

JEROME COUNTY
BASIC FINANCIAL STATEMENTS
AND
SELECTED OTHER FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2010

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Independent Auditor's Report

To the Board of County Commissioners
Jerome County
Jerome, Idaho 83338

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jerome County, as of and for the year ended September 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Jerome County as of September 30, 2010, and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

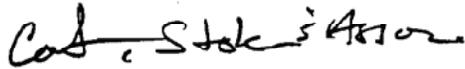
In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2011, on our consideration of Jerome County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 12 and 31 through 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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info@condiestoker.com • www.condiestoker.com

Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink, appearing to read "Condie, Stoker & Associates". The signature is written in a cursive, flowing style.

Condie, Stoker & Associates
January 11, 2011

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2010
(Unaudited)

The Governmental Accounting Standards Board (GASB) was created in 1984. Its mission is to determine "generally accepted accounting principles" (GAAP) for state and local government finances or reporting.

When the County hires an outside accounting firm to audit their financial statements, they are primarily paying for the auditor's opinion as to whether their financial statements fairly present the results of operations in accordance with GAAP.

In 1999, GASB issued its Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments which makes a number of significant changes in the way we report, such as: 1) Emphasis on the government as a whole and fund information, rather than just fund type information; 2) Changes in how governments measure what they do; and 3) requiring the reporting of infrastructure and general depreciation thereof.

Jerome County is required by GASB No. 34 to implement the above accounting practices beginning September 30, 2004.

As management of Jerome County, we offer readers of Jerome County's financial statements this narrative overview and analysis of the financial activities of Jerome County for the fiscal year ended September 30, 2010.

Financial Highlights of the Past Year

The assets of Jerome County exceeded its liabilities at the close of the 2009-2010 fiscal year by \$11,695,422 (Net Assets). Of this amount, \$6,054,841 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

Over the past fiscal year, Jerome County's net assets increased \$744,268.

During fiscal year 2009-10, Jerome County has attempted to resolve issues facing the county relative to a new jail facility. The citizens of the county in special elections held in November 2009, and in conjunction with the May 2010 Primary and the November 2010 General Elections voted on a jail lease or a bond issue to build a new jail. In each instance, the ballot question and bond failed. (A super majority is needed). Since the current facility continues to deteriorate, does not pass jail inspections and presents significant liability to the county, it is necessary to revisit the issue of a new jail facility.

Codifications of county ordinances are currently being reviewed for final presentation to the codifiers for final proof. The County Commissioners have suspended considering and/or implementing impact fees until sometime during fiscal year 2010-2011 as a result of the downturn in the economy.

Renovations of the Prosecutor's Office at the Jerome County Judicial Annex began in fiscal year 2008-2009. Additional funds were appropriated and the renovations to the Prosecutor's Office were completed in fiscal year 2009-2010. Also completed in fiscal year 2009-2010 was remodeling of the EMS building, new tile on the first floor of the old County Courthouse was installed as well as energy saving lighting to lower utility costs.

The Jerome County Airport continues to make progress on the fencing project and development of the airport's master plan.

The county budget is funded by *property taxes*; *other revenue* (other revenue/intergovernmental revenue (recording fees, building permits, alcohol funds, court fees, grants, etc.); *unexpended balance* (carry forward); *sales tax*; and *federal payments* (PILT). The specific percentages are contained in this report for fiscal year 2009-2010. In the budget process for fiscal year 2009-2010, the "B" budgets remained at the previous year's appropriations except for contractual obligations.

As with fiscal year 2008-2009, fiscal year 2009-2010 reflects a decrease in other revenue/intergovernmental revenue as well as sales tax revenue. The sum of \$1,498,322.00 was carried forward from fiscal year 2009-2010 budget to fiscal year 2010-2011. The sum of \$37,607.00 was carried forward from fiscal year 2009-2010 to fiscal year 2010-2011 for the Ambulance budget. Jerome County's budget and the Ambulance's budget for fiscal year 2010-2011 can be found on the county's website – jeromecountyid.us.

It must be noted that the continued vigilance by Jerome County elected officials; department heads and staff to reduce expenditures, maintain services and tax payer accountability have been and will continue to be one of Jerome County's greatest resources.

Financial Statements Overview

Government-wide Financial Statements:

The government-wide financial statements are designed to provide readers with a broad overview of Jerome County's finances, in a manner that closely resembles a private-sector business.

The Statement of Net Assets presents information on all of Jerome County's assets and liabilities, with the differences between the two reported as net assets. With this report readers for the first time will be able to determine whether Jerome County is better off at the end of the fiscal period than it was at the beginning.

In order to enhance analysis, comparative information is generally provided for assets, liabilities, net equity, revenues, and expenses.

JEROME COUNTY'S NET ASSETS		
Assets:	2008-09	2009-10
Current and other Assets	6,315,554	7,297,896
Capital Assets	5,388,873	5,653,435
Construction in progress/prepaid assets	85,796	160,495
 Total Assets	 <u>11,790,223</u>	 <u>13,111,826</u>
 Liabilities:		
Current Liabilities	603,660	1,124,619
Non-Current Liabilities	235,934	291,785
 Total Liabilities	 839,594	 1,416,404
 Net Assets:		
Invested in Capital Assets, Net of related debt	5,364,992	5,640,581
Unrestricted	5,585,637	6,054,841
 Total Net Assets	 <u>10,950,629</u>	 <u>11,695,422</u>

Jerome County's net assets are divided into two categories. Unrestricted net assets make up 51.8% of the total amount and represents resources that are available and may be used to meet the government's ongoing obligations to citizens and creditors. The remainder 48.20% reflects Jerome County's investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. Jerome County uses these capital assets to provide services to citizens. Capital assets are not available for future spending.

The Statement of Activities shows the expenses or costs to run each department in the county and compares those expenses to the revenue received by the county. All changes in net assets are reported as soon as the underlying event occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

General Governmental – The General Fund (Current Expense) is the primary operating funds for the County. Jerome County's basic governmental services are reported under this fund. Complete lists of the departments that fall under this fund are reported on the Statement of Activities. Governmental Funds are accounted for by using the modified accrual basis of accounting.

Special Services – These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

General Government and Special Service program cost (total cost minus revenue received) is presented below.

**Summary of
JEROME COUNTY'S STATEMENT OF ACTIVITIES**

Revenues:

Property Taxes	\$ 5,413,179
Charges for Services & Sales	2,859,846
Miscellaneous Revenue	2,447,712
Investment Earnings	94,017

TOTAL REVENUE	10,814,754
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Program Expenses:

General Fund:

Clerk/Auditor	402,308
Assessor	101,093
Treasurer/Tax Collector	111,966
Commissioner	98,545
Coroner	19,859
Disaster Services	71,265
County Agent	76,870
Data Processing	168,964
Elections	53,990
General	866,983
Planning & Zoning	208,061
Veterans Memorial	8,225

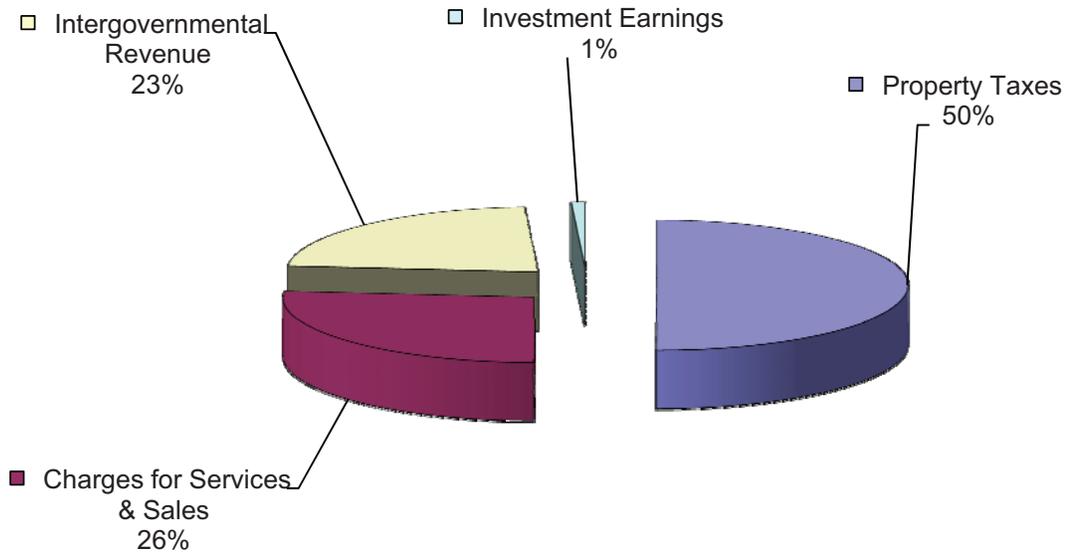
Special Revenue Funds:

Justice Fund:	
Sheriff	1,597,920
Adult Probation	117,206
Prosecuting Attorney	334,802
Public Defender	326,952
Juvenile	331,855
Justice General	951,456
Airport	757,240
District Court	571,894
County Fair	396,254
Public Health	97,957
Charity and Indigent	685,198
Revaluation	338,439
Solid Waste	808,375
Tort	144,672
Noxious Weed	40,890
Ambulance	363,962
Waterways	13,141

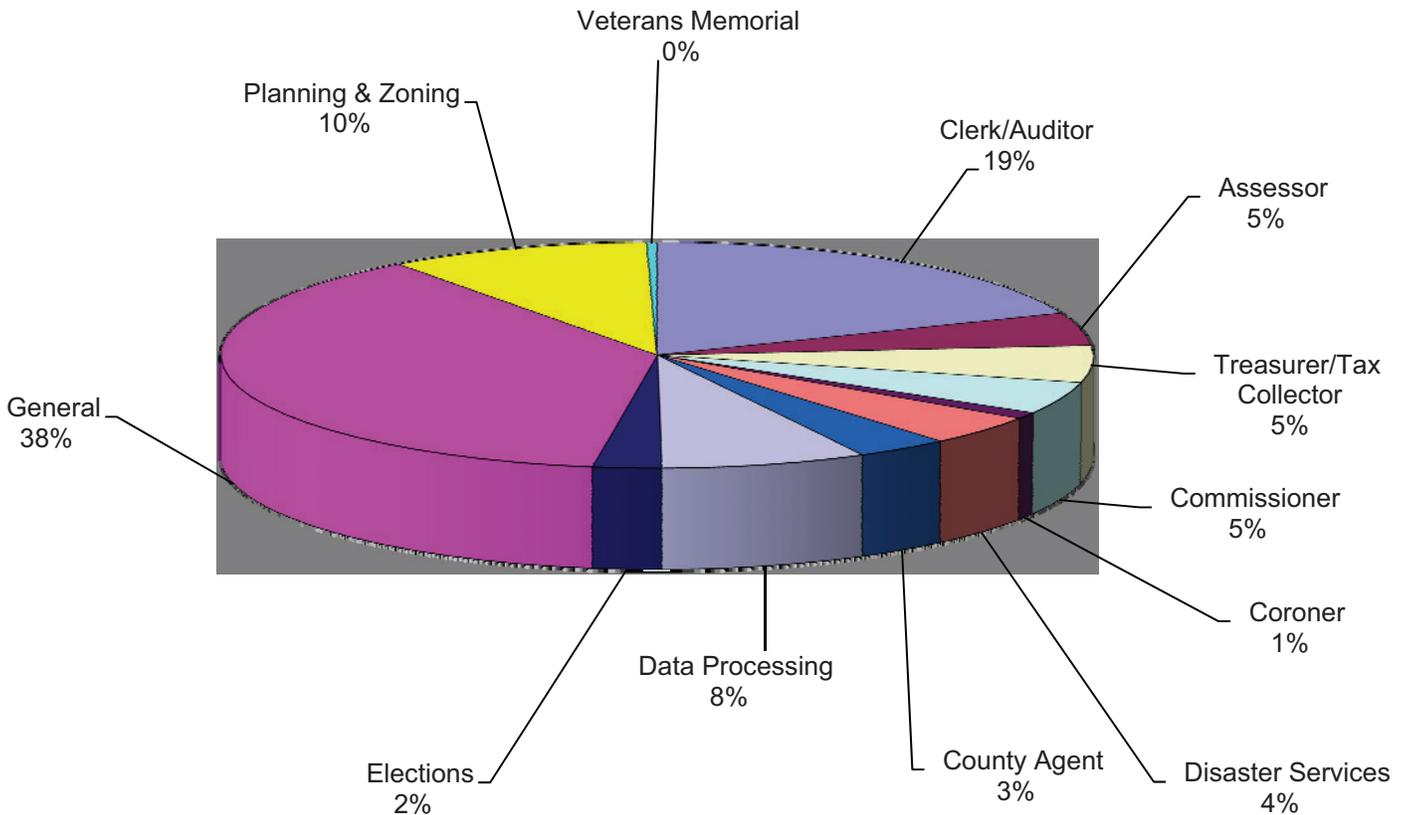
TOTAL EXPENSES	10,070,486
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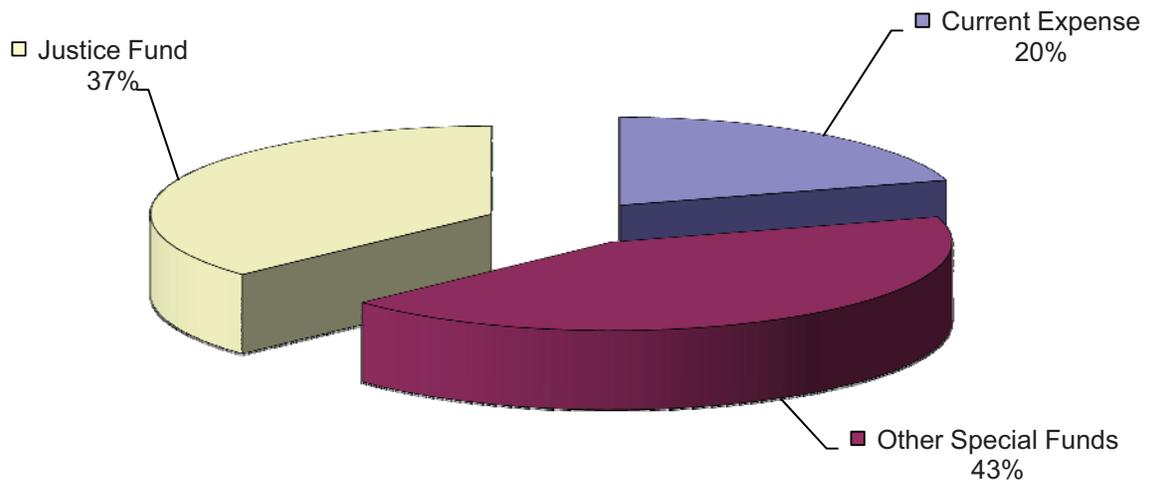
Increase in Net Assets	\$ 744,268
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Jerome County Revenue By Source

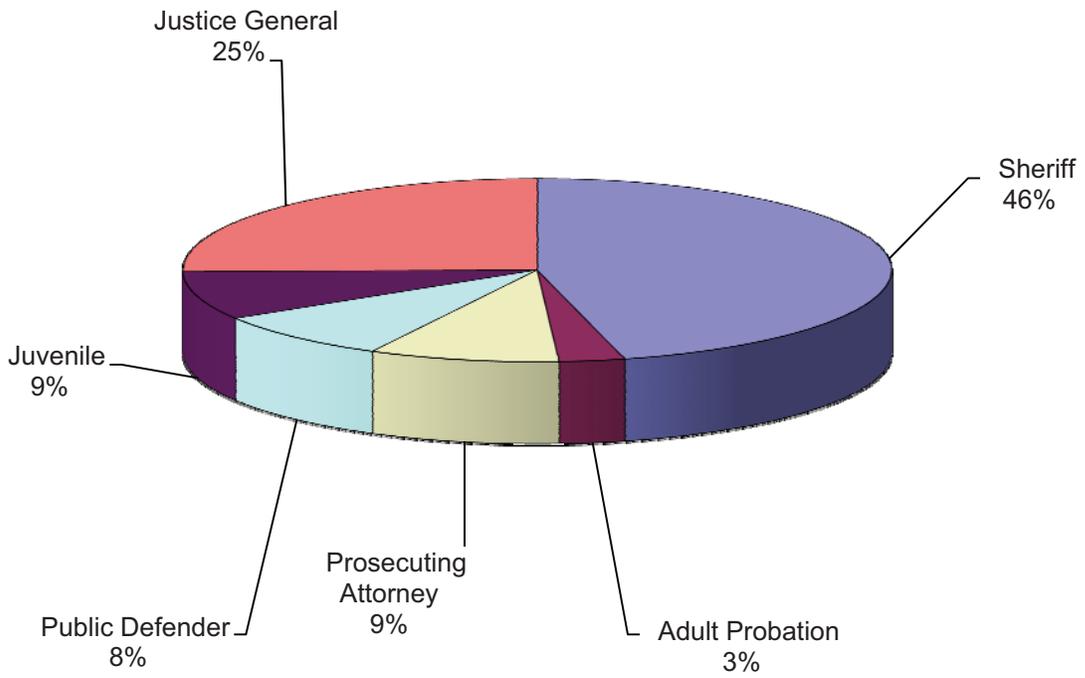


Expenses - Current Expense Detail

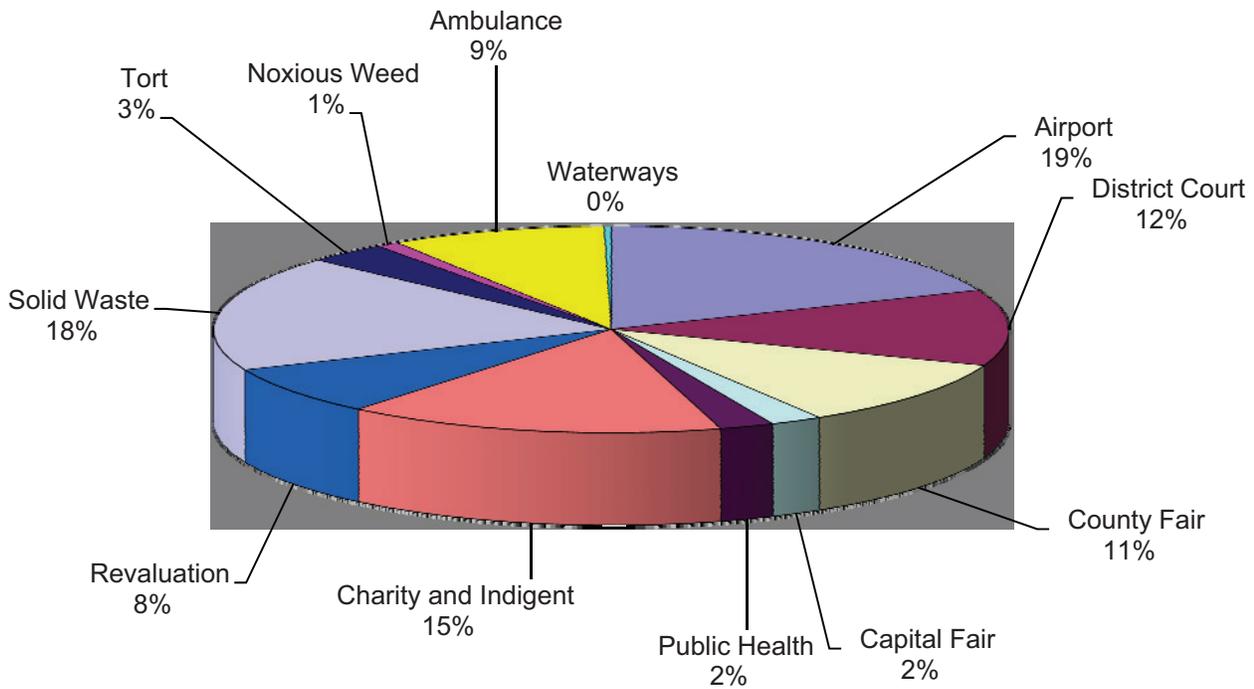




Expenses - Justice Fund Detail



Expenses - Other Special Funds Detail



Capital Assets

Jerome County's investments in capital assets as of September 30, 2010 amount to \$5,640,581 (net of accumulated depreciation). This capital investment includes land, buildings and improvements, machinery and equipment.

Fund Budgeting Highlights

Jerome County's budget is prepared according to Idaho Code. The County Commissioners meet on the first Tuesday in September and hold a public meeting for the purpose of considering and adopting a final budget and making appropriations for each department and fund.

During the course of the fiscal 2009-2010 year, the Jerome County Board of County Commissioners adjusted the county budgets by resolution during their regularly scheduled public meetings. These changes were made due to unanticipated revenues and expenses and Commissioner authorized transfers between county funds. These adjustments did not cause an increase/decrease in the anticipated property taxes. Current Expense decreased \$29,796.00. Airport increased \$461,535. Justice Fund increased \$279,061. County Fair increased \$11,859. Capital Fair Fund increased \$53,638. Waterways increased \$4,490.

The basis of two fund transfers during 2009-2010 fiscal year need to be addressed, specifically, Resolution No. 2010-11 and Resolution 2010-46.

Resolutions No. 2010-11 and 2010-46 transferred funds in the amount of \$12,000.00 and \$27,433.44 from the General Current Expense fund contingency line and inserted those funds into the Fair- Capital fund to assist in payment of unexpected expenses and unforeseen complications in completing the waterlines for the beef barn. It was necessary to install additional waterlines and hydrants. Also, complications arose in digging the trenches due to geological issues.

Current Financial Issues and Concerns

Jerome County is in good financial standing and strives to increase its unrestricted net assets each year. The increasing cost of providing law enforcement and emergency medical service to the citizens continues to cause budgeting concerns for the County. The Indigent costs for the county increases each year with an increasing amount of unfunded mandates being handed down from higher governments. The liability issues regarding the current jail facility cause great concern.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the county finances and to show the county accountability for the money it receives. If you have questions about this report or need additional financial information contact Michelle Emerson, Clerk/Auditor of Jerome County or the Jerome County Commissioners at Jerome County Courthouse, 300 North Lincoln, Room 300, Jerome, Idaho 83338. Report submitted by Michelle Emerson, Clerk/Auditor and Tracee McKim, Chief Deputy for Jerome County.

JEROME COUNTY, IDAHO

STATEMENT OF NET ASSETS SEPTEMBER 30, 2010

	Governmental Activities
<u>Assets</u>	
Current Assets:	
Cash and Investments	5,847,533
Receivables	994,472
Delinquent Taxes Receivable	445,891
Other Current Assets	10,000
Non Current Assets:	
Construction in Progress	160,495
Capital Assets, net of depreciation	5,653,435
	<hr/>
Total Assets	13,111,826
	<hr/>
<u>Liabilities</u>	
Current Liabilities:	
Warrants Payable	390,887
Vouchers Payable	706,926
Note Payments Due Within One Year	26,806
Non Current Liabilities:	
Note Payments Due Beyond One Year	146,543
Accrued Compensated Absences	145,242
	<hr/>
Total Liabilities	1,416,404
	<hr/>
<u>Net Assets</u>	
Invested in Capital Assets	5,640,581
Unrestricted	6,054,841
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Net Assets	11,695,422
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See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities					
General Government:					
Clerk/Auditor	402,308	73,190	-	-	(329,118)
Assessor	101,093	138,129	-	-	37,036
Treasurer/Tax Collector	111,966	3,645	-	-	(108,321)
Commissioner	98,545	-	-	-	(98,545)
Coroner	19,859	-	-	-	(19,859)
Disaster Services	71,265	-	84,556	-	13,291
County Agent	76,870	-	-	-	(76,870)
Data Processing	168,964	-	-	-	(168,964)
Elections	53,990	-	-	-	(53,990)
General	866,983	38,887	5,531	-	(822,565)
Planning and Zoning	208,061	139,479	-	-	(68,582)
Veterans Memorial	8,225	-	-	-	(8,225)
Special Services:					
Airport	757,240	475,292	-	207,806	(74,142)
District Court	571,894	227,596	364,216	-	19,918
County Fair	396,254	229,688	-	-	(166,566)
Justice:					
Sheriff	1,597,920	266,801	-	-	(1,331,119)
Adult Probation	117,206	120,720	-	-	3,514
Prosecuting Attorney	334,802	-	-	-	(334,802)
Public Defender	326,952	55,955	-	-	(270,997)
Juvenile	331,855	11,546	-	-	(320,309)
General	951,456	35,012	283,750	-	(632,694)
Capital Fair	4,144	-	-	-	(4,144)
Public Health	97,957	-	-	-	(97,957)
Charity and Indigent	685,198	114,305	-	-	(570,893)
Revaluation	338,439	3,080	-	-	(335,359)
Solid Waste	808,375	903,502	-	-	95,127
Tort	144,672	-	-	-	(144,672)
Noxious Weed	40,890	17,963	-	-	(22,927)
Ambulance	363,962	5,056	-	-	(358,906)
Waterways	13,141	-	-	-	(13,141)
Total Governmental Activities	10,070,486	2,859,846	738,053	207,806	(6,264,781)
General Revenues:					
Property Taxes Levied for General Fund					1,306,682
Property Taxes Levied for Special Revenue Funds					4,106,497
State Allocations					1,261,022
PILT Revenue					231,648
Investment Earnings					94,017
Sale of Assets					9,183
Total General Revenues					<u>7,009,049</u>
Change in Net Assets					744,268
Net Assets Beginning of Period					<u>10,951,154</u>
Net Assets End of Period					<u><u>11,695,422</u></u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

BALANCE SHEET - GOVERNMENTAL FUNDS SEPTEMBER 30, 2010

	<u>General</u>	<u>Airport</u>	<u>Justice</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Investments	1,893,892	202,442	1,778,314	1,972,885	5,847,533
Accounts Receivable	90,795	124,631	446,299	332,747	994,472
Delinquent Taxes Receivable	112,642	1,767	180,995	150,487	445,891
Other Current Assets	10,000	-	-	-	10,000
Total Assets	<u>2,107,329</u>	<u>328,840</u>	<u>2,405,608</u>	<u>2,456,119</u>	<u>7,297,896</u>
<u>Liabilities</u>					
Warrants Payable	124,774	5,193	153,158	107,762	390,887
Vouchers Payable	67,666	295,153	259,698	84,409	706,926
Deferred Revenue	102,471	1,575	164,473	401,206	669,725
Total Liabilities	<u>294,911</u>	<u>301,921</u>	<u>577,329</u>	<u>593,377</u>	<u>1,767,538</u>
<u>Fund Equity</u>					
Fund Balances:					
Designated for Subsequent Year	228,663	25,000	454,500	828,506	1,536,669
Unreserved reported in:					
General Fund	1,583,755	-	-	-	1,583,755
Special Revenue Funds	-	1,919	1,373,779	1,034,236	2,409,934
Total Fund Balance	<u>1,812,418</u>	<u>26,919</u>	<u>1,828,279</u>	<u>1,862,742</u>	<u>5,530,358</u>
Total Liabilities and Fund Equity	<u>2,107,329</u>	<u>328,840</u>	<u>2,405,608</u>	<u>2,456,119</u>	<u>7,297,896</u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET ASSETS OF GOVERNMENTAL ACTIVITIES SEPTEMBER 30, 2010

Total Governmental Fund Balance	5,530,358
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Property taxes collected beyond 60 days after year end are not recorded as assets in the Governmental Funds balance sheet.	669,725
Governmental fund capital assets are not financial resources and therefore are not reported in the funds.	5,653,435
Governmental fund expends capital assets as they are purchased; the county was performing some work to the airport, but it was not complete at year end and reported in construction in progress.	160,495
Accrued payroll, sick and personal leave liabilities are not reported in Governmental Funds.	(145,242)
Capital leases are not payable in the current period and thus not reported in the funds.	<u>(173,349)</u>
Net assets of Governmental Activities	<u><u>11,695,422</u></u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPES FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>General</u>	<u>Airport</u>	<u>Justice</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Property Taxes	1,279,288	28,827	2,166,567	1,817,833	5,292,515
Licenses and Permits	139,479	-	-	-	139,479
Intergovernmental	407,014	266,377	1,336,928	428,210	2,438,529
Charges for Services	214,964	473,573	436,743	557,503	1,682,783
Fines and Forfeitures	-	-	-	176,876	176,876
Interest from Investments	94,017	-	-	-	94,017
Miscellaneous	39,471	1,719	62,974	540,689	644,853
Total Revenues	2,174,233	770,496	4,003,212	3,521,111	10,469,052
<u>Expenditures</u>					
Salaries and Wages	1,060,639	37,182	1,764,249	671,876	3,533,946
Payroll Expenses and Benefits	395,367	11,684	640,303	221,852	1,269,206
General and Administrative	449,728	482,310	292,010	35,181	1,259,229
Health Care	-	-	-	710,022	710,022
Contracted Services	116,280	-	-	1,595,754	1,712,034
Law Enforcement	12,050	-	898,854	141,565	1,052,469
Capital Expenditures	93,364	304,765	263,592	204,444	866,165
Capital Leases:					
Principal	1,656	-	-	22,674	24,330
Interest	558	-	-	9,200	9,758
Total Expenditures	2,129,642	835,941	3,859,008	3,612,568	10,437,159
Excess Revenues Over Expenditures	44,591	(65,445)	144,204	(91,457)	31,893
<u>Other Financing Sources (Uses):</u>					
Fund Transfers In (Out)	(39,433)	-	-	39,433	-
Financing of Capital Leases	13,002	-	-	75,000	88,002
Excess (Deficit) Revenues and Other Sources Over Expenditures	18,160	(65,445)	144,204	22,976	119,895
Fund Balance at Beginning of Year	1,794,258	92,364	1,684,075	1,839,766	5,410,463
Fund Balance at End of Year	1,812,418	26,919	1,828,279	1,862,742	5,530,358

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2010

Excess (Deficit) Revenue over Expenditures - Total Governmental Funds 31,893

Amounts reported for governmental activities in the statement of activities are different because:

Property tax revenues that are not received within sixty days after year end do not provide current financial resources and thus are not recorded as revenue in the Governmental Funds. This is the change in deferred revenue. 346,202

Governmental funds report capital outlays as current expenditures. In the Statement of activities, the cost of assets over \$5,000 is allocated over their estimated useful lives as depreciation expense. This is the amount of current year capital asset expenditures. 605,566
This is the change in construction in progress. 74,699
This is the amount of current year depreciation. (340,504)
This is the net book value of assets disposed of during the year. (500)

Repayment of long-term debt is reported as an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of capital lease principal payments. 24,330

Liability for accrued vacation pay is not recorded in the Governmental Funds. This is the decrease in leave during the year. 2,582

Change in Net Assets of Governmental Activities 744,268

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

STATEMENT OF NET ASSETS - FIDUCIARY FUNDS SEPTEMBER 30, 2010

	<u>Payroll Cafeteria Trust</u>	<u>Private Purpose Trust</u>	<u>Agency</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	78,220	225	495,363
Receivables:			
Delinquent Property Taxes	-	-	911,522
	<hr/>	<hr/>	<hr/>
Total Assets	78,220	225	1,406,885
	<hr/>	<hr/>	<hr/>
<u>Liabilities</u>			
Warrants Payable	344	-	60,309
Due to Taxing Districts	-	-	913,827
Due to Others	-	-	432,749
	<hr/>	<hr/>	<hr/>
Total Liabilities	344	-	1,406,885
	<hr/>	<hr/>	<hr/>
<u>Net Assets</u>			
Held in Trust	77,876	225	-
	<hr/>	<hr/>	<hr/>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

STATEMENT OF CHANGES IN NET ASSETS - FIDUCIARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Payroll	Private
	<u>Cafeteria Trust</u>	<u>Purpose Trust</u>
<u>Additions</u>		
Trust Amounts Received	73,313	310
<u>Deletions</u>		
Trust Amounts Remitted	<u>75,847</u>	<u>304</u>
Change in Net Assets	(2,534)	6
Net Assets Beginning of Year	<u>80,410</u>	<u>219</u>
Net Assets End of Year	<u><u>77,876</u></u>	<u><u>225</u></u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Jerome County is governed by the statute for Idaho counties and is located in the South Central portion of Idaho. The County provides various general services as authorized and the various special revenue funds: charities and indigent, weed control, ambulance, landfill, preventive health, airport, and disaster relief. The County acts as a collecting agent for taxing districts which are separate from this report.

The accounting policies of the County are to conform to generally accepted accounting principles. The following is a summary of the more significant policies:

1. The Financial Reporting Entity

For financial reporting purposes, management has considered potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles. The basic criterion for including a potential component unit within the reporting entity is the governing body's responsibility for financial accountability. Financial accountability is defined as the level of accountability that exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

Blended Component Units - The County Fair Fund is legally separate from Jerome County and is governed by a board appointed by the Commissioners of Jerome County. For financial reporting purposes, this entity is reported as if it were part of the County's operations because its purpose is to provide the citizenry with special services.

2. Basis of Accounting/Measurement Focus

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

a. Government-wide Financial Statements:

The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net assets presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities.

b. Fund Financial Statements:

Governmental Funds Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net assets presented in the Government-Wide Financial Statements.

Governmental funds are accounted for using the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. Under modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Available for purposes of revenue recognition is defined as sixty days. Revenue sources susceptible to accrual include property taxes and intergovernmental revenues. Expenditures are recognized when the related fund liability is incurred. Exceptions to this general rule include the accrual of payroll, vacation and sick pay and the related payroll liabilities associated with these items.

The following is a description of the activities accounted for as major funds and fiduciary fund types used by the County:

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

Airport Fund – This fund provides for the operation of the County airport. This includes the collection of revenues for landing fees, rentals, property taxes and fuel sales. Also, this fund accounts for the related airport operating and development expenses.

Justice Fund – This fund provides the functions of administering, delivering and accounting for law enforcement services provided to the County.

c. Fiduciary Fund Financial Statements:

Fiduciary Fund Financial Statements include a Statement of Net Assets. The County's fiduciary funds are comprised of the following:

Agency Funds – These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private-Purpose Trust Funds – These funds report trust arrangements under which the principal will benefit individuals, private organizations or other governments.

Pension Trust Funds – These funds report resources that are required to be held in trust for the members and beneficiaries of employee benefit plans (e.g. cafeteria).

3. Budgeting

The budgets are set based on resources available and/or appropriations necessary for each fiscal year by program and fund.

The County Commissioners meet the second Monday of September in the courthouse for the purpose of considering and fixing a final budget and making appropriations for each department, and fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Budgetary data is prepared on the basis of accounting used by a particular fund. A copy of the budget shall be available for public inspection and a summary statement of the budget for the ensuing year shall be published, including amounts budgeted for the prior year, which shall be included for purposes of comparison. Taxpayers are invited to attend a public hearing to express their views concerning the proposed budget. After this public meeting, the budget is approved and is legally enacted through the passage of an ordinance.

The ordinance is subject to amendment by the Board of Commissioners throughout the year. The amounts reported as original budget reflect the initial budget adopted and the final budget represents the final amounts passed by the Commissioners during the year.

4. Encumbrances

Encumbrances are not liabilities and they are not recorded as expenditures until receipt of material or services. For budgetary purposes, appropriations lapse at year end and are re-budgeted the following year. The County does not reserve fund balance for outstanding encumbrances at year end.

5. Capital Assets

The County's assets are capitalized at historic cost or estimated historic cost. Gifts or contributions of assets are recorded at fair market value when received. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets as follows: Buildings 30-50 years, Equipment 5-10 years, Infrastructure 30- 40 years.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 which requires the inclusion of infrastructure, buildings and land in local government's basic financial statements. The County has elected to use the basic approach as defined by Statement No. 34 for asset reporting. Historical cost records do not exist for all of the County's assets dating back to 1930. For those assets where actual cost records could not be located, the County estimated cost using standard unit costs appropriate for the acquisition date. Accumulated depreciation was computed based on the life of the assets. Book value is computed by deducting the accumulated depreciation from the original cost.

6. General Long-Term Debt

Unmatured long-term debt is presented in the government-wide financial statements. Repayment of all long-term debt, except accrued vacation pay, is recorded in the Debt Service Fund. Payment of accrued vacation pay will be made from the General and Special Revenue Funds incurring the expenditure. Interest expense on long-term debt is recorded when due.

7. Cash and Cash Equivalents

Cash equivalents consist primarily of cash on deposit and certificates of deposit. All are stated at cost that is not materially different from market.

8. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

9. Inventory

Inventory is expensed when purchased. The County has no significant inventories.

NOTE B - CASH AND INVESTMENTS

The County is authorized to invest funds in accordance with Idaho Code §67-1210. The County maintains a cash and investment pool that is available for use by all funds within the County.

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The County has no investment policy which would further limit its investment choices beyond those stated in the Idaho Code. The maturity dates of investments are listed below.

Concentration of Credit Risk – The County places no limit on the amount the Treasurer may invest in any one issuer.

Custodial Credit Risk, Deposits – Custodial credit risk is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. The County’s pooled deposits are categorized to give an indication of the level of risk assumed by the County at fiscal year-end. The cash is recorded in terms of United States currency.

Cash and investments at year end are summarized as follows:

	Market Value/Bank Balance	Book Balance		Total	Average Maturity	Credit Rating
		Collateralized Or FDIC Insured and Held in County's Name	Uncollateralized, uninsured, or Unregistered and Held in County's Name			
Cash:						
Petty Cash	300	300	-	300	N/A	N/A
Checking Accounts:						
DL Evans	5,448	5,484	-	5,484	N/A	N/A
Savings and Investments:						
Banner Bank	250,239	250,000	329	250,329 (2)	N/A	N/A
Magic Valley Bank	250,247	250,000	306	250,306 (2)	N/A	N/A
Zions Bank	250,301	250,000	150	250,150 (2)	N/A	N/A
DL Evans Repo	5,538,579	5,517,960	-	5,517,960 (1)	Daily	AAA
Component Unit - Fair	149,115	146,813		146,813	N/A	N/A
Total	6,444,229	6,420,557	785	6,421,342		
Summary:						
Governmental Activities				5,847,533		
Fiduciary Activities				573,809		
Total				<u>6,421,342</u>		

(1) Investments are held by and are in the name of a third party

(2) Over the FDIC limit.

Time Certificates and repurchase agreements are stated at cost, which approximate market. The County has no restrictions in depositing public funds with State depositories except that the total aggregate deposit should not exceed the total capital and surplus reserves of such depository. The State of Idaho does not require collateralization of public funds.

NOTE C – INTERGOVERNMENTAL AND ASSESSMENTS RECEIVABLE

Intergovernmental receivables are primarily comprised of amounts due from other governments for the quarter ended September 30, as well as grant amounts due from the federal government or a pass-through agency. Special assessments of the Landfill (Refuse) Fund consist of charges assessed each household for costs associated with the landfill. These charges are billed with the property tax notices. These receivables are as follows:

<u>Source</u>	<u>General</u>			<u>Other</u>	<u>Total</u>
	<u>Fund</u>	<u>Airport</u>	<u>Justice</u>	<u>Funds</u>	
State Liquor	-	-	15,449	-	15,449
State Cigarette Tax	-	-	12,131	-	12,131
State Sales Tax	67,817	-	158,239	1,459	227,515
State Ag Replacement	17,447	2,142	20,623	11,930	52,142
Grants	5,531	122,489	217,829	-	345,849
Office Turnovers	-	-	22,028	38,569	60,597
Regional Land Fill Dividend	-	-	-	227,389	227,389
Solid Waste Assessment	-	-	-	53,400	53,400
Total Receivables	<u>90,795</u>	<u>124,631</u>	<u>446,299</u>	<u>332,747</u>	<u>994,472</u>

NOTE D - DELINQUENT TAXES RECEIVABLE

Property taxes are levied in November of each year and recognized as revenue when the tax notices are printed. Taxes are due in two equal installments at December 20 and June 20 following the levy date. If payment is not received upon the due dates, a 2% penalty is charged and taxes are classified as past due subject to 12% interest.

Taxes receivable are stated at taxes levied less amounts collected and canceled. Individual taxpayer records are maintained by the County. Although small amounts of delinquent taxes are collected within 60 days following the close of the County's fiscal year (September 30), the County feels secure in the right to take tax deeds on property for the collection of real property taxes and the County's ability to take tax anticipation notes if needed to finance liabilities of the current period. Therefore, deferred revenue has been recorded as recommended by NCGA Interpretation #3 - "Revenue Recognition", but an allowance for uncollectible taxes receivable has not been established.

	<u>LEVY YEAR</u>					<u>Total</u>
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>Prior</u>	
Taxes Receivable	<u>305,038</u>	<u>95,136</u>	<u>45,471</u>	<u>183</u>	<u>63</u>	<u>445,891</u>

NOTE E – CAPITAL ASSETS

Summary of capital asset activity for the year ended is as follows:

<u>Governmental Activities</u>	Balance 9/30/2009	Additions	Disposals	Balance 9/30/2010
Capital Assets, Not Being Depreciated:				
Land	662,792	-	-	662,792
Capital Assets, Being Depreciated:				
Buildings and Improvements	4,614,170	301,334	-	4,915,504
Furniture and Equipment	1,970,073	242,211	(17,764)	2,194,520
Trucks and Vehicles	1,007,287	62,021	(82,601)	986,707
Total Depreciated Capital Assets	<u>8,254,322</u>	<u>605,566</u>	<u>(100,365)</u>	<u>8,759,523</u>
Less Accumulated Depreciation				
Building and Improvements	(1,176,999)	(115,786)	-	(1,292,785)
Furniture and Equipment	(1,048,013)	(132,962)	17,764	(1,163,211)
Trucks and Vehicles	(640,437)	(91,756)	82,101	(650,092)
Total Accumulated Depreciation	<u>(2,865,449)</u>	<u>(340,504)</u>	<u>99,865</u>	<u>(3,106,088)</u>
Capital Assets Net of Depreciation	<u>5,388,873</u>			<u>5,653,435</u>

Depreciation expense was charged to functions as follows:

General Fund:	
Clerk	1,533
Disaster Services	2,407
County Agent	3,974
Data Processing	6,915
General	106,360
Airport	80,692
District Court	30,411
Fair	8,242
Justice Fund:	
Sheriff	68,535
Prosecuting Attorney	1,146
Juvenile	3,362
General	1,700
Revaluation	2,055
Ambulance	<u>23,172</u>
Total Depreciation	<u>340,504</u>

NOTE F - WARRANTS PAYABLE

Warrants payable represent outstanding and unpaid orders authorized by the County Commissioners to have the Treasurer pay the bearer thereof the amount specified on the warrant. The County maintains a detailed listing of all unpaid warrants.

NOTE G - VOUCHERS PAYABLE

This account represents liabilities for goods and services evidenced by claims and dated prior to year end. All have been approved for payment by the Commissioners during October 2010.

NOTE H - COMPENSATED ABSENCES

The County accrues vacation and sick pay for its employees based upon length of service. Vacation days are payable upon termination of employment and will not exceed 15 days per year. Sick leave accrues at the rate of up to 10 days per year to a maximum of 40 days and is not payable upon termination. Vacation pay earned and unpaid as of September 30, 2010 has been accrued; however, sick pay is not considered a vested benefit and is not accrued. In addition, employees are encouraged to accept compensatory time off in lieu of monetary compensation for overtime hours worked and such time earned and unpaid as of September 30, 2010 has been accrued.

NOTE I - EMPLOYEE RETIREMENT PLAN

Public Employee Retirement System of Idaho - The Public Employee Retirement System of Idaho (PERSI), a cost-sharing, multiple-employer public retirement system was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The plan provides benefits based on members' years of service, age and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Designated as a mandatory system for eligible state and school district employees, the legislation provided for political subdivisions to participate by contractual agreement with PERSI. Financial reports for the plan are available from PERSI upon request.

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

The contribution requirements of Jerome County and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended September 30, 2010, the required contribution rate as a percentage of covered payroll for members was 6.23% for general members and 7.69% (7.65% + .04% effective March 1, 2010) for police/firefighters members. The employer rate as a percentage of covered payroll was 10.39% for general members and 10.73% for police/firefighter members. Jerome County employer contributions required and paid were \$356,780, \$328,425, and \$305,970, for the three years ended September 30, 2010, 2009, and 2008, respectively.

NOTE J – REGIONAL E-911

Jerome County has entered into a Joint Powers Agreement with Gooding, Lincoln, and Twin Falls Counties to establish and operate an Enhanced 911 Emergency Dispatch System (E-911) to meet the needs of the citizens of the participating counties. Financing for the system is through the collection of a telephone fee. Any County may withdraw from the agreement following a 2 year written notice period. However, if a debt financing agreement is outstanding, a County may only withdraw upon payment of its pro-rata share of the financing obligation remaining, based upon their share of the total surcharge collected from the four Counties. Jerome County's percentage of participation for the year ending September 30, 2009 was 31 %.

Separate financial statements of the joint venture are available from the South Central Region E-911 upon request. The following information was taken from the financial statements for fiscal year ended September 30, 2009:

Beginning Net Assets	3,153,726
Change in Net Assets	<u>(103,745)</u>
Ending Net Assets	<u>3,049,981</u>

NOTE K - SOLID WASTE DISTRICT

Jerome County has entered into a Joint Powers Agreement with Blaine, Cassia, Lincoln, Gooding and Minidoka Counties. Through their joint power they have established the Southern Idaho Regional Solid Waste District with each County appointing one member to the District's Board.

Under this agreement each County will pay a fee per ton of waste it deposits in the landfill. Along with the fee, each participating County has agreed not to dump solid waste in any other location. For the year ending September 30, 2010, the County paid fees to the Solid Waste District totaling \$807,355 or approximately 9% of the total operating revenue. These fees cover both fee usage cost and anticipated closure costs

Separate September 30, 2010 yearend financial statements of the Solid Waste District are available direct from the district upon request – these are the latest available audited financial statements. They contain the following information on the total equity of the District:

Beginning Net Assets	11,382,962
Change in Net Assets	<u>1,788,313</u>
Ending Net Assets	<u><u>13,171,275</u></u>

NOTE L - OPERATING LEASES

The County is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the County's capital assets. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining lease terms in excess of one year as of September 30, 2010:

Governmental Activities:

<u>Year Ended</u>	
2011	9,426
2012	9,426
2013	7,282
2014	2,256
2015	188
Thereafter	-
Total	<u><u>28,578</u></u>

NOTE M – CAPITAL LEASES/LONG-TERM LIABILITIES

Leases that in substance are purchases are classified as capital lease. At September 30, 2010, the historical cost and accumulated depreciation of equipment acquired under capital lease were \$233,239 and \$12,316, respectively. Changes in lease commitments for non-cancelable capital leases as of September 31, 2010 are as follows:

Governmental Activities:

Description	Initial Rate	Fund	Maturity Date	Amount			Amount Outstanding 9/30/2010	Amount Due In One Year
				Outstanding 9/30/2009	Additions	Deductions		
Bobcat Lease	5.34%	Fair	1/22/2014	17,248	-	3,397	13,851	3,901
Ambulance Lease	5.56%	Ambulance	5/15/2014	92,429	-	17,844	74,585	18,861
Sharp MX-M260	6.50%	General	4/1/2015	-	6,633	604	6,029	1,201
Toshiba e-Studio 355	6.50%	General	12/1/2014	-	6,369	1,052	5,317	1,123
Fair Building	8.30%	Fair	11/1/2029	-	75,000	1,433	73,567	1,720
Totals				<u>109,677</u>	<u>88,002</u>	<u>24,330</u>	<u>173,349</u>	<u>26,806</u>

Interest expense related to capital leases for the year was charged to the following departments and funds on the Statement of Activities:

County Fair	4,574
Ambulance	4,688
Treasurer/Tax Collector	175
County Agent	383
Total	<u>9,820</u>

Future minimum payments required under non-cancelable capital leases as of September 30, 2010 are as follows:

<u>Year Ended</u>	<u>Principle</u>	<u>Interest</u>
2011	26,806	11,028
2012	28,399	9,433
2013	30,088	7,744
2014	21,235	6,053
2015	3,469	5,384
Thereafter	<u>63,352</u>	<u>42,835</u>
Total	<u>173,349</u>	<u>82,477</u>

NOTE N - RISK MANAGEMENT

The County carries commercial insurance to cover employee health care, worker’s compensation, liability and property. There has been no significant reduction in insurance coverage in the current year. Settlement amounts have not exceeded insurance coverage for the current year or the four prior years.

Part of the health insurance program is a deductible buy down program. This program places the County’s insurance cost savings from having a higher deductible in trust, along with employee contributed amounts for covered family members, and self administers the employee reimbursement to a \$300 deductible.

The County belongs to the risk management pool, ICRMP. This is an association of Public entities who insure together to reduce cost while limiting liability.

NOTE O - CONSTRUCTION IN PROGRESS

During the year the County began a construction project at the airport. As of September 30, 2010 the County had incurred \$160,495 in construction costs at the airport. The project is expected to be completed in the subsequent year.

NOTE P – INTERFUND TRANSFERS

During the year, the General Fund transferred \$39,433 to the Fair Capital Fund to cover a building project at the fairgrounds.

NOTE Q - DEFERRED REVENUE

Deferred revenue, as of September 30, 2010, consists of property taxes, solid waste district dividends not collected within sixty days of year-end, and grant funds received but not yet used. The funds with deferred revenue are as follows:

<u>Fund</u>	<u>Taxes</u>	<u>Fees and Services</u>	<u>Total</u>
General Fund	102,471.00	-	102,471.00
Airport Fund	1,575.00	-	1,575.00
Justice Fund	164,473.00	-	164,473.00
Other Governmental Funds	<u>136,700.00</u>	<u>264,506.00</u>	<u>401,206.00</u>
Total	<u>405,219.00</u>	<u>264,506.00</u>	<u>669,725.00</u>

REQUIRED SUPPLEMENTARY INFORMATION

JEROME COUNTY, IDAHO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	2,030,034	2,031,251	1,279,288	(751,963)
PILT	-	-	81,645	81,645
Other	775,000	783,420	813,300	29,880
 Total Revenues	 2,805,034	 2,814,671	 2,174,233	 (640,438)
<u>Expenditures</u>				
Salaries and Wages	1,132,998	1,134,029	1,060,639	73,390
Payroll Expenses and Benefits	427,820	428,007	395,367	32,640
General and Administrative	706,821	673,172	449,728	223,444
Contracted Services	122,700	122,700	116,280	6,420
Law Enforcement	11,695	11,695	12,050	(355)
Capital Expenditures	403,000	405,635	95,578	310,057
 Total Expenditures	 2,805,034	 2,775,238	 2,129,642	 645,596
 Excess (Deficit) Revenues Over Expenditures	 -	 39,433	 44,591	 5,158
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	(39,433)	(39,433)	-
Financing of Capital Leases	-	-	13,002	(13,002)
 Excess (Deficit) Revenues and Other Sources Over Expenditures	 -	 -	 18,160	 (7,844)
 Fund Balance at Beginning of Year	 -	 -	 1,794,258	 1,794,258
 Fund Balance at End of Year	 -	 -	 1,812,418	 1,786,414

JEROME COUNTY, IDAHO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL BY OFFICE - GENERAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	2,030,034	2,031,251	1,279,288	(751,963)
Payment in Lieu of Taxes	-	-	81,645	81,645
Other	775,000	783,420	813,300	29,880
 Total Revenues	 2,805,034	 2,814,671	 2,174,233	 (640,438)
<u>Expenditures</u>				
Clerk, Auditor, Recorder Salaries	413,122	414,153	397,315	16,838
Clerk, Auditor, Recorder Other	7,400	7,400	5,797	1,603
Assessor Salaries	107,620	107,620	98,820	8,800
Assessor Other	3,900	3,900	1,720	2,180
Treasurer Salaries	104,909	104,909	104,905	4
Treasurer Other	7,734	7,734	7,365	369
Commissioners Salaries	82,800	82,800	82,800	-
Commissioners Other	23,600	23,600	15,745	7,855
Coroner Salaries	7,164	7,164	7,164	-
Coroner Other	12,695	12,695	12,695	-
Disaster Services Salaries	33,268	33,268	33,073	195
Disaster Services Other	14,498	17,219	58,666	(41,447)
County Agent Salaries	55,312	55,312	54,761	551
County Agent Other	20,200	20,200	18,304	1,896
Data Processing Salaries	25,416	25,416	25,416	-
Data Processing Other	153,700	153,700	136,616	17,084
Election Salaries	31,900	31,900	1,211	30,689
Elections	45,750	45,750	52,779	(7,029)
General Accounts (Salaries)	70,539	70,539	57,526	13,013
General Accounts (Other)	1,343,809	1,310,095	741,905	568,190
Planning and Zoning Salaries	192,948	192,948	189,906	3,042
Planning and Zoning Other	33,200	33,200	16,928	16,272
Reserve	5,000	5,000	-	5,000
Veterans' Memorial Salaries	8,000	8,000	7,742	258
Veterans' Memorial Other	550	716	483	233
 Total Expenditures	 2,805,034	 2,775,238	 2,129,642	 645,596
 Excess (Deficit) Revenues Over Expenditures	 -	 39,433	 44,591	 5,158
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	(39,433)	(39,433)	-
Financing of Capital Leases	-	-	13,002	(13,002)
 Excess (Deficit) Revenues and Other Sources Over Expenditures	 -	 -	 18,160	 (7,844)
 Fund Balance at Beginning of Year	 -	 -	 1,794,258	 1,794,258
 Fund Balance at End of Year	 -	 -	 1,812,418	 1,786,414

JEROME COUNTY, IDAHO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - AIRPORT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	30,000	30,000	28,827	(1,173)
Payment in Lieu of Taxes	-	-	50,000	50,000
Other	343,115	804,204	691,669	(112,535)
 Total Revenues	 373,115	 834,204	 770,496	 (63,708)
<u>Expenditures</u>				
Salaries and Wages	38,824	39,239	37,182	2,057
Payroll Expense and Benefits	11,980	12,012	11,684	328
Liability Insurance	4,000	4,000	-	4,000
Utilities	13,901	13,901	13,665	236
Maintenance	67,766	67,766	32,212	35,554
Miscellaneous	10,344	10,344	10,496	(152)
Petroleum	216,300	356,776	425,937	(69,161)
Capital Outlay	40,000	360,612	304,765	55,847
 Total Expenditures	 403,115	 864,650	 835,941	 28,709
 Excess (Deficit) Revenues Over Expenditures	 (30,000)	 (30,446)	 (65,445)	 (34,999)
 Fund Balance at Beginning of Year	 30,000	 30,446	 92,364	 61,918
 Fund Balance at End of Year	 -	 -	 26,919	 26,919

JEROME COUNTY, IDAHO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - JUSTICE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	2,178,750	2,178,750	2,166,567	(12,183)
Payment in Lieu of Taxes	-	-	100,000	100,000
Other	1,525,800	1,765,332	1,736,645	(28,687)
 Total Revenues	 3,704,550	 3,944,082	 4,003,212	 59,130
<u>Expenditures</u>				
Sheriff Department Salaries	1,134,498	1,174,783	1,160,010	14,773
Sheriff Department Other	397,631	619,833	616,403	3,430
Prosecuting Attorney Salaries	327,716	327,716	321,385	6,331
Prosecuting Attorney Other	18,700	18,700	12,674	6,026
Public Defender	381,300	381,300	326,952	54,348
Juvenile Salaries	176,364	176,364	176,364	-
Juvenile Other	290,698	302,668	154,236	148,432
Adult Probation Salaries	117,672	117,672	106,490	11,182
Adult Probation Other	14,787	14,787	8,632	6,155
General	1,207,184	1,211,788	975,862	235,926
 Total Expenditures	 4,066,550	 4,345,611	 3,859,008	 486,603
 Excess (Deficit) Revenues Over Expenditures	 (362,000)	 (401,529)	 144,204	 545,733
 Fund Balance at Beginning of Year	 362,000	 401,529	 1,684,075	 1,282,546
 Fund Balance at End of Year	 <u>-</u>	 <u>-</u>	 <u>1,828,279</u>	 <u>1,828,279</u>

Jerome County
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

Basis of Presentation

The Schedules of Revenues, Expenditures and Changes in Fund Balance have been prepared on the modified accrual basis of accounting.

Budgetary Legal Requirements

Idaho codified law prescribes the budgetary procedures to be followed by Counties as follows:

- A. On or before the first Monday in May of each year the county budget officer shall notify, in writing, each county official, elective or appointive, in charge of any office, department, service, agency or institution of the county, to file with such budget officer, on or before the third Monday in May thereafter, an itemized estimate showing both the probable revenues from sources other than taxation that will accrue to his office.
- B. The county budget officer (Clerk) then submits to the board of county commissioners on or before the first Monday in August of each year; county commissioners shall convene to consider the proposed budget in detail and make any alterations allowable by law and which they deem necessary.
- C. When the commissioners have agreed on such tentative appropriations, the county budget officer, not later than the third week in August, shall cause notice to be published setting forth the amount of anticipated revenue from property taxes and the total of revenues anticipated from sources other than property taxes and the amount proposed to be appropriated to each office.
- D. On or before the Tuesday following the first Monday in September of each year the board of county commissioners shall meet at the time and place designated in said notice. Any taxpayer may appear and be heard upon any part or parts of said tentative budget. Such hearing may be continued from day to day but must be concluded by the second Monday in September.
- E. During the year the county commissioners may proceed to adjust the budget as adopted to reflect the receipt of unscheduled revenue, grants, or donations from federal, state or local governments or private sources, provided that there shall be no increase in anticipated property taxes.

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OTHER SUPPLEMENTARY INFORMATION

JEROME COUNTY, IDAHO

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2010

	<u>District Court</u>	<u>Ambulance</u>	<u>Fair</u>	<u>Fair Capital</u>	<u>Charity and Indigent</u>
<u>Assets</u>					
Cash and Investments	408,950	277,977	94,210	10,900	530,796
Accounts Receivable	32,899	3,325	6,889	238	2,502
Delinquent Taxes Receivable	-	33,090	16,180	2,870	51,778
	<u>441,849</u>	<u>314,392</u>	<u>117,279</u>	<u>14,008</u>	<u>585,076</u>
Total Assets	<u>441,849</u>	<u>314,392</u>	<u>117,279</u>	<u>14,008</u>	<u>585,076</u>
<u>Liabilities</u>					
Warrants Payable	30,141	-	7,947	-	44,147
Vouchers Payable	7,174	1,878	-	7,958	38,627
Deferred Revenue	-	30,066	14,640	2,598	47,018
	<u>37,315</u>	<u>31,944</u>	<u>22,587</u>	<u>10,556</u>	<u>129,792</u>
Total Liabilities	<u>37,315</u>	<u>31,944</u>	<u>22,587</u>	<u>10,556</u>	<u>129,792</u>
<u>Fund Balances</u>					
Designated for Subsequent Years Expenditures	178,899	37,607	90,000	-	200,000
Unreserved:					
Undesignated	<u>225,635</u>	<u>244,841</u>	<u>4,692</u>	<u>3,452</u>	<u>255,284</u>
Total Fund Balances	<u>404,534</u>	<u>282,448</u>	<u>94,692</u>	<u>3,452</u>	<u>455,284</u>
Total Liabilities and Fund Balances	<u>441,849</u>	<u>314,392</u>	<u>117,279</u>	<u>14,008</u>	<u>585,076</u>

<u>Public Health</u>	<u>Revaluation</u>	<u>Solid Waste</u>	<u>Tort</u>	<u>Noxious Weed</u>	<u>Waterway</u>	<u>Totals</u>
82,625	190,926	197,818	119,794	40,275	18,614	1,972,885
1,343	3,247	280,789	1,351	164	-	332,747
8,270	27,435	-	9,785	1,079	-	150,487
<u>92,238</u>	<u>221,608</u>	<u>478,607</u>	<u>130,930</u>	<u>41,518</u>	<u>18,614</u>	<u>2,456,119</u>
-	18,223	-	-	-	7,304	107,762
-	1,226	-	-	26,211	1,335	84,409
7,519	24,978	264,506	8,887	994	-	401,206
7,519	44,427	264,506	8,887	27,205	8,639	593,377
-	45,000	200,000	65,000	10,000	2,000	828,506
84,719	132,181	14,101	57,043	4,313	7,975	1,034,236
84,719	177,181	214,101	122,043	14,313	9,975	1,862,742
<u>92,238</u>	<u>221,608</u>	<u>478,607</u>	<u>130,930</u>	<u>41,518</u>	<u>18,614</u>	<u>2,456,119</u>

JEROME COUNTY, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2010

	District Court	Ambulance	Fair	Fair Capital	Charity and Indigent
Revenues					
Property Taxes	-	397,992	208,308	36,845	629,517
Intergovernmental	364,216	11,385	4,895	954	10,007
Charges for Services	-	-	108,585	-	-
Fines and Forfeitures	176,876	-	-	-	-
Miscellaneous	50,720	5,056	121,103	-	114,305
Total Revenues	591,812	414,433	442,891	37,799	753,829
Expenditures					
Salaries and Wages	298,069	-	86,583	-	51,589
Payroll Expenses and Benefits	89,143	-	26,778	-	20,250
General and Administrative	-	2,882	11,245	-	-
Health Care	-	-	-	-	612,065
Contracted Services	-	333,220	259,079	-	-
Law Enforcement	141,565	-	-	-	-
Capital Expenditures	1,116	32,465	76,466	93,637	-
Capital - Principal Payments	-	17,844	4,830	-	-
Capital - Interest Payments	-	4,688	4,512	-	-
Total Expenditures	529,893	391,099	469,493	93,637	683,904
Excess (Deficit) Revenues Over Expenditures	61,919	23,334	(26,602)	(55,838)	69,925
Other Financing Sources					
Fund Transfer In (Out)	-	-	-	39,433	-
Financing Proceeds	-	-	75,000	-	-
Total Other Financing Sources	-	-	75,000	39,433	-
Revenues and Other Financing Over (Under) Expenditures	61,919	23,334	48,398	(16,405)	69,925
Fund Balance at Beginning of Year	342,615	259,114	46,294	19,857	385,359
Fund Balance at Year End	404,534	282,448	94,692	3,452	455,284

<u>Public Health</u>	<u>Revaluation</u>	<u>Solid Waste</u>	<u>Tort</u>	<u>Noxious Weed</u>	<u>Waterway</u>	<u>Totals</u>
97,639	318,351	-	119,330	9,851	-	1,817,833
5,374	12,987	-	5,406	656	12,330	428,210
-	-	448,918	-	-	-	557,503
-	-	-	-	-	-	176,876
-	3,080	228,462	-	17,963	-	540,689
103,013	334,418	677,380	124,736	28,470	12,330	3,521,111
-	235,635	-	-	-	-	671,876
-	85,681	-	-	-	-	221,852
-	17,431	-	-	-	3,623	35,181
97,957	-	-	-	-	-	710,022
-	-	808,375	144,672	40,890	9,518	1,595,754
-	-	-	-	-	-	141,565
-	760	-	-	-	-	204,444
-	-	-	-	-	-	22,674
-	-	-	-	-	-	9,200
97,957	339,507	808,375	144,672	40,890	13,141	3,612,568
5,056	(5,089)	(130,995)	(19,936)	(12,420)	(811)	(91,457)
-	-	-	-	-	-	39,433
-	-	-	-	-	-	75,000
-	-	-	-	-	-	114,433
5,056	(5,089)	(130,995)	(19,936)	(12,420)	(811)	22,976
79,663	182,270	345,096	141,979	26,733	10,786	1,839,766
84,719	177,181	214,101	122,043	14,313	9,975	1,862,742

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - DISTRICT COURT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	500,963	500,963	591,812	90,849
Total Revenues	500,963	500,963	591,812	90,849
<u>Expenditures</u>				
Salaries and Wages	303,926	303,926	298,069	5,857
Payroll Expense and Benefits	93,920	93,920	89,143	4,777
Supplies	27,675	27,675	23,202	4,473
Postage	12,000	12,000	17,653	(5,653)
Telephone and Utilities	51,100	51,100	40,139	10,961
Jury and Witness Fees and Expense	15,000	15,000	8,035	6,965
Travel	600	600	-	600
Lodging, Meals and Mileage for Jurors	2,000	2,000	518	1,482
Judicial Education	2,500	2,500	-	2,500
Contracts	91,242	91,242	51,754	39,488
Contingency	6,000	6,000	264	5,736
Capital Outlay	15,000	15,000	1,116	13,884
Total Expenditures	620,963	620,963	529,893	91,070
Excess (Deficit) Revenues Over Expenditures	(120,000)	(120,000)	61,919	181,919
Fund Balance at Beginning of Year	120,000	120,000	342,615	222,615
Fund Balance at End of Year	-	-	404,534	404,534

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - AMBULANCE DISTRICT FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	400,422	400,422	397,992	(2,430)
Other	15,000	15,000	16,441	1,441
Total Revenues	415,422	415,422	414,433	(989)
<u>Expenditures</u>				
Contingency	28,357	28,357	-	28,357
Maintenance and Repair	47,618	47,618	2,882	44,736
Ambulance Contracts	347,783	347,783	333,220	14,563
Capital Outlay	27,428	27,428	54,997	(27,569)
Total Expenditures	451,186	451,186	391,099	60,087
Excess (Deficit) Revenues Over Expenditures	(35,764)	(35,764)	23,334	59,098
Fund Balance at Beginning of Year	35,764	35,764	259,114	223,350
Fund Balance at End of Year	-	-	282,448	282,448

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - COUNTY FAIR FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	211,555	211,555	208,308	(3,247)
Other	100,000	111,859	234,583	122,724
Total Revenues	311,555	323,414	442,891	119,477
<u>Expenditures</u>				
Salaries and Wages	82,556	93,864	86,583	7,281
Employee Benefits	26,280	26,831	26,778	53
Supplies	2,318	2,318	2,713	(395)
Utilities	23,171	23,171	24,850	(1,679)
Contracted Services	3,247	3,247	3,355	(108)
Repairs and Maintenance	44,348	44,348	32,627	11,721
Miscellaneous	124,330	124,330	206,779	(82,449)
Capital Outlay	5,305	5,305	10,808	(5,503)
Total Expenditures	311,555	323,414	394,493	(71,079)
Excess (Deficit) Revenues Over Expenditures	-	-	48,398	48,398
Fund Balance at Beginning of Year	-	-	46,294	46,294
Fund Balance at End of Year	-	-	94,692	94,692

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - COUNTY FAIR CAPITAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	37,500	37,500	36,845	(655)
Other	500	500	954	454
Total Revenues	38,000	38,000	37,799	(201)
<u>Expenditures</u>				
Capital Outlay	40,000	93,638	93,637	1
Total Expenditures	40,000	93,638	93,637	1
Excess (Deficit) Revenues Over Expenditures	(2,000)	(55,638)	(55,838)	(200)
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	39,434	39,433	(1)
Excess (Deficit) Revenues and Other Sources Over Expenditures	(2,000)	(16,204)	(16,405)	(201)
Fund Balance at Beginning of Year	2,000	16,204	19,857	3,653
Fund Balance at End of Year	-	-	3,452	3,452

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CHARITY AND INDIGENT FUND (NON-GAAP BASIS) FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	633,392	633,392	629,517	(3,875)
Other	90,000	90,000	124,312	34,312
 Total Revenues	 723,392	 723,392	 753,829	 30,437
<u>Expenditures</u>				
Salaries	62,532	62,532	51,589	10,943
Payroll Expenses and Benefits	22,710	22,710	20,250	2,460
Travel	700	700	853	(153)
Medical - Hospitals	375,000	375,000	407,286	(32,286)
Medical - Jail	60,000	60,000	36,051	23,949
Medical - Professional Services	218,650	218,650	164,877	53,773
Medical - Medications	1,000	1,000	-	1,000
Medical - Transportation	5,000	5,000	900	4,100
Non-Medical Care	4,800	4,800	1,617	3,183
Miscellaneous	3,000	3,000	481	2,519
 Total Expenditures	 753,392	 753,392	 683,904	 69,488
Excess (Deficit) Revenues Over Expenditures	(30,000)	(30,000)	69,925	99,925
Fund Balance at Beginning of Year	30,000	30,000	385,359	355,359
Fund Balance at End of Year	-	-	455,284	455,284

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - PUBLIC HEALTH FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	97,965	97,965	97,639	(326)
Other	-	-	5,374	5,374
Total Revenues	97,965	97,965	103,013	5,048
<u>Expenditures</u>				
Health Care Contracts	97,965	97,965	97,957	8
Total Expenditures	97,965	97,965	97,957	8
Excess Revenues Over Expenditures	-	-	5,056	5,056
Fund Balance at Beginning of Year	-	-	79,663	79,663
Fund Balance at End of Year	-	-	84,719	84,719

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - REVALUATION FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	318,491	318,491	318,351	(140)
Other	16,000	16,000	16,067	67
Total Revenues	334,491	334,491	334,418	(73)
<u>Expenditures</u>				
Salaries and Wages	252,396	252,396	235,635	16,761
Payroll Expenses and Benefits	90,935	90,935	85,681	5,254
Contracted Services	2,000	2,000	1,550	450
Miscellaneous	10,660	10,660	10,597	63
Education	6,500	6,500	5,284	1,216
Capital Outlay	10,000	10,000	760	9,240
Total Expenditures	372,491	372,491	339,507	32,984
Excess (Deficit) Revenues Over Expenditures	(38,000)	(38,000)	(5,089)	32,911
Fund Balance at Beginning of Year	38,000	38,000	182,270	144,270
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>177,181</u>	<u>177,181</u>

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - SOLID WASTE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	<u>664,554</u>	<u>664,554</u>	<u>677,380</u>	<u>12,826</u>
Total Revenues	<u>664,554</u>	<u>664,554</u>	<u>677,380</u>	<u>12,826</u>
<u>Expenditures</u>				
Solid Waste Contract	<u>814,554</u>	<u>814,554</u>	<u>807,355</u>	<u>7,199</u>
Contingency	<u>150,000</u>	<u>150,000</u>	<u>1,020</u>	<u>148,980</u>
Total Expenditures	<u>964,554</u>	<u>964,554</u>	<u>808,375</u>	<u>156,179</u>
Excess (Deficit) Revenues Over Expenditures	<u>(300,000)</u>	<u>(300,000)</u>	<u>(130,995)</u>	<u>169,005</u>
Fund Balance at Beginning of Year	<u>300,000</u>	<u>300,000</u>	<u>345,096</u>	<u>45,096</u>
Fund Balance at End of Year	<u> -</u>	<u> -</u>	<u>214,101</u>	<u>214,101</u>

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - TORT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	120,000	120,000	119,330	(670)
Other	-	-	5,406	5,406
Total Revenues	<u>120,000</u>	<u>120,000</u>	<u>124,736</u>	<u>4,736</u>
<u>Expenditures</u>				
Insurance Liability Coverage	<u>180,000</u>	<u>180,000</u>	<u>144,672</u>	<u>35,328</u>
Total Expenditures	<u>180,000</u>	<u>180,000</u>	<u>144,672</u>	<u>35,328</u>
Excess (Deficit) Revenues Over Expenditures	(60,000)	(60,000)	(19,936)	40,064
Fund Balance at Beginning of Year	<u>60,000</u>	<u>60,000</u>	<u>141,979</u>	<u>81,979</u>
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>122,043</u>	<u>122,043</u>

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - NOXIOUS WEED FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	9,640	9,640	9,851	211
Other	<u>7,200</u>	<u>7,200</u>	<u>18,619</u>	<u>11,419</u>
Total Revenues	16,840	16,840	28,470	11,630
<u>Expenditures</u>				
Contracts	<u>44,840</u>	<u>44,840</u>	<u>40,890</u>	<u>3,950</u>
Total Expenditures	<u>44,840</u>	<u>44,840</u>	<u>40,890</u>	<u>3,950</u>
Excess (Deficit) Revenues Over Expenditures	(28,000)	(28,000)	(12,420)	15,580
Fund Balance at Beginning of Year	<u>28,000</u>	<u>28,000</u>	<u>26,733</u>	<u>(1,267)</u>
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>14,313</u>	<u>14,313</u>

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - WATERWAYS FUND FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	8,000	12,490	12,330	(160)
Total Revenues	8,000	12,490	12,330	(160)
<u>Expenditures</u>				
Repairs and Maintenance	10,000	14,490	13,141	1,349
Total Expenditures	10,000	14,490	13,141	1,349
Excess (Deficit) Revenues Over Expenditures	(2,000.00)	(2,000.00)	(811)	1,189
Fund Balance at Beginning of Year	2,000.00	2,000.00	10,786	8,786
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>9,975</u>	<u>9,975</u>

JEROME COUNTY, IDAHO

**OMB CIRCULAR A-133
SUPPLEMENTARY FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

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**OMB CIRCULAR A-133
SUPPLEMENTARY FINANCIAL REPORT**

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Condie
Stoker &
Associates

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**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**

Jerome County Commissioners
Jerome County, Idaho

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jerome County, as of and for the year ended September 30, 2010, which collectively comprise the Jerome County's basic financial statements and have issued our report thereon dated January 11, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Jerome County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jerome County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Jerome County's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jerome 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*.

We noted certain matters that we reported to management of Jerome County, in a separate letter dated January 11, 2011.

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

Condie, Stoker and Associates
January 11, 2011



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

To the County Commissioners
Jerome County
Jerome, Idaho 83338

Compliance

We have audited the compliance of Jerome County, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2010. Jerome County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Jerome County's management. Our responsibility is to express an opinion on Jerome County's compliance based on our audit.

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

In our opinion, Jerome County, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2010.

Internal Control Over Compliance

Management of Jerome County, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Jerome County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Jerome County's internal control over compliance.

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

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

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

Condie, Stoker and Associates
January 11, 2011

JEROME COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR END SEPTEMBER 30, 2010

Description	Federal CFDA Number	Accrued (Deferred) Grant Revenue 9/30/2009	Cash/ Commodities Received 10/01/2009 thru 9/30/2010	Expenditures	Accrued (Deferred) Grant Revenue 9/30/2010
Pass-Through State of Idaho:					
Department of Justice:					
State of Idaho-Juvenile Accountability Block Grant	16.523		26,331	26,331	0
State of Idaho-Project Safe Neighborhoods	16.609		2,642	2,642	0
State of Idaho-Anti-Gang Initiative	16.744		500	500	0
State of Idaho-Recovery Act - Edward Byrne*	16.803			199,380	199,380
Total Department of Justice Pass-Through		0	29,473	228,853	199,380
Department of Transportation:					
State of Idaho Highway Planning and Construction	20.205		1,932	3,956	2,024
State of Idaho State and Community Highway Safety	20.600			13,080	13,080
State of Idaho Alcohol Impaired Driving Countermeasures Grant I	20.601		4,200	7,545	3,345
Total Department of Transportation Pass-Through		0	6,132	24,581	18,449
Department of Energy:					
State of Idaho Energy Deficiency and Conservation Block Grant	81.128			5,531	5,531
Department of Homeland Security:					
State of Idaho Emergency Management Performance Grants	97.042		1,176	1,176	0
State of Idaho Pre Disaster Mitigation	97.047	22,500	22,600	100	0
State of Idaho Homeland Security Grant Program	97.067		42,278	42,278	0
Total Department of Transportation Pass-Through		22,500	66,054	43,554	0
Total Pass-Through State of Idaho		22,500	101,659	302,519	223,360
Department of Transportation Direct Programs:					
Airport Improvement Program*	20.106		90,730	213,219	122,489
Department of Justice Direct Programs					
State Criminal Alien Assistance Program	16.606		4,973	4,973	0
Total Federal Financial Assistance		22,500	197,362	520,711	345,849

* Major Programs

JEROME COUNTY

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the County's federal award programs presented on the accrual basis of accounting in accordance with generally accepted accounting principles. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operation of the County, it is not intended to and does not present the financial position, changes in net assets of Jerome County.

**JEROME COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2010**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Jerome County.
2. No reportable deficiencies were disclosed during the audit of the financial statements which are reported in the report of internal control dated January 11, 2011
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. No material reportable conditions were discovered during the audit of the Major Federal Award Programs.
5. The auditor's report on compliance for the Major Federal Award Programs for Jerome County expresses an unqualified opinion.
6. The audit did not disclose any audit findings.
7. The programs tested as major programs include: Edward Byrne 16.803 and Airport Improvement Program 20.106.
8. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
9. Jerome County was determined not to be a low-risk Auditee.

B. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

<u>Finding</u>	<u>Reportable Condition</u>	<u>Questioned Cost</u>
None	None	None

C. FINDINGS - FINANCIAL STATEMENTS AUDIT

None