit of all other Local Government participants. County policy is consistent with Idaho's state code. The County Treasurer is responsible for investing idle funds of the County and the reported value of the pool is the same as the fair value of the pool shares.

The following summary presents the amount of primary government and discretely presented component units' deposits by the following categories:

1. Deposits that are insured or collateralized with securities held by the County or its agent in the County's name;
2. Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the County's name; or
3. Deposits that are not collateralized or are collateralized by the pledging financial institution or the pledging institution's trust department or agent, but not in the County's name.

At September 30, 2002, the County's cash in bank and investments included the following:

Primary Government	Category 1		Category 2		Category 3		Total
Cash, Cash Equivalents, and Investments	\$	24,232,945	\$	0	\$	1,038,573	\$ 25,271,518
Restricted cash and Investments		2,912,000		0		0	2,912,000
Total	\$	27,144,945	\$	0	\$	1,038,573	\$ 28,183,518

As of December 31, 2001, discretely presented Component Units is as follows:

Component Unit (Kootenai County Fair)	Category 1		Category 2		Category 3		Total
Cash, Cash Equivalents, and Investments	\$	205,180	\$	0	\$	0	\$ 205,180

As of September 30, 2002, discretely presented Component Unit is as follows:

Component Unit (KCEMSS) (Kootenai County Emergency Medical Services System)	Category 1		Category 2		Category 3		Total
Cash, Cash Equivalents, and Investments	\$	51,116	\$	0	\$	0	\$ 51,116

Above not amended with FY'02 data!

Cash Deposits:

The County's carrying amount for cash deposits was \$10,205,062 as of September 30, 2002, and the bank balance per bank statement was \$28,183,518. Of the bank balance, \$27,144,945 is covered by federal depository insurance or directly collateralized by bank investments or assets. Of the remaining balance, \$1,038,573 was collateralized with securities held by the pledging financial institution's trust department or agent, but not in the government's name. Overnight funds are invested in short-term investments with the Idaho State Treasurer's (LGIP) Investment Pool and operate in accordance with appropriate state laws and regulations.

Investments:

Three classifications of risk assessments have been developed by the GASB to disclose the various credit risks associated with the investment of public money. The County uses the following credit risk investment categories as an indication of the level of risk assumed as of fiscal year end:

- 1) Investments insured and registered, or securities held by the County or an agent in the County's name.
- 2) Investments are uninsured and unregistered with securities held by the counter-party's trust department or agent in the County's name.
- 3) Investments are uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent, but not in the County's name.

The County has the following investments at September 30, 2002: investment in the Idaho State Investment Pool, and a deferred compensation account (Mutual Funds). All investments are valued in accordance with GASB-31, as described in note 2, reported at their fair value amounts, and are not subject to categorization due to their nature. The following summarizes the total fair value of Non-Classified Investments by Primary Government at fiscal year end:

Investments not subject to categorization due to their nature:	Reported Amount Fair Value
Idaho State Treasurer's Investment Pool (Local Government Investment Pool)	\$ 10,925,632
Deferred Compensation (401K) mutual fund	<u>1,528,740</u>
Total Non-Classified Investments	<u>\$ 12,454,372</u>

NOTE 4: RECEIVABLES

Receivables as of year end for the county's major fund types including applicable allowances for doubtful accounts, are as follows:

	Special General	Capital Revenue	Projects	Enterprise	Total
Receivables:					
Interest	\$ 9,292	\$ 144	\$ 0	\$ 9,125	\$ 18,561
Accounts	1,274,154	48,851	8,396	1,148,698	2,480,099
Taxes	1,050,956	258,784	0	248,820	1,558,560
Intergovernmental	307,133	20,619	119,488	0	447,240
Gross receivables	2,641,535	328,398	127,884	1,406,643	4,504,460
Less: allowance for Doubtful accounts	0	0	0	(75,000)	(75,000)
Net total receivables	<u>\$ 2,641,535</u>	<u>\$ 328,398</u>	<u>\$ 127,884</u>	<u>\$ 1,331,643</u>	<u>\$ 4,429,460</u>

Kootenai County Comprehensive Annual Financial Report - FY 2002

NOTE 5: PROPERTY, PLANT, AND EQUIPMENT

Changes in the general fixed assets account group are summarized as follows:

Category	Balance 10/1/01	Additions	Deletions	Balance 9/30/02
Land	\$ 2,349,187	\$ 440,392	\$ 130,550	\$ 2,659,029
Buildings	26,340,523	676,818	49,500	26,967,841
Construction in progress	9,712,582	1,866,468	353,615	11,225,435
Improvements other than buildings	11,378,014	2,157,579		13,535,593
Equipment	14,428,588	2,060,534	1,416,685	15,072,437
Total	\$ 64,208,894	\$ 7,201,791	\$ 1,950,350	\$ 69,460,335

The beginning balance of the general fixed assets has been adjusted by \$20,390 to reflect additional assets discovered during a physical inventory.

The Work Release Facility and Jail Expansion project began in fiscal FY2000. Costs associated with this project thus far have totaled \$1,384,469 and \$9,804,395. Additional construction costs for the Work Release Facility for this fiscal year total \$37,169 of which \$13,000 was transferred to machinery and equipment. Additional costs for the Jail Expansion project for this fiscal year was \$1,792,728 of which \$135,000 was transferred to machinery and equipment. The Resort Sales tax and other county resources funded costs associated with these projects.

Construction began on the Jail Maintenance Shop totaling \$36,571 for this fiscal year. All costs associated with this project were funded through current program resources and state grant funds. Snowgroomers Storage/Waterways & Noxious Weed completed construction with a total cost of \$205,615.

The following is a summary of the solid waste fixed assets and accumulated depreciation as of September 30, 2002:

Category	Cost	Accumulated Depreciation
Land	\$ 449,657	\$
Buildings	182,753	149,796
Equipment	5,407,089	3,915,492
Construction in progress	72,369	
Transfer Station	7,050,152	2,014,431
Fighting Creek Landfill	11,197,054	4,560,127
Total Solid Waste Fixed Assets	\$ 24,359,074	\$ 10,639,846

The enterprise fund for solid waste incurred capital project expenditures during fiscal year 2002 totaling \$789,083. These outlays include engineering and construction costs for the Ramsey Transfer Station, Fighting Creek and Northern Transfer Station. A total of \$2,213,640 was transferred from Construction in progress to equipment, Transfer Station and Fighting Creek for completed projects.

NOTE 6: BOND & NOTE ISSUANCE COSTS

Bond issuance costs of \$182,794 were recognized with the Solid Waste Refunding Bond, Series 1993. These costs are being amortized on a straight-line basis over the life of the bonds, beginning with the 1994 fiscal year.

NOTE 7: GENERAL LONG-TERM DEBT

General long-term obligations of the County include lease installment purchase contracts and loan agreements (other debt) that are payable from specified revenues. During the year ending September 30, 2002, the following changes occurred in the liabilities reported in the general long-term debt account group:

	Balance 10/1/2001	Additions	Deletions	Balance 9/30/2002
Compensated absences	\$ 2,323,615	\$ 309,742	\$	\$ 2,633,357
Capital leases	11,390,571	968,883	1,416,864	10,942,590
Totals	\$ 13,714,186	\$ 1,278,625	\$ 1,416,864	\$ 13,575,947

Kootenai County follows the guidelines established by GASB 16 for the recognition of the compensated absence liability. GASB 16 requires the inclusion of all accrued leave time and the associated benefits owed to employees, based upon County policies. All payable compensated absences that are attributable to governmental fund types are accounted for in the general long-term debt account group.

Capital Leases:

The County leases equipment and two buildings through capital leasing arrangements for governmental fund types. The assets and obligations related to capital lease arrangements are recorded in the general fixed assets accounts group and the general long-term debt account group, respectively.

Capital equipment leases are arranged through lease financing agreements with Wells Fargo, Sterling Savings, U.S. Bank, Hewlett Packard, and Mountain West Bank. The arrangements provide for an initial down payment with annual payments varying from three to seven years, and interest ranging from 4.39% to 6.62%. Capital lease additions for equipment during the year ending September 30, 2002 were funded through lease purchase agreements with Wells Fargo and Mountain West Bank. These agreements provided additions to general long-term obligations, valued at cost, and totaling \$968,883. All additions to property, plant, and equipment are financed through current revenues.

The County has one lease purchase agreement through the Idaho Association of Counties Capital Finance Corporation and U.S. Bank for the lease of the Administration building. The lease includes a bargain purchase option of one dollar at the conclusion of each lease, with title transferring to the County.

Capital lease financing of \$3,590,705 was obtained for the construction of the administrative building to provide space for all service activities of the County. Interest is fixed at 6.06% for the term of the lease, which runs through 2007.

Capital lease financing was also arranged for the driver/automobile license facility (\$340,000). The interest rate is fixed at 5.62% for the term of the lease, which runs through 2002.

Other Debt:

As of September 30, 2002, the outstanding balance in general long-term obligations for the Jail Facility Tax Revenue Note is; \$7,847,629. The full faith and credit of the County back the debt.

Maturity and changes in outstanding debt are as follows:

Fiscal Year	Principal	Interest	Total
2003	\$ 911,691	\$ 492,180	\$ 1,403,871
2004	973,911	429,961	1,403,872
2005	1,040,376	363,495	1,403,871
2006	1,111,378	292,494	1,403,872
2007	1,187,225	216,647	1,403,872
2008	1,268,248	135,624	1,403,872
2009	1,354,800	49,074	1,403,874
Total	\$ 7,847,629	\$ 1,979,475	\$ 9,827,104

Kootenai County Comprehensive Annual Financial Report - FY 2002

The County's Jail Facility Tax Revenue Note totaling \$9,500,000 was issued on August 8, 2000, bearing an annual interest rate of 6.62%. All County assets, purchased through lease arrangements, are considered collateral against the lease.

The collateralized assets, recorded at cost in the general fixed assets account group, carry the following values at September 30, 2002:

<u>Asset Category</u>	<u>Amount</u>
Buildings	\$ 16,538,947
Equipment	<u>1,399,060</u>
Total	<u>\$ 17,938,007</u>

The present value of the minimum lease payments as of September 30, 2002 is as follows:

<u>Fiscal Year Year Ending Sept. 30</u>	<u>Amount</u>
2003	\$ 2,193,955
2004	2,167,921
2005	2,147,170
2006	2,033,386
2007	1,964,179
2008	1,435,071
2009	1,435,071
2010	31,200
2011	<u>5,419</u>
Total Minimum Lease Payments	\$ 13,413,372
Less: Amount Representing Interest	<u>(2,470,782)</u>
Present Value of Minimum Lease Payments	<u>\$ 10,942,590</u>

Debt service for governmental fund types is budgeted and expended from the fund to which the debt belongs. The majority of long-term debt belongs to the general fund, and is paid from that fund when due.

NOTE 8: NOTES PAYABLE: COMPONENT UNITS

The financial information in this report, for the fiscal year ending September 30, 2002, includes discretely presented financial information from the following component units, Kootenai County Fair and Kootenai County Emergency Medical Services System (KCEMSS). The notes payable balance for the year ending December 31, 2001, for Kootenai County Fair's statement date is \$17,091. KCEMSS notes payable balance presented for the year ending September 30, 2002, is \$296,769

NOTE 9: LONG-TERM DEBT: ENTERPRISE FUND

As of September 30, 2002, the balance outstanding in the solid waste fund for the Solid Waste Disposal Facility Refunding Bonds is \$845,000. Debt service will be paid using revenues of the solid waste operations. The full faith and credit of the County back the bonds.

Annual debt service requirements through bond maturity are as follows:

<u>Maturing in Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	4.70%	\$ 845,000	\$ 19,858	\$ 864,858
Total		<u>\$ 845,000</u>	<u>\$ 19,858</u>	<u>\$ 864,858</u>

Refunding bonds with face values totaling \$6,980,000 were issued on September 1, 1993, bearing interest rates from 2.70% to 4.70%. The proceeds were used to refinance the Series 1991 Certificates of Participation totaling \$7,155,000, and bearing interest rates from 5.40% to 6.40%. Debt service is to be provided through solid waste revenues. The 1991 debt, originally issued to fund construction of a landfill, closure of an old landfill, and construction of a transfer station, was retired in early 1997.

NOTE 10: OPERATING LEASES

Kootenai County is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the County's account groups.

The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of September 30, 2002:

Year Ending September 30	Amount
2003	\$ 103,750
2004	107,732
2005	111,912
2006	116,302
2007	120,911
2008	125,751
2009	130,822
2010	136,169
Total Minimum Payments Required	\$ 953,349

The total expenditure for operating leases during the fiscal year ending **September 30, 2002**, totaled **\$99,958**.

NOTE 11: LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

Federal and state laws and regulations require Kootenai County to place a final cover on its landfill (Fighting Creek) when closed. After closure, the County is further required to perform certain maintenance and monitoring functions at the landfill site for thirty years. The cost recognized in each period is based on the relative amount of waste received during the period. Some of the closure and postclosure care costs will be paid after 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, 2002, Phase I of the landfill closure was complete. Based upon actual utilization and closure costs of the Fighting Creek Landfill during 2001-2002 an increase (of \$764,000) in closure and postclosure liability and costs has been recognized for the period ending September 30, 2002.

A total of \$2,912,000 has been recognized for closure and postclosure liability as of the balance sheet date. This figure is based on 40.7% utilization of the landfill's estimated capacity of 2,335,186 tons and the total estimated closure and postclosure costs of \$10,308,908. This amount totals \$4,198,420, less a reduction in actual closure expenses of \$1,286,879 incurred. The remainder of the estimated closure and postclosure costs of \$6,110,488 will be recognized, on a pro-rata basis, as the remaining usable landfill space is filled. The Fighting Creek Landfill is expected to close in second quarter of 2011.

Estimates of total usable capacity and closure and postclosure costs were updated in April 2001. Total estimated usable capacity was revised from 2,284,780 tons to 2,335,186 tons, based primarily upon waste flow figures and an aerial survey conducted by CH2M Hill, an engineering firm. Total estimated closure and postclosure costs were estimated to be \$9,358,630 in 1998 dollars. These estimates have been inflated by 3.3% since that time, to an estimated cost of \$10,308,908.

Funds totaling \$2,912,000 (including interest) have been reserved in the Solid Waste Enterprise Fund to meet funding requirements for closure and postclosure costs. In the short-term, these funds will be invested in the Idaho State Investment Pool, as are many other unobligated funds of the County.

The potential for changes to the landfill closure and postclosure costs may exist due to inflation, deflation, technology, and applicable laws or regulations. It is anticipated that part of any future cost increase will be financed from earnings on the invested reserve. The remaining portion of anticipated future inflation costs and any additional costs arising from changes in postclosure requirements may need to be covered by charges to future landfill users, taxpayers, or both.

NOTE 12: RISK MANAGEMENT

Kootenai County may be liable to certain claims or damage of property that may arise in the ordinary course of operations. The County accounts for the majority of transactions involving insurance claims, deductibles, and expenses in the Liability Insurance sub-fund,

Kootenai County Comprehensive Annual Financial Report - FY 2002

which is reported as part of the General Fund. This fund has the power to levy an annual property tax to provide funds to pay insurance premiums.

The County employs a risk manager whose duties include drafting and reviewing contracts, monitoring and defending claims, and evaluating the adequacy of insurance coverage. The risk manager informs and educates employees of responsibilities regarding prevention of loss exposure related to their duties.

Insurance is maintained through the Idaho Counties Reciprocal Management Program (ICRMP). ICRMP is an insurance pool serving all public entities in Idaho through provision of property, general liability, auto liability, physical damage, and public officials' insurance. Kootenai County pays an annual premium to ICRMP for insurance coverage. In December 2002, the Board of County Commissioners signed a retro-premium agreement converting all policy years to a fixed premium amount. This means the County retains no loss exposure itself.

The ICRMP 2002-2003 Kootenai County insurance policy provides coverage up to a limit of \$500,000 for any single claim (brought pursuant to Title 6, Chap. 9 Idaho Code). This is the statutory limit of the Idaho tort claims act. For any other type of liability claim, the policy limit is \$6,000,000. The aggregate amount or total combined amount of all liability claims added up in a single policy year is \$7,000,000. ICRMP pays the first \$150,000 of any liability claim out of its own pool of funds. SCORE Reinsurance, and "A" rated reinsurer (the sixth largest reinsurer in the world), pays any amounts above \$150,000 up to \$6,000,000.

ICRMP provides property insurance coverage structured so that ICRMP retains the first \$100,000 of damage to any Kootenai County property. Allianz, an A+ + reinsurer and one of the very largest reinsurers in the world, provides coverage for the rest of the damage. The limits of the property coverage are tied to Kootenai County's statement of values. If the buildings, vehicles, and other property are listed on the County's statement of values, the County has coverage for the replacement cost of the damaged property.

Excluded from the maximum total deductible per policy period are deductibles paid for Flood and/or Earthquake, and Boiler and machinery losses. The deductibles for these occurrences are \$10,000 and \$1,000 per incident, respectively, with no annual limit.

On September 30, 2002, the County had fourteen outstanding claims, exposing the County to a maximum risk of \$200,000. The County risk manager and legal staff maintain the position that the County bears little or no loss liability, based upon the strength of the claims and prior experience. Settlements paid during the 1997-2002 fiscal years did not exceed the County's reserves set aside for self-insurance. Accordingly, no liability for losses has been reported on the balance sheet, as was the case in the prior year.

NOTE 13: PENSION PLAN

The Public Employee Retirement System of Idaho (the System) administers The Public Employee Retirement Fund Base Plan (PERSI). A cost sharing multiple-employer public retirement system created by the Idaho State Legislature and the retirement board, appointed by the Governor, manages and establishes funding policies for the System. It is a defined benefit plan requiring that both the member and the employer contribute. Designed as a mandatory system for eligible state and school district employees, the legislation provided for political subdivisions to participate by contractual agreement with PERSI. Financial reports are available from PERSI upon request.

After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance is 1.971% or 2.225% (depending upon employee classification) of the average monthly salary for the highest consecutive 42 months times the months of credited service.

For the year ending September 30, 2002, the required employer contribution rate for employees, prior to November 1, 1997, was 11.61% and 11.85% for general employees and police members, respectively. These rates changed to 9.77% and 10.01% on November 1, 1997. The required employee contribution rate changed on that same date from 6.97% to 5.86% for general employees and from 8.53% to 7.21% for police members.

Kootenai County contributions required and paid were \$1,860,675, \$1,887,568, and \$1,853,818 for the three years ending September 30, 2002, 2001, and 2000 respectively.

NOTE 14: DEFERRED COMPENSATION

Kootenai County employees may participate in a deferred compensation plan created in accordance with Internal Revenue Code section 457. The plan is available to all County employees, and permits deferral of compensation until future years. Participation is on

a voluntary basis via payroll deduction. The County does not contribute to the plan. According to the plan, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All compensation deferred under the plan, all property and rights purchased with those amounts are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County. These balances and any related earnings are subject to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant.

Under the plan, the County has no liability for losses incurred by participants, but does have the duty of due care that would be required of an ordinary prudent investor. The County believes it unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The plan's trustee manages investments under several investment options. The investment choices are made by the participants.

NOTE 15: EXCESS OF EXPENDITURE OVER BUDGET IN INDIVIDUAL FUNDS

	Budgeted Expenditures	Actual Expenditures	(Unfavorable) Variance
General Fund	\$ 34,985,424	\$ 35,080,630	\$ (95,206)
Special Revenue:			
Noxious Weeds	\$ 240,406	\$ 282,408	\$ (42,002)
Historical Society	18,000	18,125	(125)
Indigent	1,527,166	1,634,729	(107,563)
Revaluation	1,143,887	1,156,821	(12,934)
Total	\$ 2,929,459	\$ 3,092,083	\$ (162,624)

General Fund over expenditures are the result of unbudgeted capital lease activities that were not included in the annual operating plan. Had these activities been budgeted for the general fund results would have shown a more typical under expenditure for the year of \$843,674.

Noxious Weeds, was over budget due to an unanticipated boat replacement, and extensive efforts to rid the county lakes of a milfoil infestation.

Historical Society revenues allowed for a higher than anticipated distribution of funds to the local agency.

Indigent Fund, was over budget on expenditures due to the perpetually increasing demand placed on county government resources due to changes in the federal and state support systems.

Revaluation was over budget due to needed capital expenditures to replace critical appraisal and assessment software and related hardware.

NOTE 16: CONTRIBUTED CAPITAL, ENTERPRISE FUND

Donations to the solid waste operation are reported as contributed capital on the balance sheet and no current year capital contributions were reported for 2002. The ending balance, as of September 30, 2002, is \$271,371.

NOTE 17: TRANSFERS TO COMPONENT UNITS

"Transfers to component units" totaling \$113,400 are reported in the special revenue fund for the year ending September 30, 2002. "Operating transfers from primary government" are also reported in the County Fair Component Unit information in the accompanying financial statements.

This difference arises because of the differing fiscal years for the two entities. The component unit information is as of December 31, 2001. Accordingly, the operating transfer information for this unit agrees with the information reported by the primary government (Kootenai County) in the previous year's financial statements dated September 30, 2001. The current transfer to component unit reported by the primary government in these financial statements will be included in the component unit financial statements for the year ending December 31, 2002.

Kootenai County Comprehensive Annual Financial Report - FY 2002

NOTE 18: CLASSIFICATION OF FUNDS

For financial reporting purposes, several sub-funds have been included as part of the general fund. The purpose of the inclusion is to better summarize general government activities for financial statement presentation.

The sub-funds reported as the general fund are as follows:

9-1-1	Liability Insurance
Justice	Court Interlock
Current Expense	Unemployment Insurance
Health Insurance	Tourism Promotion

NOTE 19: JOINT GOVERNED ORGANIZATIONS

Kootenai County participates in two jointly governed organizations. Those organizations are the Hayden Area Regional Sewer Board (HARSB), and the Kootenai County Emergency Medical Services System (KCEMSS).

One HARSB member is appointed by the Kootenai County BOCC. The County does not exercise control over the budget or financial operations of the Sewer Board with the exception of its representative's participation. The Sewer Board exercises total authority for the daily operations of the organization whose purpose it is to construct and operate sewer facilities in the Hayden Lake area of Kootenai County. Control exercised by the Board includes budgeting, contracting, and designation of management.

Kootenai County has no financial interest or responsibility in the HARSB. Kootenai County's role on the Sewer Board qualifies the relationship as one of a jointly governed organization. Additionally, there were no related party transactions during the period ending September 30, 2002.

One KCEMSS board member is appointed by the Kootenai County BOCC. The county has elected to report these operations as component unit, see footnote 1(A) for more information.

NOTE 20: CONTINGENT LIABILITIES

The County participates in a number of federally assisted grant programs. The audits of these programs have been completed in compliance with single audit requirements. The County appears to be meeting the grant requirements. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

Kootenai County is a defendant in several lawsuits. Although the outcome of the lawsuits is not presently determinable, in the opinion of the County attorney the resolution of these matters will not have a material effect on the financial condition of the County.

NOTE 21: INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of September 30, 2002 is as follows:

Due to/from other funds:

Receivables:	Enterprise Fund	\$ 605,609
	General Fund	\$ 44,820
Payables:	Special Revenue Fund (EMS)	(605,609)
	Fiduciary Fund (Court Facility Trust)	(44,820)

NOTE 22: FUND EQUITY

A. Fund Deficits

At September 30, 2002, the following individual funds have deficit fund balances that are included in the fund balance of the special revenue fund: Capital Projects \$281,272, Noxious Weeds \$21,633, Indigent Fund \$360,482 and KCEMSS \$317,258. The deficit in the capital projects fund will be resolved through a combination of sales tax revenues and fund balance transfers in fiscal year 2003. Deficits in noxious weeds and indigent funds will be resolved over time by increasing tax revenue over the annual expenditures. KCEMSS will resolve this deficit through a special override levy that was approved in May of 2002 for the expressed purpose of repaying the operating obligations of the system incurred over the past years.

B. Reservations of Fund Equity

Reservations of fund equity represent amounts that are legally segregated and cannot be appropriated in subsequent years.

Retained Earnings

At September 30, 2002 the following amount of retained earnings were reserved:

Proprietary Fund

	<u>Proprietary Fund</u>
Reserved for Landfill Closure/Post Closure	\$ 2,912,000

This balance is reserved to meet the legal funding requirements to close the current landfill location as it is filled, and to provide ongoing monitoring and maintenance of the landfill site for thirty years after closure.

Fund Balances

At September 30, 2002 the following amounts of fund balances were reserved:

Fund Balances Reserved for:	General	Special Revenue	Capital Projects	Trust	Totals
Tobacco Tax	\$ 237,037	\$	\$	\$	\$ 237,037
Court Interlock	23,992				23,992
Property Tax Relief		3,437,518			3,437,518
Jail Tax		1,358,691			1,358,691
Capital Project Completion Trusts			(281,272)	675,796	(281,272) 675,796
Total Reserved Fund Balances	\$ 261,029	\$ 4,796,209	\$ (281,272)	\$ 675,796	\$ 5,451,762



SUPPLEMENTAL COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES



Notes: Supplemental combining financial statements provide a more detailed view of the financial information aggregated to develop the General Purpose Financial Statements presented in the preceding subsection.

Supplemental combining statements are presented when there is more than one fund or subfund classification comprising a given fund type.

General Fund

The General Fund is used to account and report for activities traditionally associated with government which are not required to be accounted for in another fund. Only the Schedules of Revenues and Expenditures - Budget and Actual are presented.





Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF REVENUES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (unfavorable)
Property Taxes:			
Property Taxes	\$ 17,141,583	\$ 17,138,608	\$ (2,975)
Deferred Taxes	0	61,352	61,352
3% Yield Tax	0	21,182	21,182
Penalty & Interest	444,000	224,306	(219,694)
West Seltice URD Revenue	194,112	194,112	0
Warrant costs	12,000	9,686	(2,314)
Occupancy fees	145,000	126,057	(18,943)
REA tax	73,000	69,488	(3,512)
Total Taxes	18,009,695	17,844,791	(164,904)
Licenses and Permits:			
Driver & chauffeur licenses	175,000	193,232	18,232
Duplicate sticker fees	8,500	9,624	1,124
House trailer licenses	8,500	9,020	520
RV license fees/IC49805	14,000	15,454	1,454
Title service fees	116,000	131,122	15,122
Title penalty	21,000	27,440	6,440
State Sales tax fees	23,000	24,895	1,895
Snowmobile vender fees	1,500	15,360	13,860
Snowmobile groomer fees	4,000	6,203	2,203
MV release of liability fee	0	424	424
Vehicle transfer fees	68,000	67,665	(335)
Vehicle ID inspection fees	34,000	35,538	1,538
Vehicle administrative fees	300,000	328,071	28,071
Auto license/30 day temps	21,000	23,247	2,247
Inquiry MV fees	3,000	4,719	1,719
Concealed weapons/spec ID's	25,000	35,775	10,775
Beer, liquor & wine licenses	51,000	50,773	(227)
Country permits	1,900	1,292	(608)
Marriage licenses	70,000	70,800	800
Total licenses and permits	945,400	1,050,654	105,254
Intergovernmental Revenues:			
State revenue sharing	2,473,836	2,566,396	92,560
State sales tax	767,145	762,257	(4,888)
State Unemployment taxes	0	919	919
Medical insurance revenue	4,000	30,728	26,728
State liquor apportionment	400,000	640,382	240,382
Payments in lieu of taxes	0	303,075	303,075
State tobacco tax	379,069	481,813	102,744
Track proceeds	10,000	11,371	1,371
Inmate incentive SSA	0	1,800	1,800
State lottery revenue	10,000	8,926	(1,074)
AG. equip. replace-CAT 59	0	48,252	48,252
Inheritance taxes	30,000	58,019	28,019
Grants - federal	350,342	247,337	(103,005)
Grants - state	587,126	896,440	309,314
Grants - other	0	3,618	3,618
Total Intergovernmental Revenues	5,011,518	6,061,333	1,049,815

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF REVENUES -BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (unfavorable)
Charges for services			
Public notices	\$ 4,500	\$ 5,295	\$ 795
Sheriff fees	60,000	89,434	29,434
Bond fees	35,000	29,345	(5,655)
Fingerprint fees	2,500	4,701	2,201
Work release fees	101,220	118,603	17,383
Work program fees	32,500	42,840	10,340
Local cooperative agreements	81,095	70,971	(10,124)
Police protection - cities	170,000	195,556	25,556
Federal cooperative agreements	42,000	0	(42,000)
Prisoner housing	181,894	153,173	(28,721)
Prisoner medical	27,243	42,409	15,166
Water/Sewer hookup fees	0	2,330	2,330
Computer terminal use	18,000	18,000	0
Election fees	19,800	20,313	513
Contracted services	13,200	22,934	9,734
Juvenile diversion fees	10,000	6,303	(3,697)
WILD program fees	2,200	654	(1,546)
Shoshone County reimbursement	92,666	104,248	11,582
Bonner County reimbursement	91,272	131,778	40,506
Boundary County reimbursement	72,096	85,854	13,758
Benewah County reimbursement	34,101	45,787	11,686
Insurance admin-life	166,000	56,969	(109,031)
Insurance admin-long term disability	0	62,980	62,980
Insurance admin-employer contrib. claims	1,896,871	2,484,410	587,539
Insurance admin-employer deduct. claims	227,240	300,466	73,226
Worker comp. Chgs/Juv. Div. Prog.	5,000	7,174	2,174
Work. Comp. (Sif) chgs-Dist. Ct.	0	11,340	11,340
Court handling fees	25,500	0	(25,500)
Drivers lic./reinstmt.IC49328	75,000	83,080	8,080
Telephone line fees	700,000	704,810	4,810
Tax search fees	600	784	184
Tax deeds/title search fees	225,000	148,140	(76,860)
Tax deeds/land sale fees	10,000	70,654	60,654
Recording fees	683,500	735,165	51,665
Mailing fees	90,000	105,754	15,754
Preliminary subdivision: fees	15,000	22,885	7,885
Time extension fees	750	1,665	915
County subdivision fees	46,160	49,073	2,913
City subdivision fees	19,540	25,235	5,695
County engineer fees	11,500	3,259	(8,241)
Zone changes	8,000	6,076	(1,924)
Development agreements	4,000	2,500	(1,500)
Plan check fees	135,000	165,190	30,190
Planned unit overlay	0	1,000	1,000
Variance	3,000	4,740	1,740
Conditional use permit	15,000	18,746	3,746
Hardship permit	1,500	2,850	1,350
Bldg. Permit review	50,000	54,340	4,340
Building Dept. fees	710,000	792,482	82,482

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF REVENUES -BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (unfavorable)
Short plats	\$ 9,000	\$ 11,183	\$ 2,183
Survey & plat maps	3,500	5,370	1,870
Township map books	0	3,219	3,219
Hearing examiner fee	22,560	10,150	(12,410)
Publication fees	2,000	888	(1,112)
Photocopying fees	1,474	1,475	1
Other charges for services	0	440	440
Total Charges for Services	6,253,982	7,145,020	891,038
Fines and Forfeitures			
Reimburse for cost of defense	50,000	42,269	(7,731)
Court ordered restitution	23,300	3,629	(19,671)
Boating under the influence	1,000	600	(400)
Misdemeanor probation fines	25,000	18,145	(6,855)
Device fund	15,000	13,394	(1,606)
Prisoner Reimbursement IC20-607	67,371	81,122	13,751
NSF check charges	1,900	4,690	2,790
Other fines and forfeitures	42,000	112,032	70,032
Sub Fines	181,671	159,159	(22,512)
Total Fines and Forfeitures	225,571	275,881	50,310
Miscellaneous:			
Drug Court Revenue	0	(3,815)	(3,815)
Rents & Leases	0	275	275
Computer list	3,926	1,905	(2,021)
Wild Sack Lunches	2,000	706	(1,294)
Telephone commission	93,072	100,462	7,390
Interest	836,022	552,954	(283,068)
Donations	2,700	3,720	1,020
Refunds/reimbursements	79,950	94,760	14,810
Fund balance appropriations	1,536,000	0	(1,536,000)
Disbursements pass thru revenue	0	(305)	(305)
Other miscellaneous revenues	207,050	106,917	(100,133)
Total Miscellaneous	2,760,720	857,579	(1,903,141)
Other Financing Sources (Uses)			
Proceeds of capital leases	0	938,880	938,880
Proceeds gain share/insurance	334,362	0	(334,362)
Proceeds Insurance	0	4,678	4,678
Finance proceeds	0	30,003	30,003
Gain/Loss on Sale - Assets	3,000	53,030	50,030
Grant match transfers in/(out)	22,365	779	(21,586)
Operating transfers in	2,470,185	4,142,970	1,672,785
Operating transfers (out)	(2,105,185)	(2,453,862)	(348,677)
Total Other Financing Sources	724,727	2,716,478	1,991,751

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF REVENUES -BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (unfavorable)
Total Revenues	\$ 33,206,886	\$ 33,235,258	\$ 28,372
Total Other Financing Sources (Uses)	724,727	2,716,478	1,991,751
Total General Fund Revenues and Other Financing Sources (Uses)	33,931,613	35,951,736	2,020,123
Residual Equity Transfers in/(out)	0	0	0
Grand Total: General Fund Revenues, Other Financing Sources, Residual Equity Transfers, and Adjustments	\$ 33,931,613	\$ 35,951,736	\$ 2,020,123

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
GENERAL GOVERNMENT			
Commissioners:			
Personal Services	\$ 404,762	\$ 374,878	\$ 29,884
Other Services and Charges	86,880	85,860	1,020
Capital outlay		1,305	(1,305)
Total	491,642	462,043	29,599
General Accounts:			
Personal Services	226,501	23,649	202,852
Other Services and Charges	1,487,817	1,069,764	418,053
Debt Service	497,422	625,858	(128,436)
Capital outlay	259,470	1,136,202	(876,732)
Total	2,471,210	2,855,473	(384,263)
Building and Grounds:			
Personal Services	176,446	176,204	242
Other Services and Charges	268,358	192,930	75,428
Capital outlay	8,000	42,397	(34,397)
Total	452,804	411,531	41,273
Planning and Zoning:			
Personal Services	528,596	504,301	24,295
Other Services and Charges	89,460	43,100	46,360
Capital outlay	1,036	(1,036)	
Total	618,056	548,437	69,619
Building Inspection:			
Personal Services	501,093	476,675	24,418
Other Services and Charges	32,790	27,690	5,100
Capital outlay	28,000	27,998	2
Total	561,883	532,363	29,520
Print Shop/Mailroom:			
Personal Services	168,250	164,526	3,724
Other Services and Charges	112,281	102,394	9,887
Total	280,531	266,920	13,611
Information Services:			
Personal Services	808,913	755,738	53,175
Other Services and Charges	450,283	688,807	(238,524)
Debt Service		1,191	(1,191)
Capital outlay	758,084	230,325	527,759
Total	\$ 2,017,280	\$ 1,676,061	\$ 341,219

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Auto Shop:			
Personal Services	\$ 157,283	\$ 157,778	\$ (495)
Other Services and Charges	28,881	24,756	4,125
Capital outlay	3,395	4,695	(1,300)
Total	189,559	187,229	2,330
Legal Services:			
Personal Services	116,430	123,825	(7,395)
Other Services and Charges	21,600	36,118	(14,518)
Total	138,030	159,943	(21,913)
Human Resources:			
Personal Services	92,720	92,727	(7)
Other Services and Charges	37,688	43,379	(5,691)
Capital outlay		1,258	(1,258)
Total	130,408	137,364	(6,956)
Extension Services:			
Personal Services	133,066	115,265	17,801
Other Services and Charges	57,302	52,498	4,804
Capital outlay	1,843	(1,843)	
Total	190,368	169,606	20,762
Disaster Services:			
Personal Services	108,537	95,241	13,296
Other Services and Charges	71,800	249,303	(177,503)
Capital outlay	10,000	12,652	(2,652)
Total	190,337	357,196	(166,859)
Auditor/Recorder/Elections:			
Personal Services	950,302	970,052	(19,750)
Other Services and Charges	238,860	211,250	27,610
Debt Service		2,258	(2,258)
Capital outlay	64,425	35,100	29,325
Total	1,253,587	1,218,660	34,927
Clerk of the District Court:			
Personal Services	1,580,575	1,567,349	13,226
Other Services and Charges	26,272	21,587	4,685
Total	1,606,847	1,588,936	17,911
Veterans Services:			
Personal Services	65,531	56,249	9,282
Other Services and Charges	11,950	14,917	(2,967)
Total	\$ 77,481	\$ 71,166	\$ 6,315

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Treasurer:			
Personal Services	\$ 367,522	\$ 344,932	\$ 22,590
Other Services and Charges	150,285	92,306	57,979
Capital outlay		4,916	(4,916)
Total	517,807	442,154	75,653
Assessor:			
Personal Services	840,808	833,657	7,151
Other Services and Charges	34,177	30,652	3,525
Capital outlay	31,000	33,804	(2,804)
Total	905,985	898,113	7,872
County Surveyor:			
Personal Services	58,152	59,372	(1,220)
Other Services and Charges	7,536	7,093	443
Capital outlay	30,000	-	30,000
Total	95,688	66,465	29,223
Motor Vehicle Licensing:			
Personal Services	635,289	634,276	1,013
Other Services and Charges	27,055	18,752	8,303
Total	662,344	653,028	9,316
Liability Insurance:			
Personal Services		278,352	(278,352)
Other Services and Charges	560,000	415,318	144,682
Capital Outlay		18,935	(18,935)
Total	560,000	712,605	(152,605)
Risk Management:			
Personal Services	210,946	217,419	(6,473)
Other Services and Charges	26,650	26,439	211
Total	237,596	243,858	(6,262)
Group Insurance:			
Other Services and Charges	2,628,473	2,953,780	(325,307)
Total	2,628,473	2,953,780	(325,307)
Summary for General Government:			
Total Personal Services & other	14,588,120	14,431,158	156,962
Total Debt Services	497,422	629,307	(131,885)
Total Capital Outlay	1,192,374	1,552,466	(360,092)
Total General Government	\$ 16,277,916	\$ 16,612,931	\$ (335,015)

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
PUBLIC SAFETY			
9-1-1:			
Personal Services	\$ 1,244,129	\$ 1,174,690	\$ 69,439
Other Services and Charges	177,288	125,161	52,127
Debt Service		21,272	(21,272)
Capital Outlay	121,174	177,524	(56,350)
Total	1,542,591	1,498,647	43,944
Juvenile Diversion:			
Personal Services	204,619	204,223	396
Other Services and Charges	29,865	8,120	21,745
Capital Outlay		3,228	(3,228)
Total	234,484	215,571	18,913
Coroner:			
Personal Services	52,621	46,029	6,592
Other Services and Charges	95,200	101,467	(6,267)
Total	147,821	147,496	325
Justice General Accounts:			
Personal Services	33,768		33,768
Other Services and Charges	412,000	171,661	240,339
Total	445,768	171,661	274,107
Public Defender:			
Personal Services	1,219,864	1,213,226	6,638
Other Services and Charges	127,239	181,682	(54,443)
Capital outlay	2,312	14,087	(11,775)
Total	1,349,415	1,408,995	(59,580)
Juvenile Detention Center:			
Personal Services	1,452,888	1,349,711	103,177
Other Services and Charges	224,865	219,785	5,080
Capital outlay		4,595	(4,595)
Total	1,677,753	1,574,091	103,662
Adult Probation:			
Personal Services	293,961	266,400	27,561
Other Services and Charges	16,560	16,243	317
Total	310,521	282,643	27,878
Juvenile Probation:			
Personal Services	850,811	856,767	(5,956)
Other Services and Charges	398,602	427,652	(29,050)
Capital outlay		8,954	(8,954)
Total	\$ 1,249,413	\$ 1,293,373	\$ (43,960)

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Sheriff:			
Personal Services	4,677,781	4,756,604	(78,823)
Other Services and Charges	490,223	493,909	(3,686)
Capital outlay	233,000	243,497	(10,497)
Total	5,401,004	5,494,010	(93,006)
Jail:			
Personal Services	3,691,931	3,608,389	83,542
Other Services and Charges	769,749	973,156	(203,407)
Capital outlay	57,844	53,570	4,274
Total	4,519,524	4,635,115	(115,591)
Prosecuting Attorney:			
Personal Services	1,576,036	1,518,717	57,319
Other Services and Charges	153,178	193,359	(40,181)
Capital outlay		9,752	(9,752)
Total	1,729,214	1,721,828	7,386
Court Interlock:			
Other Services and Charges	15,000	11,906	3,094
Total	15,000	11,906	3,094
Summary for Public Safety:			
Total Personal Services & Other	18,208,178	17,918,857	289,321
Total Debt Services		21,272	(21,272)
Total Capital Outlay	414,330	515,207	(100,877)
Total Public Safety	18,622,508	18,455,336	167,172
HEALTH & WELFARE			
County Assistance KMC-IPH:			
Other Services and Charges	75,000	378	74,622
Total	75,000	378	74,622
CULTURE AND RECREATION			
Tourism:			
Other Services and Charges	10,000	11,985	(1,985)
Total	10,000	11,985	(1,985)
CURRENT EXPENDITURES			
General Government	14,588,120	14,431,158	156,962
Public safety	18,208,178	17,918,857	289,321
Health & Welfare	75,000	378	74,622
Culture and Recreation	10,000	11,985	(1,985)
Debt Service	497,422	650,579	(153,157)
Capital outlay	1,606,704	2,067,673	(460,969)
Total	\$ 34,985,424	\$ 35,080,630	\$ (95,206)



Special Revenue Funds

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



Airport Fund - to account for the operation of the county airport. Funding is provided through property taxes, rents, and fees.

County Fair - to account for the funding of the component unit. Funding is provided through property taxes.

Noxious Weeds - to account for the operation of weed control. Funding is provided through property taxes, fees, and grants.

Health District - to account for the funding of the county's obligation to the Health District. Funding is provided through property taxes.

Historical Society - to account for the funding of the county's obligation to the Local Historical Society. Funding is provided through property taxes.

Park & Recreation - to account for the operation of the county's Park & Recreation Department. Funding is provided through property taxes, grants and fees.

Snowmobile Fund - to account for the funding of the local Snowmobile Society. Funding is provided through licenses and permits.

County Vessel - to account for the operation, patrol and improvements of county waterways. Funding is provided through property taxes, licenses, fees, and grants.

Public Access Contribution - to account for resources provided by the Hagadone Corporation for mitigation of loss of public waterfront access due to the construction of a golf course. Funding is provided through an agreement based upon green fees.

Indigent Fund - to account for the operation of county assistance. Funding is provided through property taxes.

Resort Sales Tax - to account for the operation and collection of the county's sales tax. Funds collected are to pay for the expansion of the county jail. Funding is provided through collection of local sales tax.

District Court - to account for the operation of county court system. Funding is provided through property taxes, charges for services, fines & forfeitures.

Revaluation - to account for the operation re-assessing county property. Funding is provided through property taxes.

Kootenai EMS - to account for the provision of paramedic services and ambulance district support for the residents of Kootenai County. Funding is provided through taxes and fees.

Grant Fund - to account for resources of grant funded activities. All grants are now accounted for in the respective fund that is responsible for the grant. All grant activity balanced for the fiscal year, and does not require a balance sheet presentation at year end.



Kootenai County Comprehensive Annual Financial Report - FY 2002

**KOOTENAI COUNTY, IDAHO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2002
WITH COMPARATIVE TOTALS FOR 2001**

	Airport	County Fair	Noxious Weeds	Health District
Assets				
Cash in bank and investments	\$ 99,951	\$ 8,488	\$	\$ 41,021
Receivables:				
Taxes delinquent	13,114	6,380	8,993	29,658
Accounts receivable, net			140	
Interest Receivable				
Grants Receivable				
Prepays				
Due from other Governments				
Total Assets	113,065	14,868	9,133	70,679
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	57,096	8,400	18,518	
Accrued payroll	4,792		3,422	
Deferred revenues				
Deferred property taxes	11,927	5,747	8,117	26,755
Due to other funds			709	
Total Liabilities	73,815	14,147	30,766	26,755
Fund Balances				
Reserved for other purposes				
Unreserved and undesignated	39,250	721	(21,633)	43,924
Total Fund Balances	39,250	721	(21,633)	43,924
Total Liabilities and Fund Balances	\$ 113,065	\$ 14,868	\$ 9,133	\$ 70,679

Kootenai County Comprehensive Annual Financial Report - FY 2002

Historical Society	Parks & Recreation	Snowmobile	County Vessel	Public Access	Indigent	Resort Sales Tax
\$ 4,832	\$ 163,626	\$ 186,824	\$ 5,375	\$ 123,006	\$	\$ 4,807,212
720	7,604	995	38,068	144	74,813	
6,625			13,994			
12,177	171,230	187,819	57,437	123,150	74,813	4,807,212
4,297	11,523	167	18,895		133,832	84
	1,163		4,335		2,029	
649	6,855		10,000		67,420	
					232,014	
4,946	19,541	167	33,230	0	435,295	84
7,231	151,689	187,652	24,207	123,150	(360,482)	4,796,209
						10,919
7,231	151,689	187,652	24,207	123,150	(360,482)	4,807,128
\$ 12,177	\$ 171,230	\$ 187,819	\$ 57,437	\$ 123,150	\$ 74,813	\$ 4,807,212

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

**KOOTENAI COUNTY, IDAHO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2002
WITH COMPARATIVE TOTALS FOR 2001**

	District Court	Emergency Revaluation	Management	Totals	
				2002	2001
Assets					
Cash in bank and investments	\$ 184,820	\$ 235,170	\$ 160,382	\$ 6,020,707	\$ 4,474,664
Receivables:					
Taxes delinquent	3,037	62,469	51,995	258,784	270,569
Accounts receivable, net			9,648	48,851	23,444
Interest receivable				144	381
Grants receivable				20,619	0
Prepays					
Due from other Governments			605,609	605,609	22,792
Total Assets	187,857	297,639	827,634	6,954,714	4,791,850
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	35,264	16,326		304,402	361,854
Accrued payroll	13,197	13,721		42,659	27,880
Deferred revenues				10,000	232,486
Deferred property taxes	2,719	56,358	47,007	233,554	0
Due to other funds			605,609	838,333	284,500
Total Liabilities	51,180	86,405	652,616	1,428,948	906,720
Fund Balances					
Reserved for other purposes				4,796,209	1,731,195
Unreserved and undesignated	136,677	211,234	175,018	729,557	2,153,935
Total Fund Balances	136,677	211,234	175,018	5,525,766	3,885,130
Total Liabilities and Fund Balances	\$ 187,857	\$ 297,639	\$ 827,634	\$ 6,954,714	\$ 4,791,850



Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002
WITH COMPARATIVE TOTALS FOR 2001

	Airport	County Fair	Noxious Weed	Health District
Revenues:				
Taxes	\$ 100,979	\$ 118,058	\$ 150,201	\$ 516,791
Tax related charges	13,108	(728)	979	(1,424)
Licenses and permits				
Intergovernmental			50,017	
Charges for services	47,069		351	
Fines & Forfeitures				
Transfers				
Green fees-revenue sharing				
Miscellaneous	187,356		(9,590)	1
Total Revenues	348,512	117,330	191,958	515,368
Expenditures:				
Current:				
General Government	555,416			
Public safety				
Sanitation			272,388	
Health & Welfare				533,229
Culture and recreation				
Debt service				
Capital outlay	25,616		10,020	
Total Expenditures	581,032	0	282,408	533,229
Revenues Over (Under) Expenditures	(232,520)	117,330	(90,450)	(17,861)
Other Financing Sources (Uses):				
Proceeds of capital leases				
Proceeds insurance	1,014			
Finance proceeds				
Gain/loss on sale-assets/property	786			
Grant match transfers	(34,042)			
Transfers to component unit		(113,400)		
Operating transfers in				25,361
Operating transfers out	(306,687)			
Total Other Financing Sources (Uses)	(338,929)	(113,400)	0	25,361
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	(571,449)	3,930	(90,450)	7,500
Fund Balances, October 1	610,699	(3,209)	68,817	36,424
Residual Equity Transfers				
Fund Balances, September 30	\$ 39,250	\$ 721	\$ (21,633)	\$ 43,924

Kootenai County Comprehensive Annual Financial Report - FY 2002

Historical Society	Parks & Recreation	Snowmobile Fund	County Vessel Fund	Public Access Contribution	Indigent Fund	Resort Sales Tax
\$ 12,880 (494)	\$ 139,258 (858)	\$	\$	\$	\$ 1,359,979 (10,210)	\$ 5,446,359
13,125		101,720	440,563			
		2,384	2,652	7,362 8,191	211,259	54,930
25,511	138,400	104,104	443,215	15,55	1,561,028	5,501,289
				3,016		71,633
18,125	78,901	99,281	482,858		1,634,729	1,403,872
	2,957	1,000	59,478			
18,125	81,858	100,281	542,336	3,016	1,634,729	1,475,505
7,386	56,542	3,823	(99,121)	12,537	(73,701)	4,025,784
			(8,147)			
	(10,000)					(1,776,278)
0	(10,000)	0	(8,147)	0	0	(1,776,278)
7,386	46,542	3,823	(107,268)	12,537	(73,701)	2,249,506
(155)	105,147	183,828	131,476	110,613	(286,781)	2,557,622
\$ 7,231	\$ 151,689	\$ 187,651	\$ 24,208	\$ 123,150	\$ (360,482)	\$ 4,807,128

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002
WITH COMPARATIVE TOTALS FOR 2001

	District Court	*Revaluation Fund	Kootenai EMS	Totals	
				2002	2001
Revenues:					
Taxes	\$ 75,529	\$ 1,071,348	\$ 926,784	\$ 9,918,166	\$ 8,521,479
Tax related charges	(2,105)	2,835	(1,963)	(860)	0
Licenses and permits			30,661	132,381	126,830
Intergovernmental			31,271	534,976	646,191
Charges for services	137,389		263	185,072	210,184
Fines & Forfeitures	636,904			636,904	721,309
Transfers					
Green fees-revenue sharing				7,362	6,270
Miscellaneous	100	1	(201,343)	255,941	386,062
Total Revenues	847,817	1,074,184	785,673	11,669,942	10,618,325
Expenditures:					
Current:					
General Government		1,136,501		1,766,566	1,702,608
Public safety	872,272		501,638	1,373,910	1,782,931
Sanitation				272,388	216,281
Health & Welfare				2,167,958	1,920,732
Culture and recreation				679,165	823,532
Debt service				1,403,872	1,403,872
Capital outlay	24,663	20,320		144,054	400,601
Total Expenditures	896,935	1,156,821	501,638	7,807,913	8,250,557
Revenues Over (Under) Expenditures	(49,118)	(82,637)	284,035	3,862,029	2,367,768
Other Financing Sources (Uses):					
Proceeds of capital leases					
Proceeds insurance				1,014	0
Finance proceeds					
Gain/loss on sale-assets/property				786	0
Grant match transfers				(42,189)	0
Transfers to component unit				(113,400)	
Operating transfers in				25,361	1,443,933
Operating transfers out				(2,092,965)	(1,267,061)
Total Other Financing Sources (Uses)	0	0	0	(2,221,393)	176,872
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	(49,118)	(82,637)	284,035	1,640,636	2,544,640
Fund Balances, October 1	185,795	293,870	(109,017)	3,885,130	1,340,490
Residual Equity Transfers					
Fund Balances, September 30	\$ 136,677	\$ 211,233	\$ 175,018	\$ 5,525,766	\$ 3,885,130



Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO INDIVIDUAL SCHEDULES OF REVENUE AND EXPENDITURES BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	Airport		
	Budget	Actual	Variance Favorable (unfavorable)
Revenue			
Taxes	\$ 137,817	\$ 100,979	\$ (36,838)
Tax related charges	0	13,108	13,108
Licenses & Permits			
Intergovernmental			
Charges for Services	34,360	47,069	12,709
Fines & Forfeitures			
Interest			
Green fees-revenue sharing			
Miscellaneous	403,675	187,356	(216,319)
Total Revenues	575,852	348,512	(227,340)
Expenditures			
Personal Services	334,931	339,238	(4,307)
Other services & charges	240,921	216,178	24,743
Debt service			
Capital Outlay	50,000	25,616	24,384
Total Expenditures	625,852	581,032	44,820
Revenue Over (Under) Expenditures	(50,000)	(232,520)	(182,520)
Other Financing Sources (Uses)			
Proceeds from capital leases			
Proceeds-insurance	0	1,014	1,014
Finance proceeds			
Gain/loss on sale-assets/property	0	786	786
Grant match transfers	0	(34,042)	(34,042)
Transfers to component unit			
Operating transfers in			
Operating transfers out	0	(306,687)	(306,687)
Total Other Financing Sources (Uses)	0	(338,929)	(338,929)
Revenues and Other Financing Sources over (Under) Expenditures and Other Uses	\$ (50,000)	\$ (571,449)	\$ (521,449)

Kootenai County Comprehensive Annual Financial Report - FY 2002

County Fair			Noxious Weeds		
Budget	Actual	Variance Favorable (unfavorable)	Budget	Actual	Variance Favorable (unfavorable)
\$ 115,000	\$ 118,058	\$ 3,058	\$ 181,406	\$ 150,201	\$ (31,205)
0	(728)	(728)	0	979	979
			7,000	50,017	43,017
			4,000	351	(3,649)
5,000	0	(5,000)	48,000	(9,590)	(57,590)
120,000	117,330	(2,670)	240,406	191,95	(48,448)
			126,848	117,976	8,872
120,000	0	120,000	113,558	154,412	(40,854)
			0	10,020	(10,020)
120,000	0	120,000	240,406	282,408	(42,002)
0	117,330	117,330	0	(90,450)	(90,450)
0	(113,400)	(113,400)			
0	(113,400)	(113,400)	0	0	0
\$ 0	\$ 3,930	\$ 3,930	\$ 0	\$ (90,450)	\$ (90,450)

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

**KOOTENAI COUNTY, IDAHO
INDIVIDUAL SCHEDULES OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002**

	Health District		
	Budget	Actual	Variance Favorable (unfavorable)
Revenue			
Taxes	\$ 502,868	\$ 516,791	\$ 13,923
Tax related charges	0	(1,424)	(1,424)
Licenses & Permits			
Intergovernmental			
Charges for Services			
Fines & Forfeitures			
Interest			
Green fees - revenue sharing			
Miscellaneous	5,000	1	(4,999)
Total Revenues	507,868	515,368	7,500
Expenditures			
Personal Services			
Other services & charges	533,229	533,229	0
Debt service			
Capital Outlay			
Total Expenditures	533,229	533,229	0
Revenue Over (Under) Expenditures	(25,361)	(17,861)	7,500
Other Financing Sources (Uses)			
Proceeds from capital leases			
Proceeds-insurance			
Finance proceeds			
Gain/loss on sale-assets/property			
Grant match transfers			
Operating transfers in	25,361	25,361	0
Operating transfers out			
Total Other Financing Sources (Uses)	25,361	25,361	0
Revenues and Other Financing Sources over (Under) Expenditures and Other Uses	\$ 0	\$ 7,500	\$ 7,500

Kootenai County Comprehensive Annual Financial Report - FY 2002

Historical Society			Parks & Recreation		
Budget	Actual	Variance Favorable (unfavorable)	Budget	Actual	Variance Favorable (unfavorable)
\$ 11,500	\$ 12,880	\$ 1,380	\$ 76,423	\$ 139,258	\$ 62,835
0	(494)	(494)	0	(858)	(858)
6,500	13,125	6,625			
			10,000	0	(10,000)
18,000	25,511	7,511	86,423	138,400	51,977
			42,133	36,402	5,731
18,000	18,125	(125)	44,290	42,499	1,791
			0	2,957	(2,957)
18,000	18,125	(125)	86,423	81,858	4,565
0	7,386	7,386	0	56,542	56,542
			0	(10,000)	(10,000)
0	0	0	0	(10,000)	(10,000)
\$ 0	\$ 7,386	\$ 7,386	\$ 0	\$ 46,542	\$ 46,542

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO INDIVIDUAL SCHEDULES OF REVENUE AND EXPENDITURES BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	Snowmobile		Variance Favorable (unfavorable)
	Budget	Actual	
Revenue			
Taxes	\$	\$	\$
Tax related charges			
Licenses & Permits	88,591	101,720	13,129
Intergovernmental			
Charges for Services			
Fines & Forfeitures			
Interest			
Green fees-revenue sharing			
Miscellaneous	27,890	2,384	(25,506)
Total Revenues	116,481	104,104	(12,377)
Expenditures			
Personal Services	38,748	42,426	(3,678)
Other services & charges	77,733	56,855	20,878
Debt service			
Capital Outlay	0	1,000	(1,000)
Total Expenditures	116,481	100,281	16,200
Revenue Over (Under) Expenditures	0	3,823	3,823
Other Financing Sources (Uses)			
Proceeds from capital leases			
Proceeds-insurance			
Finance proceeds			
Gain/loss on sale-assets/property			
Grant match transfers			
Operating transfers in			
Operating transfers out			
Total Other Financing Sources (Uses)	0	0	0
Revenues and Other Financing Sources over (Under) Expenditures and Other Uses	\$ 0	\$ 3,823	\$ 3,823

Kootenai County Comprehensive Annual Financial Report - FY 2002

County Vessel			Public Access		
Budget	Actual	Variance Favorable (unfavorable)	Budget	Actual	Variance Favorable (unfavorable)
\$	\$	\$	\$	\$	\$
521,267	440,563	(80,704)			
106,192	2,652	(103,540)	0 25,000	7,362 8,191	7,362 (16,809)
627,459	443,215	(184,244)	25,000	15,553	(9,447)
394,483	353,180	41,303			
177,417	129,678	47,739	18,000	3,016	14,984
44,900	0	44,900			
10,659	59,478	(48,819)			
627,459	542,336	85,123	18,000	3,016	14,984
0	(99,121)	(99,121)	7,000	12,537	5,537
0	(8,147)	(8,147)			
0	(8,147)	(8,147)	0	0	0
\$ 0	\$ (107,268)	\$ (107,268)	\$ 7,000	\$ 12,537	\$ 5,537

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO INDIVIDUAL SCHEDULES OF REVENUE AND EXPENDITURES BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	Indigent		
	Budget	Actual	Variance Favorable (unfavorable)
Revenue			
Taxes	\$ 1,328,966	\$ 1,359,979	\$ 31,013
Tax related charges	0	(10,210)	(10,210)
Licenses & Permits			
Intergovernmental			
Charges for Services			
Fines & Forfeitures			
Interest			
Green fees-revenue sharing			
Miscellaneous	198,200	211,259	13,059
Total Revenues	1,527,166	1,561,028	33,862
Expenditures			
Personal Services	240,866	244,588	(3,722)
Other services & charges	1,286,300	1,390,141	(103,841)
Debt service			
Capital Outlay			
Total Expenditures	1,527,166	1,634,729	(107,563)
Revenue Over (Under) Expenditures	0	(73,701)	(73,701)
Other Financing Sources (Uses)			
Proceeds from capital leases			
Proceeds-insurance			
Finance proceeds			
Gain/loss on sale-assets/property			
Grant match transfers			
Operating transfers in			
Operating transfers out			
Total Other Financing Sources (Uses)	0	0	0
Revenues and Other Financing Sources over (Under) Expenditures and Other Uses	\$ 0	\$ (73,701)	\$ (73,701)

Kootenai County Comprehensive Annual Financial Report - FY 2002

Resort Sales Tax			District Court		
Budget	Actual	Variance Favorable (unfavorable)	Budget	Actual	Variance Favorable (unfavorable)
\$ 1,592,145	\$ 5,446,359	\$ 3,854,214	\$ 74,588 0	\$ 75,529 (2,105)	\$ 941 (2,105)
			159,000	137,389	(21,611)
			773,250	636,904	(136,346)
25,000	54,930	29,930	15,521	100	(15,421)
1,617,145	5,501,289	3,884,144	1,022,359	847,817	(174,542)
110,408	62,129	48,279	610,547	547,671	62,876
42,365	9,504	32,861	411,812	324,601	87,211
1,403,872	1,403,872	0			
35,500	0	35,500	0	24,663	(24,663)
1,592,145	1,475,505	116,640	1,022,359	896,935	125,424
25,000	4,025,784	4,000,784	0	(49,118)	(49,118)
0	(1,776,278)	(1,776,278)			
0	(1,776,278)	(1,776,278)	0	0	0
\$ 25,000	\$ 2,249,506	\$ 2,224,506	\$ 0	\$ (49,118)	\$ (49,118)

(continued)

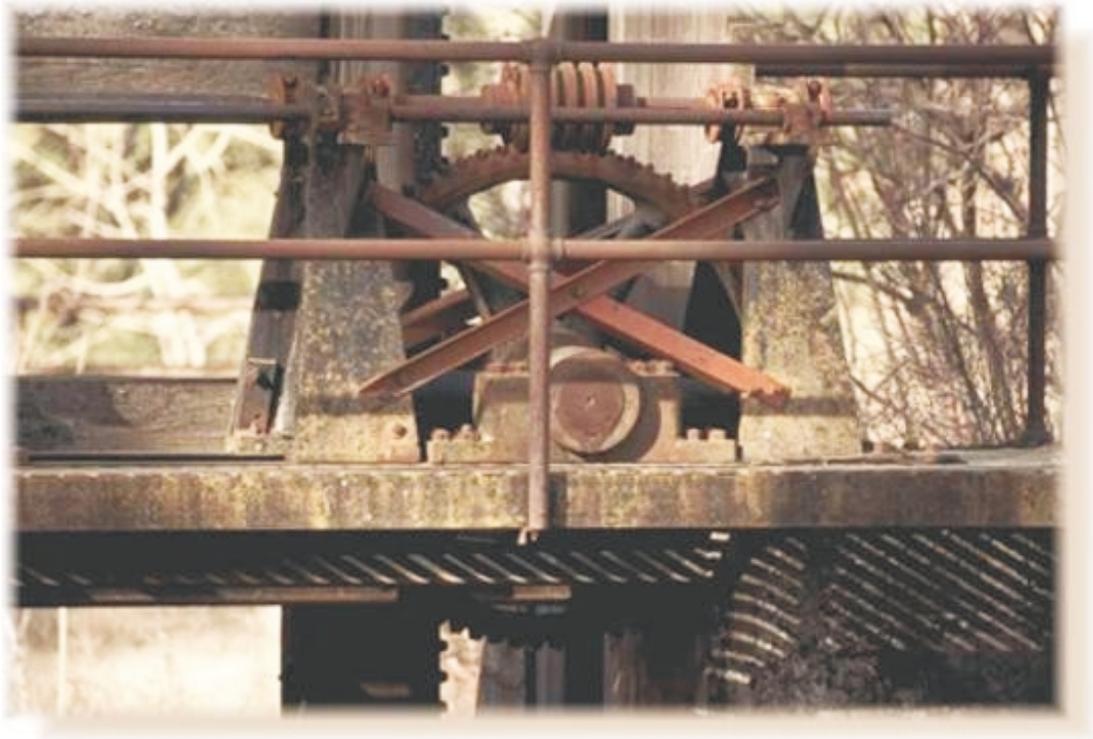
Kootenai County Comprehensive Annual Financial Report - FY 2002

INDIVIDUAL SCHEDULES OF REVENUE AND EXPENDITURES BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	Revaluation			Emergency Management		
	Budget	Actual	Variance Favorable (unfavorable)	Budget	Actual	Variance Favorable (unfavorable)
Revenue						
Taxes	\$ 1,042,087	\$ 1,071,348	\$ 29,261	\$ 897,313	\$ 926,784	\$ 29,471
Tax related charges	0	2,835	2,835	0	(1,963)	(1,963)
Licenses & Permits				25,000	30,661	5,661
Intergovernmental				20,000	31,271	11,271
Charges for Services				0	263	263
Fines & Forfeitures						
Interest						
Green fees-revenue sharing						
Miscellaneous	125,000	1	(124,999)	5,000	(201,343)	(206,343)
Total Revenues	1,167,087	1,074,184	(92,903)	947,313	785,673	(161,640)
Expenditures						
Personal Services	1,051,662	1,065,690	(14,028)			
Other services & charges	82,225	70,811	11,414	947,313	501,638	445,675
Debt service						0
Capital Outlay	10,000	20,320	(10,320)			
Total Expenditures	1,143,887	1,156,821	(12,934)	947,313	501,638	445,675
Revenue Over (Under) Expenditures	23,200	(82,637)	(105,837)	0	284,035	284,035
Other Financing Sources (Uses)						
Proceeds from capital leases						
Proceeds-insurance						
Finance proceeds						
Gain/loss on sale-assets/property						
Grant match transfers						
Operating transfers in						
Operating transfers out						
Total Other Financing Sources (Uses)	0	0	0	0	0	0
Revenues and Other Financing Sources over (Under) Expenditures and Other Uses	\$ 23,200	\$ (82,637)	\$ (105,837)	\$ 0	\$ 284,035	\$ 284,035

Capital Projects Fund

The Capital Projects Fund is used to account for resources utilized to acquire and construct major capital facilities and improvements, other than those financed by proprietary funds.





Kootenai County Comprehensive Annual Financial Report - FY 2002

**KOOTENAI COUNTY, IDAHO
BALANCE SHEET
CAPITAL PROJECTS FUND
SEPTEMBER 30, 2002
WITH COMPARATIVE TOTALS FOR 2001**

	2002	2001
Assets		
Cash in bank and investments	\$ 0	\$ 787,374
Accounts receivable	8,396	0
Grants Receivable	119,488	753,364
Note Issue Cost		
Total Assets	\$ 127,884	\$ 1,540,738
Liabilities And Fund Balances		
Liabilities:		
Accounts payable	\$ 212,121	\$ 348,557
Deferred Grant Revenue	0	346,018
Due to other funds	197,035	0
Total Liabilities	409,156	694,575
Fund Balances:		
Reserved and designated	(281,272)	846,163
Total Fund Balances	(281,272)	846,163
Total Liabilities And Fund Balances	\$ 127,884	\$ 1,540,738

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002
WITH COMPARATIVE TOTALS FOR 2001

	2002	2001
Revenues:		
Taxes	\$	\$
Intergovernmental revenues	2,381,100	2,643,759
Miscellaneous	33,327	414,434
Total Revenues	2,414,427	3,058,193
Expenditures:		
General Government	130,680	62,795
Capital outlay	4,469,387	10,512,668
Total Expenditures	4,600,067	10,575,463
Revenues Over (Under) Expenditures	(2,185,640)	(7,517,270)
Other Financing Sources (Uses):		
Grant match transfer in/(out)	358,713	0
Operating transfers in	712,521	0
Operating transfers (out)	(13,029)	62,730
Total Other Financing Sources (Uses)	1,058,205	62,730
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	(1,127,435)	(7,454,540)
Fund Balance, October 1, 2001	846,163	8,300,703
Residual Equity Transfers In		
Fund Balance, September 30, 2002	\$ (281,272)	\$ 846,163



Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CAPITAL PROJECTS FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	General Construction		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$	\$	\$
Intergovernmental Revenues			
Miscellaneous	3,850,000	19,327	(3,830,673)
Total Revenues	3,850,000	19,327	(3,830,673)
Expenditures:			
General Government	0	29,446	(29,446)
Capital Outlay	3,500,000	1,854,933	1,645,067
Total Expenditures	3,500,000	1,884,379	1,615,621
Revenues Over (Under) Expenditures	350,000	(1,865,052)	(2,215,052)
Other Financing Sources (Uses):			
Grant match transfer in/(out)			
Operating transfers in	0	679,492	679,492
Operating transfers out			
Total Other Financing Sources (Uses)	0	679,492	679,492
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	\$ 350,000	(1,185,560)	\$ (1,535,560)
Fund Balance, October 1, 2001		785,034	
Fund Balance, September 30, 2002		\$ (400,526)	

Kootenai County Comprehensive Annual Financial Report - FY 2002

Airport Improvement			Waterways Capital Grant Projects			
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	
\$ 1,641,866	\$ 2,157,852	\$ 515,986	\$ 126,000	\$ 35,808	\$ (90,192)	
			0	(1,000)	(1,000)	
1,641,866	2,157,852	515,986	126,000	34,808	(91,192)	
16,748	13,740	3,008	34,667	31,487	3,180	
1,625,118	2,461,717	(836,599)	100,000	21,305	78,695	
1,641,866	2,475,457	(833,591)	134,667	52,792	81,875	
0	(317,605)	(317,605)	(8,667)	(17,984)	(9,317)	
0	340,729	340,729	0	17,984	17,984	
0	340,729	340,729	0	17,984	17,984	
\$ 0	23,124	\$ 23,124	\$ (8,667)	0	\$ 8,667	
	(8,716)			0		
	\$ 14,408			\$ 0		

(continued)

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CAPITAL PROJECTS FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	FEMA			Centennial Trail		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$	\$	\$	\$	\$	\$
Intergovernmental Revenues	0	187,440	187,440			
Miscellaneous				10,000	15,000	5,000
Total Revenues	0	187,440	187,440	10,000	15,000	5,000
Expenditures:						
General Government	0	56,007	(56,007)	20,000	0	20,000
Capital Outlay	0	131,432	(131,432)			
Total Expenditures	0	187,439	(187,439)	20,000	0	20,000
Revenues Over (Under) Expenditures	0	1	1	(10,000)	15,000	25,000
Other Financing Sources (Uses):						
Grant match transfer in/(out)						
Operating transfers in	0	13,029	13,029	10,000	20,000	10,000
Operating transfers out	0	(13,029)	(13,029)			
Total Other Financing Sources (Uses)	0	0	0	10,000	20,000	10,000
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	<u>\$ 0</u>	1	<u>\$ 1</u>	<u>\$ 0</u>	35,000	<u>\$ 35,000</u>
Fund Balance, October 1, 2001		11,673			58,172	
Fund Balance, September 30, 2002		<u>\$ 11,674</u>			<u>\$ 93,172</u>	

Kootenai County Comprehensive Annual Financial Report - FY 2002

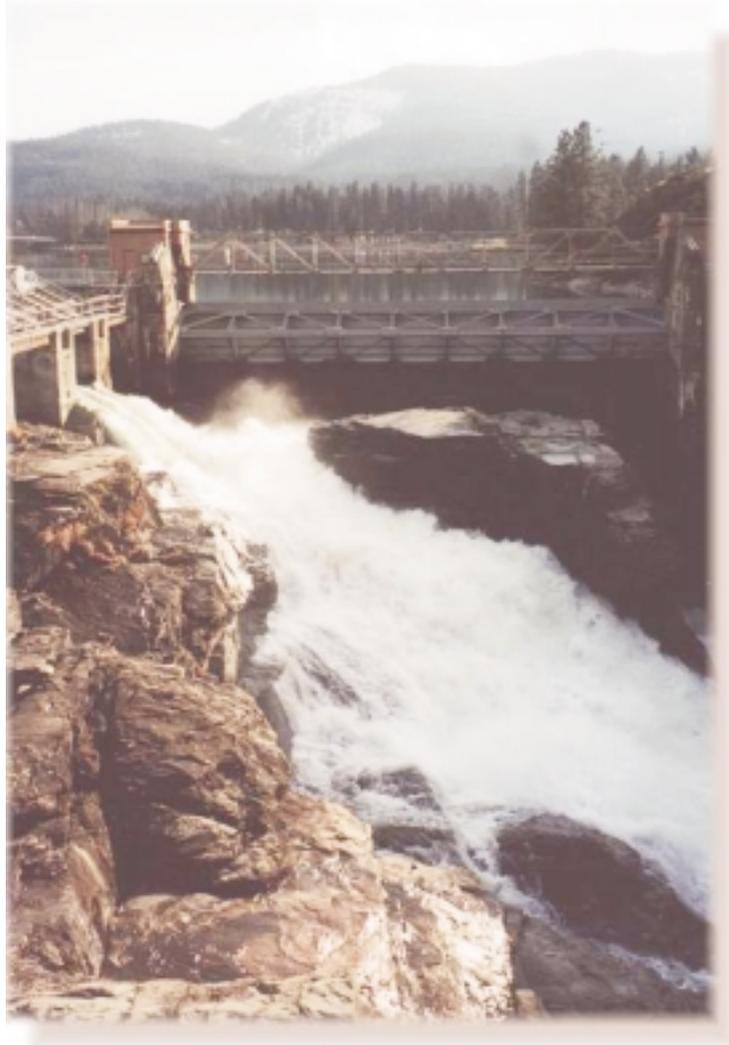
**KOOTENAI COUNTY, IDAHO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002**

	Construction Fund Totals		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$	\$	\$
Intergovernmental Revenues	1,767,866	2,381,100	613,234
Miscellaneous	3,860,000	33,327	(3,826,673)
Total Revenues	5,627,866	2,414,427	(3,213,439)
Expenditures:			
General Government	71,415	130,680	(59,265)
Capital Outlay	5,225,118	4,469,387	755,731
Total Expenditures	5,296,533	4,600,067	696,466
Revenues Over (Under) Expenditures	331,333	(2,185,640)	(2,516,973)
Other Financing Sources (Uses):			
Grant match transfer in/(out)	0	358,713	358,713
Operating transfers in	10,000	712,521	702,521
Operating transfers out	0	(13,029)	(13,029)
Total Other Financing Sources (Uses)	10,000	1,058,205	1,048,205
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	\$ 341,333	(1,127,435)	\$ (1,468,768)
Fund Balance, October 1, 2001		846,163	
Fund Balance, September 30, 2002		\$ (281,272)	



Enterprise Fund

The Enterprise Fund is used to account for operations that are financed in a manner similar to private enterprise. The intent of the government is that the cost of providing goods or services to the public on a continuing basis be financed through user fees, and that the periodic determination of net income is appropriate for accountability purposes. The Solid Waste Fund is the only County enterprise operation.





Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO BALANCE SHEET SOLID WASTE ENTERPRISE FUND SEPTEMBER 30, 2002 (WITH COMPARATIVE TOTALS FOR 2001)

Assets	2002	2001
Current Assets:		
Cash in bank and investments	\$ 7,379,090	\$ 6,501,215
Receivables:		
Accounts receivable (net of allowance for doubtful accounts)	1,322,518	1,223,629
Interest receivable	9,125	23,049
Due from other funds	605,609	284,500
Total Current Assets	9,316,342	8,032,393
Property, Plant and Equipment:		
Land	449,657	449,657
Buildings	182,753	182,753
Machinery and equipment	5,407,089	5,326,641
Transfer station	7,050,152	5,909,488
Fighting creek landfill	11,197,054	10,139,553
Accumulated depreciation	(10,639,846)	(8,955,951)
Construction in Progress	72,369	1,496,926
Total Property, Plant and Equipment	13,719,228	14,549,067
Other Assets:		
Bond issue costs, net of amortization	18,279	36,559
Cash held for landfill closure and postclosure	2,912,000	2,148,000
Total Other Assets	2,930,279	2,184,559
Total Assets	\$ 25,965,849	\$ 24,766,019
Liabilities And Retained Earnings		
Current Liabilities:		
Accounts payable	\$ 235,975	\$ 453,201
Accrued payroll	19,733	10,534
Compensated absences payable	137,046	113,548
Interest payable	6,277	12,969
Bonds payable	845,000	810,000
Total Current Liabilities	1,244,031	1,400,252
Long-Term Liabilities:		
Bonds payable	0	845,000
Capital leases payable		
Landfill closure liability	2,912,000	2,148,000
Total Long-Term Liabilities	2,912,000	2,993,000
Total Liabilities	4,156,031	4,393,252
Equity		
Contributed Capital	271,371	271,371
Retained Earnings		
Retained Earnings: Reserved for closure and postclosure	2,912,000	2,148,000
Retained Earnings: Unreserved	18,626,447	17,953,396
Total Equity	21,809,818	20,372,767
Total Liabilities and Equity	\$ 25,965,849	\$ 24,766,019

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL
SOLID WASTE ENTERPRISE FUND
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues:			
Charges for services	\$ 7,562,473	\$ 7,492,618	\$ (69,855)
Miscellaneous	2,026,100	8,689	(2,017,411)
Total Operating Revenues	9,588,573	7,501,307	(2,087,266)
Operating Expenses:			
Personal services	1,417,368	1,385,480	31,888
Other services and charges	5,955,844	2,111,940	3,843,904
Depreciation and amortization	1,300,914	1,849,009	(548,095)
Landfill closure expense	463,741	764,000	(300,259)
Total Operating Expenses	9,137,867	6,110,429	3,027,438
Operating Income (Loss)	450,706	1,390,878	940,172
Nonoperating Revenues/Expenses:			
Interest income	600,000	496,930	(103,070)
Interest expense	(58,385)	(51,654)	6,731
Proceeds-insurance	0	1,258	1,258
Gain (loss) on disposal of fixed assets	8,000	0	(8,000)
Total Nonoperating Revenues (Expenses)	549,615	446,534	(103,081)
Income (Loss) Before Operating Transfers	1,000,321	1,837,412	837,091
Transfers to Other Funds:			
General fund	(400,361)	(400,361)	0
Net Income (Loss)	\$ 599,960	1,437,051	\$ 837,091
Retained Earnings, October 1, 2001		20,372,767	
Retained Earnings, September 30, 2002		\$ 21,809,818	

Fiduciary Funds

Fiduciary funds are used to account for assets a governmental unit holds in the capacity of an agent or trustee for another party. Kootenai County maintains agency funds and expendable trust funds.



Expendable Trust Funds - to account for the resources used in a variety of small funds where the County is acting as trustee. The assets and liabilities of the employee deferred compensation fund are also accounted for within the trust fund.

State of Idaho Agency Fund - to account for fines, fees and forfeits collected through a variety of County operations, including courts, vehicle and driver licensing, payable to the state government.

Taxing Districts Agency Fund - to account for property taxes receipts and other assets collected by the County for other taxing districts.



Kootenai County Comprehensive Annual Financial Report - FY 2002

**KOOTENAI COUNTY, IDAHO
COMBINING BALANCE SHEET
FIDUCIARY FUNDS
SEPTEMBER 30, 2002**

	Agency Funds			
	Expendable Trust Funds	State of Idaho	Taxing Districts	Totals
Assets				
Cash in bank and investments	\$ 3,046,199	\$ 1,070,428	\$ 373,897	\$ 4,490,524
Receivables:				
Taxes delinquent	21,876	33,611	4,217,514	4,273,001
Accounts receivable	2,131		427,539	429,670
Total Assets	\$ 3,070,206	\$ 1,104,039	\$ 5,018,950	\$ 9,193,195
Liabilities And Fund Equity				
Liabilities:				
Accounts payable	\$ 18,871	\$	\$	\$ 18,871
Deferred compensation payable	1,528,740			1,528,740
Deferred property tax revenue	973,526			973,526
Due to other Governments	(177,310)	1,104,039		926,729
Due to other individuals	5,763			5,763
Due to other taxing districts	44,820		5,018,950	5,063,770
Total Liabilities	2,394,410	1,104,039	5,018,950	8,517,399
Fund Equity	675,796			675,796
Total Liabilities And Fund Equity	\$ 3,070,206	\$ 1,104,039	\$ 5,018,950	\$ 9,193,195

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY
EXPENDABLE TRUST FUNDS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	2002
Revenues:	
Trust receipts	\$ 990,179
Total Revenues	<u>990,179</u>
Expenditures:	
Trust turnovers	<u>524,692</u>
Total Expenditures	<u>524,692</u>
Revenues Over (Under) Expenditures	<u>465,487</u>
Other Financing Sources (Uses):	
Operating transfers in	60,678
Operating transfers out	<u>(288,721)</u>
Total Other Financing Sources (Uses)	<u>(228,043)</u>
Revenues And Other Financing Sources Over (Under) Expenditures And Other Uses	237,444
Fund Equity, October 1, 2001	<u>438,352</u>
Fund Equity, September 30, 2002	<u><u>\$ 675,796</u></u>

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

	Balance October 1	Additions	Deductions	Balance September 30
State Fund:				
Assets				
Cash	\$ 884,029	\$ 186,399	\$	\$ 1,070,428
Taxes receivable	40,896		7,285	33,611
Due from other Governments				
Accounts receivable				
Total Assets	\$ 924,925	\$ 186,399	\$ 7,285	\$ 1,104,039
Liabilities				
Accounts payable	924,925	186,399	7,285	1,104,039
Total Liabilities	\$ 924,925	\$ 186,399	\$ 7,285	\$ 1,104,039
Taxing Districts:				
Assets				
Cash	400,383		26,486	373,897
Taxes receivable	4,204,854	12,660		4,217,514
Due from other Governments				
Accounts receivable	333,546	93,993		427,539
Total Assets	\$ 4,938,783	\$ 106,653	\$ 26,486	\$ 5,018,950
Liabilities				
Accounts payable	4,938,783	106,653	26,486	5,018,950
Total Liabilities	\$ 4,938,783	\$ 106,653	\$ 26,486	\$ 5,018,950
Total: All Agency Funds				
Total Assets	\$ 5,863,708	\$ 293,052	\$ 33,771	\$ 6,122,989
Total Liabilities	\$ 5,863,708	\$ 293,052	\$ 33,771	\$ 6,122,989



General Fixed Assets Account Group

The General Fixed Assets Account Group is used to account for all fixed assets of the County, except those used in the enterprise fund.





Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002

Function and Activity	General Fixed Assets 9/30/01	Additions	Deductions	Transfers and Adjustments	General Fixed Assets 9/30/02
General Government:					
Commissioners	\$ 728,194	\$ 399,227	\$ (149,663)	\$ 10,404	\$ 988,162
Auditor/Recorder/Elections	334,808	13,049	(11,014)	(3,434)	333,409
Treasurer	279,953	5,512			285,465
Assessor	3,163,524	12,244	(15,817)	(593)	3,159,358
Buildings and Grounds	132,945	38,876	(20,324)	32,543	184,040
General	13,069,566	(61,823)			13,007,743
Cooperative Extension	417,000	3,348	(22,915)	(2,086)	395,347
Planning & Zoning/Building Inspection	195,977	33,008	(39,091)		189,894
Office of Emergency Mgmt	123,949	29,950	(7,915)	(16,916)	129,068
Print Shop/Mail Room	170,239		(28,229)	4,000	146,010
Information Systems	788,461	758,332	(268,457)	(11,242)	1,267,094
Auto Shop	454,514	4,695	(30,600)		428,609
Human Resources	5,542	1,258		(2,485)	4,315
Legal Services	26,946		(4,749)		22,197
Revaluation	200,818	74,337	(33,303)	11,469	253,321
District Court	1,749,462	24,663	(13,843)		1,760,282
Airport	13,379,305	2,920,308	(48,748)	10,000	16,260,865
Veterans Services	3,539		(2,089)	1,918	3,368
Total General Government	35,224,742	4,318,807	(758,580)	33,578	38,818,547
Public Safety:					
Prosecuting Attorney	150,846	16,064	(11,055)	(6,788)	149,067
Public Defender	104,588	16,603	(15,762)	(1,317)	104,112
Marine Deputy	603,704	5,125	(8,218)	4,442	605,053
Jail	10,383,593	2,126,246	(243,882)	20,431	12,286,388
Juvenile Diversion	35,122	5,528	(2,847)	1,899	39,702
Juvenile Probation/Adult Misdemeanor Probation	197,330	10,283	(19,750)	(16,130)	171,733
Juvenile Detention Center	3,702,437	54,095	(56,318)	(1,176)	3,699,038
9-1-1	2,188,287	83,479	(256,183)	(4,979)	2,010,604
Sheriff	7,646,248	293,263	(216,439)	(9,924)	7,713,148
Coroner	1,274				1,274
Total Public Safety	25,013,429	2,610,686	(830,454)	(13,542)	26,780,119
Culture and Recreation:					
Parks and Recreation	759,518	190,489	(177,200)	2,232	775,039
County Snowmobile	83,798	71,789	(70,789)		84,798
County Fair	3,036,300		(108,327)		2,927,973
Total Culture and Recreation	3,879,616	262,278	(356,316)	2,232	3,787,810
Health and Welfare:					
Community Services	35,335			(1,878)	33,457
Total Health and Welfare	35,335	0	0	(1,878)	33,457
Sanitation:					
Natural Resource Protection	35,382	10,020	(5,000)		40,402
Total Sanitation	35,382	10,020	(5,000)	0	40,402
Total General Fixed Assets	\$ 64,188,504	\$ 7,201,791	\$ (1,950,350)	\$ 20,390	\$ 69,460,335

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY AS OF SEPTEMBER 30, 2002

Function and Activity	Land	Buildings	Construction in Progress	Improvements other than Buildings	Machinery and Equipment	Totals
General Government:						
Commissioners	\$ 685,991	\$ 214,614	\$	\$	\$ 87,557	\$ 988,162
Auditor/Recorder/Elections					333,409	333,409
Treasurer					285,465	285,465
Assessor					3,159,358	3,159,358
Buildings and Grounds		14,777			169,263	184,040
General	902,214	12,071,119			34,410	13,007,743
Cooperative Extension		337,600			57,747	395,347
Planning & Zoning/Building Inspection					189,894	189,894
Emergency Services		12,800			116,268	129,068
Print Shop/Mail Room					146,010	146,010
Information Services					1,267,094	1,267,094
Auto Shop		329,328			99,281	428,609
Human Resources					4,315	4,315
Legal Services					22,197	22,197
Revaluation					253,321	253,321
District Court		1,429,574			330,708	1,760,282
Airport	985,736	255,549		13,395,615	1,623,965	16,260,865
Veterans Services					3,368	3,368
Total General Government	2,573,941	14,665,361	0	13,395,615	8,183,630	38,818,547
Public Safety:						
Prosecuting Attorney					149,067	149,067
Public Defender					104,112	104,112
Marine Deputy					605,053	605,053
Jail		244,031	11,225,435		816,922	12,286,388
Juvenile Diversion					39,702	39,702
Juvenile Probation/Adult Misdemeanor Probation					171,733	171,733
Juvenile Detention Center		3,455,208			243,830	3,699,038
9-1-1		599,459			1,411,145	2,010,604
Sheriff		4,791,693			2,921,455	7,713,148
Coroner					1,274	1,274
Total Public Safety	0	9,090,391	11,225,435	0	6,464,293	26,780,119
Culture and Recreation:						
Parks and Recreation	85,088	213,327		139,978	336,646	775,039
County Snowmobile		70,789			14,009	84,798
County Fair		2,927,973			0	2,927,973
Total Culture and Recreation	85,088	3,212,089	0	139,978	350,655	3,787,810
Health and Welfare:						
Community Assistance					33,457	33,457
Total Health and Welfare	0	0	0	0	33,457	33,457
Sanitation:						
Noxious Weed Control					40,402	40,402
Total Sanitation	0	0	0	0	40,402	40,402
Total General Fixed Assets	\$ 2,659,029	\$ 26,967,841	\$ 11,225,435	\$ 13,535,593	\$ 15,072,437	\$ 69,460,335

Kootenai County Comprehensive Annual Financial Report - FY 2002

**KOOTENAI COUNTY, IDAHO
SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
SEPTEMBER 30, 2002**

General Fixed Assets:

Land	\$	2,659,029
Buildings		26,967,841
Improvements other than buildings		13,535,593
Machinery and equipment		15,072,437
Construction in progress		11,225,435

Total General Fixed Assets **\$ 69,460,335**

Investment in General Fixed Assets by Source:

General Fund	\$	52,265,774
Special Revenue Funds		17,194,561

Total Investment in General Fixed Assets by Source **\$ 69,460,335**



STATISTICAL SECITON



Note: A table of Special Assessment Billings and Collections for the Last Ten Fiscal Years has not been included in these financial statements. There have been no special assessment billings or collections in that period.



Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO GENERAL GOVERNMENT REVENUES BY SOURCE LAST TEN FISCAL YEARS

Fiscal Year	Taxes	Licenses & Permits	Inter-Governmental	Charges for Services	Fines & Forfeits	Other	Total
2002	\$ 27,762,097	\$ 1,183,035	\$ 8,977,409	\$ 7,330,092	\$ 912,785	\$ 1,154,209	\$ 47,319,627
2001	27,727,887	1,144,058	8,660,288	6,367,727	989,524	2,383,813	47,273,297
2000	21,642,653	1,141,196	7,917,272	5,902,488	974,759	1,712,931	39,291,299
1999	18,700,640	1,132,102	5,980,335	5,534,286	865,810	1,595,278	33,808,451
1998	17,445,933	1,032,323	6,386,766	3,183,753	800,883	1,918,363	30,768,021
1997	16,856,646	1,027,789	5,751,298	3,251,350	746,716	1,653,307	29,287,106
1996	16,309,127	1,002,153	5,747,151	3,249,901	722,721	1,488,589	28,519,642
1995	16,321,954	935,343	4,125,655	2,878,687	601,826	1,553,731	26,417,196
1994	15,558,076	842,934	5,876,722	2,715,983	540,831	1,335,754	26,870,300
1993	13,046,527	833,748	4,396,750	2,268,740	561,579	1,115,871	22,223,215

Notes:

(1) Includes General, Special Revenue, Debt Service and Capital Projects fund types.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO GENERAL GOVERNMENT EXPENDITURES BY FUNCTION LAST TEN FISCAL YEARS

Fiscal Year	General Government	Public Safety	Sanitation	Health & Welfare	Culture & Recreation	Debt Service	Capital Outlay	Total
2002	\$ 16,328,404	\$ 19,292,767	\$ 272,388	\$ 2,168,336	\$ 691,150	\$ 2,054,451	\$ 6,681,114	\$ 47,488,610
2001	15,073,765	17,881,085	216,281	1,920,732	835,812	3,188,855	11,522,881	50,639,411
2000	17,367,905	14,906,121	210,332	1,976,557	778,821	2,452,172	5,686,928	43,378,836
1999	17,523,636	11,865,279	220,135	1,547,762	451,510	832,178	2,368,174	34,808,674
1998	15,576,440	11,078,971	151,409	1,419,459	459,036	1,344,289	3,046,061	33,075,665
1997	14,535,443	10,320,737	165,402	1,384,762	435,492	547,727	5,623,198	33,012,761
1996	12,695,900	9,652,150	152,250	1,604,897	472,368	708,930	3,801,127	29,087,622
1995	11,068,689	9,044,259	155,849	1,589,127	321,433	872,576	2,090,841	25,142,774
1994	11,445,621	8,683,356	135,596	1,531,545	595,501		2,996,149	25,387,768
1993	10,080,921	8,167,834	136,252	1,738,340	980,193		1,336,137	22,439,677

Notes:

- (1) Includes General, Special Revenue, Debt Service and Capital Projects fund types.
- (2) In 1991, the Solid Waste department was set up as an enterprise fund and removed from general Government.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO ASSESSED VALUATION AND TAX RATES LAST TEN FISCAL YEARS

Tax Year	Assessed Valuation	Exemptions	Taxable Value	Valuation Increase		Tax Rate per \$1,000 Value
				Net Amount	Percentage	
2001	\$ 7,098,457,083	\$ 1,069,468,337	\$ 6,028,988,746	\$ 324,916,036	5.70%	3.58
2000	6,726,402,236	1,022,329,526	5,704,072,710	228,070,994	4.16%	3.58
1999	6,444,466,553	968,464,837	5,476,001,716	146,198,282	2.74%	4.04
1998	6,244,894,863	915,091,429	5,329,803,434	22,062,958	0.42%	3.89
1997	6,221,888,454	914,147,978	5,307,740,476	128,908,702	2.49%	3.46
1996	6,053,249,997	874,418,223	5,178,831,774	362,742,099	7.53%	3.36
1995	5,648,861,153	832,771,478	4,816,089,675	454,587,496	10.42%	3.40
1994	5,760,779,868	1,399,277,689	4,361,502,179	922,354,067	26.82%	3.66
1993	4,069,863,274	630,715,162	3,439,148,112	276,511,945	8.74%	4.66
1992	3,734,330,339	571,694,172	3,162,636,167	3,162,636,167	19.03%	4.81

Notes:

- (1) Tax Rate per \$1,000 Value includes the Kootenai EMS levy. The EMS levy is a legally separate taxing district, but is part of the County budget approved by the Board of County Commissioners. Included for informational purposes.
- (2) Values based on 2001 final values certified by the State of Idaho.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Tax Year	Total Tax Levy	Current Tax Collections	% of Levy Collected	Delinquent Tax Collections	% of Total Total Tax Collections	Collection to Levy	Outstanding Delinquent Taxes (1)	% of Delinquent to Levy
2001	\$ 20,662,654	\$ 19,448,102	94.12%	\$ 370,483	\$ 19,818,585	95.92%	\$ 1,529,210	7.40%
2000	22,320,671	20,988,738	94.03%	381,318	21,370,056	95.74%	1,385,441	6.21%
1999	20,449,866	18,784,468	91.86%	567,411	19,351,879	94.63%	1,358,848	6.64%
1998	17,656,414	16,148,066	91.46%	591,262	16,739,328	94.81%	1,178,561	6.67%
1997	17,362,488	16,552,457	95.33%	740,709	17,293,166	99.60%	1,187,309	6.84%
1996	16,337,549	15,521,417	95.00%	608,791	16,130,208	98.73%	1,135,650	6.95%
1995	15,936,794	15,244,647	95.66%	604,765	15,849,412	99.45%	983,080	6.17%
1994	15,996,478	15,314,804	95.74%	523,774	15,838,578	99.01%	716,001	4.48%
1993	15,144,124	14,602,178	96.42%	547,571	15,149,749	100.04%	806,340	5.32%
1992	12,841,980	12,284,042	95.66%	533,562	12,817,604	99.81%	516,785	4.02%

Notes:

- (1) Cumulative outstanding prior years taxes as of 9/30 of the given year.
- (2) Includes Kootenai EMS.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF PRINCIPAL TAXPAYERS FOR TAX YEAR 2002

Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation of \$6,028,988,746
Rathdrum Power, LLC	\$ 133,879,000	2.22%
Avista Corporation	121,217,120	2.01%
Verizon Northwest, Inc.	98,174,265	1.63%
PG&E Gas Transmission NW Corp.	55,560,642	0.92%
Hagadone Hospitality Co.; Duane B. Hagadone	52,015,538	0.86%
Kimball International Mkt, Inc.	37,704,825	0.63%
Stimson Lumber company	35,048,047	0.58%
Burlington Northern & Santa Fe RR	33,275,049	0.55%
Price Development Company LPT	28,328,898	0.47%
Inland Empire Paper	18,766,150	0.31%
Stephen F. Meyer, Etux	16,535,867	0.27%
Kootenai Cable Inc.	15,898,812	0.26%
Rivermill Investments LLC	9,935,695	0.16%
Puryear Family LPT	9,491,144	0.16%
CDA Factory Outlets LTD Partnership	8,963,705	0.15%
Wal-Mart Real Estate Business	8,807,135	0.15%
Hayden Area Regional Sewer Board	8,624,657	0.14%
Patriot Investments LLC	8,299,214	0.14%
Imsamet of Idaho Inc.	8,295,806	0.14%
Norton Aero LTD	8,236,019	0.14%
Sub Total	717,057,588	11.89%
All Other Taxpayers	5,311,931,158	88.11%
Total Assessed Taxable Value	\$ 6,028,988,746	100.00%

Notes:

(1) Based on 2002's Net Taxable Values as of October 29, 2002

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

Tax Year	County	Cities	Highways	Schools	Fire Districts	Water and Sewer Districts	Other Districts
2002	0.003140	0.041565	0.003411	0.032983	0.013771	0.004924	0.053528
2001	0.003427	0.035372	0.003460	0.033352	0.012629	0.004838	0.072512
2000	0.003916	0.037854	0.003468	0.033496	0.015088	0.004884	0.072878
1999	0.003734	0.037505	0.003405	0.033003	0.014369	0.004689	0.023306
1998	0.003315	0.035805	0.003388	0.033706	0.014129	0.004881	0.001774
1997	0.003211	0.040702	0.003314	0.032419	0.001429	0.005291	0.001761
1996	0.003261	0.036705	0.003378	0.031727	0.014686	0.000614	0.002037
1995	0.003505	0.040130	0.003588	0.032554	0.015403	0.007262	0.001803
1994	0.004453	0.046548	0.004414	0.042671	0.017112	0.009173	0.002990
1993	0.004627	0.004702	0.004561	0.039497	0.015403	0.009353	0.002488

Tax Year 2002	Cities	Highways	Schools	Fire	Water & Sewer	Other
Number of taxing districts	13	4	6	10	7	6
Average tax rate per district	0.003197	0.000853	0.005497	0.001377	0.000703	0.008921
Minimum levy rate	0.000449	0.000596	0.003252	0.000835	0.000075	0.000281
Maximum levy rate	0.005905	0.001308	0.008176	0.002329	0.001792	0.018066

Notes:

- (1) Tax rates are expressed as \$1 per market value.
- (2) Other Districts include Libraries, North Idaho College, Kootenai Hospital, Kootenai EMS, and URD's.
- (3) The number of URD's may change from year to year.
- (4) No single taxpayer in Kootenai County is subject to all tax levies.
- (5) 2002 Levies as of 9/30/02.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF DIRECT AND OVERLAPPING DEBT September 30, 2002

Number of Issues	Jurisdiction	Net Debt Outstanding	Earliest Issue Date (Month/Year)	Oldest Maturity Date (Month/Year)	Applicable to Kootenai County Percentage	Amount
Direct Debt:						
4	Kootenai County*	\$ 10,753,006	Oct/93	Oct/09	100.00%	\$ 10,753,006
Direct Debt		10,753,006			100.00%	10,753,006
Overlapping Debt:						
3	City of Coeur d'Alene	5,965,000	Jun/94	Mar/11	100.00%	5,965,000
1	City of Fernan	68,072	Jul/79	Jul/09	100.00%	68,072
1	City of Harrison	67,794	Jan/77	Jan/17	100.00%	67,794
1	City of Hayden Lake	230,000	Nov/96	Nov/06	100.00%	230,000
4	City of Hayden	2,492,868	Sep/94	May/07	100.00%	2,492,868
9	City of Post Falls	3,668,172	May/89	Oct/13	100.00%	3,668,172
2	City of Rathdrum	873,162	Jan/90	Mar/31	100.00%	873,162
3	City of Spirit Lake	231,536	Jan/74	Aug/09	100.00%	231,536
1	Coeur d'Alene SD #271	11,750,000	Jul/92	Jul/13	100.00%	11,750,000
3	Lakeland SD #272	12,535,000	Aug/91	Aug/11	100.00%	12,535,000
2	Post Falls SD #273	19,360,000	Jan/98	Jul/18	100.00%	19,360,000
1	Kellogg Joint SD #391	5,840,000	Mar/98	Mar/18	20.01%	1,168,584
1	Kootenai Consolidated Library	910,000	Aug/91	Aug/06	97.19%	884,429
1	Kootenai County Fire & Rescue	1,670,000	Sep/00	Sep/10	100.00%	1,670,000
1	Northern Lakes Fire Protection District	46,000	Jul/96	Aug/06	100.00%	46,000
2	Bayview Water/Sewer District	354,077	Nov/92	Nov/22	100.00%	354,077
1	Cataldo Water District	34,191	May/81	May/11	9.74%	3,330
4	Hayden Lake Recreational Sewer District	655,000	Oct/82	Dec/14	100.00%	655,000
1	Kidd Island Bay Lots Sewer District	480,698	Apr/93	Apr/12	100.00%	480,698
1	Kootenai County Water District #1	25,088	Feb/91	Feb/11	100.00%	25,088
Overlapping Debt		67,256,658			92.97%	62,528,810
Total Overlapping & Underlying Debt		\$ 78,009,664			93.94%	\$ 73,281,816

Notes: All the above districts are individual taxing districts within Kootenai County.

* As of 9/30 balances owed on Administration Building, Solid Waste Bonds, Jail Expansion, and Post Falls Department of Motor Vehicles.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO COMPUTATION OF LEGAL DEBT MARGIN September 30, 2002

Assessed Valuations:

Assessed Value	\$ 6,028,988,746
Add Back Homestead Exemptions	<u>1,069,468,337</u>
Total Assessed Value	<u>\$ 7,098,457,083</u>

Legal Debt Margin

Debt Limitation*: 2% of assessed market value	\$ 141,969,142
Less: Debt applicable to limitation: Solid Waste Refunding Bonds, Series 1993	<u>845,000</u>
Legal Debt Margin	<u>\$ 141,124,142</u>

*Idaho Code: 31-1901;50-1019

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO SCHEDULE OF REVENUE BOND COVERAGE LAST TEN FISCAL YEARS (1)

Fiscal Year	Operating Revenue	Operating Expense	Depreciation & Amortization	Net Operating Expense	Net Revenue Available for Debt Service	Debt Service (2)	Coverage
2002	\$ 7,501,412	\$ 6,110,429	\$ 1,849,009	\$ 4,261,420	\$ 3,239,992	\$ 868,945	3.73
2001	7,376,060	5,451,444	1,256,461	4,194,983	3,181,077	864,708	3.68
2000	6,950,319	5,692,342	1,194,453	4,497,889	2,452,430	862,459	2.84
1999	6,982,504	5,735,734	956,484	4,779,250	2,203,254	867,033	2.54
1998	6,679,118	5,545,098	1,275,099	4,269,999	2,409,119	870,116	2.77
1997	6,256,997	5,319,373	1,241,814	4,077,559	2,179,438	862,760	2.53
1996	5,805,349	5,619,582	1,482,920	4,136,662	1,668,687	860,607	1.94
1995	5,464,818	4,222,973	1,020,950	3,202,023	2,262,795	862,969	2.62
1994	5,274,870	4,354,384	1,017,444	3,336,940	1,937,930	784,733	2.47
1993	4,615,197	3,727,606	1,099,214	2,628,392	1,986,805	498,639	3.98

Notes:

- (1) The County has only had debt service on the Solid Waste bonds since the 1992 fiscal year.
- (2) Includes principle and interest for Solid Waste bonded debt only.

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO BUILDING PERMITS AND CONSTRUCTION VALUES FOR THE LAST TEN YEARS

Year	New Residential Permits	Value	New Commercial/Industrial Permits	Value
2002	384	\$ 68,390,040	87	\$ 16,937,617
2001	314	54,604,525	39	20,118,138
2000	309	49,985,661	39	5,022,672
1999	361	52,305,316	25	1,859,695
1998	327	39,898,615	35	2,400,879
1997	312	40,048,752	73	4,044,109
1996	311	39,605,188	46	4,770,837
1995	341	41,700,402	59	3,860,268
1994	369	53,191,896	34	3,148,052
1993	396	52,830,092	49	3,653,331

Kootenai County Comprehensive Annual Financial Report - FY 2002

KOOTENAI COUNTY, IDAHO MISCELLANEOUS DEMOGRAPHIC DATA AND STATISTICS September 30, 2002

County Seat Coeur d'Alene

Form of Government Elected Commission

Area of County (Acres) 844,100

Land Use (Acres):

Urban Land	22,800
Agricultural	123,500
Forest Land	649,300
Water	38,300
Wetlands	10,200

Population:

2001	112,297
2000	108,685
1999	104,807
1995	91,678
1990 (Census Data)	69,795
1980 (Census Data)	59,770
1970 (Census Data)	35,332

Median Age:

2000	36.1
1995 - 1999	35.7
1990 - 1994	35.0
1980 - 1989	30.1
1970 - 1979	29.7

Income - Per Capita Personal Income:

1999	\$ 22,527
1998	\$ 22,038
1996	\$ 20,085
1992	\$ 17,110
1988	\$ 12,931

Educational Level of population over age 25:

Bachelor's Degree Plus:	2000	19.0%
	1990	16.0%
	1980	13.8%
High School Degree Plus:	2000	87.0%
	1990	81.1%
	1980	75.6%

Employment by Type:

	2000	1996 ^(a)	1992 ^(a)	1988 ^(a)	1984 ^(a)
Wage and Salary Employment	45,585	39,169	30,984	23,111	20,226
Farm Proprietors	592	509	528	566	628
Non-Farm Proprietors	13,945	12,402	9,405	7,667	5,570
Totals	60,122	52,080	40,917	31,344	26,424

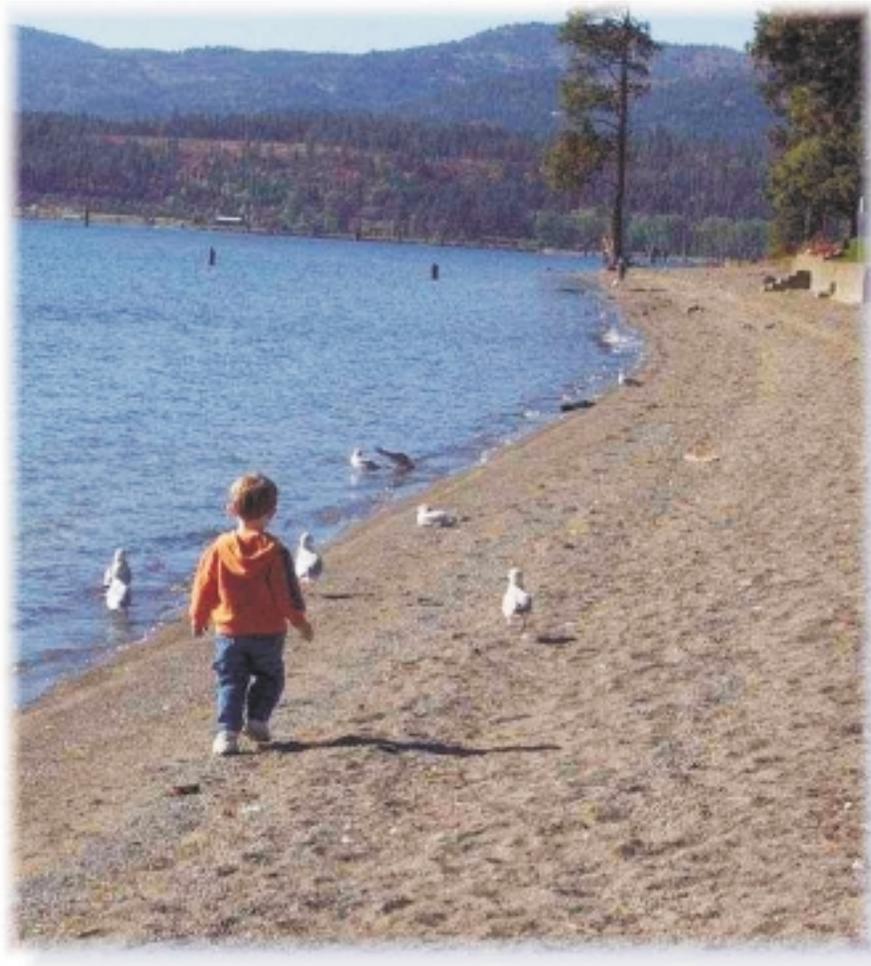
Source for Data (except as noted below):

Idaho Department of Commerce

a) U.S. Bureau of Economic Analysis



SINGLE AUDIT SECTION





AUDITORS' SECTION







LE MASTER &
DANIELS PLLC

SPOKANE
COLFAX
GRANDVIEW
MOESLAKE
OMAK
OTHELLO

QUINCY
TRI-CITIES
WALLA WALLA
WENATCHEE
YAKIMA

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

ACCOUNTING

AND

Board of County Commissioners
Kootenai County
Coeur d'Alene, Idaho

CONSULTING

SERVICES

We have audited the financial statements of Kootenai County, Idaho (the County) as of and for the year ended September 30, 2002, and have issued our report thereon dated December 24, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

MEMBER OF

McGLADREY

Compliance

NETWORK

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 grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

LeMaster & Daniels PLLC

Spokane, Washington
December 24, 2002





LE MASTER &
DANIELS PLLC

SPOKANE	QUINCY
COLFAX	TRI-CITIES
GRANDVIEW	WALLA WALLA
MOESLAKE	WENATCHEE
OMAK	YAKIMA
OTHELLO	

ACCOUNTING

AND

CONSULTING

SERVICES

MEMBER OF

McGLADREY

NETWORK

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133

Board of County Commissioners
Kootenai County
Coeur d'Alene, Idaho

Compliance

We have audited the compliance of Kootenai County (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended September 30, 2002. The County's major federal program is identified in the summary of auditors' results section of the accompanying schedule of audit findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 2002.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

A handwritten signature in cursive script that reads "LeMaster & Daniels PLLC".

Spokane, Washington
December 24, 2002

Kootenai County, Idaho

**SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2002**

Section 1 – Summary of Auditors’ Results

FINANCIAL STATEMENTS:

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
● Material weakness(es) identified?	_____ Yes <u> X </u> No
● Reportable condition(s) identified that are not considered to be material weakness(es)	_____ Yes <u> X </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u> X </u> No

Federal Awards

Internal control over major programs:	
● Material weakness(es) identified?	_____ Yes <u> X </u> No
● Reportable condition(s) identified that are not considered to be material weakness(es)	_____ Yes <u> X </u> None reported

Type of auditors’ report issued on compliance for major programs:	Unqualified
---	-------------

Any audit findings disclosed that are required to be reported in compliance with section 510(a) of Circular A-133?	_____ Yes <u> X </u> No
--	---------------------------

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs	\$300,000
---	-----------

Auditee qualified as low-risk auditee?	_____ Yes <u> X </u> No
--	---------------------------

Kootenai County, Idaho

**SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2002**

Section II – Financial Statement Findings

There were no current year audit findings.

Kootenai County, Idaho

**SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2002**

Section III – Federal Award Findings and Questioned Costs

No matters were reported.



AUDITEES' SECTION



Kootenai County Comprehensive Annual Financial Report - FY 2002

**Kootenai County
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of September 30, 2002**

Federal Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Identifying Number	Award amount	2001-2002 expenditures
U. S. DEPARTMENT of AGRICULTURE				
Passed through Idaho State Superintendent of Public Instruction:				
School Breakfast - Lunch Program	10.553	RC-28-03	variable	\$ 46,948.31
				<u>46,948.31</u>
U. S. DEPARTMENT of INTERIOR				
Passed through Idaho Bureau of Land Management				
Wildland Urban Interface Community & Rural Fire Assistance	15.228	DAA010411	160,000.00	53,829.49
Passed through Idaho State Parks & Recreation				
Land & Water conservation Fund Grant	15.916	41-03-BG-1 / 41-01-28-02 / 41-02-CV-02,03,04 41-00-28-F / 41-02-28-03	276,015.00	87,132.64
Passed through Idaho State Historical Society				
CLG Project Historical Preservation	15.915		6,625.06	6,625.06
				<u>147,587.19</u>
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Community Policing and Public Safety Grants (LLEBG) Local Law Enforcement Block Grants	16.710,16.592	SEE NOTES	195,079.50	30,596.67
Bullet proof vests	16.592	SEE NOTES	25,316.00	25,316.00
	16.607		2,681.84	2,638.16
Passed through Idaho Department of Juvenile Corrections:				
STOP Violence Against Women	16.588	01-STOP-11-PR-1	78,898.00	60,872.31
Victim Impact	16.540	01-VM11-01	18,603.00	4,901.83
JAIBG	16.523	00-JA11-04 / 01-JA11-04	610,509.00	293,859.33
JP Functional Family Therapy Grant	16.540	00-FF11-01	195,000.00	194,851.00
Passed through Idaho Department of Health and Welfare:				
Domestic Violence Grant	16.576	KC159400	10,000.00	2,287.38
Juvenile Drug Court	16.585	2002-LB-BX-0048	498,500.00	14,131.00
				<u>629,453.68</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Airport Improvement Program	20.106	Major Program	various	2,225,571.89
Passed through State Department of Parks and Recreation:				
Boating Safety Financial Assistance	20.005	42-02-28-02	61,167.00	61,167.00
				<u>2,286,738.89</u>
U.S. FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed through State of Idaho Military Division:				
Hazard Mitigation Grant	83.548	EMS-2002-GR-3091	31,952.53	31,952.53
Flood Mitigation Assistance	83.536	HMPG 1177-042 / 96-1-37-IM	1,412,450.00	186,381.51
				<u>218,334.04</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 3,329,062.11

Kootenai County, Idaho

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2002**

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Kootenai County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Not all of the state pass-through identifying numbers have been made available.

Kootenai County, Idaho

**CORRECTIVE ACTION PLAN
For the Year Ended September 30, 2002**

Contact Person Responsible for Corrective Action:

David McDowell, Finance Director
451 Government Way
P.O. Box 9000
Coeur d'Alene, ID 83816-9000

Corrective Action Planned:

No matters were reported.

Kootenai County, Idaho

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 2002**

Findings from the Year Ended September 30, 2001

No matters were reported.

Kootenai County, Idaho

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 2002**

**Findings from Prior Audit's Summary Schedule of Prior Audit Findings from the Year
Ended September 30, 2000, and Prior**

All matters have been resolved.