

**AUDIT REPORT
OF
JEFFERSON COUNTY**

JULY 1, 2014 THROUGH JUNE 30, 2015

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Issued on October 20, 2015

JEFFERSON COUNTY

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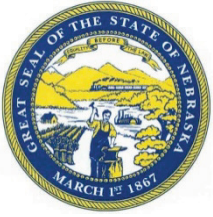
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JEFFERSON COUNTY

LIST OF COUNTY OFFICIALS

At June 30, 2015

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Michael Dux	Board of Commissioners	Jan. 2019
Arthur Craig Jr.		Jan. 2019
Bradley Grummert		Jan. 2017
Mary Banahan	Assessor	Jan. 2019
Jeffrey Goltz	Attorney	Jan. 2019
M. Cynthia Newman	Clerk Election Commissioner Register of Deeds	Jan. 2019
Shawna Taylor	Clerk of the District Court	Jan. 2019
Nels Sorensen	Sheriff	Jan. 2019
Leroy Bast	Treasurer	Jan. 2019
Kenneth Dodge	Veterans' Service Officer	Appointed
John McKee	Weed Superintendent Planning/Zoning Emergency Manager	Appointed
William Hansel	Highway Superintendent	Appointed



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JEFFERSON COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Jefferson County, Nebraska

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and aggregate remaining fund information of Jefferson County as of June 30, 2015, and the respective changes in cash-basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

Emphasis of Matters – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole, which collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 21-41 herein, are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2015, on our consideration of Jefferson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and considering Jefferson County's internal control over financial reporting and compliance.

October 8, 2015



Deann Haeffner, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

JEFFERSON COUNTY
STATEMENT OF NET POSITION - CASH BASIS

June 30, 2015

		Governmental Activities
<hr/>		
ASSETS		
Cash and Cash Equivalents (Note 1.D)	\$	6,712,126
Investments (Note 1.D)		3,471
TOTAL ASSETS		<u><u>6,715,597</u></u>
NET POSITION		
Restricted for:		
Visitor Promotion	\$	24,602
911 Emergency Services		136,652
Drug Education		39
Public Safety		13,460
Preservation of Records		7,889
Debt Service		105,986
Bridge/Road Projects		147,757
Community Development		145,006
Unrestricted		6,134,206
TOTAL NET POSITION		<u><u>6,715,597</u></u>

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

JEFFERSON COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS

For the Year Ended June 30, 2015

Functions:	Cash	Program Cash Receipts		Net (Disbursement)
Governmental Activities:	Disbursements	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Receipts and Changes in Net Position
General Government	\$ (2,284,760)	\$ 296,698	\$ 54,201	\$ (1,933,861)
Public Safety	(2,490,837)	366,581	67,596	(2,056,660)
Public Works	(3,528,790)	57,068	1,549,442	(1,922,280)
Health and Sanitation	(26,647)	-	-	(26,647)
Public Assistance	(106,888)	-	-	(106,888)
Culture and Recreation	(126,107)	-	-	(126,107)
Debt Payments	(454,407)	-	-	(454,407)
Total Governmental Activities	\$ (9,018,436)	\$ 720,347	\$ 1,671,239	(6,626,850)
General Receipts:				
				5,548,598
				545,700
				46,117
				34,853
				173,626
				6,348,894
				(277,956)
				6,993,553
				\$ 6,715,597

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

JEFFERSON COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
June 30, 2015

	<u>General Fund</u>	<u>Road Fund</u>	<u>Inheritance Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents (Note 1.D)	\$ 1,046,927	\$ 504,305	\$ 3,318,797	\$ 1,842,097	\$ 6,712,126
Investments (Note 1.D)	-	-	3,471	-	3,471
TOTAL ASSETS	<u>\$ 1,046,927</u>	<u>\$ 504,305</u>	<u>\$ 3,322,268</u>	<u>\$ 1,842,097</u>	<u>\$ 6,715,597</u>
FUND BALANCES					
Restricted for:					
Visitor Promotion	-	-	-	24,602	24,602
911 Emergency Services	-	-	-	136,652	136,652
Drug Education	-	-	-	39	39
Public Safety	-	-	-	13,460	13,460
Preservation of Records	-	-	-	7,889	7,889
Debt Service	-	-	-	105,986	105,986
Bridge/Road Projects	-	-	-	147,757	147,757
Community Development	-	-	-	145,006	145,006
Committed to:					
Public Safety	-	-	-	621,881	621,881
Road Maintenance	-	504,305	-	258,906	763,211
County Buildings	-	-	-	324,856	324,856
Equipment	-	-	-	38,171	38,171
Culture & Recreations	-	-	-	16,892	16,892
Assigned to:					
Other Purposes	-	-	3,322,268	-	3,322,268
Unassigned	1,046,927	-	-	-	1,046,927
TOTAL CASH BASIS FUND BALANCES	<u>\$ 1,046,927</u>	<u>\$ 504,305</u>	<u>\$ 3,322,268</u>	<u>\$ 1,842,097</u>	<u>\$ 6,715,597</u>

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

JEFFERSON COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS					
Property Taxes	\$ 4,725,334	\$ -	\$ 357,344	\$ 465,920	\$ 5,548,598
Licenses and Permits	30,153	4,700	-	-	34,853
Interest	46,117	-	-	-	46,117
Intergovernmental	422,926	1,272,885	-	521,128	2,216,939
Charges for Services	371,568	2,542	-	346,237	720,347
Miscellaneous	53,763	38,949	6,635	74,279	173,626
TOTAL RECEIPTS	<u>5,649,861</u>	<u>1,319,076</u>	<u>363,979</u>	<u>1,407,564</u>	<u>8,740,480</u>
DISBURSEMENTS					
General Government	1,867,947	-	294,403	122,410	2,284,760
Public Safety	1,173,656	-	-	1,317,181	2,490,837
Public Works	97,285	2,730,890	-	700,615	3,528,790
Health and Sanitation	26,647	-	-	-	26,647
Public Assistance	104,900	-	-	1,988	106,888
Culture and Recreation	-	-	-	126,107	126,107
Debt Service:					
Principal Payments	-	-	-	250,000	250,000
Interest and Fiscal Charges	-	-	-	204,407	204,407
TOTAL DISBURSEMENTS	<u>3,270,435</u>	<u>2,730,890</u>	<u>294,403</u>	<u>2,722,708</u>	<u>9,018,436</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>2,379,426</u>	<u>(1,411,814)</u>	<u>69,576</u>	<u>(1,315,144)</u>	<u>(277,956)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	524,417	1,894,748	25,000	1,428,489	3,872,654
Transfers out	(2,432,993)	(616,485)	(542,000)	(281,176)	(3,872,654)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,908,576)</u>	<u>1,278,263</u>	<u>(517,000)</u>	<u>1,147,313</u>	<u>-</u>
Net Change in Fund Balances	470,850	(133,551)	(447,424)	(167,831)	(277,956)
CASH BASIS FUND BALANCES - BEGINNING					
	<u>576,077</u>	<u>637,856</u>	<u>3,769,692</u>	<u>2,009,928</u>	<u>6,993,553</u>
CASH BASIS FUND BALANCES - ENDING					
	<u>\$ 1,046,927</u>	<u>\$ 504,305</u>	<u>\$ 3,322,268</u>	<u>\$ 1,842,097</u>	<u>\$ 6,715,597</u>

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

JEFFERSON COUNTY
**STATEMENT OF FIDUCIARY ASSETS AND
LIABILITIES - CASH BASIS**
FIDUCIARY FUNDS
June 30, 2015

	Agency Funds
ASSETS	
Cash and Cash Equivalents	\$ 345,878
 LIABILITIES	
Due to other governments	
State	156,596
Schools	126,410
Educational Service Units	1,898
Technical College	6,947
Natural Resource Districts	3,060
Fire Districts	5,592
Municipalities	34,429
Historical Society	345
Others	10,601
TOTAL LIABILITIES	345,878
 TOTAL NET ASSETS	 \$ -

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

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2015

1. **Summary of Significant Accounting Policies**

The following is a summary of the significant accounting policies utilized in the accounting system of Jefferson County.

A. Reporting Entity

Jefferson County, Nebraska, (County) is a governmental entity established under and governed by the laws of the State of Nebraska (State). The County is managed by county officials who are elected on a political ballot for four-year terms. As a political subdivision of the State, the County is exempt from State and Federal income taxes. The financial statements include all funds of the County that are not legally separate. The County has also considered all potential component units for which it is financially accountable, as well as other organizations that are either fiscally dependent on the County or maintain a significant relationship with the County, such that exclusion would be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the County to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.

As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the County (the primary government). No component units were identified.

Joint Organization.

Behavioral Health Region V – The County has entered into an agreement with surrounding counties and the Nebraska Department of Health and Human Services to provide services to carry out the provisions of the Nebraska Behavioral Health Services Act (Act). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under the Act. Region V (Region) consists of the following counties: Polk, Butler, Saunders, Seward, Lancaster, Otoe, Fillmore, Saline, Thayer, Jefferson, Gage, Johnson, Nemaha, Pawnee, York, and Richardson.

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$27,169 toward the operation of the Region during fiscal year 2015. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

Health Department – The County has entered into an agreement with Public Health Solutions (Department) to provide public health services. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636 (Reissue 2009, Cum. Supp. 2014).

The Department’s governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2015. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Reissue 2014). Financial information for the Department is available in that report.

B. Basis of Presentation

Government-Wide Financial Statements. The Statement of Net Position - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County and are in the format of government-wide statements, as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities. Internal activities in these statements were considered immaterial and have not been eliminated. Governmental Generally Accepted Accounting Principles (GAAP) requires internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities are generally financed through taxes, intergovernmental receipts, and other nonexchange transactions.

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

Fund Financial Statements. The fund financial statements provide information about the County’s funds, including its fiduciary funds. GAAP requires separate statements by fund category – governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The County Board is the highest level of decision-making authority and has the authority, by resolution, to establish, modify, or

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (Continued)

rescind the commitment or assignment of a fund balance to a specific purpose. When resources for a specific purpose are available in more than one fund balance classification, the County's policy is to use resources in the following order: restricted, committed, assigned, and unassigned. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

Road Fund. This fund is used to account for costs associated with the repair and maintenance of roads and bridges and is primarily funded by State tax receipts.

Inheritance Fund. This fund is used to account for the receipts generated from inheritance taxes and is used for various projects.

The County reports the following additional non-major governmental fund types:

Special Revenue Funds. These funds account for the proceeds from a specific receipt source that is restricted to disbursements for a specified purpose.

Agency Funds. These funds account for assets held by the County as an agent for various local governments.

Debt Service Fund. The Law Enforcement Building Bond Fund and the Highway Bond Fund account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

The County designates fund balances as:

Restricted. The fund balance is restricted by external impositions, such as creditors, grantors, or laws or regulations of other governments.

Committed. The fund balance has been designated by the County Board for a specific purpose.

Assigned. The fund balance has not been designated by the County Board for a specific purpose, but it has been separated based on the type of revenue.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

Unassigned. This portion of the General Fund is not restricted, committed, or assigned for a specific purpose.

C. Measurement Focus, Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis. Receipts are recognized when received, and disbursements are recognized when warrants are paid. This differs from governmental GAAP, which requires the government-wide and fiduciary fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus and basis of accounting, receipts are recorded when earned, and disbursements are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements were also reported on the cash receipt and disbursement basis of accounting. As such, the same measurement focus and basis of accounting were used, as described above. This differs from governmental GAAP, which requires governmental fund financial statements to be reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this measurement focus and basis of accounting, receipts are recognized as soon as they are both measurable and available. Receipts are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Disbursements are generally recorded when a liability is incurred, as under accrual accounting. However, disbursements related to compensated absences and claims and judgments are recorded only when payment is due.

D. Assets and Net Position

Cash and Cash Equivalents. The County's cash and cash equivalents are considered to be cash on hand and demand deposits.

Investments. The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. §§ 77-2315, 77-2340, and 77-2341 (Reissue 2009) and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities, which are authorized by the Nebraska Investment Council.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. **Summary of Significant Accounting Policies** (Continued)

Capital Assets. Under the cash receipts and disbursements basis of accounting, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as disbursements in governmental funds. GAAP requires capital assets, which would include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), to be reported in the applicable governmental activities columns in the government-wide financial statements.

Depreciation expenses on capital assets were not recorded on the cash basis financial statements. Under GAAP, depreciation expenses would be recorded in the Statement of Activities. The cost of normal maintenance and repairs that does not add to the value of the asset or extend asset life is not capitalized.

Compensated Absences. Vested or accumulated vacation leave that is liquidated with expendable available financial resources is reported as a disbursement of the County funds as paid. Upon termination, employees are paid for any unused vacation. Under the receipts and disbursements basis of accounting, the liabilities for compensated absences are not reported since they do not represent liabilities arising from cash transactions. Under GAAP, the compensated absences liability would be reported in the government-wide financial statements and would be recorded in accordance with the County's policy, which is to recognize the expense and accrued liability when vacation and compensatory leave is earned.

Restricted Net Position. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net position is reported as restricted when constraints placed on its use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$581,391 of restricted net position, of which \$316,939 is restricted by enabling legislation.

Budgetary Process. The County adopts an annual budget in accordance with the statutory requirements of the Nebraska Budget Act. The budget is prepared on the cash receipts and disbursements basis of accounting. The budget contains only those receipts actually received by the County Treasurer. The County does not utilize an encumbrance accounting system. All appropriated spending authority lapses at the end of the fiscal year.

On or before August 1, the County budget-making authority prepares and transmits a budget for each County fund to the County Board. The budget includes the requirements, the outstanding warrants, the operating reserves to be maintained, the cash on hand at the close of the preceding fiscal year, the receipts from sources other than taxation, and the

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. **Summary of Significant Accounting Policies** (Concluded)

amount to be raised by taxation. The County Board must hold at least one public hearing on the proposed budget. On or before September 20, the County Board adopts the budget and appropriates the amounts specified in the budget for the departments, offices, activities, and funds of the County.

The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, if revisions are made that alter the total disbursements of any fund, an additional public hearing must be held. The legal level of budgetary control for the General Fund is at the function level, and the special revenue fund types are at the fund level. The County Board is also authorized to budget for the transfer of money between County funds.

Excess of Disbursements Over Appropriations. For the year ended June 30, 2015, disbursements exceeded budgeted appropriations in the Noxious Weed Control, Institutional, Veterans' Aid, and Medical Relief functions of the General Fund by \$58,849, \$684, \$8,155, and \$5,535, respectively. These over-expenditures were funded by the respective balances when the funds were closed and money transferred to the General Fund.

2. **Deposits and Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. § 77-2315 (Reissue 2009).

At year end, the County's carrying amount of deposits was \$6,712,126 for County funds and \$345,878 for Fiduciary funds. The bank balances for all funds totaled 6,934,990. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2015, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County's carrying value of investments is stated at cost, which approximates market. Investments consisted of \$3,471 deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a seven-member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income that has accrued to each participant is converted as of the close of business of each calendar month into additional units, which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Property Taxes**

Property taxes are levied by the County Board on or before October 15 of each year for all political subdivisions in the County. Real estate and personal property taxes are due and attach as an enforceable lien on January 1 following the levy date, and they become delinquent in two equal installments on May 1 and September 1. Motor vehicle taxes are due when application is made for registration of a motor vehicle.

Counties are permitted by the State Constitution to levy a tax of up to \$.50/\$100 of assessed valuation for general governmental services other than the payment of principal and interest on bonded debt. Counties may levy taxes in addition to the 50-cent limitation upon a vote of the people.

The levy set in October 2014, for the 2014 taxes, which will be materially collected in May and September 2015, was set at \$.283497/\$100 of assessed valuation. The levy set in October 2013, for the 2013 taxes, which were materially collected in May and September 2014, was set at \$.310134/\$100 of assessed valuation. The amount collected for the motor vehicle tax is outlined in State statute.

Additionally, there is currently a statutory lid limitation, which limits taxation to the prior year's level, with provisions for growth. The lid may be increased by 1% upon the approval of a three-fourths majority of the County Board.

4. **Retirement System**

The Retirement System for Nebraska Counties (the Plan) is a multiple-employer plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2334 (Reissue 2012, Cum. Supp. 2014) and may be amended through legislative action.

Participation in the Plan is required of all full-time employees. Part-time (working less than one-half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 18. Part-time elected officials may exercise the option to join.

County employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by § 23-2307 and § 23-2308 and may be amended through legislative action. The employee's and employer's contributions are kept in separate accounts. The employee's account is fully vested. The employer's

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

account is fully vested after three years of participation in the system or credit for participation in another governmental plan prior to actual contribution to the Plan. Nonvested County contributions are forfeited upon termination. Forfeitures are used to cover a portion of the pension plan's administrative expenses. Prior service benefits are paid directly by the County to the retired employee.

A supplemental retirement plan was established on January 1, 2003, for the benefit of all present and future commissioned law enforcement personnel employed by the County. Employees contribute 1% of their salary, and the County contributes an amount equal to 100% of the employee's contribution. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings.

For the year ended June 30, 2015, 100 employees contributed \$134,241, and the County contributed \$198,335. Contributions included \$4,705 in cash contributions towards the supplemental law enforcement plan for 16 law enforcement employees. Lastly, the County paid \$144 directly to one retired employee for prior service benefits.

5. **Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 80 counties throughout Nebraska.

The County pays an annual deposit premium, as calculated by the administrator of the pool. The premium is based on the losses and exposures of each County and the entire pool. If the pool becomes insolvent or otherwise unable to discharge its legal liabilities and obligations, the County may be assessed by the Board for an additional contribution equal to its contribution for the current fiscal year, divided by the contribution of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, is sent to each county in writing, and each county has 60 days in which to pay the amount of such assessment. Each county remains liable for such assessments, regardless of such county's withdrawal from participation or the termination of the agreement, as well as for liabilities of the Pool incurred during such county's period of membership.

The agreement with NIRMA requires the risk pool to provide coverage for up to a maximum amount per occurrence and purchase commercial insurance for claims in excess of coverage provided. In the event of a liability exceeding the commercial insurance, the County would be responsible for funding the excess amount.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

5. **Risk Management** (Concluded)

	NIRMA Coverage	Maximum Coverage
General Liability Claim	\$ 300,000	\$ 5,000,000
Workers' Compensation Claim	\$ 550,000	Statutory Limits
Property Damage Claim	\$ 250,000	Insured Value at Replacement Cost

The County has not paid any additional assessments to the pool in the last three fiscal years, and no assessments are anticipated for fiscal year 2016. The County has not had to pay out any amounts that exceeded coverage provided by the pool in the last three fiscal years.

6. **Interfund Transfers**

Interfund transfers for the year ended June 30, 2015, consisted of the following:

Transfers to	Transfers from				Total
	General Fund	Inheritance Fund	Road Fund	Nonmajor Funds	
Road Fund	\$ 1,744,748	\$ 150,000	\$ -	\$ -	\$ 1,894,748
Inheritance Fund	25,000	-	-	-	25,000
General Fund	-	392,000	-	132,417	524,417
Nonmajor Funds	663,245	-	616,485	148,759	1,428,489
Total	<u>\$ 2,432,993</u>	<u>\$ 542,000</u>	<u>\$ 616,485</u>	<u>\$ 281,176</u>	<u>\$ 3,872,654</u>

Transfers are used to move unrestricted receipts collected in the General Fund and Inheritance Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In the year ended June 30, 2015, the County made one-time transfers to close the following funds:

- Employment Security Fund, Medical Relief Fund, Institutional Fund, Veteran Aid Fund, and Noxious Weed Fund, totaling \$132,417, to the General Fund.
- \$428 from the Crime Against Children Fund to the Attorney Grant Fund.
- \$5,037 from the Law Enforcement Grant Fund to the Sheriff Grant Fund.
- \$23,828 from the City/County Building Fund to the County Building Fund

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. **Capital Leases Payable**

Changes to the commitments under a lease agreement for equipment and amounts to provide for annual rental payments are as follows:

	Ambulance	Motor Graders	Dell Computers	John Deere Motor Graders	Ambulance Defibrillators	Total
Balance July 1, 2014	\$ 19,234	\$ 173,859	\$ 8,541	\$ 507,413	\$ 18,866	\$ 727,913
Purchases	-	-	-	-	-	-
Payments	19,234	129,751	8,541	128,644	6,041	292,211
Balance June 30, 2015	<u>\$ -</u>	<u>\$ 44,108</u>	<u>\$ -</u>	<u>\$ 378,769</u>	<u>\$ 12,825</u>	<u>\$ 435,702</u>
Future Payments:						
Year						
2016	\$ -	\$ 44,379	\$ -	\$ 137,618	\$ 6,737	\$ 188,734
2017	-	-	-	137,618	6,737	144,355
2018	-	-	-	114,682	-	114,682
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-
2021-2025	-	-	-	-	-	-
Total Payments	-	44,379	-	389,918	13,474	447,771
Less Interest	-	271	-	11,149	649	12,069
Present Value of Future Minimum Lease Payments	<u>\$ -</u>	<u>\$ 44,108</u>	<u>\$ -</u>	<u>\$ 378,769</u>	<u>\$ 12,825</u>	<u>\$ 435,702</u>
Carrying Value of the Related Fixed Asset	<u>\$ 93,238</u>	<u>\$ 787,204</u>	<u>\$ 24,757</u>	<u>\$ 528,605</u>	<u>\$ 21,800</u>	<u>\$ 1,455,604</u>

8. **Long-Term Debt**

Limited Tax Refunding Bond Fund

The County issued bonds on June 5, 2015, in the amount of \$815,000 for the purpose of paying the costs of refinancing Tax Obligation Bond Series 2010. Principal payments are due December 15 annually with final maturity on December 15, 2025. Interest is payable semi-annually on June 15 and December 15 with rates ranging from 0.50% to 2.55%. The bond payable balance, as of June 30, 2015, was \$815,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS
(Concluded)

8. **Long-Term Debt** (Concluded)

Future Payments:

Year	Principal	Interest	Total
2016	\$ 75,000	\$ 13,235	\$ 88,235
2017	75,000	12,497	87,497
2018	65,000	11,953	76,953
2019	70,000	11,210	81,210
2020	70,000	10,300	80,300
2021-2025	380,000	31,615	411,615
2026	80,000	1,020	81,020
Total Payments	<u>\$ 815,000</u>	<u>\$ 91,830</u>	<u>\$ 906,830</u>

Highway Allocation Bond Fund

The County issued bonds on April 26, 2011, in the amount of \$4,875,000 to cover the cost of road improvements in the County. Principal payments are paid annually on May 1 with final maturity on May 1, 2031. Interest rates vary from 1% to 5.05%. The bond payable balance, as of June 30, 2015, was \$4,130,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

Year	Principal	Interest	Total
2016	\$ 195,000	\$ 172,095	\$ 367,095
2017	200,000	167,317	367,317
2018	205,000	162,018	367,018
2019	210,000	155,765	365,765
2020	220,000	148,730	368,730
2021-2025	1,225,000	612,877	1,837,877
2026-2030	1,525,000	318,538	1,843,538
2031	350,000	1,020	367,675
Total Payments	<u>\$ 4,130,000</u>	<u>\$ 1,755,015</u>	<u>\$ 5,885,015</u>

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 5,019,558	\$ 5,019,558	\$ 4,725,334	\$ (294,224)
Licenses and Permits	32,130	32,130	30,153	(1,977)
Interest	42,100	42,100	46,117	4,017
Intergovernmental	147,656	147,656	422,926	275,270
Charges for Services	263,250	263,250	371,568	108,318
Miscellaneous	1,150	1,150	53,763	52,613
TOTAL RECEIPTS	<u>5,505,844</u>	<u>5,505,844</u>	<u>5,649,861</u>	<u>144,017</u>
DISBURSEMENTS				
General Government:				
County Board	74,590	74,590	73,120	1,470
County Clerk	137,820	137,820	126,165	11,655
County Treasurer	148,503	148,503	141,222	7,281
Register of Deeds	41,995	41,995	36,072	5,923
County Assessor	155,394	155,394	152,429	2,965
Election Commissioner	26,500	26,500	24,054	2,446
Building and Zoning	46,031	46,031	36,324	9,707
Clerk of the District Court	105,392	108,852	108,852	-
County Court System	11,180	11,180	6,655	4,525
Building and Grounds	110,132	110,132	98,430	11,702
Agricultural Extension Agent	56,351	56,351	45,916	10,435
Miscellaneous	1,264,881	1,229,785	1,018,708	211,077
Public Safety				
County Sheriff	615,528	643,728	564,119	79,609
County Attorney	164,056	164,056	130,565	33,491
Child Support Enforcement	26,750	26,750	26,049	701
County Jail	566,607	566,607	258,870	307,737
Civil Defense	119,927	119,927	101,837	18,090
Miscellaneous	82,509	82,509	92,216	(9,707)
Public Works				
County Surveyor	35,000	38,436	38,436	-
Noxious Weed Control	-	-	58,849	(58,849)
Public Health				
Institutional	-	-	684	(684)
Miscellaneous	29,169	29,169	25,963	3,206
Public Assistance				
Veterans' Service Officer	59,889	59,889	55,480	4,409
Veterans' Aid	-	-	8,155	(8,155)
Medical Relief	-	-	5,535	(5,535)
Miscellaneous	37,986	37,986	35,730	2,256
TOTAL DISBURSEMENTS	<u>3,916,190</u>	<u>3,916,190</u>	<u>3,270,435</u>	<u>645,755</u>

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,589,654	1,589,654	2,379,426	789,772
OTHER FINANCING SOURCES (USES)				
Transfers in	692,000	692,000	524,417	(167,583)
Transfers out	(2,376,604)	(2,376,604)	(2,432,993)	(56,389)
TOTAL OTHER FINANCING SOURCES (USES)	(1,684,604)	(1,684,604)	(1,908,576)	(223,972)
Net Change in Fund Balance	(94,950)	(94,950)	470,850	565,800
FUND BALANCE - BEGINNING	576,077	576,077	576,077	-
FUND BALANCE - ENDING	<u>\$ 481,127</u>	<u>\$ 481,127</u>	<u>\$ 1,046,927</u>	<u>\$ 565,800</u>

(Concluded)

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Licenses and Permits	5,500	5,500	4,700	(800)
Intergovernmental	1,244,725	1,244,725	1,272,885	28,160
Charges for Services	1,620	1,620	2,542	922
Miscellaneous	60,000	60,000	38,949	(21,051)
TOTAL RECEIPTS	1,311,845	1,311,845	1,319,076	7,231
DISBURSEMENTS	3,314,289	3,314,289	2,730,890	583,399
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(2,002,444)	(2,002,444)	(1,411,814)	590,630
OTHER FINANCING SOURCES (USES)				
Transfers in	2,100,787	2,100,787	1,894,748	(206,039)
Transfers out	(369,525)	(369,525)	(616,485)	(246,960)
TOTAL OTHER FINANCING SOURCES (USES)	1,731,262	1,731,262	1,278,263	(452,999)
Net Change in Fund Balance	(271,182)	(271,182)	(133,551)	137,631
FUND BALANCE - BEGINNING	637,856	637,856	637,856	-
FUND BALANCE - ENDING	\$ 366,674	\$ 366,674	\$ 504,305	\$ 137,631
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 100,000	\$ 100,000	\$ 357,344	\$ 257,344
Miscellaneous	-	-	6,635	6,635
TOTAL RECEIPTS	100,000	100,000	363,979	263,979
DISBURSEMENTS	3,074,692	3,074,692	294,403	2,780,289
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(2,974,692)	(2,974,692)	69,576	3,044,268
OTHER FINANCING SOURCES (USES)				
Transfers in	47,000	47,000	25,000	(22,000)
Transfers out	(842,000)	(842,000)	(542,000)	300,000
TOTAL OTHER FINANCING SOURCES (USES)	(795,000)	(795,000)	(517,000)	278,000
Net Change in Fund Balance	(3,769,692)	(3,769,692)	(447,424)	3,322,268
FUND BALANCE - BEGINNING	3,769,692	3,769,692	3,769,692	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 3,322,268	\$ 3,322,268

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HIGHWAY STREET BUYBACK PROGRAM				
FUND				
Receipts	\$ 99,017	\$ 99,017	\$ 99,016	\$ (1)
Disbursements	(199,295)	(199,295)	(100,000)	99,295
Net Change in Fund Balance	(100,278)	(100,278)	(984)	99,294
Fund Balance - Beginning	100,278	100,278	100,278	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,294</u>	<u>\$ 99,294</u>
HIGHWAY BRIDGE BUYBACK PROGRAM				
FUND				
Receipts	\$ 143,904	\$ 143,904	\$ 144,723	\$ 819
Disbursements	(255,001)	(255,001)	(207,357)	47,644
Net Change in Fund Balance	(111,097)	(111,097)	(62,634)	48,463
Fund Balance - Beginning	111,097	111,097	111,097	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,463</u>	<u>\$ 48,463</u>
ROAD BRIDGE ESCROW FUND				
Receipts	\$ 20,000	\$ 20,000	\$ 32,849	\$ 12,849
Disbursements	(368,829)	(368,829)	(372,772)	(3,943)
Transfers in	300,000	300,000	250,000	(50,000)
Transfers out	(300,000)	(300,000)	-	300,000
Net Change in Fund Balance	(348,829)	(348,829)	(89,923)	258,906
Fund Balance - Beginning	348,829	348,829	348,829	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 258,906</u>	<u>\$ 258,906</u>
EQUIPMENT RESERVE FUND				
Receipts	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Disbursements	(12,903)	(12,903)	(1,117)	11,786
Net Change in Fund Balance	(2,903)	(2,903)	(1,117)	1,786
Fund Balance - Beginning	2,903	2,903	2,903	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,786</u>	<u>\$ 1,786</u>
COMMUNICATION EQUIPMENT FUND				
Receipts	\$ -	\$ -	\$ 6	\$ 6
Disbursements	(19,598)	(19,598)	(13,355)	6,243
Transfers in	17,000	17,000	18,500	1,500
Transfers out	-	-	-	-
Net Change in Fund Balance	(2,598)	(2,598)	5,151	7,749
Fund Balance - Beginning	2,598	2,598	2,598	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,749</u>	<u>\$ 7,749</u>

(Continued)

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COMPUTER IT FUND				
Receipts	\$ 32,000	\$ 32,000	\$ -	\$ (32,000)
Disbursements	(80,650)	(80,650)	(70,795)	9,855
Transfers in	48,165	48,165	72,165	24,000
Transfers out	-	-	-	-
Net Change in Fund Balance	(485)	(485)	1,370	1,855
Fund Balance - Beginning	485	485	485	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,855</u>	<u>\$ 1,855</u>
EQUIPMENT VEHICLE FUND				
Receipts	\$ -	\$ -	\$ 2	\$ 2
Disbursements	(55,091)	(55,091)	(37,873)	17,218
Transfers in	40,000	40,000	40,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(15,091)	(15,091)	2,129	17,220
Fund Balance - Beginning	15,091	15,091	15,091	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,220</u>	<u>\$ 17,220</u>
FAIR FUND				
Receipts	\$ 10,835	\$ 10,835	\$ 9,025	\$ (1,810)
Disbursements	(109,400)	(109,400)	(95,300)	14,100
Transfers in	185,355	185,355	116,355	(69,000)
Transfers out	(94,000)	(94,000)	(35,002)	58,998
Net Change in Fund Balance	(7,210)	(7,210)	(4,922)	2,288
Fund Balance - Beginning	21,814	21,814	21,814	-
Fund Balance - Ending	<u>\$ 14,604</u>	<u>\$ 14,604</u>	<u>\$ 16,892</u>	<u>\$ 2,288</u>
PRESERVATION/ MODERNIZATION FUND				
Receipts	\$ 4,000	\$ 4,000	\$ 4,760	\$ 760
Disbursements	(10,407)	(10,407)	(3,278)	7,129
Net Change in Fund Balance	(6,407)	(6,407)	1,482	7,889
Fund Balance - Beginning	6,407	6,407	6,407	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,889</u>	<u>\$ 7,889</u>
EMPLOYMENT SECURITY FUND				
Receipts	\$ -	\$ -	\$ 2	\$ 2
Disbursements	(28,000)	(28,000)	(1,837)	26,163
Transfers in	1,524	1,524	-	(1,524)
Transfers out	-	-	(24,641)	(24,641)
Net Change in Fund Balance	(26,476)	(26,476)	(26,476)	-
Fund Balance - Beginning	26,476	26,476	26,476	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
MEDICAL RELIEF FUND				
Receipts	\$ -	\$ -	\$ 8	\$ 8
Disbursements	(60,000)	(60,000)	-	60,000
Transfers in	9,513	9,513	-	(9,513)
Transfers out	-	-	(50,495)	(50,495)
Net Change in Fund Balance	(50,487)	(50,487)	(50,487)	-
Fund Balance - Beginning	50,487	50,487	50,487	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -
INSTITUTIONS FUND				
Receipts	\$ -	\$ -	\$ 15	\$ 15
Disbursements	(17,016)	(17,016)	-	17,016
Transfers in	-	-	-	-
Transfers out	-	-	(17,031)	(17,031)
Net Change in Fund Balance	(17,016)	(17,016)	(17,016)	-
Fund Balance - Beginning	17,016	17,016	17,016	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -
VETERANS' AID FUND				
Receipts	\$ -	\$ -	\$ 2	\$ 2
Disbursements	(19,000)	(19,000)	(1,988)	17,012
Transfers in	12,641	12,641	-	(12,641)
Transfers out	-	-	(4,373)	(4,373)
Net Change in Fund Balance	(6,359)	(6,359)	(6,359)	-
Fund Balance - Beginning	6,359	6,359	6,359	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -
ATTORNEY GRANT FUND				
Receipts	\$ 1,400	\$ 1,400	\$ 473	\$ (927)
Disbursements	(2,253)	(2,253)	(250)	2,003
Transfers in	-	-	428	428
Transfers out	-	-	-	-
Net Change in Fund Balance	(853)	(853)	651	1,504
Fund Balance - Beginning	853	853	853	-
Fund Balance - Ending	\$ -	\$ -	\$ 1,504	\$ 1,504
DRUG LAW ENFORCEMENT FUND				
Receipts	\$ 24,961	\$ 24,961	\$ -	\$ (24,961)
Disbursements	(25,000)	(25,000)	-	25,000
Net Change in Fund Balance	(39)	(39)	-	39
Fund Balance - Beginning	39	39	39	-
Fund Balance - Ending	\$ -	\$ -	\$ 39	\$ 39

(Continued)

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
INTOXILYZER FUND				
Receipts	\$ 1,500	\$ 1,500	\$ 2,411	\$ 911
Disbursements	(3,442)	(3,442)	(3,006)	436
Net Change in Fund Balance	(1,942)	(1,942)	(595)	1,347
Fund Balance - Beginning	1,942	1,942	1,942	-
Fund Balance - Ending	\$ -	\$ -	\$ 1,347	\$ 1,347
SHERIFF GRANT FUND				
Receipts	\$ 25,000	\$ 25,000	\$ 14,256	\$ (10,744)
Disbursements	(25,000)	(25,000)	(7,337)	17,663
Transfers in	-	-	5,037	5,037
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	11,956	11,956
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ 11,956	\$ 11,956
CANINE FUND				
Receipts	\$ 4,022	\$ 4,022	\$ 14,412	\$ 10,390
Disbursements	(5,000)	(5,000)	(11,519)	(6,519)
Net Change in Fund Balance	(978)	(978)	2,893	3,871
Fund Balance - Beginning	978	978	978	-
Fund Balance - Ending	\$ -	\$ -	\$ 3,871	\$ 3,871
LAW ENFORCEMENT GRANT FUND				
Receipts	\$ 6,561	\$ 6,561	\$ 7,589	\$ 1,028
Disbursements	(15,000)	(15,000)	(10,991)	4,009
Transfers in	-	-	-	-
Transfers out	-	-	(5,037)	(5,037)
Net Change in Fund Balance	(8,439)	(8,439)	(8,439)	-
Fund Balance - Beginning	8,439	8,439	8,439	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -
CRIME AGAINST CHILDREN FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(428)	(428)	-	428
Transfers in	-	-	-	-
Transfers out	-	-	(428)	(428)
Net Change in Fund Balance	(428)	(428)	(428)	-
Fund Balance - Beginning	428	428	428	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

(Continued)

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COMMUNITY DEVELOPMENT BLOCK				
GRANT FUND				
Receipts	\$ 28,462	\$ 28,462	\$ 49,585	\$ 21,123
Disbursements	(170,383)	(170,383)	(46,500)	123,883
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(141,921)	(141,921)	3,085	145,006
Fund Balance - Beginning	141,921	141,921	141,921	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,006</u>	<u>\$ 145,006</u>
911 EMERGENCY FUND				
Receipts	\$ 35,000	\$ 35,000	\$ 36,075	\$ 1,075
Disbursements	(49,467)	(49,467)	(26,392)	23,075
Transfers in	10,000	10,000	10,000	-
Transfers out	-	-	(3,500)	(3,500)
Net Change in Fund Balance	(4,467)	(4,467)	16,183	20,650
Fund Balance - Beginning	4,467	4,467	4,467	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,650</u>	<u>\$ 20,650</u>
911 WIRELESS FUND				
Receipts	\$ 42,000	\$ 42,000	\$ 41,787	\$ (213)
Disbursements	(138,053)	(138,053)	(21,838)	116,215
Net Change in Fund Balance	(96,053)	(96,053)	19,949	116,002
Fund Balance - Beginning	96,053	96,053	96,053	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,002</u>	<u>\$ 116,002</u>
EMERGENCY MANAGEMENT FUND				
Receipts	\$ 64,200	\$ 64,200	\$ 83,035	\$ 18,835
Disbursements	(345,345)	(345,345)	(49,807)	295,538
Transfers in	-	-	-	-
Transfers out	-	-	(2,000)	(2,000)
Net Change in Fund Balance	(281,145)	(281,145)	31,228	312,373
Fund Balance - Beginning	281,145	281,145	281,145	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 312,373</u>	<u>\$ 312,373</u>
LAW ENFORCEMENT BUILDING FUND				
Receipts	\$ 520,210	\$ 520,210	\$ 120,581	\$ (399,629)
Disbursements	(585,737)	(585,737)	(450,003)	135,734
Transfers in	-	-	360,872	360,872
Transfers out	-	-	(17,988)	(17,988)
Net Change in Fund Balance	(65,527)	(65,527)	13,462	78,989
Fund Balance - Beginning	65,527	65,527	65,527	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,989</u>	<u>\$ 78,989</u>

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
LAW ENFORCEMENT BUILDING BOND FUND				
Receipts	\$ 18,000	\$ 18,000	\$ 40	\$ (17,960)
Disbursements	(212,842)	(212,842)	(88,896)	123,946
Transfers in	68,000	68,000	68,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(126,842)	(126,842)	(20,856)	105,986
Fund Balance - Beginning	126,842	126,842	126,842	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,986</u>	<u>\$ 105,986</u>
HIGHWAY BOND FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(369,525)	(369,525)	(366,485)	3,040
Transfers in	369,525	369,525	366,485	(3,040)
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
CITY-COUNTY BUILDING FUND				
Receipts	\$ -	\$ -	\$ 4	\$ 4
Disbursements	(33,824)	(33,824)	-	33,824
Transfers in	10,000	10,000	-	(10,000)
Transfers out	-	-	(23,828)	(23,828)
Net Change in Fund Balance	(23,824)	(23,824)	(23,824)	-
Fund Balance - Beginning	23,824	23,824	23,824	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NATURAL DISASTER FUND				
Receipts	\$ 163,098	\$ 163,098	\$ -	\$ (163,098)
Disbursements	(300,000)	(300,000)	-	300,000
Net Change in Fund Balance	(136,902)	(136,902)	-	136,902
Fund Balance - Beginning	136,902	136,902	136,902	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,902</u>	<u>\$ 136,902</u>
FAIR BUILDING FUND				
Receipts	\$ -	\$ -	\$ 12	\$ 12
Disbursements	(136,000)	(136,000)	(15,269)	120,731
Transfers in	120,590	120,590	61,592	(58,998)
Transfers out	(94,000)	(94,000)	(25,000)	69,000
Net Change in Fund Balance	(109,410)	(109,410)	21,335	130,745
Fund Balance - Beginning	109,410	109,410	109,410	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,745</u>	<u>\$ 130,745</u>

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COUNTY BUILDING FUND				
Receipts	\$ -	\$ -	\$ 9	\$ 9
Disbursements	(155,255)	(155,255)	-	155,255
Transfers in	10,000	10,000	43,828	33,828
Transfers out	-	-	-	-
Net Change in Fund Balance	(145,255)	(145,255)	43,837	189,092
Fund Balance - Beginning	145,255	145,255	145,255	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,092</u>	<u>\$ 189,092</u>
LAW ENFORCEMENT ADDITION				
REMODEL FUND				
Receipts	\$ -	\$ -	\$ 7	\$ 7
Disbursements	(25,000)	(25,000)	(10,000)	15,000
Transfers in	19,976	19,976	9,988	(9,988)
Transfers out	-	-	-	-
Net Change in Fund Balance	(5,024)	(5,024)	(5)	5,019
Fund Balance - Beginning	5,024	5,024	5,024	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,019</u>	<u>\$ 5,019</u>
VISITOR PROMOTION FUND				
Receipts	\$ 15,000	\$ 15,000	\$ 20,260	\$ 5,260
Disbursements	(34,880)	(34,880)	(15,538)	19,342
Net Change in Fund Balance	(19,880)	(19,880)	4,722	24,602
Fund Balance - Beginning	19,880	19,880	19,880	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,602</u>	<u>\$ 24,602</u>
NOXIOUS WEED FUND				
Receipts	\$ 45,000	\$ 45,000	\$ 9,710	\$ (35,290)
Disbursements	(86,569)	(86,569)	(10,486)	76,083
Transfers in	31,053	31,053	239	(30,814)
Transfers out	-	-	(35,877)	(35,877)
Net Change in Fund Balance	(10,516)	(10,516)	(36,414)	(25,898)
Fund Balance - Beginning	36,414	36,414	36,414	-
Fund Balance - Ending	<u>\$ 25,898</u>	<u>\$ 25,898</u>	<u>\$ -</u>	<u>\$ (25,898)</u>
AMBULANCE FUND				
Receipts	\$ 690,007	\$ 690,007	\$ 716,908	\$ 26,901
Disbursements	(719,193)	(719,193)	(682,719)	36,474
Transfers in	-	-	-	-
Transfers out	(22,000)	(22,000)	(35,976)	(13,976)
Net Change in Fund Balance	(51,186)	(51,186)	(1,787)	49,399
Fund Balance - Beginning	90,186	90,186	90,186	-
Fund Balance - Ending	<u>\$ 39,000</u>	<u>\$ 39,000</u>	<u>\$ 88,399</u>	<u>\$ 49,399</u>

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
AMBULANCE EQUIPMENT FUND				
Receipts	\$ 3,441	\$ 3,441	\$ 2	\$ (3,439)
Disbursements	(13,000)	(13,000)	-	13,000
Transfers in	5,000	5,000	5,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(4,559)	(4,559)	5,002	9,561
Fund Balance - Beginning	4,559	4,559	4,559	-
Fund Balance - Ending	\$ -	\$ -	\$ 9,561	\$ 9,561

(Concluded)

JEFFERSON COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	Highway Street Buyback Program Fund	Highway Bridge Buyback Program Fund	Road Bridge Escrow Fund	Equipment Reserve Fund	Communication Equipment Fund	Computer IT Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 6	\$ -
Intergovernmental	99,016	144,723	32,849	-	-	-
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
TOTAL RECEIPTS	<u>99,016</u>	<u>144,723</u>	<u>32,849</u>	<u>-</u>	<u>6</u>	<u>-</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	70,795
Public Safety	-	-	-	1,117	13,355	-
Public Works	100,000	207,357	372,772	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>100,000</u>	<u>207,357</u>	<u>372,772</u>	<u>1,117</u>	<u>13,355</u>	<u>70,795</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(984)</u>	<u>(62,634)</u>	<u>(339,923)</u>	<u>(1,117)</u>	<u>(13,349)</u>	<u>(70,795)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	250,000	-	18,500	72,165
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>18,500</u>	<u>72,165</u>
Net Change in Fund Balances	(984)	(62,634)	(89,923)	(1,117)	5,151	1,370
FUND BALANCES - BEGINNING	<u>100,278</u>	<u>111,097</u>	<u>348,829</u>	<u>2,903</u>	<u>2,598</u>	<u>485</u>
FUND BALANCES - ENDING	<u>\$ 99,294</u>	<u>\$ 48,463</u>	<u>\$ 258,906</u>	<u>\$ 1,786</u>	<u>\$ 7,749</u>	<u>\$ 1,855</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Bridge/Road Projects	99,294	48,463	-	-	-	-
Community Development	-	-	-	-	-	-
Committed to:						
Public Safety	-	-	-	-	-	-
Road Maintenance	-	-	258,906	-	-	-
County Buildings	-	-	-	-	-	-
Equipment	-	-	-	1,786	7,749	1,855
Culture & Recreations	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 99,294</u>	<u>\$ 48,463</u>	<u>\$ 258,906</u>	<u>\$ 1,786</u>	<u>\$ 7,749</u>	<u>\$ 1,855</u>

(Continued)

JEFFERSON COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	Equipment Vehicle Fund	Fair Fund	Preservation/ Modernization Fund	Employment Security Fund	Medical Relief Fund
RECEIPTS					
Property Taxes	\$ 2	\$ 52	\$ -	\$ 2	\$ 2
Intergovernmental	-	2	-	-	6
Charges for Services	-	-	4,760	-	-
Miscellaneous	-	8,971	-	-	-
TOTAL RECEIPTS	<u>2</u>	<u>9,025</u>	<u>4,760</u>	<u>2</u>	<u>8</u>
DISBURSEMENTS					
General Government	-	-	3,278	1,837	-
Public Safety	37,873	-	-	-	-
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	95,300	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>37,873</u>	<u>95,300</u>	<u>3,278</u>	<u>1,837</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(37,871)</u>	<u>(86,275)</u>	<u>1,482</u>	<u>(1,835)</u>	<u>8</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	40,000	116,355	-	-	-
Transfers out	-	(35,002)	-	(24,641)	(50,495)
TOTAL OTHER FINANCING SOURCES (USES)	<u>40,000</u>	<u>81,353</u>	<u>-</u>	<u>(24,641)</u>	<u>(50,495)</u>
Net Change in Fund Balances	2,129	(4,922)	1,482	(26,476)	(50,487)
FUND BALANCES - BEGINNING	<u>15,091</u>	<u>21,814</u>	<u>6,407</u>	<u>26,476</u>	<u>50,487</u>
FUND BALANCES - ENDING	<u>\$ 17,220</u>	<u>\$ 16,892</u>	<u>\$ 7,889</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Public Safety	-	-	-	-	-
Preservation of Records	-	-	7,889	-	-
Debt Service	-	-	-	-	-
Bridge/Road Projects	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Public Safety	-	-	-	-	-
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	-	-
Equipment	17,220	-	-	-	-
Culture & Recreations	-	16,892	-	-	-
TOTAL FUND BALANCES	<u>\$ 17,220</u>	<u>\$ 16,892</u>	<u>\$ 7,889</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

JEFFERSON COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	Institutions Fund	Veterans' Aid Fund	Attorney Grant Fund	Drug Law Enforcement Fund	Intoxilyzer Fund
RECEIPTS					
Property Taxes	\$ 2	\$ 2	\$ -	\$ -	\$ -
Intergovernmental	13	-	-	-	-
Charges for Services	-	-	473	-	2,411
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	<u>15</u>	<u>2</u>	<u>473</u>	<u>-</u>	<u>2,411</u>
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	-	-	250	-	3,006
Public Works	-	-	-	-	-
Public Assistance	-	1,988	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>1,988</u>	<u>250</u>	<u>-</u>	<u>3,006</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>15</u>	<u>(1,986)</u>	<u>223</u>	<u>-</u>	<u>(595)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	428	-	-
Transfers out	(17,031)	(4,373)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(17,031)</u>	<u>(4,373)</u>	<u>428</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(17,016)	(6,359)	651	-	(595)
FUND BALANCES - BEGINNING	<u>17,016</u>	<u>6,359</u>	<u>853</u>	<u>39</u>	<u>1,942</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,504</u>	<u>\$ 39</u>	<u>\$ 1,347</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	39	-
Public Safety	-	-	1,504	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Bridge/Road Projects	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Public Safety	-	-	-	-	1,347
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	-	-
Equipment	-	-	-	-	-
Culture & Recreations	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,504</u>	<u>\$ 39</u>	<u>\$ 1,347</u>

(Continued)

JEFFERSON COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	Sheriff Grant Fund	Canine Fund	Law Enforcement Grant Fund	Crime Against Children Fund	Community Development Block Grant Fund
RECEIPTS					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	14,256	-	7,589	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	14,412	-	-	49,585
TOTAL RECEIPTS	<u>14,256</u>	<u>14,412</u>	<u>7,589</u>	<u>-</u>	<u>49,585</u>
DISBURSEMENTS					
General Government	-	-	-	-	46,500
Public Safety	7,337	11,519	10,991	-	-
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>7,337</u>	<u>11,519</u>	<u>10,991</u>	<u>-</u>	<u>46,500</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>6,919</u>	<u>2,893</u>	<u>(3,402)</u>	<u>-</u>	<u>3,085</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	5,037	-	-	-	-
Transfers out	-	-	(5,037)	(428)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,037</u>	<u>-</u>	<u>(5,037)</u>	<u>(428)</u>	<u>-</u>
Net Change in Fund Balances	11,956	2,893	(8,439)	(428)	3,085
FUND BALANCES - BEGINNING	<u>-</u>	<u>978</u>	<u>8,439</u>	<u>428</u>	<u>141,921</u>
FUND BALANCES - ENDING	<u>\$ 11,956</u>	<u>\$ 3,871</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,006</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Public Safety	11,956	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Bridge/Road Projects	-	-	-	-	-
Community Development	-	-	-	-	145,006
Committed to:					
Public Safety	-	3,871	-	-	-
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	-	-
Equipment	-	-	-	-	-
Culture & Recreations	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 11,956</u>	<u>\$ 3,871</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,006</u>

(Continued)

JEFFERSON COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	911 Emergency Fund	911 Wireless Fund	Emergency Management Fund	Law Enforcement Building Fund	Law Enforcement Building Bond Fund
RECEIPTS					
Property Taxes	\$ 35,802	\$ 41,787	\$ -	\$ -	\$ 40
Intergovernmental	-	-	78,835	120,458	-
Charges for Services	-	-	4,200	-	-
Miscellaneous	273	-	-	123	-
TOTAL RECEIPTS	36,075	41,787	83,035	120,581	40
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	26,392	21,838	49,807	450,003	574
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	60,000
Interest and Fiscal Charges	-	-	-	-	28,322
TOTAL DISBURSEMENTS	26,392	21,838	49,807	450,003	88,896
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	9,683	19,949	33,228	(329,422)	(88,856)
OTHER FINANCING SOURCES (USES)					
Transfers in	10,000	-	-	360,872	68,000
Transfers out	(3,500)	-	(2,000)	(17,988)	-
TOTAL OTHER FINANCING SOURCES (USES)	6,500	-	(2,000)	342,884	68,000
Net Change in Fund Balances	16,183	19,949	31,228	13,462	(20,856)
FUND BALANCES - BEGINNING	4,467	96,053	281,145	65,527	126,842
FUND BALANCES - ENDING	\$ 20,650	\$ 116,002	\$ 312,373	\$ 78,989	\$ 105,986
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	20,650	116,002	-	-	-
Drug Education	-	-	-	-	-
Public Safety	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	105,986
Bridge/Road Projects	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Public Safety	-	-	312,373	78,989	-
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	-	-
Equipment	-	-	-	-	-
Culture & Recreations	-	-	-	-	-
TOTAL FUND BALANCES	\$ 20,650	\$ 116,002	\$ 312,373	\$ 78,989	\$ 105,986

(Continued)

JEFFERSON COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	Highway Bond Fund	City- County Building Fund	Natural Disaster Fund	Fair Building Fund	County Building Fund	Law Enforcement Addition Remodel Fund
RECEIPTS						
Property Taxes	\$ -	\$ 4	\$ -	\$ 12	\$ 9	\$ 7
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
TOTAL RECEIPTS	<u>-</u>	<u>4</u>	<u>-</u>	<u>12</u>	<u>9</u>	<u>7</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	400	-	-	-	-	-
Public Works	-	-	-	-	-	10,000
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	15,269	-	-
Debt Service:						
Principal Payments	190,000	-	-	-	-	-
Interest and Fiscal Charges	176,085	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>366,485</u>	<u>-</u>	<u>-</u>	<u>15,269</u>	<u>-</u>	<u>10,000</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(366,485)</u>	<u>4</u>	<u>-</u>	<u>(15,257)</u>	<u>9</u>	<u>(9,993)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	366,485	-	-	61,592	43,828	9,988
Transfers out	-	(23,828)	-	(25,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>366,485</u>	<u>(23,828)</u>	<u>-</u>	<u>36,592</u>	<u>43,828</u>	<u>9,988</u>
Net Change in Fund Balances	-	(23,824)	-	21,335	43,837	(5)
FUND BALANCES - BEGINNING	<u>-</u>	<u>23,824</u>	<u>136,902</u>	<u>109,410</u>	<u>145,255</u>	<u>5,024</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,902</u>	<u>\$ 130,745</u>	<u>\$ 189,092</u>	<u>\$ 5,019</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Bridge/Road Projects	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Committed to:						
Public Safety	-	-	136,902	-	-	-
Road Maintenance	-	-	-	-	-	-
County Buildings	-	-	-	130,745	189,092	5,019
Equipment	-	-	-	-	-	-
Culture & Recreations	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,902</u>	<u>\$ 130,745</u>	<u>\$ 189,092</u>	<u>\$ 5,019</u>

(Continued)

JEFFERSON COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	Visitor Promotion Fund	Noxious Weed Fund	Ambulance Fund	Ambulance Equipment Fund	Total Nonmajor Governmental Funds
RECEIPTS					
Property Taxes	\$ 20,260	\$ -	\$ 367,929	\$ 2	\$ 465,920
Intergovernmental	-	-	23,381	-	521,128
Charges for Services	-	9,710	324,683	-	346,237
Miscellaneous	-	-	915	-	74,279
TOTAL RECEIPTS	20,260	9,710	716,908	2	1,407,564
DISBURSEMENTS					
General Government	-	-	-	-	122,410
Public Safety	-	-	682,719	-	1,317,181
Public Works	-	10,486	-	-	700,615
Public Assistance	-	-	-	-	1,988
Culture and Recreation	15,538	-	-	-	126,107
Debt Service:					
Principal Payments	-	-	-	-	250,000
Interest and Fiscal Charges	-	-	-	-	204,407
TOTAL DISBURSEMENTS	15,538	10,486	682,719	-	2,722,708
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	4,722	(776)	34,189	2	(1,315,144)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	239	-	5,000	1,428,489
Transfers out	-	(35,877)	(35,976)	-	(281,176)
TOTAL OTHER FINANCING SOURCES (USES)	-	(35,638)	(35,976)	5,000	1,147,313
Net Change in Fund Balances	4,722	(36,414)	(1,787)	5,002	(167,831)
FUND BALANCES - BEGINNING	19,880	36,414	90,186	4,559	2,009,928
FUND BALANCES - ENDING	\$ 24,602	\$ -	\$ 88,399	\$ 9,561	\$ 1,842,097
FUND BALANCES:					
Restricted for:					
Visitor Promotion	24,602	-	-	-	24,602
911 Emergency Services	-	-	-	-	136,652
Drug Education	-	-	-	-	39
Public Safety	-	-	-	-	13,460
Preservation of Records	-	-	-	-	7,889
Debt Service	-	-	-	-	105,986
Bridge/Road Projects	-	-	-	-	147,757
Community Development	-	-	-	-	145,006
Committed to:					
Public Safety	-	-	88,399	-	621,881
Road Maintenance	-	-	-	-	258,906
County Buildings	-	-	-	-	324,856
Equipment	-	-	-	9,561	38,171
Culture & Recreations	-	-	-	-	16,892
TOTAL FUND BALANCES	\$ 24,602	\$ -	\$ 88,399	\$ 9,561	\$ 1,842,097

(Concluded)

JEFFERSON COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2015

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent	Highway Superintendent	Veterans' Service Officer
BALANCES JULY 1, 2014	\$ 514	\$ 4,714	\$ 29,949	\$ 6,695	\$ 1,541	\$ 2,870	\$ 500	\$ 11,135
RECEIPTS								
Property Taxes	-	-	-	1,545	-	-	-	-
Licenses and Permits	690	-	-	795	-	-	4,700	-
Intergovernmental	-	-	-	21,845	-	-	-	-
Charges for Services	13,300	51,571	11,407	75,816	898	50,649	2,323	-
Miscellaneous	-	-	-	3,650	-	-	36,704	10,357
State Fees	695	67,905	19,970	291	-	-	-	-
Other Liabilities	-	11	215,194	69,268	20,094	-	855	-
TOTAL RECEIPTS	14,685	119,487	246,571	173,210	20,992	50,649	44,582	10,357
DISBURSEMENTS								
Payments to County Treasurer	13,995	50,678	11,490	102,651	473	50,951	43,727	-
Payments to State Treasurer	715	65,031	20,501	278	-	-	-	-
Other Liabilities	-	11	229,504	67,581	20,435	-	855	10,405
TOTAL DISBURSEMENTS	14,710	115,720	261,495	170,510	20,908	50,951	44,582	10,405
BALANCES JUNE 30, 2015	<u>\$ 489</u>	<u>\$ 8,481</u>	<u>\$ 15,025</u>	<u>\$ 9,395</u>	<u>\$ 1,625</u>	<u>\$ 2,568</u>	<u>\$ 500</u>	<u>\$ 11,087</u>
BALANCES CONSIST OF:								
Due to County Treasurer	\$ 104	\$ 4,389	\$ 667	\$ 4,779	\$ 475	\$ 2,518	\$ -	\$ 11,087
Petty Cash	135	-	100	2,700	1,000	50	500	-
Due to State Treasurer	250	4,092	1,213	32	-	-	-	-
Due to Others	-	-	13,045	1,884	150	-	-	-
BALANCES JUNE 30, 2015	<u>\$ 489</u>	<u>\$ 8,481</u>	<u>\$ 15,025</u>	<u>\$ 9,395</u>	<u>\$ 1,625</u>	<u>\$ 2,568</u>	<u>\$ 500</u>	<u>\$ 11,087</u>

(Continued)

JEFFERSON COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2015

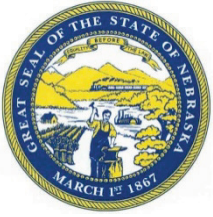
	County Fair	County Ambulance	County Planning and Zoning	County Board	County Emergency Manager	County Assessor	Total
BALANCES JULY 1, 2014	\$ 583	\$ 302,629	\$ -	\$ 19,622	\$ -	\$ 25	\$ 380,777
RECEIPTS							
Property Taxes	-	-	-	-	-	-	1,545
Licenses and Permits	-	-	-	-	-	-	6,185
Intergovernmental	-	-	-	-	-	-	21,845
Charges for Services	-	450,794	2,725	-	4,200	-	663,683
Miscellaneous	38,917	-	-	8	11,209	-	100,845
State Fees	-	-	-	-	-	-	88,861
Other Liabilities	-	-	-	-	-	-	305,422
TOTAL RECEIPTS	<u>38,917</u>	<u>450,794</u>	<u>2,725</u>	<u>8</u>	<u>15,409</u>	<u>-</u>	<u>1,188,386</u>
DISBURSEMENTS							
Payments to County Treasurer	8,971	325,422	2,675	-	15,409	-	626,442
Payments to State Treasurer	-	-	-	-	-	-	86,525
Other Liabilities	29,146	1,764	-	868	-	-	360,569
TOTAL DISBURSEMENTS	<u>38,117</u>	<u>327,186</u>	<u>2,675</u>	<u>868</u>	<u>15,409</u>	<u>-</u>	<u>1,073,536</u>
BALANCES JUNE 30, 2015	<u>\$ 1,383</u>	<u>\$ 426,237</u>	<u>\$ 50</u>	<u>\$ 18,762</u>	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 495,627</u>
BALANCES CONSIST OF:							
Due to County Treasurer	\$ 1,383	\$ 425,737	\$ 50	\$ 18,262	\$ -	\$ -	\$ 469,451
Petty Cash	-	500	-	500	-	25	5,510
Due to State Treasurer	-	-	-	-	-	-	5,587
Due to Others	-	-	-	-	-	-	15,079
BALANCES JUNE 30, 2015	<u>\$ 1,383</u>	<u>\$ 426,237</u>	<u>\$ 50</u>	<u>\$ 18,762</u>	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 495,627</u>

(Concluded)

JEFFERSON COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2015

Item	2010	2011	2012	2013	2014
Tax Certified by Assessor					
Real Estate	\$ 12,792,474	\$ 13,583,414	\$ 14,256,560	\$ 16,168,240	\$ 17,260,577
Personal and Specials	3,027,387	3,350,353	4,306,425	4,172,947	4,336,494
Total	15,819,861	16,933,767	18,562,985	20,341,187	21,597,071
Corrections					
Additions	40,625	3,201	7,242	8,223	4,451
Deductions	(90,058)	(7,735)	(2,187)	(8,931)	(2,628)
Net Additions/ (Deductions)	(49,433)	(4,534)	5,055	(708)	1,823
Corrected Certified Tax	15,770,428	16,929,233	18,568,040	20,340,479	21,598,894
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2011	9,234,375	-	-	-	-
June 30, 2012	6,493,023	10,031,797	-	-	-
June 30, 2013	18,422	6,855,613	11,110,379	-	-
June 30, 2014	6,461	13,806	7,399,734	12,482,562	-
June 30, 2015	5,767	7,630	23,757	7,791,314	13,135,113
Refunds				(8,440)	
Total Net Collections	15,758,048	16,908,846	18,533,870	20,265,436	13,135,113
Total Uncollected Tax	\$ 12,380	\$ 20,387	\$ 34,170	\$ 75,043	\$ 8,463,781
Percentage Uncollected Tax	0.08%	0.12%	0.18%	0.37%	39.19%

Note: Tax refunds are netted against tax collections to determine Net Tax Collected.



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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

Board of Commissioners
Jefferson County, Nebraska

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Jefferson County's basic financial statements, and have issued our report thereon dated October 8, 2015. The report notes the financial statements were prepared on the basis of cash receipts and disbursements.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency to be a material weakness:

- The County offices lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. Good internal control includes a plan of organization, procedures, and records designed to safeguard assets and provide reliable financial records. Inadequate segregation of duties could lead to the misappropriation of assets or improper reporting. Due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost.

Compliance and Other Matters

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

Additional Items

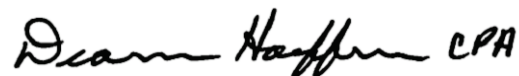
We also noted certain matters that we reported to the management of Jefferson County in a separate letter dated October 8, 2015.

Jefferson County's Response to Findings

Jefferson County declined to respond to the finding described above.

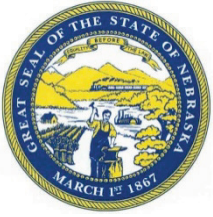
Purpose of this Report

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



Deann Haeffner, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

October 8, 2015



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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October 8, 2015

Board of Commissioners
Jefferson County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Jefferson County (County) for the fiscal year ended June 30, 2015, and have issued our report thereon dated October 8, 2015. In planning and performing our audit of the basic financial statements of the County, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We also performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants.

During our audit, we noted certain matters involving internal control over financial reporting and other operational matters that are presented here. These comments and recommendations are intended to improve the internal control over financial reporting or result in operational efficiencies in the following areas:

COUNTY OVERALL

Segregation of Duties

Good internal control includes a plan of organization, procedures, and records designed to safeguard assets and provide reliable financial records. A system of internal control should include a proper segregation of duties, so no one individual is capable of handling all phases of a transaction from beginning to end.

We noted the offices of the County each lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. Due to a limited number of personnel, an adequate segregation of duties is not possible without additional cost. This was also noted in prior audits.

We recommend the County review this situation. As always, the County must weigh the cost of hiring additional personnel versus the benefit of a proper segregation of duties.

Budget Presentation

Neb. Rev. Stat. § 13-504 (Cum. Supp. 2014) requires that an entity's budget document include, for the immediately preceding fiscal year, receipts from all sources and the amount of actual disbursements.

The fiscal year 2014-2015 actual numbers for receipts and disbursements, as presented in Jefferson County's 2015-2016 budget document, were not complete and accurate for the General, Road, Law Enforcement Building, Ambulance, and Computer IT Funds. As a result, the 2014-2015 financial statements of Jefferson County required a net adjustment of \$22,207 in order to reflect accurately fund activity. It appears from documentation retained by the County that these budget inaccuracies were the result of problems when the County switched health insurance providers and how the adjustments were handled.

When budget documents are not complete and accurate not only is the County not in compliance with applicable State statutes, but also taxpayers do not receive a true accounting of the County's fiscal operations.

We recommend the County implement review procedures to ensure that all disbursement figures in the County Clerk's office are complete and accurate to what the Treasurer disbursed.

Unclaimed Property

The Uniform Disposition of Unclaimed Property Act (Act) is set out at Neb. Rev. Stat. §§ 69-1301 to 69-1329 (Reissue 2009, Cum. Supp. 2014). Section 69-1307.01 of the Act states that intangible personal property held by public entities or political subdivisions that remains unclaimed for more than three years is presumed abandoned. Section 69-1310 requires that such items be reported to the Nebraska State Treasurer before November 1 of each year as of June 30 next proceeding. In addition, sound accounting practices require that old accounts be followed up on to determine if they should still be active or not.

During our audit, we noted the following offices held funds that had remained unclaimed for more than three years and had not been remitted to the State Treasurer in accordance with the Act:

- **County Fair:** 60 checks totaling \$426
- **County Sheriff:** 27 checks totaling \$525

We recommend all intangible personal property that remains unclaimed for more than three years be remitted to the State Treasurer in accordance with the Act.

COUNTY CLERK

Certification of Unpaid Claims

Neb. Rev. Stat § 23-1302(4) (Reissue 2012) states, in relevant part, “[T]he county clerk shall certify to the county treasurer as of June 15 and December 15 of each year the total amount of unpaid claims of the county”

Unpaid claims were not certified to the County Treasurer as of June 15, 2015, and December 15, 2014. When unpaid claims are not certified to the County Treasurer, the County Clerk is not in compliance with State statute.

We recommend the County Clerk ensure unpaid claims are certified to the County Treasurer as of June 15 and December 15 of each year.

COUNTY BOARD

Over-Expended Budget

Neb. Rev. Stat. § 23-916 (Reissue 2012) provides the following, as is relevant:

After the adoption of county budget, no officer, department or other expending agency shall expend or contract to be expended any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money not provided for in the budget, or which involves the expenditure of any money for any of the purposes for which provision is made in the budget in excess of the amounts provided in said budget for such office, department or other expending agency, or purpose, for such fiscal year.

During our audit, we noted the following over-expended budgets in the General Fund:

- Noxious Weed Control Function – \$58,849
- Medical Relief Function – \$5,535
- Veteran’s Aid Function – \$8,155
- Institutional Function – \$684

When expenditures are made in excess of amounts budgeted with no appropriation adjustments by the County Board to address those excesses, the County is not compliant with State statute.

We recommend the County Board implement procedures to monitor closely its budget status on an ongoing basis to avoid individual funds from incurring expenses in excess of budgeted amounts.

Deposit Coverage

During our audit, we noted the County Board’s Imprest bank account did not have sufficient pledged securities to cover its deposits when bank account balances exceeded Federal Deposit Insurance Corporation (FDIC) coverage. Deposits exceeded coverage for nine days during the fiscal year, with amounts ranging between \$43,054 and \$259,071.

Neb. Rev. Stat. § 77-2395 (Reissue 2012) states the following, in relevant part:

[T]he custodial official shall not have on deposit in such depository any public money or public funds in excess of the amount insured or guaranteed by the Federal Deposit Insurance Corporation [FDIC], unless and until the depository has furnished to the custodial official securities, the market value of which are in an amount not less than one hundred two percent of the amount on deposit which is in excess of the amount so insured or guaranteed.

When deposits are not fully secured at all times, County offices are not in compliance with State statute, and there is an increased risk of loss should the financial institutions holding County deposits fail.

We recommend the County Board implement procedures to ensure bank deposits are adequately secured at all times.

Claim Process

During our audit, we noted the County lacked adequate procedures for the payment of claims. In particular, we noted:

- Two instances of the County Board approving and paying duplicate payments in the amounts of \$157 and \$250.
- Credit card statements were not paid in full, resulting in \$116 of late charges during the period November 2014 through August 2015. Only the portion of the statement that represented receipts submitted to the County Clerk were paid. Purchases on the Emergency Manager credit card made in October and November 2014 were not paid until March 2015.
- Two charges on the Emergency Manager credit card, totaling \$24, did not have supporting receipts for the purchases made.

Good internal controls and sound business practices require policies and procedures to be in place to ensure invoices are for legitimate County expenses, are only paid once, and are paid timely. When adequate procedures are not in place to insure the timely payment of claims or to prevent duplicate payments, there is an increased risk for loss or misuse of County funds.

We recommend the County Board implement adequate policies and procedures to ensure all claims are legitimate County expenses, are paid timely, and are only paid once.

Petty Cash Amounts

Neb. Rev. Stat § 23-106 (Reissue 2012) requires the amount of a petty cash fund established by the County Board to be stated in the fiscal policy of the County Board budget message.

During our audit, we noted the County Ambulance has a \$500 petty cash fund; however, the amount is not stated in the budget message.

When the budget message does not reflect authorized petty cash amounts, the public is not notified of the approved petty cash amounts available to officials.

We recommend the County Board review the petty cash amounts authorized and ensure they are correctly listed on the budget message.

COUNTY SHERIFF

Balancing Procedures

During our audit, we noted the following issues with the County Sheriff's balancing procedures at June 30, 2015:

- November 2014 fees and mileage earned, totaling \$1,773, were not remitted to the County Treasurer as of August 20, 2015.
- The County Sheriff's office records indicated total liabilities exceeded total assets by \$111.
- The County Sheriff's office records did not include an accurate listing of accounts payable or accounts receivable.
- Petty Cash was not reconciled to the approved amount, resulting in an excess of \$32.

Neb. Rev. Stat. § 33-117(3) (Cum. Supp. 2014) requires the County Sheriff to report all fees earned to the County Board on the first Tuesday in January, April, July, and October and remit those fees to the County Treasurer for credit to the County's General Fund. In addition, good internal control requires procedures to be in place to ensure the following: assets (cash on hand, reconciled bank statement, and accounts receivable) agree with office liabilities (fees, trust accounts, and accounts payable); bank reconciliations are performed timely and accurately; all monies received are recorded and timely deposited; and all financial records are complete and accurate.

When collections are not remitted timely to the County Treasurer, the County Sheriff is not compliant with State statute. Additionally, failure to complete monthly balancing procedures, including identifying and resolving asset-to-liability balancing variances, increases the risk of loss, theft, or misuse of funds and allows errors to go undetected more easily.

We recommend the County Sheriff implement monthly balancing procedures to ensure assets agree to liabilities at all times, and earnings are remitted in a timely manner.

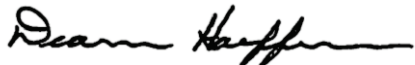
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It should be noted this report is critical in nature, as it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any strong features of the County.

Draft copies of this report were furnished to the County to provide management with an opportunity to review the report and to respond to the comments and recommendations included in this report. The County declined to respond.

This report is intended solely for the information and use of the County, the appropriate Federal and regulatory agencies, and citizens of the State of Nebraska, and it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Sincerely,

A handwritten signature in black ink, appearing to read "Deann Haeffner". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Deann Haeffner, CPA
Assistant Deputy Auditor