

**AUDIT REPORT
OF
JEFFERSON COUNTY**

JULY 1, 2020, THROUGH JUNE 30, 2021

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the Auditor of Public Accounts.**

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Issued on November 1, 2021

JEFFERSON COUNTY

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JEFFERSON COUNTY
411 4th Street
Fairbury, NE 68352

LIST OF COUNTY OFFICIALS
At June 30, 2021

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Michael Dux Mark Schoenrock Gale Pohlmann	Jan. 2023 Jan. 2023 Jan. 2025
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 Tayler	Jan. 2023
Sheriff	Nick Georgi	Jan. 2023
Treasurer	Leroy Bast	Jan. 2023
Veterans' Service Officer	Don Cook	Appointed
Weed Superintendent Planning & Zoning Emergency Manager	John Mckee	Appointed



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JEFFERSON COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Jefferson County, Nebraska

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County, as of and for the year ended June 30, 2021, 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, 2021, 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 19-37, 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 21, 2021, 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.



Zachary Wells, CPA, CISA
Audit Manager
Lincoln, Nebraska

October 21, 2021

JEFFERSON COUNTY
STATEMENT OF NET POSITION - CASH BASIS
 June 30, 2021

	Governmental Activities
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 3,992,972
Investments (Note 1.D)	3,906,698
TOTAL ASSETS	\$ 7,899,670
NET POSITION	
Restricted for:	
Visitor Promotion	\$ 11,729
911 Emergency Services	127,668
Drug Education	1,256
Law Enforcement/Public Safety	224,218
Preservation of Records	21,583
Debt Service	593,663
Road/Bridge Projects	673,735
Coronavirus Relief and Assistance	684,301
Community Development	264,106
Unrestricted	5,297,411
TOTAL NET POSITION	\$ 7,899,670

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, 2021

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ (3,322,479)	\$ 366,975	\$ 1,281,440	\$ (1,674,064)
Public Safety	(3,760,972)	920,787	137,293	(2,702,892)
Public Works	(3,751,645)	3,960	1,750,003	(1,997,682)
Public Assistance	(57,629)	-	-	(57,629)
Culture and Recreation	(144,629)	-	-	(144,629)
Debt Payments	(881,729)	-	-	(881,729)
Total Governmental Activities	<u><u>\$ (11,919,083)</u></u>	<u><u>\$ 1,291,722</u></u>	<u><u>\$ 3,168,736</u></u>	<u><u>(7,458,625)</u></u>
 General Receipts:				
Property Taxes				8,181,806
Grants and Contributions Not Restricted to Specific Programs				1,293,294
Investment Income				45,457
Licenses and Permits				46,129
Miscellaneous				302,639
Total General Receipts				<u><u>9,869,325</u></u>
 Increase in Net Position				
				2,410,700
Net Position - Beginning of year				5,488,970
Net Position - End of year				<u><u>\$ 7,899,670</u></u>

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, 2021

	<u>General Fund</u>	<u>Road Fund</u>	<u>Inheritance Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents (Note 1.D)	\$ -	\$ 793,451	\$ -	\$ 3,199,521	\$ 3,992,972
Investments (Note 1.D)	1,214,298	-	1,935,234	757,166	3,906,698
TOTAL ASSETS	<u>\$ 1,214,298</u>	<u>\$ 793,451</u>	<u>\$ 1,935,234</u>	<u>\$ 3,956,687</u>	<u>\$ 7,899,670</u>
FUND BALANCES					
Restricted for:					
Visitor Promotion	-	-	-	11,729	11,729
911 Emergency Services	-	-	-	127,668	127,668
Drug Education	-	-	-	1,256	1,256
Law Enforcement/Public Safety	-	-	-	224,218	224,218
Preservation of Records	-	-	-	21,583	21,583
Debt Service	-	-	-	593,663	593,663
Road/Bridge Projects	-	-	-	673,735	673,735
Coronavirus Relief and Assistance	-	-	-	684,301	684,301
Community Development	-	-	-	264,106	264,106
Committed to:					
Law Enforcement	-	-	-	6,176	6,176
Road Maintenance	-	793,451	-	278,078	1,071,529
County Buildings	-	-	-	280,255	280,255
County Equipment	-	-	-	79,000	79,000
Culture & Recreation	-	-	-	239,873	239,873
Emergency Management	-	-	-	394,171	394,171
County Ambulance	-	-	-	76,875	76,875
Assigned to:					
Other Purposes	-	-	1,935,234	-	1,935,234
Unassigned	1,214,298	-	-	-	1,214,298
TOTAL CASH BASIS FUND BALANCES	<u>\$ 1,214,298</u>	<u>\$ 793,451</u>	<u>\$ 1,935,234</u>	<u>\$ 3,956,687</u>	<u>\$ 7,899,670</u>

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

JEFFERSON COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS					
Property Taxes	\$ 6,209,233	\$ -	\$ 902,172	\$ 1,070,401	\$ 8,181,806
Licenses and Permits	42,529	3,600	-	-	46,129
Investment Income	40,708	-	-	4,749	45,457
Intergovernmental	835,770	1,680,512	532,296	1,413,452	4,462,030
Charges for Services	960,740	3,960	-	327,022	1,291,722
Miscellaneous	122,755	80,818	8,610	90,456	302,639
TOTAL RECEIPTS	<u>8,211,735</u>	<u>1,768,890</u>	<u>1,443,078</u>	<u>2,906,080</u>	<u>14,329,783</u>
DISBURSEMENTS					
General Government	2,983,930	-	164,722	173,827	3,322,479
Public Safety	2,491,108	-	-	1,269,864	3,760,972
Public Works	98,894	3,499,454	-	153,297	3,751,645
Public Assistance	57,629	-	-	-	57,629
Culture and Recreation	-	-	-	144,629	144,629
Debt Service:					
Principal Payments	-	-	-	730,000	730,000
Interest and Fiscal Charges	-	-	-	151,729	151,729
TOTAL DISBURSEMENTS	<u>5,631,561</u>	<u>3,499,454</u>	<u>164,722</u>	<u>2,623,346</u>	<u>11,919,083</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>2,580,174</u>	<u>(1,730,564)</u>	<u>1,278,356</u>	<u>282,734</u>	<u>2,410,700</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	567,131	2,215,706	-	893,307	3,676,144
Transfers out	(2,704,615)	(365,398)	(470,000)	(136,131)	(3,676,144)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,137,484)</u>	<u>1,850,308</u>	<u>(470,000)</u>	<u>757,176</u>	<u>-</u>
Net Change in Fund Balances	442,690	119,744	808,356	1,039,910	2,410,700
CASH BASIS FUND BALANCES - BEGINNING	<u>771,608</u>	<u>673,707</u>	<u>1,126,878</u>	<u>2,916,777</u>	<u>5,488,970</u>
CASH BASIS FUND BALANCES - ENDING	<u>\$ 1,214,298</u>	<u>\$ 793,451</u>	<u>\$ 1,935,234</u>	<u>\$ 3,956,687</u>	<u>\$ 7,899,670</u>

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

JEFFERSON COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
FIDUCIARY FUNDS
For the Year Ended June 30, 2021

	Custodial Fund Balances July 1, 2020 (as restated)	Receipts	Disbursements	Custodial Fund Balances June 30, 2021
ASSETS				
Cash and Cash Equivalents	\$ 668,859	\$ 26,317,698	\$ 26,419,414	\$ 567,143
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	251,470	2,340,808	2,399,075	193,203
State - Collected by Other Offices	5,760	78,211	79,429	4,542
Schools	262,983	17,971,656	18,061,705	172,934
Educational Service Units	3,116	286,326	287,037	2,405
Technical College	19,329	1,788,353	1,792,670	15,012
Natural Resource Districts	5,254	444,422	446,123	3,553
Fire Districts	7,207	658,453	658,699	6,961
Municipalities	53,141	1,722,430	1,739,671	35,900
Airport Authority	2,256	69,330	70,131	1,455
Historical Society	617	56,733	56,873	477
Others - Collected by County Treasurer	10,707	343,802	346,556	7,953
Others - Collected by Other Offices	47,019	557,174	481,445	122,748
TOTAL LIABILITIES	668,859	26,317,698	26,419,414	567,143
TOTAL NET POSITION	\$ -	\$ -	\$ -	\$ -

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, 2021

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 \$31,927 toward the operation of the Region during fiscal year 2021. 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 the 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 \$3,900 toward the operation of the Department during fiscal year 2021. 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) (2021 Neb. Laws, LB 528, § 51). 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 2021. 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 2021. In event of the termination of the agreement, assets would be disposed of in accordance with terms of the agreement. The 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.

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

Debt Service Fund. The Law Enforcement Building Bond Fund, Highway Bond Fund, and Highway Bond – PWF Road Fund account 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 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, certificates of deposits, 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 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 \$2,602,259 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 \$3,992,972 for County funds and \$567,143 for Fiduciary funds. The bank balances for all funds totaled \$4,617,428. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2021, 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 \$3,906,698 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 2020, for the 2020 taxes, which will be materially collected in May and September 2021, was set at \$.373078/\$100 of assessed valuation. The levy set in October 2019, for the 2019 taxes, which were materially collected in May and September 2020, was set at \$.349148/\$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. 2020) 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, 2021, 104 employees contributed \$198,213, and the County contributed \$292,337. Contributions included \$9,963 in cash contributions towards the supplemental law enforcement plan for 21 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 104 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 the county's withdrawal from participation or the termination of the agreement, as well as for liabilities of the pool incurred during the 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, 2021, consisted of the following:

Transfers to	Transfers from				Total
	General Fund	Road Fund	Inheritance Fund	Nonmajor Funds	
General Fund	\$ -	\$ -	\$ 470,000	\$ 97,131	\$ 567,131
Road Fund	2,215,706	-	-	-	2,215,706
Nonmajor Funds	488,909	365,398	-	39,000	893,307
Total	\$ 2,704,615	\$ 365,398	\$ 470,000	\$ 136,131	\$ 3,676,144

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

In the year ended June 30, 2021, the County made a one-time transfer of \$365,398 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 \$30,000 from the Ambulance Service Fund to the General Fund, and \$67,131 was transferred from the Law Enforcement Building Fund to the General Fund to reimburse costs originally paid from the General Fund.

7. **Long-Term Obligations**

Lease Purchase Agreements

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, 2020	\$ 488,020	\$ 40,824	\$ 133,567	\$ 662,411
Purchases	213,508	302,350	-	515,858
Payments	110,448	40,824	31,437	182,709
Balance June 30, 2021	<u>\$ 591,080</u>	<u>\$ 302,350</u>	<u>\$ 102,130</u>	<u>\$ 995,560</u>

Future Payments:

Year	John Deere Road Equipment	Caterpillar Road Equipment	Ambulance	Total
2022	\$ 163,114	\$ 47,922	\$ 36,344	\$ 247,380
2023	170,739	63,896	36,343	270,978
2024	133,955	63,896	36,343	234,194
2025	108,129	63,896	-	172,025
2026	45,753	63,896	-	109,649
2027-2030	7,626	15,974	-	23,600
Total Payments	629,316	319,480	109,030	1,057,826
Less Interest	38,236	17,130	6,900	62,266
Present Value of Future Minimum Lease Payments	<u>\$ 591,080</u>	<u>\$ 302,350</u>	<u>\$ 102,130</u>	<u>\$ 995,560</u>
Carrying Value of the Related Fixed Asset	<u>\$ 829,589</u>	<u>\$ 302,350</u>	<u>\$ 165,000</u>	<u>\$ 1,296,939</u>

JEFFERSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

7. **Long-Term Obligations** (Continued)

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

Bonds

Highway Allocation Bond. The County issued bonds on May 20, 2021, in the amount of \$2,530,000 for the purpose of paying the costs of refinancing the Series 2016 Highway Allocation Bonds. The bond payable balance, as of June 30, 2021, was \$2,530,000. 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
2022	\$ 350,000	\$ 12,617	\$ 362,617
2023	350,000	12,445	362,445
2024	350,000	11,395	361,395
2025	355,000	10,170	365,170
2026	355,000	8,573	363,573
2027-2031	770,000	11,220	781,220
Total Payments	<u>\$ 2,530,000</u>	<u>\$ 66,420</u>	<u>\$ 2,596,420</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 repaving certain highways and roads of the County. On September 17, 2020, the County issued bonds to refund the Series 2015 bonds. The bond payable balance, as of June 30, 2021, was \$6,250,000. 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
2022	\$ 360,000	\$ 121,400	\$ 481,400
2023	370,000	114,100	484,100
2024	375,000	106,650	481,650
2025	385,000	99,050	484,050
2026	390,000	91,300	481,300
2027-2031	2,080,000	334,600	2,414,600
2032-2036	2,290,000	116,200	2,406,200
Total Payments	<u>\$ 6,250,000</u>	<u>\$ 983,300</u>	<u>\$ 7,233,300</u>

Limited Tax Refunding Bond. The County issued bonds on May 19, 2021, in the amount of \$402,000 for the purpose of paying the costs of refinancing Tax Obligation Bonds, Series 2015. The bond payable balance, as of June 30, 2021, was \$402,000. 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)

7. Long-Term Obligations (Concluded)

Future Payments:	Principal	Interest	Total
Year	Principal	Interest	Total
2022	\$ 80,000	\$ 1,634	\$ 81,634
2023	79,000	1,435	80,435
2024	82,000	1,111	83,111
2025	81,000	663	81,663
2026	80,000	220	80,220
Total Payments	\$ 402,000	\$ 5,063	\$ 407,063

Jefferson Community Health Center – Conduit Debt. To provide for the financing to pay the costs of improvements to the facilities of the Jefferson Community Health Center (Center), a non-profit entity, the County issued revenue and refunding bonds on December 18, 2020, in the amount of \$8,275,000. These bonds are special limited obligations of the County payable solely from and secured by loan payments to be received from the Center. The bonds do not constitute a debt or pledge of faith of the County and, accordingly, have not been reported in the accompanying financial statements. Additional information may be obtained from the Center’s Administrative Office.

8. Prior Period Adjustment

The beginning balances were increased by \$52,779 on the Fiduciary Fund Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances from the balances reported in the County’s fiscal year 2020 financial statements. These adjustments were made to report the monies held by County officials other than the County Treasurer.

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 6,547,646	\$ 6,547,646	\$ 6,209,233	\$ (338,413)
Licenses and Permits	30,000	30,000	42,529	12,529
Interest	60,300	60,300	40,708	(19,592)
Intergovernmental	948,854	948,854	835,770	(113,084)
Charges for Services	381,500	381,500	960,740	579,240
Miscellaneous	80,700	80,700	122,755	42,055
TOTAL RECEIPTS	8,049,000	8,049,000	8,211,735	162,735
DISBURSEMENTS				
General Government:				
County Board	86,147	86,147	84,923	1,224
County Clerk	139,873	139,873	133,012	6,861
County Treasurer	193,514	193,514	182,469	11,045
Register of Deeds	39,616	39,616	36,475	3,141
County Assessor	231,891	231,891	207,226	24,665
Election Commissioner	33,496	33,496	29,807	3,689
Building and Zoning	49,351	49,351	43,150	6,201
Clerk of the District Court	141,196	141,196	127,945	13,251
County Court System	11,860	11,860	10,409	1,451
Building and Grounds	356,371	383,371	382,806	565
Agricultural Extension Agent	69,987	69,987	59,052	10,935
Employment Security	26,163	26,163	-	26,163
Miscellaneous	1,881,013	1,881,013	1,686,656	194,357
Public Safety				
County Sheriff	1,375,069	1,375,069	1,342,678	32,391
County Attorney	261,773	261,773	248,775	12,998
County Jail	836,018	836,018	720,801	115,217
Emergency Management	154,807	154,807	151,351	3,456
Child Support Enforcement	27,818	27,818	27,503	315
Public Works				
County Surveyor	42,000	46,000	42,310	3,690
Noxious Weed Control	90,302	90,302	56,584	33,718
Public Assistance				
Veterans' Service Officer	58,534	58,534	53,120	5,414
Veterans' Aid	19,000	19,000	3,109	15,891
Medical Relief	73,000	42,000	1,400	40,600
Institutional	17,000	17,000	-	17,000
TOTAL DISBURSEMENTS	6,215,799	6,215,799	5,631,561	584,238

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,833,201	1,833,201	2,580,174	746,973
OTHER FINANCING SOURCES (USES)				
Transfers in	572,130	572,130	567,131	(4,999)
Transfers out	(2,695,596)	(2,695,596)	(2,704,615)	(9,019)
TOTAL OTHER FINANCING SOURCES (USES)	(2,123,466)	(2,123,466)	(2,137,484)	(14,018)
Net Change in Fund Balance	(290,265)	(290,265)	442,690	732,955
FUND BALANCE - BEGINNING	771,099	771,099	771,608	509
FUND BALANCE - ENDING	\$ 480,834	\$ 480,834	\$ 1,214,298	\$ 733,464

(Concluded)

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Licenses and Permits	\$ 5,000	\$ 5,000	\$ 3,600	\$ (1,400)
Intergovernmental	1,616,635	1,616,635	1,680,512	63,877
Charges for Services	120	120	3,960	3,840
Miscellaneous	25,000	25,000	80,818	55,818
TOTAL RECEIPTS	1,646,755	1,646,755	1,768,890	122,135
DISBURSEMENTS	3,800,042	3,800,042	3,499,454	300,588
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(2,153,287)	(2,153,287)	(1,730,564)	422,723
OTHER FINANCING SOURCES (USES)				
Transfers in	2,213,000	2,213,000	2,215,706	2,706
Transfers out	(365,398)	(365,398)	(365,398)	-
TOTAL OTHER FINANCING SOURCES (USES)	1,847,602	1,847,602	1,850,308	2,706
Net Change in Fund Balance	(305,685)	(305,685)	119,744	425,429
FUND BALANCE - BEGINNING	673,707	673,707	673,707	-
FUND BALANCE - ENDING	\$ 368,022	\$ 368,022	\$ 793,451	\$ 425,429
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 100,000	\$ 100,000	\$ 902,172	\$ 802,172
Intergovernmental	-	-	532,296	532,296
Miscellaneous	-	-	8,610	8,610
TOTAL RECEIPTS	100,000	100,000	1,443,078	1,343,078
DISBURSEMENTS	756,878	756,878	164,722	592,156
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(656,878)	(656,878)	1,278,356	1,935,234
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(470,000)	(470,000)	(470,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(470,000)	(470,000)	(470,000)	-
Net Change in Fund Balance	(1,126,878)	(1,126,878)	808,356	1,935,234
FUND BALANCE - BEGINNING	1,126,878	1,126,878	1,126,878	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 1,935,234	\$ 1,935,234

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HIGHWAY STREET BUYBACK PROGRAM				
FUND				
Receipts	\$ 128,680	\$ 128,680	\$ 128,680	\$ -
Disbursements	(246,765)	(246,765)	(24,310)	222,455
Net Change in Fund Balance	(118,085)	(118,085)	104,370	222,455
Fund Balance - Beginning	118,085	118,085	118,085	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 222,455</u>	<u>\$ 222,455</u>
HIGHWAY BRIDGE BUYBACK PROGRAM				
FUND				
Receipts	\$ 184,947	\$ 184,947	\$ 184,947	\$ -
Disbursements	(572,669)	(572,669)	(121,389)	451,280
Net Change in Fund Balance	(387,722)	(387,722)	63,558	451,280
Fund Balance - Beginning	387,722	387,722	387,722	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 451,280</u>	<u>\$ 451,280</u>
SPECIAL ROAD FUND				
Receipts	\$ 2,850,000	\$ 2,850,000	\$ -	\$ (2,850,000)
Disbursements	(2,956,000)	(2,956,000)	(41)	2,955,959
Net Change in Fund Balance	(106,000)	(106,000)	(41)	105,959
Fund Balance - Beginning	106,000	106,000	106,000	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,959</u>	<u>\$ 105,959</u>
ROAD BRIDGE ESCROW FUND				
Receipts	\$ 76,188	\$ 76,188	\$ 61,603	\$ (14,585)
Disbursements	(194,261)	(194,261)	(7,557)	186,704
Net Change in Fund Balance	(118,073)	(118,073)	54,046	172,119
Fund Balance - Beginning	118,073	118,073	118,073	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 172,119</u>	<u>\$ 172,119</u>
EQUIPMENT RESERVE FUND				
Receipts	\$ 18,219	\$ 18,219	\$ 800	\$ (17,419)
Disbursements	(25,000)	(25,000)	(7,628)	17,372
Transfers in	-	-	50	50
Transfers out	-	-	-	-
Net Change in Fund Balance	(6,781)	(6,781)	(6,778)	3
Fund Balance - Beginning	6,781	6,781	6,781	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COMMUNICATION EQUIPMENT FUND				
Receipts	\$ 9,000	\$ 9,000	\$ 63,505	\$ 54,505
Disbursements	(37,478)	(37,478)	(21,183)	16,295
Net Change in Fund Balance	(28,478)	(28,478)	42,322	70,800
Fund Balance - Beginning	28,478	28,478	28,478	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,800</u>	<u>\$ 70,800</u>
COMPUTER IT FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(171,498)	(171,498)	(164,609)	6,889
Transfers in	148,601	148,601	148,601	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(22,897)	(22,897)	(16,008)	6,889
Fund Balance - Beginning	22,897	22,897	22,897	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,889</u>	<u>\$ 6,889</u>
EQUIPMENT VEHICLE FUND				
Receipts	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Disbursements	(104,521)	(104,521)	(103,213)	1,308
Transfers in	40,000	40,000	40,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(24,521)	(24,521)	(23,213)	1,308
Fund Balance - Beginning	24,521	24,521	24,521	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,308</u>	<u>\$ 1,308</u>
FAIR FUND				
Receipts	\$ 10,000	\$ 10,000	\$ 8,634	\$ (1,366)
Disbursements	(130,784)	(130,784)	(108,215)	22,569
Transfers in	162,000	162,000	129,000	(33,000)
Transfers out	(50,000)	(50,000)	(22,000)	28,000
Net Change in Fund Balance	(8,784)	(8,784)	7,419	16,203
Fund Balance - Beginning	24,617	24,617	24,617	-
Fund Balance - Ending	<u>\$ 15,833</u>	<u>\$ 15,833</u>	<u>\$ 32,036</u>	<u>\$ 16,203</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
PRESERVATION AND MODERNIZATION FUND				
Receipts	\$ 4,850	\$ 4,850	\$ 5,330	\$ 480
Disbursements	(30,284)	(30,284)	(9,181)	21,103
Net Change in Fund Balance	(25,434)	(25,434)	(3,851)	21,583
Fund Balance - Beginning	25,434	25,434	25,434	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,583</u>	<u>\$ 21,583</u>
ATTORNEY GRANT FUND				
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>
DRUG LAW ENFORCEMENT AND EDUCATION FUND				
Receipts	\$ 23,744	\$ 23,744	\$ -	\$ (23,744)
Disbursements	(25,000)	(25,000)	-	25,000
Net Change in Fund Balance	(1,256)	(1,256)	-	1,256
Fund Balance - Beginning	1,256	1,256	1,256	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,256</u>	<u>\$ 1,256</u>
INTOXILYZER FUND				
Receipts	\$ 2,471	\$ 2,471	\$ 1,884	\$ (587)
Disbursements	(3,267)	(3,267)	(210)	3,057
Net Change in Fund Balance	(796)	(796)	1,674	2,470
Fund Balance - Beginning	796	796	796	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,470</u>	<u>\$ 2,470</u>
SHERIFF GRANT FUND				
Receipts	\$ 30,764	\$ 30,764	\$ 3,500	\$ (27,264)
Disbursements	(50,000)	(50,000)	-	50,000
Net Change in Fund Balance	(19,236)	(19,236)	3,500	22,736
Fund Balance - Beginning	19,236	19,236	19,236	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,736</u>	<u>\$ 22,736</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CANINE FUND				
Receipts	\$ 25,000	\$ 25,000	\$ 15,220	\$ (9,780)
Disbursements	(35,035)	(35,035)	(21,549)	13,486
Net Change in Fund Balance	(10,035)	(10,035)	(6,329)	3,706
Fund Balance - Beginning	10,035	10,035	10,035	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,706</u>	<u>\$ 3,706</u>
COVID AMERICAN RESCUE PLAN ACT FUND				
Receipts	\$ -	\$ -	\$ 684,301	\$ 684,301
Disbursements	-	-	-	-
Net Change in Fund Balance	-	-	684,301	684,301
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,301</u>	<u>\$ 684,301</u>
COMMUNITY DEVELOPMENT GRANT FUND				
Receipts	\$ 12,056	\$ 12,056	\$ 8,449	\$ (3,607)
Disbursements	(267,750)	(267,750)	(37)	267,713
Net Change in Fund Balance	(255,694)	(255,694)	8,412	264,106
Fund Balance - Beginning	255,694	255,694	255,694	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,106</u>	<u>\$ 264,106</u>
911 EMERGENCY SERVICES FUND				
Receipts	\$ 30,000	\$ 30,000	\$ 29,910	\$ (90)
Disbursements	(41,165)	(41,165)	(33,971)	7,194
Net Change in Fund Balance	(11,165)	(11,165)	(4,061)	7,104
Fund Balance - Beginning	11,165	11,165	11,165	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,104</u>	<u>\$ 7,104</u>
911 WIRELESS SERVICE FUND				
Receipts	\$ 48,553	\$ 48,553	\$ 48,563	\$ 10
Disbursements	(136,530)	(136,530)	(22,239)	114,291
Transfers in	-	-	6,263	6,263
Transfers out	-	-	-	-
Net Change in Fund Balance	(87,977)	(87,977)	32,587	120,564
Fund Balance - Beginning	87,977	87,977	87,977	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,564</u>	<u>\$ 120,564</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EMERGENCY MANAGEMENT FUND				
Receipts	\$ 140,000	\$ 140,000	\$ 171,080	\$ 31,080
Disbursements	(543,546)	(543,546)	(180,975)	362,571
Net Change in Fund Balance	(403,546)	(403,546)	(9,895)	393,651
Fund Balance - Beginning	403,546	403,546	403,546	-
Fund Balance - Ending	\$ -	\$ -	\$ 393,651	\$ 393,651

SOUTHEAST REGION EMERGENCY MANAGEMENT FUND				
Receipts	\$ 195,609	\$ 195,609	\$ 21,209	\$ (174,400)
Disbursements	(197,043)	(197,043)	(22,123)	174,920
Net Change in Fund Balance	(1,434)	(1,434)	(914)	520
Fund Balance - Beginning	1,434	1,434	1,434	-
Fund Balance - Ending	\$ -	\$ -	\$ 520	\$ 520

LAW ENFORCEMENT BUILDING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(67,131)	(67,131)	(67,131)	-
Net Change in Fund Balance	(67,131)	(67,131)	(67,131)	-
Fund Balance - Beginning	67,131	67,131	67,131	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

LAW ENFORCEMENT BUILDING BOND FUND				
Receipts	\$ -	\$ -	\$ 4,829	\$ 4,829
Disbursements	(210,459)	(210,459)	(79,949)	130,510
Transfers in	79,000	79,000	79,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(131,459)	(131,459)	3,880	135,339
Fund Balance - Beginning	131,459	131,459	131,459	-
Fund Balance - Ending	\$ -	\$ -	\$ 135,339	\$ 135,339

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HIGHWAY BOND FUND				
Receipts	\$ -	\$ -	\$ 5,866	\$ 5,866
Disbursements	(365,398)	(365,398)	(365,398)	-
Transfers in	365,398	365,398	365,398	-
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	5,866	5,866
Fund Balance - Beginning	1,526	1,526	1,526	-
Fund Balance - Ending	<u>\$ 1,526</u>	<u>\$ 1,526</u>	<u>\$ 7,392</u>	<u>\$ 5,866</u>
HIGHWAY BOND - PWF ROAD FUND				
Receipts	\$ 558,100	\$ 558,100	\$ 576,176	\$ 18,076
Disbursements	(869,238)	(869,238)	(436,382)	432,856
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(311,138)	(311,138)	139,794	450,932
Fund Balance - Beginning	311,138	311,138	311,138	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450,932</u>	<u>\$ 450,932</u>
NATURAL DISASTER FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(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>
FAIR BUILDING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(215,500)	(215,500)	(12,662)	202,838
Transfers in	86,816	86,816	58,815	(28,001)
Transfers out	(50,000)	(50,000)	(17,000)	33,000
Net Change in Fund Balance	(178,684)	(178,684)	29,153	207,837
Fund Balance - Beginning	178,684	178,684	178,684	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207,837</u>	<u>\$ 207,837</u>

(Continued)

JEFFERSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COUNTY BUILDING FUND				
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>
LAW ENFORCEMENT ADDITION				
REMODEL FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(100,000)	(100,000)	(18,387)	81,613
Transfers in	66,180	66,180	66,180	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(33,820)	(33,820)	47,793	81,613
Fund Balance - Beginning	33,820	33,820	33,820	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,613</u>	<u>\$ 81,613</u>
VISITORS PROMOTION FUND				
Receipts	\$ 18,000	\$ 18,000	\$ 19,128	\$ 1,128
Disbursements	(34,353)	(34,353)	(23,752)	10,601
Net Change in Fund Balance	(16,353)	(16,353)	(4,624)	11,729
Fund Balance - Beginning	16,353	16,353	16,353	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,729</u>	<u>\$ 11,729</u>
AMBULANCE SERVICE FUND				
Receipts	\$ 789,835	\$ 789,835	\$ 810,996	\$ 21,161
Disbursements	(828,012)	(828,012)	(817,354)	10,658
Transfers in	-	-	-	-
Transfers out	(35,000)	(35,000)	(30,000)	5,000
Net Change in Fund Balance	(73,177)	(73,177)	(36,358)	36,819
Fund Balance - Beginning	113,233	113,233	113,233	-
Fund Balance - Ending	<u>\$ 40,056</u>	<u>\$ 40,056</u>	<u>\$ 76,875</u>	<u>\$ 36,819</u>
AMBULANCE EQUIPMENT FUND				
Receipts	\$ 22,940	\$ 22,940	\$ 11,470	\$ (11,470)
Disbursements	(32,502)	(32,502)	(21,032)	11,470
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>\$ -</u>	<u>\$ -</u>

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

For the Year Ended June 30, 2021

	Highway Street Buyback Program Fund	Highway Bridge Buyback Program Fund	Special Road Fund	Road Bridge Escrow Fund	Equipment Reserve Fund
RECEIPTS					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	128,680	184,947	-	61,603	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	800
TOTAL RECEIPTS	<u>128,680</u>	<u>184,947</u>	<u>-</u>	<u>61,603</u>	<u>800</u>
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	7,628
Public Works	24,310	121,389	41	7,557	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>24,310</u>	<u>121,389</u>	<u>41</u>	<u>7,557</u>	<u>7,628</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>104,370</u>	<u>63,558</u>	<u>(41)</u>	<u>54,046</u>	<u>(6,828)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	50
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>
Net Change in Fund Balances	104,370	63,558	(41)	54,046	(6,778)
FUND BALANCES - BEGINNING	<u>118,085</u>	<u>387,722</u>	<u>106,000</u>	<u>118,073</u>	<u>6,781</u>
FUND BALANCES - ENDING	<u>\$ 222,455</u>	<u>\$ 451,280</u>	<u>\$ 105,959</u>	<u>\$ 172,119</u>	<u>\$ 3</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement/Public Safety	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road/Bridge Projects	222,455	451,280	-	-	-
Coronavirus Relief and Assistance	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	-	105,959	172,119	-
County Buildings	-	-	-	-	-
County Equipment	-	-	-	-	3
Culture & Recreation	-	-	-	-	-
Emergency Management	-	-	-	-	-
County Ambulance	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 222,455</u>	<u>\$ 451,280</u>	<u>\$ 105,959</u>	<u>\$ 172,119</u>	<u>\$ 3</u>

(Continued)

JEFFERSON COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	Communication Equipment Fund	Computer IT Fund	Equipment Vehicle Fund	Fair Fund	Preservation and Modernization Fund	Attorney Grant Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-	-
Intergovernmental	63,505	-	-	2	-	-
Charges for Services	-	-	-	-	5,330	-
Miscellaneous	-	-	40,000	8,632	-	-
TOTAL RECEIPTS	<u>63,505</u>	<u>-</u>	<u>40,000</u>	<u>8,634</u>	<u>5,330</u>	<u>-</u>
DISBURSEMENTS						
General Government	-	164,609	-	-	9,181	-
Public Safety	21,183	-	103,213	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	108,215	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>21,183</u>	<u>164,609</u>	<u>103,213</u>	<u>108,215</u>	<u>9,181</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>42,322</u>	<u>(164,609)</u>	<u>(63,213)</u>	<u>(99,581)</u>	<u>(3,851)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	148,601	40,000	129,000	-	-
Transfers out	-	-	-	(22,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>148,601</u>	<u>40,000</u>	<u>107,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	42,322	(16,008)	(23,213)	7,419	(3,851)	-
FUND BALANCES - BEGINNING	<u>28,478</u>	<u>22,897</u>	<u>24,521</u>	<u>24,617</u>	<u>25,434</u>	<u>5,029</u>
FUND BALANCES - ENDING	<u>\$ 70,800</u>	<u>\$ 6,889</u>	<u>\$ 1,308</u>	<u>\$32,036</u>	<u>\$ 21,583</u>	<u>\$ 5,029</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement/Public Safety	-	-	-	-	-	5,029
Preservation of Records	-	-	-	-	21,583	-
Debt Service	-	-	-	-	-	-
Road/Bridge Projects	-	-	-	-	-	-
Coronavirus Relief and Assistance	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Road Maintenance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
County Equipment	70,800	6,889	1,308	-	-	-
Culture & Recreation	-	-	-	32,036	-	-
Emergency Management	-	-	-	-	-	-
County Ambulance	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 70,800</u>	<u>\$ 6,889</u>	<u>\$ 1,308</u>	<u>\$32,036</u>	<u>\$ 21,583</u>	<u>\$ 5,029</u>

(Continued)

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

For the Year Ended June 30, 2021

	Drug Law Enforcement and Education Fund	Intoxilyzer Fund	Sheriff Grant Fund	Canine Fund	COVID American Rescue Plan Act Fund	Community Development Grant Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-	385
Intergovernmental	-	-	3,500	-	684,301	-
Charges for Services	-	1,884	-	-	-	-
Miscellaneous	-	-	-	15,220	-	8,064
TOTAL RECEIPTS	<u>-</u>	<u>1,884</u>	<u>3,500</u>	<u>15,220</u>	<u>684,301</u>	<u>8,449</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	37
Public Safety	-	210	-	21,549	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>210</u>	<u>-</u>	<u>21,549</u>	<u>-</u>	<u>37</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>-</u>	<u>1,674</u>	<u>3,500</u>	<u>(6,329)</u>	<u>684,301</u>	<u>8,412</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	1,674	3,500	(6,329)	684,301	8,412
FUND BALANCES - BEGINNING	<u>1,256</u>	<u>796</u>	<u>19,236</u>	<u>10,035</u>	<u>-</u>	<u>255,694</u>
FUND BALANCES - ENDING	<u>\$ 1,256</u>	<u>\$ 2,470</u>	<u>\$22,736</u>	<u>\$ 3,706</u>	<u>\$ 684,301</u>	<u>\$ 264,106</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	1,256	-	-	-	-	-
Law Enforcement/Public Safety	-	-	22,736	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Road/Bridge Projects	-	-	-	-	-	-
Coronavirus Relief and Assistance	-	-	-	-	684,301	-
Community Development	-	-	-	-	-	264,106
Committed to:						
Law Enforcement	-	2,470	-	3,706	-	-
Road Maintenance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
County Equipment	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
Emergency Management	-	-	-	-	-	-
County Ambulance	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 1,256</u>	<u>\$ 2,470</u>	<u>\$22,736</u>	<u>\$ 3,706</u>	<u>\$ 684,301</u>	<u>\$ 264,106</u>

(Continued)

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

For the Year Ended June 30, 2021

	911 Emergency Services Fund	911 Wireless Service Fund	Emergency Management Fund	Southeast Region Emergency Management Fund	Law Enforcement Building Fund
RECEIPTS					
Property Taxes	\$ 29,910	\$ 48,563	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	-	-	171,080	21,209	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	29,910	48,563	171,080	21,209	-
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	33,971	22,239	180,975	22,123	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	33,971	22,239	180,975	22,123	-
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(4,061)	26,324	(9,895)	(914)	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	6,263	-	-	-
Transfers out	-	-	-	-	(67,131)
TOTAL OTHER FINANCING SOURCES (USES)	-	6,263	-	-	(67,131)
Net Change in Fund Balances	(4,061)	32,587	(9,895)	(914)	(67,131)
FUND BALANCES - BEGINNING	11,165	87,977	403,546	1,434	67,131
FUND BALANCES - ENDING	\$ 7,104	\$ 120,564	\$ 393,651	\$ 520	\$ -
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	7,104	120,564	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement/Public Safety	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road/Bridge Projects	-	-	-	-	-
Coronavirus Relief and Assistance	-	-	-	-	-
Community Development	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	-	-	-	-
County Buildings	-	-	-	-	-
County Equipment	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Emergency Management	-	-	393,651	520	-
County Ambulance	-	-	-	-	-
TOTAL FUND BALANCES	\$ 7,104	\$ 120,564	\$ 393,651	\$ 520	\$ -

(Continued)

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

For the Year Ended June 30, 2021

	Law Enforcement Building Bond Fund	Highway Bond Fund	Highway Bond - PWF Road Fund	Natural Disaster Fund	Fair Building Fund	County Building Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ 521,760	\$ -	\$ -	\$ -
Investment Income	4,364	-	-	-	-	-
Intergovernmental	-	2,276	52,201	-	-	-
Charges for Services	-	-	-	-	-	-
Miscellaneous	465	3,590	2,215	-	-	-
TOTAL RECEIPTS	<u>4,829</u>	<u>5,866</u>	<u>576,176</u>	<u>-</u>	<u>-</u>	<u>-</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	12,662	-
Debt Service:						
Principal Payments	70,000	315,000	345,000	-	-	-
Interest and Fiscal Charges	9,949	50,398	91,382	-	-	-
TOTAL DISBURSEMENTS	<u>79,949</u>	<u>365,398</u>	<u>436,382</u>	<u>-</u>	<u>12,662</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(75,120)</u>	<u>(359,532)</u>	<u>139,794</u>	<u>-</u>	<u>(12,662)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	79,000	365,398	-	-	58,815	-
Transfers out	-	-	-	-	(17,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>79,000</u>	<u>365,398</u>	<u>-</u>	<u>-</u>	<u>41,815</u>	<u>-</u>
Net Change in Fund Balances	3,880	5,866	139,794	-	29,153	-
FUND BALANCES - BEGINNING	<u>131,459</u>	<u>1,526</u>	<u>311,138</u>	<u>196,453</u>	<u>178,684</u>	<u>198,642</u>
FUND BALANCES - ENDING	<u>\$ 135,339</u>	<u>\$ 7,392</u>	<u>\$ 450,932</u>	<u>\$ 196,453</u>	<u>\$ 207,837</u>	<u>\$ 198,642</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement/Public Safety	-	-	-	196,453	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	135,339	7,392	450,932	-	-	-
Road/Bridge Projects	-	-	-	-	-	-
Coronavirus Relief and Assistance	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Road Maintenance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	198,642
County Equipment	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	207,837	-
Emergency Management	-	-	-	-	-	-
County Ambulance	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 135,339</u>	<u>\$ 7,392</u>	<u>\$ 450,932</u>	<u>\$ 196,453</u>	<u>\$ 207,837</u>	<u>\$ 198,642</u>

(Continued)

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

For the Year Ended June 30, 2021

	Law Enforcement Addition Remodel Fund	Visitors Promotion Fund	Ambulance Service Fund	Ambulance Equipment Fund	Total Nonmajor Governmental Funds
RECEIPTS					
Property Taxes	\$ -	\$ 19,128	\$ 451,040	\$ -	\$ 1,070,401
Investment Income	-	-	-	-	4,749
Intergovernmental	-	-	40,148	-	1,413,452
Charges for Services	-	-	319,808	-	327,022
Miscellaneous	-	-	-	11,470	90,456
TOTAL RECEIPTS	<u>-</u>	<u>19,128</u>	<u>810,996</u>	<u>11,470</u>	<u>2,906,080</u>
DISBURSEMENTS					
General Government	-	-	-	-	173,827
Public Safety	18,387	-	817,354	21,032	1,269,864
Public Works	-	-	-	-	153,297
Culture and Recreation	-	23,752	-	-	144,629
Debt Service:					
Principal Payments	-	-	-	-	730,000
Interest and Fiscal Charges	-	-	-	-	151,729
TOTAL DISBURSEMENTS	<u>18,387</u>	<u>23,752</u>	<u>817,354</u>	<u>21,032</u>	<u>2,623,346</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(18,387)</u>	<u>(4,624)</u>	<u>(6,358)</u>	<u>(9,562)</u>	<u>282,734</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	66,180	-	-	-	893,307
Transfers out	-	-	(30,000)	-	(136,131)
TOTAL OTHER FINANCING SOURCES (USES)	<u>66,180</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>	<u>757,176</u>
Net Change in Fund Balances	47,793	(4,624)	(36,358)	(9,562)	1,039,910
FUND BALANCES - BEGINNING	<u>33,820</u>	<u>16,353</u>	<u>113,233</u>	<u>9,562</u>	<u>2,916,777</u>
FUND BALANCES - ENDING	<u>\$ 81,613</u>	<u>\$ 11,729</u>	<u>\$ 76,875</u>	<u>\$ -</u>	<u>\$ 3,956,687</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	11,729	-	-	11,729
911 Emergency Services	-	-	-	-	127,668
Drug Education	-	-	-	-	1,256
Law Enforcement/Public Safety	-	-	-	-	224,218
Preservation of Records	-	-	-	-	21,583
Debt Service	-	-	-	-	593,663
Road/Bridge Projects	-	-	-	-	673,735
Coronavirus Relief and Assistance	-	-	-	-	684,301
Community Development	-	-	-	-	264,106
Committed to:					
Law Enforcement	-	-	-	-	6,176
Road Maintenance	-	-	-	-	278,078
County Buildings	81,613	-	-	-	280,255
County Equipment	-	-	-	-	79,000
Culture & Recreation	-	-	-	-	239,873
Emergency Management	-	-	-	-	394,171
County Ambulance	-	-	76,875	-	76,875
TOTAL FUND BALANCES	<u>\$ 81,613</u>	<u>\$ 11,729</u>	<u>\$ 76,875</u>	<u>\$ -</u>	<u>\$ 3,956,687</u>

(Concluded)

JEFFERSON COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2021

	<u>County Clerk</u>	<u>Register of Deeds</u>	<u>Clerk of the District Court</u>	<u>County Sheriff</u>	<u>County Attorney</u>	<u>Weed Superintendent</u>	<u>Highway Superintendent</u>	<u>Veterans' Service Officer</u>
BALANCES JULY 1, 2020	\$ 272	\$ 8,129	\$ 43,563	\$ 17,763	\$ 6,183	\$ 1,080	\$ 500	\$ 4,408
RECEIPTS								
Property Taxes	-	-	-	16,721	-	-	-	-
Licenses and Permits	981	-	-	920	-	-	3,600	-
Intergovernmental	-	-	-	561,878	-	-	-	-
Charges for Services	8,372	55,194	13,007	114,520	88	30,366	-	-
Miscellaneous	-	-	-	68,069	-	-	80,833	3,875
State Fees	561	64,624	11,208	530	-	-	1,288	-
Other Liabilities	-	-	377,123	129,591	19,867	-	-	-
TOTAL RECEIPTS	<u>9,914</u>	<u>119,818</u>	<u>401,338</u>	<u>892,229</u>	<u>19,955</u>	<u>30,366</u>	<u>85,721</u>	<u>3,875</u>
DISBURSEMENTS								
Payments to County Treasurer	9,246	54,301	13,349	749,362	1,488	27,044	84,418	-
Payments to State Treasurer	564	64,030	13,038	509	-	-	1,288	-
Petty Cash	-	-	-	140	-	-	15	3,873
Other Liabilities	-	-	302,652	130,068	19,470	-	-	-
TOTAL DISBURSEMENTS	<u>9,810</u>	<u>118,331</u>	<u>329,039</u>	<u>880,079</u>	<u>20,958</u>	<u>27,044</u>	<u>85,721</u>	<u>3,873</u>
BALANCES JUNE 30, 2021	<u>\$ 376</u>	<u>\$ 9,616</u>	<u>\$ 115,862</u>	<u>\$ 29,913</u>	<u>\$ 5,180</u>	<u>\$ 4,402</u>	<u>\$ 500</u>	<u>\$ 4,410</u>
BALANCES CONSIST OF:								
Due to County Treasurer	\$ 267	\$ 5,587	\$ 451	\$ 26,569	\$ 500	\$ 4,352	\$ -	\$ 4,410
Petty Cash	50	-	100	2,700	1,000	50	500	-
Due to State Treasurer	59	4,029	385	69	-	-	-	-
Due to Others	-	-	114,926	575	3,680	-	-	-
BALANCES JUNE 30, 2021	<u>\$ 376</u>	<u>\$ 9,616</u>	<u>\$ 115,862</u>	<u>\$ 29,913</u>	<u>\$ 5,180</u>	<u>\$ 4,402</u>	<u>\$ 500</u>	<u>\$ 4,410</u>

(Continued)

JEFFERSON COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2021

	County Fair	County Ambulance	County Planning and Zoning	County Cafeteria Plan	County Emergency Manager	County Assessor	Total
BALANCES JULY 1, 2020	\$ 1,748	\$ 25,688	\$ -	\$ 21,223	\$ 7,668	\$ 25	\$ 138,250
RECEIPTS							
Property Taxes	-	-	-	-	-	-	16,721
Licenses and Permits	-	-	1,550	-	-	-	7,051
Intergovernmental	-	11,470	-	-	-	-	573,348
Charges for Services	-	338,367	-	-	-	-	559,914
Miscellaneous	31,700	-	-	-	65,222	-	249,699
State Fees	-	-	-	-	-	-	78,211
Other Liabilities	11,968	-	-	18,625	-	-	557,174
TOTAL RECEIPTS	43,668	349,837	1,550	18,625	65,222	-	2,042,118
DISBURSEMENTS							
Payments to County Treasurer	8,632	331,278	1,550	112	70,286	-	1,351,066
Payments to State Treasurer	-	-	-	-	-	-	79,429
Petty Cash	16,941	-	-	-	-	-	20,969
Other Liabilities	11,968	-	-	17,287	-	-	481,445
TOTAL DISBURSEMENTS	37,541	331,278	1,550	17,399	70,286	-	1,932,909
BALANCES JUNE 30, 2021	<u>\$ 7,875</u>	<u>\$ 44,247</u>	<u>\$ -</u>	<u>\$ 22,449</u>	<u>\$ 2,604</u>	<u>\$ 25</u>	<u>\$ 247,459</u>
BALANCES CONSIST OF:							
Due to County Treasurer	\$ 7,875	\$ 43,747	\$ -	\$ 382	\$ 2,604	\$ -	\$ 96,744
Petty Cash	-	500	-	18,500	-	25	23,425
Due to State Treasurer	-	-	-	-	-	-	4,542
Due to Others	-	-	-	3,567	-	-	122,748
BALANCES JUNE 30, 2021	<u>\$ 7,875</u>	<u>\$ 44,247</u>	<u>\$ -</u>	<u>\$ 22,449</u>	<u>\$ 2,604</u>	<u>\$ 25</u>	<u>\$ 247,459</u>

(Concluded)

JEFFERSON COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2021

Item	2016	2017	2018	2019	2020
Tax Certified by Assessor					
Real Estate	\$ 20,300,165	\$ 20,755,385	\$ 21,348,754	\$ 21,851,190	\$ 21,925,763
Personal and Specials	4,031,839	4,201,297	4,229,570	4,306,637	4,435,592
Total	24,332,004	24,956,682	25,578,324	26,157,827	26,361,355
Corrections					
Additions	23,125	18,040	9,967	16,202	36,200
Deductions	(38,667)	(4,368)	(1,674)	-	(15)
Net Additions/ (Deductions)	(15,542)	13,672	8,293	16,202	36,185
Corrected Certified Tax	24,316,462	24,970,354	25,586,617	26,174,029	26,397,540
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2017	14,823,724	-	-	-	-
June 30, 2018	9,433,622	15,034,871	-	-	-
June 30, 2019	19,679	9,863,059	15,341,147	-	-
June 30, 2020	10,643	42,154	10,176,253	15,303,041	-
June 30, 2021	3,651	5,092	18,647	10,801,842	16,118,886
Total Net Collections	24,291,319	24,945,176	25,536,047	26,104,883	16,118,886
Total Uncollected Tax	\$ 25,143	\$ 25,178	\$ 50,570	\$ 69,146	\$ 10,278,654
Percentage Uncollected Tax	0.10%	0.10%	0.20%	0.26%	38.94%

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



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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

Board of Commissioners
Jefferson County, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County, as of and for the year ended June 30, 2021, 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 21, 2021. 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 21, 2021.

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.



Zachary Wells, CPA, CISA
Audit Manager
Lincoln, Nebraska

October 21, 2021



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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October 21, 2021

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, 2021, and have issued our report thereon dated October 21, 2021. 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, 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:

- 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 were never recorded in QMC's records. The net variance between these items totaled \$24,197 received in the bank account that was never recorded.
- Four ACH payments from the State of Nebraska, totaling \$145, were not adjusted into QMC records.
- Payments, totaling \$14,452, were issued to QMC for "Customer Collections"; however, the County Ambulance could provide no explanation for these payments.
- Bank fees of \$587 incurred from September 2017 through December 2019 had not been submitted to the County Board for reimbursement.

Prior year reconciling items totaled \$5,625 as of June 30, 2020. In fiscal year 2021, the County Ambulance remitted \$6,182 to the County Treasurer that could not be traced directly to current fiscal year deposits or prior year reconciling items. The net effect of the above errors and the unknown County Treasurer remittance was an unknown shortage in the account of \$1,917 as of June 30, 2021.

For the past several years, the County Ambulance has failed continually to take corrective action, as similar issues have been noted annually 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. Additionally, we recommend the County Ambulance remit all funds held in excess of the amount received during the prior month to the County Treasurer.

COUNTY FAIR

Office Procedures

During testing, the Auditor of Public Accounts (APA) noted the following issues regarding office procedures of the Jefferson County Fair:

- Bank reconciliations were not performed for the office. As a result, the APA noted reconciling items, totaling \$14, that had not been corrected in a timely manner. Furthermore, the account was not maintained at the Board-authorized petty cash amount of \$7,500.
- In July 2020, 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 that the premium checks paid out for the 2020 County Fair totaled \$3,050, leaving unused \$3,950 of the amount requested. The excess money was not remitted back to the County Treasurer, remaining instead in the County Fair checking account.
- Three checks, totaling \$10,600, were made payable to “Cash”; however, one check, totaling \$50, lacked proper supporting documentation.

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.

Neb. Rev. Stat. § 23-1601(1) (Cum. Supp. 2020) 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 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.

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

A similar comment was noted in the prior year’s audit.

We recommend the County Fair perform bank reconciliations on a timely basis and ensure the petty cash fund is maintained at the authorized amount. 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. In addition, we recommend adequate supporting documentation be maintained for all checks.

Youth Livestock Auction Account

During the audit, we noted that the County Fair was the account holder of a bank account for the Jefferson County Fair Board subcommittee, Youth Livestock Auction. This bank account is under the County's Federal tax identification number. The bank account is used to account for premium money of livestock of individuals who participate in the 4-H Program at the annual County Fair. A portion of the premium monies are disbursed to the individual whose livestock was shown at the County Fair, a portion of the remaining is then paid to either the Future Farmers of America (FFA) chapter or the 4-H Council, depending on which one the individual participates in, and the remaining portion is retained for administrative expenses.

During fiscal year 2021, the County Fair paid \$11,968 to participants of the livestock auction and \$1,135 to the 4-H Council. After these disbursements and as of June 30, 2021, County funds of \$4,383 were held in the bank account, which had not been remitted to the County Treasurer as of audit fieldwork in mid-September 2021.

Furthermore, the County Fair maintained a document that outlined how premium monies were to be split between the parties and the County; however, this split had not been formally approved by the County Board. Also, the amount paid, totaling \$1,135, to the 4-H Council could not be recalculated based on the current premium splits to determine if the amount paid was correct.

Neb. Rev. Stat. § 23-1601(1) (Cum. Supp. 2020) 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.

A good internal control plan requires procedures to ensure the County's portion of the livestock premium proceeds and other fair donations are remitted to the County Treasurer, and the premium allocation is formally approved by the County Board.

Without such procedures, there is an increased risk of not only noncompliance with State statute but also incorrect financial statements.

We recommend the County Fair implement procedures to ensure the County's portion of the livestock premium proceeds and other fair donations are remitted to the County Treasurer. We also recommend the County Fair work with the County Board to ensure formal approval of the livestock premium allocation.

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.

- Traffic diversion fees, totaling \$500, were not remitted to the County Treasurer timely. A remittance of prior year fees was made to the County Treasurer; however, the remaining \$500 held was not remitted as of June 30, 2021.
- 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 failed continually to take corrective action, as similar issues have been noted annually since the fiscal year 2016 audit.

Neb. Rev. Stat. § 23-1601(1) (Cum. Supp. 2020) 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; and 4) the timely remittance of diversion fees received.

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 APA for fiscal years 2019, 2020, and 2021. During fiscal year 2020, the Fund had a balance of \$1,256. No other activity was noted in this fund during fiscal year 2021.

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.

A similar comment was noted in prior year's audit.

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. The Cafeteria bank account had a balance of \$19,449 at June 30, 2021. Additionally, \$2,500 was held as a balance at Infinisource, the vendor responsible for administering the cafeteria plan. Of the total balance, \$382 was in excess of the petty cash balance approved by the Board, and no documentation was on file to support the recipients of these funds.

Neb. Rev. Stat. § 23-1601(1) (Cum. Supp. 2020) 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.

Additionally, good internal control requires procedures to ensure that funds held in excess of the authorized petty cash balance are adequately supported, including the recipients of such funds. Any excess not belonging to others should be remitted to the County Treasurer.

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.

A similar comment was noted in prior year’s audit.

We recommend the County Clerk implement procedures to ensure these accounts are reconciled to the authorized petty cash balance, and any funds held in excess of the authorized petty cash balance are supported by adequate documentation, which should include a listing of recipients and the amount owed to each.

COUNTY SHERIFF

Office Procedures

During our audit, we noted the following issues with the County Sheriff’s accounting and balancing procedures at June 30, 2021:

- Accurate monthly bank reconciliations were not performed for one of the County Sheriff’s bank accounts, resulting in a \$276 shortage between the book and bank balance at June 30, 2021.
- A monthly asset-to-liability reconciliation was not performed. A cash long of \$6,060 was noted as of June 30, 2021, for the Fee account.
- Fees, totaling \$10,356, were not remitted timely to the County Treasurer. We noted the following amounts were not remitted as of June 30, 2021:

Fee Type	Date Received	Amount
K-9 Donations	May & June 2018	\$ 836
Title Inspections	April 2020	130
Mileage/Service	July & August 2020	890
Law Enforcement Contract	October 2020	5,000
Grant Fund	June 2021	3,500
Total		\$ 10,356

In addition, we noted that balances of \$99 in inmate commissary sales, \$69 in sales tax, and \$55 in miscellaneous collections held were not remitted as of June 30, 2021.

- Trust activity and bond amounts were held by the County Sheriff and not disbursed as of June 30, 2021. The County Sheriff's records indicated that a balance of \$150 in bonds and \$118 in fines collected during fiscal year 2021 were still held as of June 30, 2021.
- The County Sheriff was authorized to utilize a \$1,200 Smartcard to pay out inmate accounts; however, the County Sheriff's accounting system noted that the balance on the card at June 30, 2021, was \$1,238, an excess of \$38. Documentation was not available to support this overage.

Neb. Rev. Stat. § 23-1601(1) (Cum. Supp. 2020) 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.

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 amounts collected are remitted to the County Treasurer or disbursed to the appropriate parties in a timely manner.

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 the prior year's audit.

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; and 3) amounts collected are remitted to the County Treasurer or disbursed to the appropriate parties in a timely manner.

COUNTY OVERALL

Segregation of Duties

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.

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.

A similar comment was noted in the prior year's audit.

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	236	\$ 1,340	2009-2017
Sheriff	50	\$ 903	2006-2017
Attorney	8	\$ 318	2014-2017

Neb. Rev. Stat. § 69-1307.01 (Reissue 2018) of the Act presumes abandoned any unclaimed intangible personal property held by certain public entities, including political subdivisions, 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.

A similar comment was noted in the prior year’s audit.

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.

* * * * *

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. All formal responses received have been incorporated into this report. Where no response has been included, the County declined to respond. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next audit.

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.

Sincerely,



Zachary Wells, CPA, CISA
Audit Manager