

**AUDIT REPORT  
OF  
JEFFERSON COUNTY**

**JULY 1, 2019, THROUGH JUNE 30, 2020**

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the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
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**Issued on October 20, 2020**

JEFFERSON COUNTY

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JEFFERSON COUNTY  
411 4<sup>th</sup> St.  
Fairbury, NE 68352

**LIST OF COUNTY OFFICIALS**  
At June 30, 2020

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Mark Schoenrock Michael Dux Gale Pohlmann	Jan. 2023 Jan. 2023 Jan. 2021
Assessor	Mary Banahan	Jan. 2023
Attorney	Joseph Casson	Jan. 2023
Clerk Election Commissioner Register of Deeds	Kristina Riggle	Jan. 2023
Clerk of the District Court	Shawna Taylor	Jan. 2023
Sheriff	Nels Sorensen	Jan. 2023
Treasurer	Leroy Bast	Jan. 2023
Veterans' Service Officer	Donald Cook	Appointed
Weed Superintendent Planning and Zoning Emergency Manager	John McKee	Appointed



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Charlie Janssen  
State Auditor

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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, 2020, 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, 2020, 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.

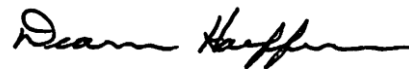
## **Report on Supplementary Information**

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 19-38, 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 15, 2020, 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* in considering Jefferson County's internal control over financial reporting and compliance.



Deann Haeffner, CPA  
Assistant Deputy Auditor  
Lincoln, Nebraska

October 15, 2020

JEFFERSON COUNTY  
**STATEMENT OF NET POSITION - CASH BASIS**  
 June 30, 2020

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 3,871,344
Investments (Note 1.D)	1,617,626
<b>TOTAL ASSETS</b>	<u><u>\$ 5,488,970</u></u>
<b>NET POSITION</b>	
Restricted for:	
Visitor Promotion	\$ 16,353
911 Emergency Services	99,142
Drug Education	1,256
Law Enforcement/Public Safety	220,718
Preservation of Records	25,434
Debt Service	444,123
Road/Bridge Projects	505,807
Community Development	255,694
Unrestricted	3,920,443
<b>TOTAL NET POSITION</b>	<u><u>\$ 5,488,970</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, 2020

<b>Functions:</b>	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
General Government	\$ (2,757,338)	\$ 352,891	\$ 82,487	\$ (2,321,960)
Public Safety	(3,889,595)	505,501	122,955	(3,261,139)
Public Works	(4,146,461)	1,585	2,085,521	(2,059,355)
Public Assistance	(77,071)	-	-	(77,071)
Culture and Recreation	(144,348)	-	-	(144,348)
Debt Payments	(976,452)	-	-	(976,452)
<b>Total Governmental Activities</b>	<b>\$ (11,991,265)</b>	<b>\$ 859,977</b>	<b>\$ 2,290,963</b>	<b>(8,840,325)</b>
General Receipts:				
Property Taxes				7,031,597
Grants and Contributions Not Restricted to Specific Programs				1,482,921
Investment Income				70,555
Licenses and Permits				41,036
Miscellaneous				141,028
<b>Total General Receipts</b>				<b>8,767,137</b>
Increase in Net Position				(73,188)
Net Position - Beginning of year				5,562,158
Net Position - End of year				<b>\$ 5,488,970</b>

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, 2020

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents (Note 1.D)	\$ 280,860	\$ 673,707	\$ -	\$ 2,916,777	\$ 3,871,344
Investments (Note 1.D)	490,748	-	1,126,878	-	1,617,626
<b>TOTAL ASSETS</b>	<b><u>\$ 771,608</u></b>	<b><u>\$ 673,707</u></b>	<b><u>\$ 1,126,878</u></b>	<b><u>\$ 2,916,777</u></b>	<b><u>\$ 5,488,970</u></b>
<b>FUND BALANCES</b>					
Restricted for:					
Visitor Promotion	-	-	-	16,353	16,353
911 Emergency Services	-	-	-	99,142	99,142
Drug Education	-	-	-	1,256	1,256
Law Enforcement/Public Safety	-	-	-	220,718	220,718
Preservation of Records	-	-	-	25,434	25,434
Debt Service	-	-	-	444,123	444,123
Road/Bridge Projects	-	-	-	505,807	505,807
Community Development	-	-	-	255,694	255,694
Committed to:					
Law Enforcement	-	-	-	77,962	77,962
Road Maintenance	-	673,707	-	224,073	897,780
County Buildings	-	-	-	232,462	232,462
Equipment	-	-	-	82,677	82,677
Culture & Recreation	-	-	-	203,301	203,301
Emergency Management	-	-	-	404,980	404,980
County Ambulance	-	-	-	122,795	122,795
Assigned to:					
Other Purposes	-	-	1,126,878	-	1,126,878
Unassigned	771,608	-	-	-	771,608
<b>TOTAL CASH BASIS FUND BALANCES</b>	<b><u>\$ 771,608</u></b>	<b><u>\$ 673,707</u></b>	<b><u>\$ 1,126,878</u></b>	<b><u>\$ 2,916,777</u></b>	<b><u>\$ 5,488,970</u></b>

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, 2020

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>					
Property Taxes	\$ 5,596,751	\$ -	\$ 384,932	\$ 1,049,914	\$ 7,031,597
Licenses and Permits	35,936	5,100	-	-	41,036
Investment Income	70,215	-	-	340	70,555
Intergovernmental	1,464,101	1,748,098	-	561,685	3,773,884
Charges for Services	404,787	1,585	-	453,605	859,977
Miscellaneous	26,038	34,519	-	80,471	141,028
<b>TOTAL RECEIPTS</b>	<u>7,597,828</u>	<u>1,789,302</u>	<u>384,932</u>	<u>2,146,015</u>	<u>11,918,077</u>
<b>DISBURSEMENTS</b>					
General Government	2,599,495	-	10,890	146,953	2,757,338
Public Safety	2,541,022	-	-	1,348,573	3,889,595
Public Works	101,556	3,700,813	-	344,092	4,146,461
Public Assistance	77,071	-	-	-	77,071
Culture and Recreation	-	-	-	144,348	144,348
Debt Service:					
Principal Payments	-	-	-	730,000	730,000
Interest and Fiscal Charges	-	-	-	246,452	246,452
<b>TOTAL DISBURSEMENTS</b>	<u>5,319,144</u>	<u>3,700,813</u>	<u>10,890</u>	<u>2,960,418</u>	<u>11,991,265</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>2,278,684</u>	<u>(1,911,511)</u>	<u>374,042</u>	<u>(814,403)</u>	<u>(73,188)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	454,600	2,224,738	28,581	1,078,983	3,786,902
Transfers out	<u>(2,766,604)</u>	<u>(368,862)</u>	<u>(422,000)</u>	<u>(229,436)</u>	<u>(3,786,902)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,312,004)</u>	<u>1,855,876</u>	<u>(393,419)</u>	<u>849,547</u>	<u>-</u>
Net Change in Fund Balances	(33,320)	(55,635)	(19,377)	35,144	(73,188)
<b>CASH BASIS FUND BALANCES - BEGINNING</b>					
	<u>804,928</u>	<u>729,342</u>	<u>1,146,255</u>	<u>2,881,633</u>	<u>5,562,158</u>
<b>CASH BASIS FUND BALANCES - ENDING</b>					
	<u>\$ 771,608</u>	<u>\$ 673,707</u>	<u>\$ 1,126,878</u>	<u>\$ 2,916,777</u>	<u>\$ 5,488,970</u>

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

JEFFERSON COUNTY  
**STATEMENT OF CASH BASIS NET POSITION**  
**FIDUCIARY FUNDS**  
June 30, 2020

	Agency Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 616,080
 <b>LIABILITIES</b>	
Due to other governments	
State	251,470
Schools	262,983
Educational Service Units	3,116
Technical College	19,329
Natural Resource Districts	5,254
Fire Districts	7,207
Municipalities	53,141
Airport Authorities	2,256
Historical Society	617
Others	10,707
<b>TOTAL LIABILITIES</b>	<b>616,080</b>
 <b>TOTAL NET ASSETS</b>	 <b>\$ -</b>

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, 2020

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. The County is also considered financially accountable if an organization is fiscally dependent on and there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

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 \$34,887 toward the operation of the Region during fiscal year 2020. 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.

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 2018).

## JEFFERSON COUNTY

### NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 contributed \$3,275 toward the operation of the Department during fiscal year 2020. 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) (Cum. Supp. 2018). Financial information for the Department is available in that report.

Southeast Region 911 Communications Services (911 Region) – The County has entered into an agreement with the governing boards of Public Safety Answering Points (PSAPs) of the City of Lincoln, City of Beatrice, City of Crete, City of Falls City, Cass County, Clay County, Fillmore County, Johnson County, Pawnee County, Nemaha County, Nuckolls County, Otoe County, Seward County, Thayer County, and York County to fund the planning, creation, and implementation of a 911 emergency call system for the southeast region of the State of Nebraska.

The governing board is established by interlocal agreement and includes representatives from the participating political subdivisions. Each political subdivision contributes to the financial support of the 911 Region based on formulas developed by the governing board. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the 911 Region during fiscal year 2020. In event of the termination of the agreement, assets would be disposed of in accordance with terms of the agreement. Nemaha County was named the fiscal agent of the 911 Region, and all financial activity of the 911 Region would be available in the Nemaha County audit report.

Southeast Region Emergency Management (Southeast Region) – The County has entered into an agreement with the governing boards of Cass County, Gage County, Fillmore County, Johnson County, Lancaster County, Nemaha County, Otoe County, Pawnee County, Richardson County, Saline County, Seward County, Thayer County, and York County to establish regional emergency management coordination, including planning, exercise, training, interoperable communications, grant funding administration, and mutual aid arrangements among the participating counties.

The governing board is established by interlocal agreement and includes representatives from the participating political subdivisions. Any expenses of the Southeast Region not covered by grant funds would be shared equally among the participating counties. The County did not contribute toward the operation of the Southeast Region during fiscal year 2020. In event of the termination of the agreement, assets would be disposed of in accordance with terms of the agreement. Jefferson County was named the fiscal agent of the Southeast Region, and all financial activity of the Southeast Region is included in this 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 Net Position presents the County's non-fiduciary assets in two categories:

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

**Restricted.** This category results when constraints are externally imposed on net asset use by creditors, grantors, or contributors, or imposed by law through constitutional provisions or enabling legislation. 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.

**Unrestricted.** This category represents resources that do not meet the definition of the preceding category. Unrestricted resources often have constraints on resources that are imposed by management, but those constraints can be removed or modified.

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 the following: 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 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 Funds.** The Law Enforcement Building Bond Fund, Highway Bond Fund, and Highway Bond – PWF Road Fund accounts for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The County designates fund balances as follows:

**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.

**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 2018) and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities, which are authorized by the Nebraska Investment Council.

**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.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 \$1,568,527 of restricted net position, which is fully 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 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.

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 2018).

At year end, the County's carrying amount of deposits was \$3,871,344 for County funds and \$616,080 for Fiduciary funds. The bank balances for all funds totaled \$4,420,206. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2020, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

2. **Deposits and Investments** (Concluded)

The County's carrying value of investments is stated at cost, which approximates market. Investments consisted of \$1,617,626 deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a nine-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.

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 2019, for the 2019 taxes, which will be materially collected in May and September 2020, was set at \$.349148/\$100 of assessed valuation. The levy set in October 2018, for the 2018 taxes, which were materially collected in May and September 2019, was set at \$.307732/\$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 (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. 2018) 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



JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

employer's 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. Non-vested 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. The Plan's financial statements, including pension costs and obligations, are audited annually and can be obtained from the State of Nebraska Public Employees Retirement System.

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, 2020, 105 employees contributed \$192,891, and the County contributed \$284,335. Contributions included \$10,002 in cash contributions towards the supplemental law enforcement plan for 20 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 98 counties and local governments 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 for an additional contribution. 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.

	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 or paid out any amounts that exceeded coverage provided by the pool in the last three fiscal years. There were no significant reductions in insurance coverage from the prior year coverage.

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

6. **Interfund Transfers**

Interfund transfers for the year ended June 30, 2020, consisted of the following:

<b>Transfers to</b>	Transfers from				Total
	General Fund	Inheritance Fund	Road Fund	Nonmajor Funds	
Road Fund	\$ 2,224,738	\$ -	\$ -	\$ -	\$ 2,224,738
Inheritance Fund	28,581	-	-	-	28,581
General Fund	-	422,000	-	32,600	454,600
Nonmajor Funds	513,285	-	368,862	196,836	1,078,983
Total	<u>\$ 2,766,604</u>	<u>\$ 422,000</u>	<u>\$ 368,862</u>	<u>\$ 229,436</u>	<u>\$ 3,786,902</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 fiscal year ended June 30, 2020, the County made a one-time transfer of \$368,862 from the Road Fund to the Highway Bond Fund to ensure adequate funds were available for a bond payment. Additionally, the County made a one-time transfer of \$106,000 from the Road Bridge Escrow Fund to the Special Road Fund to establish the new fund, \$13,436 was transferred from the 911 Wireless Fund to the General Fund, and \$10,836 was transferred from the Ambulance Service Fund to the Law Enforcement Building Fund to reimburse costs originally paid from those funds.

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:

	John Deere Road Equipment	Caterpillar Road Equipment	Ambulance	Total
Balance July 1, 2019	\$ 156,492	\$ 125,676	\$ -	\$ 282,168
Purchases	405,081	-	165,000	570,081
Payments	73,553	84,852	31,433	189,838
Balance June 30, 2020	<u>\$ 488,020</u>	<u>\$ 40,824</u>	<u>\$ 133,567</u>	<u>\$ 662,411</u>
Future Payments:				
<b>Year</b>				
2021	\$ 124,986	\$ 41,079	\$ 36,344	\$ 202,409
2022	124,986	-	36,343	161,329
2023	124,986	-	36,344	161,330
2024	88,202	-	36,344	124,546
2025	62,376	-	-	62,376
Total Payments	<u>525,536</u>	<u>41,079</u>	<u>145,375</u>	<u>711,990</u>
Less Interest	<u>37,516</u>	<u>255</u>	<u>11,808</u>	<u>49,579</u>
Present Value of Future Minimum Lease Payments	<u>\$ 488,020</u>	<u>\$ 40,824</u>	<u>\$ 133,567</u>	<u>\$ 662,411</u>
Carrying Value of the Related Fixed Asset	<u>\$ 616,081</u>	<u>\$ 410,811</u>	<u>\$ 165,000</u>	<u>\$ 1,191,892</u>

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

7. **Capital Leases Payable** (Concluded)

The John Deere Road Equipment column includes one crawler loader and three motor graders. The Caterpillar Road Equipment column includes one wheel loader and two motor graders.

8. **Long-Term Debt**

**Highway Allocation Bond.** The County issued bonds on June 23, 2016, in the amount of \$4,030,000 for the purpose of refinancing the Series 2011 Highway Allocation Bonds. The bond payable balance, as of June 30, 2020, was \$2,795,000. 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
2021	\$ 315,000	\$ 49,997	\$ 364,997
2022	320,000	46,218	366,218
2023	325,000	39,817	364,817
2024	330,000	35,430	365,430
2025	335,000	30,315	365,315
2026-2029	1,170,000	56,590	1,226,590
Total Payments	<u>\$ 2,795,000</u>	<u>\$ 258,367</u>	<u>\$ 3,053,367</u>

**Highway Bond – PWF Road Bond.** The County issued bonds on December 16, 2015, in the amount of \$8,000,000 for the purpose of paying the costs of improving and/or repaving certain highways and roads of the County. The bond payable balance, as of June 30, 2020, was \$6,640,000. 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
2021	\$ 345,000	\$ 176,673	\$ 521,673
2022	350,000	171,023	521,023
2023	360,000	164,450	524,450
2024	365,000	157,016	522,016
2025	375,000	148,686	523,686
2026-2030	2,010,000	595,023	2,605,023
2031-2035	2,325,000	278,182	2,603,182
2036	510,000	8,542	518,542
Total Payments	<u>\$ 6,640,000</u>	<u>\$ 1,699,595</u>	<u>\$ 8,339,595</u>

**Limited Tax Refunding Bond.** The County issued bonds on June 5, 2015, in the amount of \$815,000 for the purpose of paying the costs of paying the costs of refinancing Tax Obligation Bonds, Series 2010. The bond payable balance, as of June 30, 2020, was \$460,000. 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:

<b>Year</b>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 70,000	\$ 9,250	\$ 79,250
2022	75,000	7,994	82,994
2023	75,000	6,531	81,531
2024	80,000	4,860	84,860
2025	80,000	2,980	82,980
2026	80,000	1,020	81,020
Total Payments	<u>\$ 460,000</u>	<u>\$ 32,635</u>	<u>\$ 492,635</u>

**JEFFERSON COUNTY**  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL**  
**GENERAL FUND**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 6,364,191	\$ 6,364,191	\$ 5,596,751	\$ (767,440)
Licenses and Permits	28,950	28,950	35,936	6,986
Interest	60,300	60,300	70,215	9,915
Intergovernmental	896,679	896,679	1,464,101	567,422
Charges for Services	454,600	454,600	404,787	(49,813)
Miscellaneous	200	200	26,038	25,838
TOTAL RECEIPTS	<u>7,804,920</u>	<u>7,804,920</u>	<u>7,597,828</u>	<u>(207,092)</u>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	86,127	86,127	83,264	2,863
County Clerk	139,035	139,035	131,231	7,804
County Treasurer	190,028	190,028	176,979	13,049
Register of Deeds	39,505	39,505	37,521	1,984
County Assessor	233,112	233,112	202,797	30,315
Election Commissioner	32,950	32,950	26,141	6,809
Building and Zoning	49,204	49,204	46,650	2,554
Clerk of the District Court	146,228	146,228	132,367	13,861
County Court System	11,860	11,860	9,002	2,858
Building and Grounds	140,681	140,681	131,011	9,670
Agricultural Extension Agent	69,285	69,285	62,304	6,981
Employment Security	26,163	26,163	-	26,163
Miscellaneous	1,895,345	1,895,345	1,560,228	335,117
Public Safety				
County Sheriff	1,400,951	1,400,951	1,353,304	47,647
County Attorney	247,039	247,039	228,250	18,789
County Jail	873,139	873,139	783,336	89,803
Emergency Management	154,419	154,419	148,585	5,834
Child Support Enforcement	27,818	27,818	27,547	271
Public Works				
County Surveyor	38,000	38,000	33,870	4,130
Noxious Weed Control	90,207	90,207	67,686	22,521
Public Assistance				
Veterans' Service Officer	56,764	60,464	60,436	28
Veterans Aid	19,000	19,000	12,935	6,065
Medical Relief	73,000	69,300	3,700	65,600
Institutional	17,000	17,000	-	17,000
TOTAL DISBURSEMENTS	<u>6,056,860</u>	<u>6,056,860</u>	<u>5,319,144</u>	<u>737,716</u>

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
GENERAL FUND**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,748,060	1,748,060	2,278,684	530,624
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	651,538	651,538	454,600	(196,938)
Transfers out	(2,722,935)	(2,722,935)	(2,766,604)	(43,669)
TOTAL OTHER FINANCING SOURCES (USES)	(2,071,397)	(2,071,397)	(2,312,004)	(240,607)
Net Change in Fund Balance	(323,337)	(323,337)	(33,320)	290,017
<b>FUND BALANCE - BEGINNING</b>	804,428	804,428	804,928	500
<b>FUND BALANCE - ENDING</b>	<u>\$ 481,091</u>	<u>\$ 481,091</u>	<u>\$ 771,608</u>	<u>\$ 290,517</u>

(Concluded)

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL**  
**MAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD FUND</b>				
<b>RECEIPTS</b>				
Licenses and Permits	\$ 8,000	\$ 8,000	\$ 5,100	\$ (2,900)
Intergovernmental	1,566,081	1,566,081	1,748,098	182,017
Charges for Services	120	120	1,585	1,465
Miscellaneous	25,000	25,000	34,519	9,519
<b>TOTAL RECEIPTS</b>	<b>1,599,201</b>	<b>1,599,201</b>	<b>1,789,302</b>	<b>190,101</b>
<b>DISBURSEMENTS</b>	<b>3,801,795</b>	<b>3,801,795</b>	<b>3,700,813</b>	<b>100,982</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(2,202,594)</b>	<b>(2,202,594)</b>	<b>(1,911,511)</b>	<b>291,083</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,210,000	2,210,000	2,224,738	14,738
Transfers out	(368,863)	(368,863)	(368,862)	1
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,841,137</b>	<b>1,841,137</b>	<b>1,855,876</b>	<b>14,739</b>
Net Change in Fund Balance	(361,457)	(361,457)	(55,635)	305,822
FUND BALANCE - BEGINNING	729,342	729,342	729,342	-
FUND BALANCE - ENDING	<b>\$ 367,885</b>	<b>\$ 367,885</b>	<b>\$ 673,707</b>	<b>\$ 305,822</b>
<b>INHERITANCE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 100,000	\$ 100,000	\$ 384,932	\$ 284,932
<b>TOTAL RECEIPTS</b>	<b>100,000</b>	<b>100,000</b>	<b>384,932</b>	<b>284,932</b>
<b>DISBURSEMENTS</b>	<b>849,255</b>	<b>849,255</b>	<b>10,890</b>	<b>838,365</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(749,255)</b>	<b>(749,255)</b>	<b>374,042</b>	<b>1,123,297</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	25,000	25,000	28,581	3,581
Transfers out	(422,000)	(422,000)	(422,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(397,000)</b>	<b>(397,000)</b>	<b>(393,419)</b>	<b>3,581</b>
Net Change in Fund Balance	(1,146,255)	(1,146,255)	(19,377)	1,126,878
FUND BALANCE - BEGINNING	1,146,255	1,146,255	1,146,255	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,126,878</b>	<b>\$ 1,126,878</b>

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL**  
**NONMAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HIGHWAY STREET BUYBACK PROGRAM</b>				
<b>FUND</b>				
Receipts	\$ 124,612	\$ 124,612	\$ 124,612	\$ -
Disbursements	(259,289)	(259,289)	(141,204)	118,085
Net Change in Fund Balance	(134,677)	(134,677)	(16,592)	118,085
Fund Balance - Beginning	134,677	134,677	134,677	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,085</u>	<u>\$ 118,085</u>
<b>HIGHWAY BRIDGE BUYBACK PROGRAM</b>				
<b>FUND</b>				
Receipts	\$ 159,511	\$ 159,511	\$ 159,511	\$ -
Disbursements	(486,162)	(486,162)	(98,440)	387,722
Net Change in Fund Balance	(326,651)	(326,651)	61,071	387,722
Fund Balance - Beginning	326,651	326,651	326,651	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 387,722</u>	<u>\$ 387,722</u>
<b>SPECIAL ROAD FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	106,000	106,000
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	106,000	106,000
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,000</u>	<u>\$ 106,000</u>
<b>ROAD BRIDGE ESCROW FUND</b>				
Receipts	\$ -	\$ -	\$ 53,331	\$ 53,331
Disbursements	(275,190)	(275,190)	(104,448)	170,742
Transfers in	-	-	-	-
Transfers out	-	-	(106,000)	(106,000)
Net Change in Fund Balance	(275,190)	(275,190)	(157,117)	118,073
Fund Balance - Beginning	275,190	275,190	275,190	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,073</u>	<u>\$ 118,073</u>

(Continued)



JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EQUIPMENT RESERVE FUND</b>				
Receipts	\$ 20,000	\$ 20,000	\$ 3,200	\$ (16,800)
Disbursements	(24,090)	(24,090)	(509)	23,581
Net Change in Fund Balance	(4,090)	(4,090)	2,691	6,781
Fund Balance - Beginning	4,090	4,090	4,090	-
Fund Balance - Ending	\$ -	\$ -	\$ 6,781	\$ 6,781
<b>COMMUNICATION EQUIPMENT FUND</b>				
Receipts	\$ 9,000	\$ 9,000	\$ 9,750	\$ 750
Disbursements	(38,095)	(38,095)	(10,367)	27,728
Net Change in Fund Balance	(29,095)	(29,095)	(617)	28,478
Fund Balance - Beginning	29,095	29,095	29,095	-
Fund Balance - Ending	\$ -	\$ -	\$ 28,478	\$ 28,478
<b>COMPUTER IT FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(169,870)	(169,870)	(146,583)	23,287
Transfers in	149,784	149,784	149,394	(390)
Transfers out	-	-	-	-
Net Change in Fund Balance	(20,086)	(20,086)	2,811	22,897
Fund Balance - Beginning	20,086	20,086	20,086	-
Fund Balance - Ending	\$ -	\$ -	\$ 22,897	\$ 22,897
<b>EQUIPMENT VEHICLE FUND</b>				
Receipts	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Disbursements	(163,539)	(163,539)	(139,018)	24,521
Transfers in	80,000	80,000	80,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(43,539)	(43,539)	(19,018)	24,521
Fund Balance - Beginning	43,539	43,539	43,539	-
Fund Balance - Ending	\$ -	\$ -	\$ 24,521	\$ 24,521

(Continued)

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>FAIR FUND</b>				
Receipts	\$ 11,000	\$ 11,000	\$ 7,927	\$ (3,073)
Disbursements	(130,450)	(130,450)	(108,577)	21,873
Transfers in	167,000	167,000	147,145	(19,855)
Transfers out	(50,000)	(50,000)	(40,000)	10,000
Net Change in Fund Balance	(2,450)	(2,450)	6,495	8,945
Fund Balance - Beginning	18,122	18,122	18,122	-
Fund Balance - Ending	<u>\$ 15,672</u>	<u>\$ 15,672</u>	<u>\$ 24,617</u>	<u>\$ 8,945</u>
<b>PRESERVATION AND MODERNIZATION FUND</b>				
Receipts	\$ 4,850	\$ 4,850	\$ 5,408	\$ 558
Disbursements	(25,246)	(25,246)	(370)	24,876
Net Change in Fund Balance	(20,396)	(20,396)	5,038	25,434
Fund Balance - Beginning	20,396	20,396	20,396	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,434</u>	<u>\$ 25,434</u>
<b>ATTORNEY GRANT FUND</b>				
Receipts	\$ 1,500	\$ 1,500	\$ -	\$ (1,500)
Disbursements	(6,529)	(6,529)	-	6,529
Net Change in Fund Balance	(5,029)	(5,029)	-	5,029
Fund Balance - Beginning	5,029	5,029	5,029	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,029</u>	<u>\$ 5,029</u>
<b>DRUG LAW ENFORCEMENT FUND</b>				
Receipts	\$ 24,961	\$ 24,961	\$ 1,217	\$ (23,744)
Disbursements	(25,000)	(25,000)	-	25,000
Net Change in Fund Balance	(39)	(39)	1,217	1,256
Fund Balance - Beginning	39	39	39	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,256</u>	<u>\$ 1,256</u>
<b>INTOXILYZER FUND</b>				
Receipts	\$ 2,000	\$ 2,000	\$ 1,181	\$ (819)
Disbursements	(3,267)	(3,267)	(1,652)	1,615
Net Change in Fund Balance	(1,267)	(1,267)	(471)	796
Fund Balance - Beginning	1,267	1,267	1,267	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 796</u>	<u>\$ 796</u>

(Continued)

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>SHERIFF GRANT FUND</b>				
Receipts	\$ 50,000	\$ 50,000	\$ 17,440	\$ (32,560)
Disbursements	(51,796)	(51,796)	-	51,796
Net Change in Fund Balance	(1,796)	(1,796)	17,440	19,236
Fund Balance - Beginning	1,796	1,796	1,796	-
Fund Balance - Ending	\$ -	\$ -	\$ 19,236	\$ 19,236
<b>CANINE FUND</b>				
Receipts	\$ 4,000	\$ 4,000	\$ 8,200	\$ 4,200
Disbursements	(6,519)	(6,519)	(684)	5,835
Net Change in Fund Balance	(2,519)	(2,519)	7,516	10,035
Fund Balance - Beginning	2,519	2,519	2,519	-
Fund Balance - Ending	\$ -	\$ -	\$ 10,035	\$ 10,035
<b>COMMUNITY DEVELOPMENT GRANT FUND</b>				
Receipts	\$ 18,000	\$ 18,000	\$ 21,930	\$ 3,930
Disbursements	(251,764)	(251,764)	-	251,764
Net Change in Fund Balance	(233,764)	(233,764)	21,930	255,694
Fund Balance - Beginning	233,764	233,764	233,764	-
Fund Balance - Ending	\$ -	\$ -	\$ 255,694	\$ 255,694
<b>911 EMERGENCY SERVICES FUND</b>				
Receipts	\$ 33,000	\$ 33,000	\$ 29,364	\$ (3,636)
Disbursements	(48,784)	(48,784)	(33,983)	14,801
Net Change in Fund Balance	(15,784)	(15,784)	(4,619)	11,165
Fund Balance - Beginning	15,784	15,784	15,784	-
Fund Balance - Ending	\$ -	\$ -	\$ 11,165	\$ 11,165
<b>911 WIRELESS SERVICE FUND</b>				
Receipts	\$ 49,000	\$ 49,000	\$ 48,562	\$ (438)
Disbursements	(135,982)	(135,982)	(34,131)	101,851
Transfers in	-	-	-	-
Transfers out	-	-	(13,436)	(13,436)
Net Change in Fund Balance	(86,982)	(86,982)	995	87,977
Fund Balance - Beginning	86,982	86,982	86,982	-
Fund Balance - Ending	\$ -	\$ -	\$ 87,977	\$ 87,977

(Continued)

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EMERGENCY MANAGEMENT FUND</b>				
Receipts	\$ 107,000	\$ 107,000	\$ 176,301	\$ 69,301
Disbursements	(550,192)	(550,192)	(215,947)	334,245
Net Change in Fund Balance	(443,192)	(443,192)	(39,646)	403,546
Fund Balance - Beginning	443,192	443,192	443,192	-
Fund Balance - Ending	\$ -	\$ -	\$ 403,546	\$ 403,546
<b>SOUTHEAST REGION EMERGENCY MANAGEMENT FUND</b>				
Receipts	\$ 33,000	\$ 33,000	\$ 15,454	\$ (17,546)
Disbursements	(33,000)	(33,000)	(14,020)	18,980
Net Change in Fund Balance	-	-	1,434	1,434
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ 1,434	\$ 1,434
<b>LAW ENFORCEMENT BUILDING FUND</b>				
Receipts	\$ -	\$ -	\$ 112	\$ 112
Disbursements	-	-	(9,285)	(9,285)
Transfers in	-	-	43,219	43,219
Transfers out	(33,085)	(33,085)	-	33,085
Net Change in Fund Balance	(33,085)	(33,085)	34,046	67,131
Fund Balance - Beginning	33,085	33,085	33,085	-
Fund Balance - Ending	\$ -	\$ -	\$ 67,131	\$ 67,131
<b>LAW ENFORCEMENT BUILDING BOND FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(212,233)	(212,233)	(80,774)	131,459
Transfers in	79,000	79,000	79,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(133,233)	(133,233)	(1,774)	131,459
Fund Balance - Beginning	133,233	133,233	133,233	-
Fund Balance - Ending	\$ -	\$ -	\$ 131,459	\$ 131,459

(Continued)

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HIGHWAY BOND FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(370,389)	(370,389)	(368,862)	1,527
Transfers in	368,863	368,863	368,862	(1)
Transfers out	-	-	-	-
Net Change in Fund Balance	(1,526)	(1,526)	-	1,526
Fund Balance - Beginning	1,526	1,526	1,526	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,526</u>	<u>\$ 1,526</u>
<b>HIGHWAY BOND - PWF ROAD FUND</b>				
Receipts	\$ 558,800	\$ 558,800	\$ 556,438	\$ (2,362)
Disbursements	(840,316)	(840,316)	(526,816)	313,500
Net Change in Fund Balance	(281,516)	(281,516)	29,622	311,138
Fund Balance - Beginning	281,516	281,516	281,516	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,138</u>	<u>\$ 311,138</u>
<b>NATURAL DISASTER FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(196,453)	(196,453)	-	196,453
Net Change in Fund Balance	(196,453)	(196,453)	-	196,453
Fund Balance - Beginning	196,453	196,453	196,453	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,453</u>	<u>\$ 196,453</u>
<b>FAIR BUILDING FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(215,500)	(215,500)	(15,028)	200,472
Transfers in	137,151	137,151	105,363	(31,788)
Transfers out	(50,000)	(50,000)	(40,000)	10,000
Net Change in Fund Balance	(128,349)	(128,349)	50,335	178,684
Fund Balance - Beginning	128,349	128,349	128,349	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,684</u>	<u>\$ 178,684</u>

(Continued)

JEFFERSON COUNTY  
**BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS**

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>COUNTY BUILDING FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(198,642)	(198,642)	-	198,642
Net Change in Fund Balance	(198,642)	(198,642)	-	198,642
Fund Balance - Beginning	198,642	198,642	198,642	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,642</u>	<u>\$ 198,642</u>
<b>LAW ENFORCEMENT ADDITION REMODEL FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(154,021)	(154,021)	(120,201)	33,820
Net Change in Fund Balance	(154,021)	(154,021)	(120,201)	33,820
Fund Balance - Beginning	154,021	154,021	154,021	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,820</u>	<u>\$ 33,820</u>
<b>VISITORS PROMOTION FUND</b>				
Receipts	\$ 18,000	\$ 18,000	\$ 20,674	\$ 2,674
Disbursements	(34,422)	(34,422)	(20,743)	13,679
Net Change in Fund Balance	(16,422)	(16,422)	(69)	16,353
Fund Balance - Beginning	16,422	16,422	16,422	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,353</u>	<u>\$ 16,353</u>
<b>AMBULANCE SERVICE FUND</b>				
Receipts	\$ 834,435	\$ 834,435	\$ 845,403	\$ 10,968
Disbursements	(836,040)	(836,040)	(768,776)	67,264
Transfers in	-	-	-	-
Transfers out	(25,000)	(25,000)	(30,000)	(5,000)
Net Change in Fund Balance	(26,605)	(26,605)	46,627	73,232
Fund Balance - Beginning	66,605	66,605	66,606	1
Fund Balance - Ending	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 113,233</u>	<u>\$ 73,233</u>
<b>AMBULANCE EQUIPMENT FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(9,562)	(9,562)	-	9,562
Net Change in Fund Balance	(9,562)	(9,562)	-	9,562
Fund Balance - Beginning	9,562	9,562	9,562	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,562</u>	<u>\$ 9,562</u>

(Concluded)

**JEFFERSON COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2020

	Highway Street Buyback Program Fund	Highway Bridge Buyback Program Fund	Special Road Fund	Road Bridge Escrow Fund	Equipment Reserve Fund
<b>RECEIPTS</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	124,612	159,511	-	53,331	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	3,200
<b>TOTAL RECEIPTS</b>	<u>124,612</u>	<u>159,511</u>	<u>-</u>	<u>53,331</u>	<u>3,200</u>
<b>DISBURSEMENTS</b>					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	509
Public Works	141,204	98,440	-	104,448	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>141,204</u>	<u>98,440</u>	<u>-</u>	<u>104,448</u>	<u>509</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(16,592)</u>	<u>61,071</u>	<u>-</u>	<u>(51,117)</u>	<u>2,691</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	106,000	-	-
Transfers out	-	-	-	(106,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>106,000</u>	<u>(106,000)</u>	<u>-</u>
Net Change in Fund Balances	(16,592)	61,071	106,000	(157,117)	2,691
<b>FUND BALANCES - BEGINNING</b>	<u>134,677</u>	<u>326,651</u>	<u>-</u>	<u>275,190</u>	<u>4,090</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 118,085</u>	<u>\$ 387,722</u>	<u>\$ 106,000</u>	<u>\$ 118,073</u>	<u>\$ 6,781</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement/Public Safety	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road/Bridge Projects	118,085	387,722	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	-	106,000	118,073	-
County Buildings	-	-	-	-	-
Equipment	-	-	-	-	6,781
Culture & Recreation	-	-	-	-	-
Emergency Management	-	-	-	-	-
County Ambulance	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 118,085</u>	<u>\$ 387,722</u>	<u>\$ 106,000</u>	<u>\$ 118,073</u>	<u>\$ 6,781</u>

JEFFERSON COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2020

	Communication Equipment Fund	Computer IT Fund	Equipment Vehicle Fund	Fair Fund	Preservation and Modernization Fund
<b>RECEIPTS</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	-	-	-	2	-
Charges for Services	-	-	40,000	-	5,408
Miscellaneous	9,750	-	-	7,925	-
<b>TOTAL RECEIPTS</b>	<u>9,750</u>	<u>-</u>	<u>40,000</u>	<u>7,927</u>	<u>5,408</u>
<b>DISBURSEMENTS</b>					
General Government	-	146,583	-	-	370
Public Safety	10,367	-	139,018	-	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	108,577	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>10,367</u>	<u>146,583</u>	<u>139,018</u>	<u>108,577</u>	<u>370</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(617)</u>	<u>(146,583)</u>	<u>(99,018)</u>	<u>(100,650)</u>	<u>5,038</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	149,394	80,000	147,145	-
Transfers out	-	-	-	(40,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>149,394</u>	<u>80,000</u>	<u>107,145</u>	<u>-</u>
Net Change in Fund Balances	(617)	2,811	(19,018)	6,495	5,038
<b>FUND BALANCES - BEGINNING</b>	<u>29,095</u>	<u>20,086</u>	<u>43,539</u>	<u>18,122</u>	<u>20,396</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 28,478</u>	<u>\$ 22,897</u>	<u>\$ 24,521</u>	<u>\$ 24,617</u>	<u>\$ 25,434</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement/Public Safety	-	-	-	-	-
Preservation of Records	-	-	-	-	25,434
Debt Service	-	-	-	-	-
Road/Bridge Projects	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	-	-
Equipment	28,478	22,897	24,521	-	-
Culture & Recreation	-	-	-	24,617	-
Emergency Management	-	-	-	-	-
County Ambulance	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 28,478</u>	<u>\$ 22,897</u>	<u>\$ 24,521</u>	<u>\$ 24,617</u>	<u>\$ 25,434</u>



JEFFERSON COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2020

	Attorney Grant Fund	Drug Law Enforcement Fund	Intoxilyzer Fund	Sheriff Grant Fund	Canine Fund
<b>RECEIPTS</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	-	-	-	17,440	-
Charges for Services	-	-	1,181	-	-
Miscellaneous	-	1,217	-	-	8,200
<b>TOTAL RECEIPTS</b>	<u>-</u>	<u>1,217</u>	<u>1,181</u>	<u>17,440</u>	<u>8,200</u>
<b>DISBURSEMENTS</b>					
General Government	-	-	-	-	-
Public Safety	-	-	1,652	-	684
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>-</u>	<u>-</u>	<u>1,652</u>	<u>-</u>	<u>684</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>-</u>	<u>1,217</u>	<u>(471)</u>	<u>17,440</u>	<u>7,516</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	1,217	(471)	17,440	7,516
<b>FUND BALANCES - BEGINNING</b>	<u>5,029</u>	<u>39</u>	<u>1,267</u>	<u>1,796</u>	<u>2,519</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 5,029</u>	<u>\$ 1,256</u>	<u>\$ 796</u>	<u>\$ 19,236</u>	<u>\$ 10,035</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	1,256	-	-	-
Law Enforcement/Public Safety	5,029	-	-	19,236	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road/Bridge Projects	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	796	-	10,035
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	-	-
Equipment	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Emergency Management	-	-	-	-	-
County Ambulance	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 5,029</u>	<u>\$ 1,256</u>	<u>\$ 796</u>	<u>\$ 19,236</u>	<u>\$ 10,035</u>

JEFFERSON COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2020

	Community Development Grant Fund	911 Emergency Services Fund	911 Wireless Service Fund	Emergency Management Fund
<b>RECEIPTS</b>				
Property Taxes	\$ -	\$ 29,364	\$ 48,562	\$ -
Investment Income	340	-	-	-
Intergovernmental	-	-	-	88,648
Charges for Services	-	-	-	72,165
Miscellaneous	21,590	-	-	15,488
<b>TOTAL RECEIPTS</b>	<u>21,930</u>	<u>29,364</u>	<u>48,562</u>	<u>176,301</u>
<b>DISBURSEMENTS</b>				
General Government	-	-	-	-
Public Safety	-	33,983	34,131	215,947
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>-</u>	<u>33,983</u>	<u>34,131</u>	<u>215,947</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>21,930</u>	<u>(4,619)</u>	<u>14,431</u>	<u>(39,646)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(13,436)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>(13,436)</u>	<u>-</u>
Net Change in Fund Balances	21,930	(4,619)	995	(39,646)
<b>FUND BALANCES - BEGINNING</b>	<u>233,764</u>	<u>15,784</u>	<u>86,982</u>	<u>443,192</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 255,694</u>	<u>\$ 11,165</u>	<u>\$ 87,977</u>	<u>\$ 403,546</u>
<b>FUND BALANCES:</b>				
Restricted for:				
Visitor Promotion	-	-	-	-
911 Emergency Services	-	11,165	87,977	-
Drug Education	-	-	-	-
Law Enforcement/Public Safety	-	-	-	-
Preservation of Records	-	-	-	-
Debt Service	-	-	-	-
Road/Bridge Projects	-	-	-	-
Community Development	255,694	-	-	-
Committed to:				
Law Enforcement	-	-	-	-
Road Maintenance	-	-	-	-
County Buildings	-	-	-	-
Equipment	-	-	-	-
Culture & Recreation	-	-	-	-
Emergency Management	-	-	-	403,546
County Ambulance	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 255,694</u>	<u>\$ 11,165</u>	<u>\$ 87,977</u>	<u>\$ 403,546</u>

JEFFERSON COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2020

	Southeast Region Emergency Management Fund	Law Enforcement Building Fund	Law Enforcement Building Bond Fund	Highway Bond Fund
<b>RECEIPTS</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-
Intergovernmental	15,454	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	112	-	-
<b>TOTAL RECEIPTS</b>	<u>15,454</u>	<u>112</u>	<u>-</u>	<u>-</u>
<b>DISBURSEMENTS</b>				
General Government	-	-	-	-
Public Safety	14,020	9,285	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal Payments	-	-	70,000	315,000
Interest and Fiscal Charges	-	-	10,774	53,862
<b>TOTAL DISBURSEMENTS</b>	<u>14,020</u>	<u>9,285</u>	<u>80,774</u>	<u>368,862</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>1,434</u>	<u>(9,173)</u>	<u>(80,774)</u>	<u>(368,862)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	43,219	79,000	368,862
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>43,219</u>	<u>79,000</u>	<u>368,862</u>
Net Change in Fund Balances	1,434	34,046	(1,774)	-
<b>FUND BALANCES - BEGINNING</b>	<u>-</u>	<u>33,085</u>	<u>133,233</u>	<u>1,526</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,434</u>	<u>\$ 67,131</u>	<u>\$ 131,459</u>	<u>\$ 1,526</u>
<b>FUND BALANCES:</b>				
Restricted for:				
Visitor Promotion	-	-	-	-
911 Emergency Services	-	-	-	-
Drug Education	-	-	-	-
Law Enforcement/Public Safety	-	-	-	-
Preservation of Records	-	-	-	-
Debt Service	-	-	131,459	1,526
Road/Bridge Projects	-	-	-	-
Community Development	-	-	-	-
Committed to:				
Law Enforcement	-	67,131	-	-
Road Maintenance	-	-	-	-
County Buildings	-	-	-	-
Equipment	-	-	-	-
Culture & Recreation	-	-	-	-
Emergency Management	1,434	-	-	-
County Ambulance	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 1,434</u>	<u>\$ 67,131</u>	<u>\$ 131,459</u>	<u>\$ 1,526</u>

JEFFERSON COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2020

	Highway Bond - PWF Road Fund	Natural Disaster Fund	Fair Building Fund	County Building Fund	Law Enforcement Addition Remodel Fund
<b>RECEIPTS</b>					
Property Taxes	\$ 498,837	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	57,601	-	-	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>556,438</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DISBURSEMENTS</b>					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	120,201
Public Works	-	-	-	-	-
Culture and Recreation	-	-	15,028	-	-
Debt Service:					
Principal Payments	345,000	-	-	-	-
Interest and Fiscal Charges	181,816	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>526,816</b>	<b>-</b>	<b>15,028</b>	<b>-</b>	<b>120,201</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>29,622</b>	<b>-</b>	<b>(15,028)</b>	<b>-</b>	<b>(120,201)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	105,363	-	-
Transfers out	-	-	(40,000)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>65,363</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	29,622	-	50,335	-	(120,201)
<b>FUND BALANCES - BEGINNING</b>	<b>281,516</b>	<b>196,453</b>	<b>128,349</b>	<b>198,642</b>	<b>154,021</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 311,138</b>	<b>\$ 196,453</b>	<b>\$ 178,684</b>	<b>\$ 198,642</b>	<b>\$ 33,820</b>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement/Public Safety	-	196,453	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	311,138	-	-	-	-
Road/Bridge Projects	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	198,642	33,820
Equipment	-	-	-	-	-
Culture & Recreation	-	-	178,684	-	-
Emergency Management	-	-	-	-	-
County Ambulance	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 311,138</b>	<b>\$ 196,453</b>	<b>\$ 178,684</b>	<b>\$ 198,642</b>	<b>\$ 33,820</b>

JEFFERSON COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2020

	Visitors Promotion Fund	Ambulance Service Fund	Ambulance Equipment Fund	Total Nonmajor Governmental Funds
<b>RECEIPTS</b>				
Property Taxes	\$ 20,674	\$ 452,477	\$ -	\$ 1,049,914
Investment Income	-	-	-	340
Intergovernmental	-	45,086	-	561,685
Charges for Services	-	334,851	-	453,605
Miscellaneous	-	12,989	-	80,471
<b>TOTAL RECEIPTS</b>	<u>20,674</u>	<u>845,403</u>	<u>-</u>	<u>2,146,015</u>
<b>DISBURSEMENTS</b>				
General Government	-	-	-	146,953
Public Safety	-	768,776	-	1,348,573
Public Works	-	-	-	344,092
Culture and Recreation	20,743	-	-	144,348
Debt Service:				
Principal Payments	-	-	-	730,000
Interest and Fiscal Charges	-	-	-	246,452
<b>TOTAL DISBURSEMENTS</b>	<u>20,743</u>	<u>768,776</u>	<u>-</u>	<u>2,960,418</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(69)</u>	<u>76,627</u>	<u>-</u>	<u>(814,403)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	1,078,983
Transfers out	-	(30,000)	-	(229,436)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>(30,000)</u>	<u>-</u>	<u>849,547</u>
Net Change in Fund Balances	(69)	46,627	-	35,144
<b>FUND BALANCES - BEGINNING</b>	<u>16,422</u>	<u>66,606</u>	<u>9,562</u>	<u>2,881,633</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 16,353</u>	<u>\$ 113,233</u>	<u>\$ 9,562</u>	<u>\$ 2,916,777</u>
<b>FUND BALANCES:</b>				
Restricted for:				
Visitor Promotion	16,353	-	-	16,353
911 Emergency Services	-	-	-	99,142
Drug Education	-	-	-	1,256
Law Enforcement/Public Safety	-	-	-	220,718
Preservation of Records	-	-	-	25,434
Debt Service	-	-	-	444,123
Road/Bridge Projects	-	-	-	505,807
Community Development	-	-	-	255,694
Committed to:				
Law Enforcement	-	-	-	77,962
Road Maintenance	-	-	-	224,073
County Buildings	-	-	-	232,462
Equipment	-	-	-	82,677
Culture & Recreation	-	-	-	203,301
Emergency Management	-	-	-	404,980
County Ambulance	-	113,233	9,562	122,795
<b>TOTAL FUND BALANCES</b>	<u>\$ 16,353</u>	<u>\$ 113,233</u>	<u>\$ 9,562</u>	<u>\$ 2,916,777</u>

JEFFERSON COUNTY  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2020

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent	Highway Superintendent
BALANCES JULY 1, 2019	\$ 208	\$ 14,087	\$ 20,569	\$ 11,335	\$ 4,491	\$ 6,983	\$ 500
<b>RECEIPTS</b>							
Property Taxes	-	-	-	22,130	-	-	-
Licenses and Permits	750	-	-	910	-	-	5,100
Intergovernmental	-	-	-	649,500	-	-	-
Charges for Services	1,543	50,395	11,285	59,691	1,717	21,577	-
Miscellaneous	50	-	-	53,937	143	-	34,579
State Fees	316	53,611	19,094	308	-	-	1,205
Other Liabilities	-	-	256,885	121,213	3,397	-	-
<b>TOTAL RECEIPTS</b>	<b>2,659</b>	<b>104,006</b>	<b>287,264</b>	<b>907,689</b>	<b>5,257</b>	<b>21,577</b>	<b>40,884</b>
<b>DISBURSEMENTS</b>							
Payments to County Treasurer	2,309	51,437	11,339	757,850	567	27,480	39,619
Payments to State Treasurer	286	58,527	17,623	311	-	-	1,205
Other Liabilities	-	-	235,308	143,100	2,998	-	60
<b>TOTAL DISBURSEMENTS</b>	<b>2,595</b>	<b>109,964</b>	<b>264,270</b>	<b>901,261</b>	<b>3,565</b>	<b>27,480</b>	<b>40,884</b>
BALANCES JUNE 30, 2020	<u>\$ 272</u>	<u>\$ 8,129</u>	<u>\$ 43,563</u>	<u>\$ 17,763</u>	<u>\$ 6,183</u>	<u>\$ 1,080</u>	<u>\$ 500</u>
<b>BALANCES CONSIST OF:</b>							
Due to County Treasurer	\$ 160	\$ 4,694	\$ 793	\$ 13,963	\$ 1,900	\$ 1,030	\$ -
Petty Cash	50	-	100	2,700	1,000	50	500
Due to State Treasurer	62	3,435	2,215	48	-	-	-
Due to Others	-	-	40,455	1,052	3,283	-	-
BALANCES JUNE 30, 2020	<u>\$ 272</u>	<u>\$ 8,129</u>	<u>\$ 43,563</u>	<u>\$ 17,763</u>	<u>\$ 6,183</u>	<u>\$ 1,080</u>	<u>\$ 500</u>

(Continued)

JEFFERSON COUNTY  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2020

	Veterans' Service Officer	County Fair	County Ambulance	County Planning and Zoning	County Cafeteria Plan	County Emergency Manager	County Assessor	Total
BALANCES JULY 1, 2019	\$ 6,819	\$ 2,072	\$ 179,742	\$ 25	\$ 19,160	\$ 12,925	\$ 31	\$ 278,947
<b>RECEIPTS</b>								
Property Taxes	-	-	-	-	-	-	-	22,130
Licenses and Permits	-	-	-	2,125	-	-	-	8,885
Intergovernmental	-	-	12,514	-	-	-	-	662,014
Charges for Services	-	-	180,809	-	-	-	-	327,017
Miscellaneous	12,957	38,032	475	-	21,656	66,909	-	228,738
State Fees	-	-	-	-	-	-	-	74,534
Other Liabilities	-	-	-	-	-	-	-	381,495
<b>TOTAL RECEIPTS</b>	<b>12,957</b>	<b>38,032</b>	<b>193,798</b>	<b>2,125</b>	<b>21,656</b>	<b>66,909</b>	<b>-</b>	<b>1,704,813</b>
<b>DISBURSEMENTS</b>								
Payments to County Treasurer	-	7,926	347,841	2,150	-	72,166	6	1,320,690
Payments to State Treasurer	-	-	-	-	-	-	-	77,952
Other Liabilities	15,368	30,430	11	-	19,593	-	-	446,868
<b>TOTAL DISBURSEMENTS</b>	<b>15,368</b>	<b>38,356</b>	<b>347,852</b>	<b>2,150</b>	<b>19,593</b>	<b>72,166</b>	<b>6</b>	<b>1,845,510</b>
BALANCES JUNE 30, 2020	\$ 4,408	\$ 1,748	\$ 25,688	\$ -	\$ 21,223	\$ 7,668	\$ 25	\$ 138,250
<b>BALANCES CONSIST OF:</b>								
Due to County Treasurer	\$ 4,408	\$ 1,748	\$ 25,188	\$ -	\$ 15,994	\$ 7,668	\$ -	\$ 77,546
Petty Cash	-	-	500	-	3,000	-	25	7,925
Due to State Treasurer	-	-	-	-	-	-	-	5,760
Due to Others	-	-	-	-	2,229	-	-	47,019
BALANCES JUNE 30, 2020	\$ 4,408	\$ 1,748	\$ 25,688	\$ -	\$ 21,223	\$ 7,668	\$ 25	\$ 138,250

(Concluded)

JEFFERSON COUNTY  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED**  
**FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY**  
June 30, 2020

Item	2015	2016	2017	2018	2019
<b>Tax Certified by Assessor</b>					
Real Estate	\$ 18,714,758	\$ 20,300,165	\$ 20,755,385	\$ 21,348,754	\$ 21,851,190
Personal and Specials	4,363,407	4,031,839	4,201,297	4,229,570	4,306,637
<b>Total</b>	<b>23,078,165</b>	<b>24,332,004</b>	<b>24,956,682</b>	<b>25,578,324</b>	<b>26,157,827</b>
<b>Corrections</b>					
Additions	15,064	23,125	17,738	6,119	10,454
Deductions	(19,397)	(38,667)	(4,368)	(12)	-
Net Additions/ (Deductions)	(4,333)	(15,542)	13,370	6,107	10,454
<b>Corrected Certified Tax</b>	<b>23,073,832</b>	<b>24,316,462</b>	<b>24,970,052</b>	<b>25,584,431</b>	<b>26,168,281</b>
<b>Net Tax Collected by County Treasurer during Fiscal Year Ending:</b>					
June 30, 2016	14,084,431	-	-	-	-
June 30, 2017	8,919,828	14,823,724	-	-	-
June 30, 2018	30,355	9,433,622	15,034,871	-	-
June 30, 2019	12,867	19,679	9,863,059	15,341,147	-
June 30, 2020	5,506	10,643	42,154	10,176,253	15,303,041
<b>Total Net Collections</b>	<b>23,052,987</b>	<b>24,287,668</b>	<b>24,940,084</b>	<b>25,517,400</b>	<b>15,303,041</b>
<b>Total Uncollected Tax</b>	<b>\$ 20,845</b>	<b>\$ 28,794</b>	<b>\$ 29,968</b>	<b>\$ 67,031</b>	<b>\$ 10,865,240</b>
<b>Percentage Uncollected Tax</b>	<b>0.09%</b>	<b>0.12%</b>	<b>0.12%</b>	<b>0.26%</b>	<b>41.52%</b>

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





# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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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, 2020, 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 15, 2020. 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.

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. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We consider the following deficiency in the County's internal control to be a significant deficiency:

- 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**

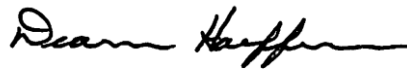
We also noted certain matters that we reported to the management of Jefferson County in a separate letter dated October 15, 2020.

**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 15, 2020



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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October 15, 2020

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, 2020, and have issued our report thereon dated October 15, 2020. 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 AMBULANCE

### Ambulance Office Procedures

The County Ambulance did not perform any reconciliations during the fiscal year between the bank account, the financial records of the office, the records of EMS Billing Services, Inc. (EMS), and the records of Quick Med Claims (QMC), with whom the County has contracted to perform billing and collection services. This lack of reconciliation procedures resulted in the following errors:

- \$8,492 received in March through May 2020 had not been remitted to the County Treasurer as of June 30, 2020.
- Reconciling items, totaling \$4,811, noted during prior audits were not corrected during fiscal year 2020.
- Four ACH payments from the State of Nebraska, totaling \$721, were not adjusted into EMS or QMC records.
- Two adjustments, totaling \$1,595, were made in EMS' records; however, this money was never actually received in the bank account.
- One transaction was reversed in EMS' records, totaling \$297; however, no documentation was available to determine the reason for this reversal.
- One charge for \$219 was refunded to the bank account, but it was never adjusted in EMS' records.

- We noted that several claims were recorded in the QMC system, but they were never received in the bank account. Likewise, several payments were received in the bank account, but they were never recorded in QMC's records. The net variance between these items totaled \$7,847 received in the bank account that was never recorded.
- Payments, totaling \$7,865, were issued to QMC for "Customer Collections"; however, no explanation for these payments could be provided by the County Ambulance.
- Bank fees of \$587 incurred from September 2017 through December 2019 had not been submitted to the County Board for reimbursement.

The net effect of these errors was an additional \$2,280 remaining in the bank account that has not been remitted timely to the County Treasurer.

For the past several years, the County Ambulance has continually failed to take corrective action as similar issues were noted each year since the fiscal year 2016 audit.

Good internal controls and sound business practices require procedures to ensure that an accurate monthly bank reconciliation is completed. Such reconciliation should include the timely resolution of all variances noted.

Without such procedures, there is an increased risk for the loss or misuse of County funds.

We recommend the County Ambulance implement procedures to balance its bank account on a monthly basis, documenting such reconciliation and the resolution of any variances noted. As it is clear the County Ambulance has no intention of correcting previous errors noted, we recommend the County Ambulance remit all funds held in excess of the amount received during the prior month to the County Treasurer.

## COUNTY ATTORNEY

### Office Procedures

During our audit, we noted the following concerns related to the County Attorney's office procedures:

- The Special Trust bank account contained \$1,370 of restitution funds for which the County Attorney was unable to provide an accurate listing of those to whom the monies were owed.
- A \$400 check was issued from the Traffic Diversion bank account to the County Sheriff. The County Attorney was unable to explain the purpose of this check. No money was received in the bank account to cover this disbursement; therefore, diversion fee collections were used inappropriately to issue this check.
- Traffic diversion fees were not remitted to the County Treasurer timely; \$750 received prior to June 30, 2019, and \$1,150 received during fiscal year 2020 had not been remitted to the County Treasurer as of June 30, 2020.
- Accurate monthly bank reconciliations were not performed for the Special Trust bank account, resulting in a shortage of \$24 from unreimbursed petty cash claims. These unclaimed expenses were all incurred prior to June 30, 2018.
- Accurate monthly bank reconciliations were also not performed for the Bad Check bank account. Consequently, the account had a negative \$153 balance, indicating that more funds were paid out than were received originally. The County Attorney could not provide an explanation for this negative balance.

For the past several years, the County Attorney has continually failed to take corrective action as similar issues were noted each year since the fiscal year 2016 audit.

Neb. Rev. Stat. § 23-1601(1) (Reissue 2012) states the following:

*It is the duty of the county treasurer to receive all money belonging to the county, from whatsoever source derived and by any method of payment provided by section 77-1702, and all other money which is by law directed to be paid to him or her. All money received by the county treasurer for the use of the county shall be paid out by him or her only on warrants issued by the county board according to law, except when special provision for payment of county money is otherwise made by law.*

Good internal control requires procedures to ensure the following: 1) bank reconciliations are performed monthly; 2) complete and accurate financial records are maintained to identify the proper recipients of all trust balances owed; 3) reimbursement claims are submitted timely; and 4) fees collected are remitted properly to the County Treasurer in a timely manner.

Without such procedures, there is an increased risk of not only loss, theft, or misuse of funds but also undetected errors.

We recommend the County Attorney implement procedures to ensure the following: 1) the performance of monthly bank reconciliations; 2) the maintenance of complete and accurate financial records to identify the proper recipient of all trust balances owed; 3) the timely submittal of reimbursement claims; 4) the timely remittance of diversion fees received; and 5) the making of all purchases and expenditures through the claims process for inclusion in the budget.

### **Drug Fund Report**

We noted that the County Attorney did not file the required County Drug Law Enforcement and Education Fund (Fund) report with the Auditor of Public Accounts (APA) for fiscal year 2019 and 2020. During fiscal year 2020, the Fund had receipts of \$1,217 and a fund balance of \$1,256.

Neb. Rev. Stat. § 28-1439.03 (Reissue 2016) states, in relevant part, the following:

*At the end of any fiscal year in which the fund has contained money, the board shall make a report summarizing the use of the fund during such year to the Auditor of Public Accounts, except that such report shall contain no information which would jeopardize an ongoing investigation. Such report shall indicate the amount of money placed in the fund, the amount of money disbursed, the number of cases opened and closed in which the fund was utilized, and the drug education activities for which money in the fund was utilized.*

Good internal control requires procedures to ensure that the County Attorney files the statutorily required annual Fund report with the APA.

Without such procedures, there is an increased risk of the County Attorney failing to comply with State statute.

We recommend the County Attorney implement procedures to ensure the Fund report is filed with the APA, as required by State statute.

### **COUNTY CLERK**

#### **Cafeteria Account**

The County Clerk maintains a Cafeteria bank account for paying expenditures related to employees' flexible spending account funds. We noted the following regarding this account:

- The Cafeteria bank account had a balance of \$18,223 at June 30, 2020. Additionally, \$2,500 was held as a balance at Infinisource, the vendor responsible for administering the cafeteria plan. Documentation could not be provided to support that the County Board approved these accounts to be maintained outside the County Treasurer. Likewise, the amount of such accounts has not been stated in the County Board budget message.
- Interest of \$54 received in the Cafeteria bank account from fiscal years 2016 through 2019 had not been remitted properly to the County Treasurer.
- Infinisource had direct access to the Cafeteria bank account to pay claims on behalf of employees without County approval.

Neb. Rev. Stat. § 23-1601(1) (Reissue 2012) provides the following:

*It is the duty of the county treasurer to receive all money belonging to the county, from whatsoever source derived and by any method of payment provided by section 77-1702, and all other money which is by law directed to be paid to him or her. All money received by the county treasurer for the use of the county shall be paid out by him or her only on warrants issued by the county board according to law, except when special provision for payment of county money is otherwise made by law.*

Neb. Rev. Stat. § 23-106(2) (Reissue 2012) provides the only authority for allowing County funds to be held by anyone other than the County Treasurer, as follows:

*The county board shall have the authority to establish a petty cash fund for such county for the purpose of making payments for subsidiary general operational expenditures and purchases. Such county board shall set, by resolution of the board, the amount of money to be carried in such petty cash fund and the dollar limit of an expenditure from such fund and such amount shall be stated in the fiscal policy of the county board budget message.*

Unless the County Board designates the Cafeteria bank account as a “petty cash fund” under § 23-106(2), there is no authority for allowing it to be maintained by the County Clerk.

If the Cafeteria bank account is to be treated as a “petty cash fund” under § 23-106(2), moreover, the failure of the County Board budget message to reflect the authorized petty cash amounts both conflicts with State statute and effectively withholds from the public the approved funds available to officials.

Additionally, good internal controls require procedures for ensuring that the Cafeteria bank account balances are approved by the County Board, all authorized signers are County employees, and all interest received is deposited with the County Treasurer in a timely manner.

Without such procedures, there is an increased risk for not only failure to comply with State statute but also loss, theft, or misuse of County funds and financial errors being allowed to go undetected more easily.

This was also noted in prior audits.

We recommend the County Board make a formal determination as to whether the Cafeteria bank account should be treated as a “petty cash fund” under § 23-106(2), effectively resolving the issue of who is responsible for maintaining it. Should the County Board designate the Cafeteria bank account as a “petty cash fund,” we recommend that procedures be implemented to ensure the County Board budget message reflects the amounts authorized for that fund. Such procedures should also ensure the remittance of all interest amounts to the County Treasurer and a review of the third-party vendor’s access to the account.

## COUNTY FAIR

### Petty Cash Supporting Documentation

In July 2019, a \$7,000 claim was submitted to the County Board for County Fair premiums. In order for the recipients to be paid in a timely manner, the County Board approved that claim before the expenses were incurred; however, documentation for the expenses was not subsequently received by the County Board. Additionally, we noted the premium checks paid out for the 2019 County Fair totaled \$ 6,261, leaving unused \$739 of the amount requested. The excess money was not remitted back to the County Treasurer, remaining instead in the County Fair checking account.

We also noted \$5,932 was deposited into the County Fair petty cash bank account from donations and other proceeds that were not remitted to the County Treasurer and were spent without County Board approval.

Furthermore, the County Fair did not perform a bank reconciliation during the audit period. Due to the lack of reconciliations, we noted that reconciling items from fiscal years 2015 and 2016, totaling \$14, were not resolved.

Neb. Rev. Stat. § 23-1601(1) (Reissue 2012) provides the following:

*It is the duty of the county treasurer to receive all money belonging to the county, from whatsoever source derived and by any method of payment provided by section 77-1702, and all other money which is by law directed to be paid to him or her. All money received by the county treasurer for the use of the county shall be paid out by him or her only on warrants issued by the county board according to law, except when special provision for payment of county money is otherwise made by law.*

Neb. Rev. Stat. § 23-106(2) (Reissue 2012) provides the following:

*The county board shall have the authority to establish a petty cash fund for such county for the purpose of making payments for subsidiary general operational expenditures and purchases. Such county board shall set, by resolution of the board, the amount of money to be carried in such petty cash fund and the dollar limit of an expenditure from such fund and such amount shall be stated in the fiscal policy of the county board budget message.*

Good internal controls and sound accounting practices require procedures to ensure that accurate bank reconciliations are performed timely. Those same procedures should ensure also that adequate documentation is presented to the County Board to support all claims, and donations are remitted to the County Treasurer and disbursed only with County Board approval.

Without such procedures, there is an increased risk for the loss or misuse of County funds.

A similar comment was noted in prior audits.

We recommend the County Fair perform bank reconciliations on a timely basis and ensure the petty cash fund is maintained at the authorized amount. We also recommend all donations received be remitted to the County Treasurer and disbursed only with County Board approval. Furthermore, we recommend the County Board consider whether the authorized petty cash amount is too high, given the practice of advancing money prior to the fair.

## COUNTY SHERIFF

### Office Procedures

During our audit, we noted the following issues with the County Sheriff's accounting and balancing procedures at June 30, 2020:

- Accurate monthly bank reconciliations were not performed for one of the County Sheriff's bank accounts, resulting in a \$427 shortage between the book and bank balances at June 30, 2020.
- A monthly asset-to-liability reconciliation was not performed. A cash long of \$5,820 was noted as of June 30, 2020.
- Fees were not remitted timely to the County Treasurer. Canine donations of \$836 received in May and June 2018 had not been remitted to the County Treasurer as of audit fieldwork in August 2020.
- The County Sheriff received donations of \$300 from a Christmas toy drive that were deposited into the petty cash bank account, of which \$274 was spent. The donations collected were not remitted to the County Treasurer, and payments were not approved by the County Board.
- During fiscal year 2020, the County Sheriff remitted an additional \$425 to the County Treasurer for handgun permits above what was actually received for handgun permit receipts, according to office records.
- The County Sheriff was authorized to utilize a \$1,200 Smartcard to pay out inmate accounts; however, the County Sheriff's accounting system noted the balance on the card at June 30, 2020, was \$1,404, an excess of \$204. Documentation was not available to support this overage.
- A \$10 payment for checks was made in October 2019 from the County Sheriff's petty cash fund that had not been submitted to the County Board for reimbursement as of audit fieldwork in August 2020.

Neb. Rev. Stat. § 23-1601(1) (Reissue 2012) provides the following:

*It is the duty of the county treasurer to receive all money belonging to the county, from whatsoever source derived and by any method of payment provided by section 77-1702, and all other money which is by law directed to be paid to him or her. All money received by the county treasurer for the use of the county shall be paid out by him or her only on warrants issued by the county board according to law, except when special provision for payment of county money is otherwise made by law.*

Neb. Rev. Stat. § 23-106(2) (Reissue 2012) provides the following:

*The county board shall have the authority to establish a petty cash fund for such county for the purpose of making payments for subsidiary general operational expenditures and purchases. Such county board shall set, by resolution of the board, the amount of money to be carried in such petty cash fund and the dollar limit of an expenditure from such fund and such amount shall be stated in the fiscal policy of the county board budget message.*

Sound accounting practices and good internal controls require procedures to ensure that the County Sheriff's office assets (cash on hand, reconciled bank balance, accounts receivable, etc.) are in agreement with office liabilities (fee and trust accounts) on at least a monthly basis. Such procedures should include timely bank reconciliations and the prompt identification and resolution of all variances noted.

Those same procedures should ensure also that petty cash funds are reconciled periodically back to the authorized amount, reimbursement requests are submitted timely, donations received are remitted timely to the County Treasurer, payments are issued only with County Board approval, and the proper amount of handgun permit receipts are remitted to the County Treasurer.

Without such procedures, there is an increased risk of loss, theft, or misuse of County funds, and errors going undetected more easily.

A similar comment was noted in prior audits.



We recommend the County Sheriff implement procedures to ensure the following: 1) office assets agree to office liabilities on at least a monthly basis, and any variances identified are resolved in a timely manner; 2) monthly bank reconciliations are performed, and any variances noted are resolved timely; 3) petty cash funds are maintained at the authorized amount; 4) donations are remitted timely to the County Treasurer, and payments are issued only with County Board approval; and 5) the proper amount of fees are remitted to the County Treasurer.

**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 that 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. A lack of segregation of duties increases the risk of possible errors or irregularities; however, due to a limited number of personnel, an adequate segregation of duties may not be 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.

**Unclaimed Property**

The following table details the County offices that held unclaimed funds for more than three years, failing to remit them to the State Treasurer in accordance with the Uniform Disposition of Unclaimed Property Act (Act):

Office	# of Checks	Amount	Fiscal Year Issued
Fair	206	\$ 1,215	2009-2016
Sheriff	45	\$ 729	2007-2016
Attorney	5	\$ 202	2014-2015

Neb. Rev. Stat. § 69-1307.01 (Reissue 2018) of the Act presumes abandoned any intangible personal property held by certain public entities, including political subdivisions, that has remained unclaimed for more than three years. Neb. Rev. Stat. § 69-1310(d) (Reissue 2018) requires any such abandoned property, as of June 30 each year, to be reported and remitted to the State Treasurer before November 1 annually.

In addition, good internal controls require procedures that provide for an ongoing, detailed review of all County accounts to determine the appropriate action for any unclaimed property contained therein.

Without such procedures, there is an increased risk for noncompliance with State statute.

This was also noted in prior audits.

We recommend the County implement procedures to ensure all intangible personal property held by County offices that has remained unclaimed for more than three years is remitted to the State Treasurer, as required by the Act.

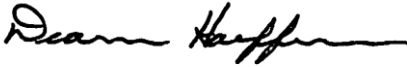
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It should be noted this report is critical in nature, as it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any strong features of the County.

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 cursive script that reads "Deann Haeffner". The signature is written in black ink and is positioned above the typed name.

Deann Haeffner, CPA  
Assistant Deputy Auditor