

JEROME COUNTY
BASIC FINANCIAL STATEMENTS
AND
SELECTED OTHER FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2014

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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, 2014, 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 accounting principles generally accepted in the United States of America; this includes 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. 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 entity'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 entity'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 audit opinions.

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, 2014, and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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 33 through 38 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.

Other Information

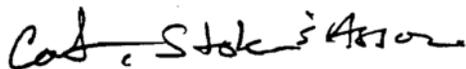
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jerome County's financial statements as a whole. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2015, on our consideration of Jerome 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 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 Jerome County's internal control over financial reporting and compliance.



Condie, Stoker & Associates
January 12, 2015



**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**

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

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, 2014, which collectively comprise Jerome County's basic financial statements and have issued our report thereon dated January 12, 2015. 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

Management of Jerome County, Idaho, is responsible for establishing and maintaining effective 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 Jerome County's internal control over financial reporting.

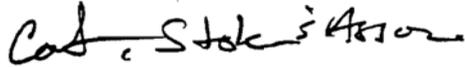
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination 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 preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

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*.

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Condie, Stoker and Associates
January 12, 2015

Michelle Emerson

CLERK OF THE DISTRICT COURT
EX-OFFICIO AUDITOR AND RECORDER



Jerome County

The Forty-Third County
of
The Forty-Third State

**Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2014
(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, 2014.

Financial Highlights of the Past Year

The assets of Jerome County exceeded its liabilities at the close of the 2013-2014 fiscal year by \$15,265,368 (Net Position). Of this amount, \$7,966,953 (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 \$1,252,432.

Several projects were undertaken and completed during fiscal year 2013-2014. Acreage for additional parking was purchased by the county for the fair grounds. Acreage for the repeater tower

(emergency radio tower) was purchased by the county for Emergency Services. Renovations to county property located at 121 3rd Avenue East which is used for Public Defender's Offices were done. A well was sunk at the Hazelton Airport to assist in agricultural spraying services.

The county participated in several community projects with other local governmental and charitable organizations to complete the skate park and bring the traveling Vietnam War Memorial to Jerome. The county up-graded the telephone system at the old courthouse, and the county internet services were upgraded with new servers and firewalls. A new magnetometer for security was obtained by grant funds from Homeland Security for the Jerome County Judicial Annex.

Jerome County continues to make progress on the new correctional facility and it is anticipated that ground breaking will be in March 2015.

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 Position 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 POSITION

Assets:	2012-13	2013-14
Current	8,286,169	9,129,173
Restricted Cash (Jail Bond)	11,203,695	10,615,789
Capital Assets	6,683,555	6,976,758
Construction in Progress	21,422	755,208
Deferred Bond Issuance Costs	252,744	242,634
	-----	-----
Total Assets	26,447,585	27,719,562
Liabilities:		
Current Liabilities	1,015,106	1,304,209
Non-Current Liabilities	11,419,543	11,149,985
	-----	-----
Total Liabilities	12,434,649	12,454,194
Net Assets:		
Invested in Capital Assets	6,616,921	7,298,415
Unrestricted	7,396,015	7,966,953
	-----	-----
Total Net Position	<u>14,012,936</u>	<u>15,265,368</u>

Jerome County's net assets are divided into two categories. Unrestricted net assets make up 52.2% 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 47.8% 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 fund 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 expandable 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 on the following page.

SUMMARY OF JEROME COUNTY'S STATEMENT OF ACTIVITIES

Revenues:

Property Taxes	\$ 7,018,779
Charges for Services & Sales	3,465,063
Miscellaneous Revenue	2,292,688
Investment Earnings	<u>54,447</u>

Total Revenue **\$12,830,977**

Program Expenses:
General Fund:

Clerk/Auditor	\$ 438,644
Assessor	136,994
Treasurer/ Tax Collector	115,309
Commissioner	100,799
Coroner	18,383
Disaster Services	89,715
County Agent	82,780
Data Processing	184,608
Elections	57,175
General	1,117,984
Planning & Zoning	228,389
Veterans Memorial	10,371

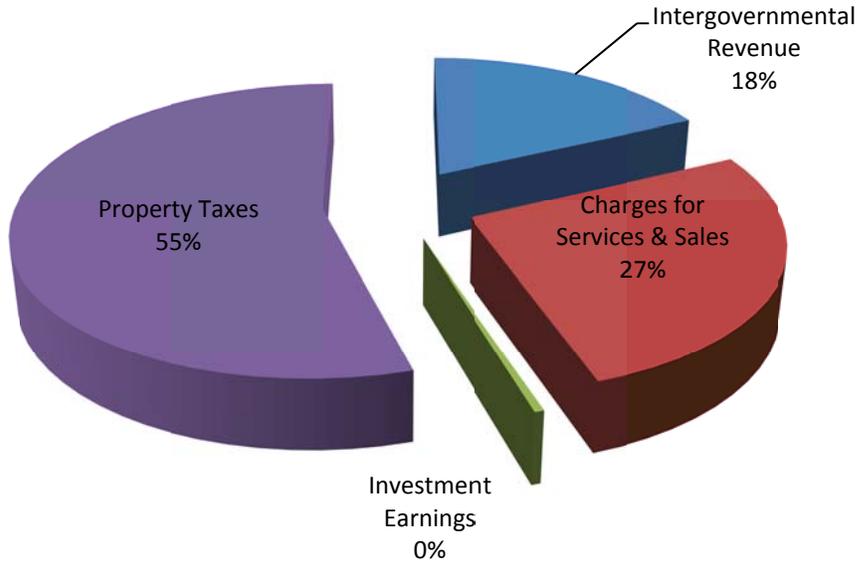
Special Revenue Funds:

Airport	904,725
District Court	495,302
County Fair	374,556
Justice:	
Sheriff	1,003,253
Detention	925,481
Adult Probation	133,723
Prosecuting Attorney	357,952
Public Defender	453,894
Juvenile	418,353
General	897,005
Capital Fair	4,225
Public Health	111,309
County Election	48,486
Charity and Indigent	697,206
Revaluation	315,547
Solid Waste	702,774
Tort	163,265
Noxious Weed	46,521
Ambulance	407,738
Waterways	18,044
Capital Correctional Facility	517,685
Bond Redemption	<u>350</u>

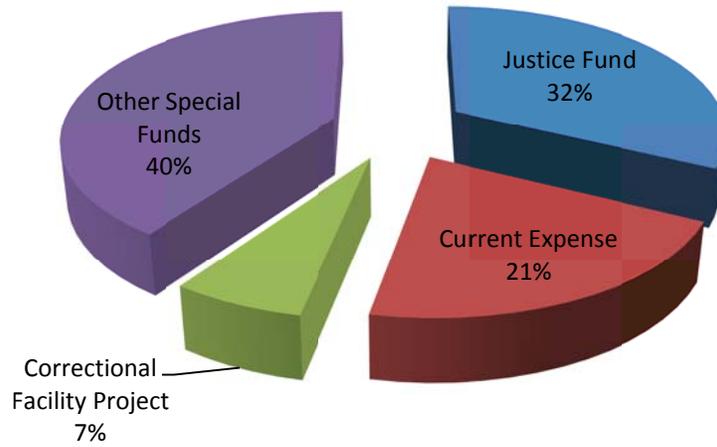
Total Expenditures **\$11,578,545**

Increase in Net Position **\$ 1,252,432**

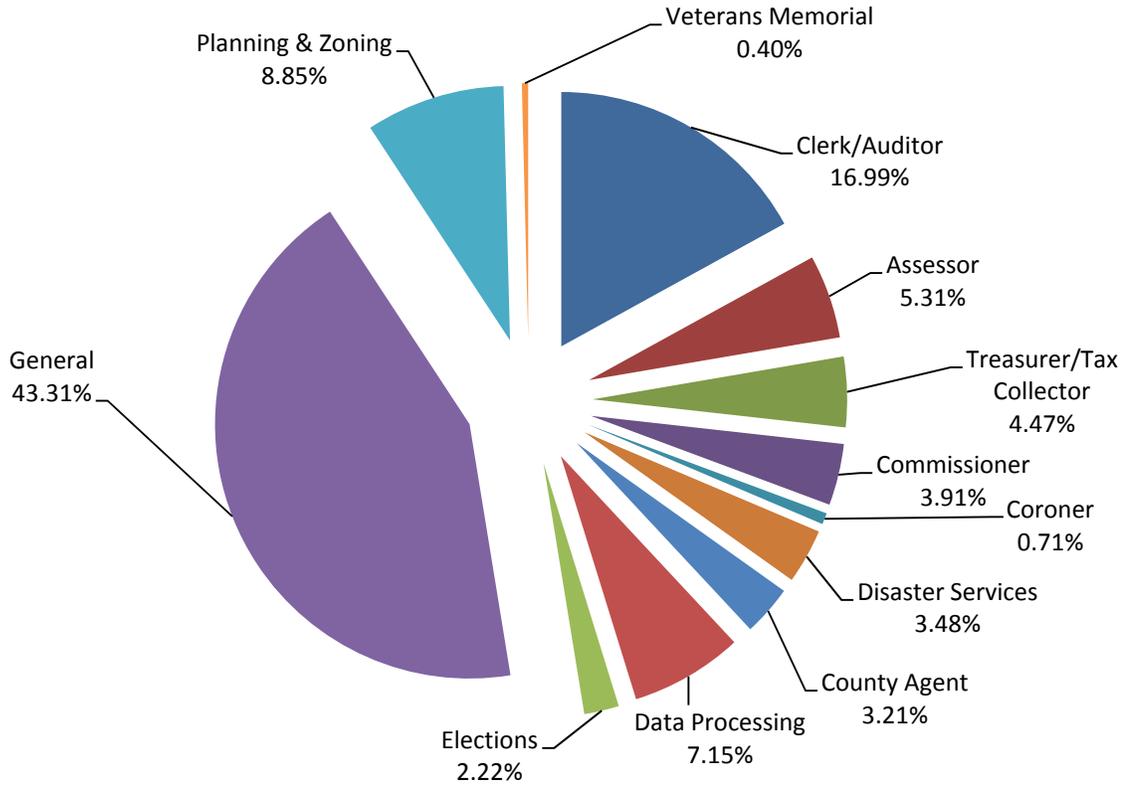
Jerome County Revenue By Source



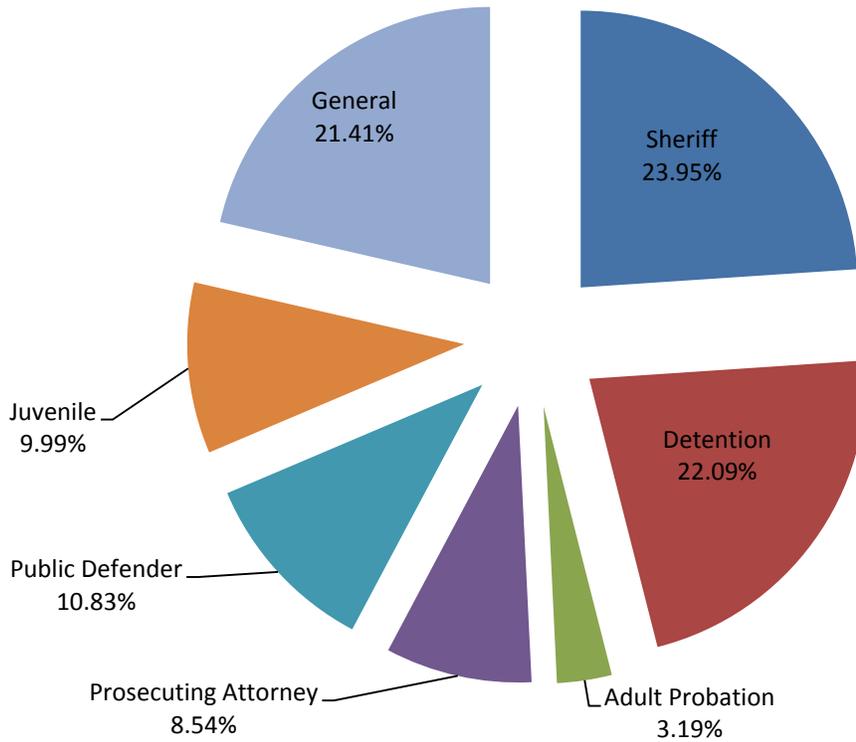
Jerome County Expenses



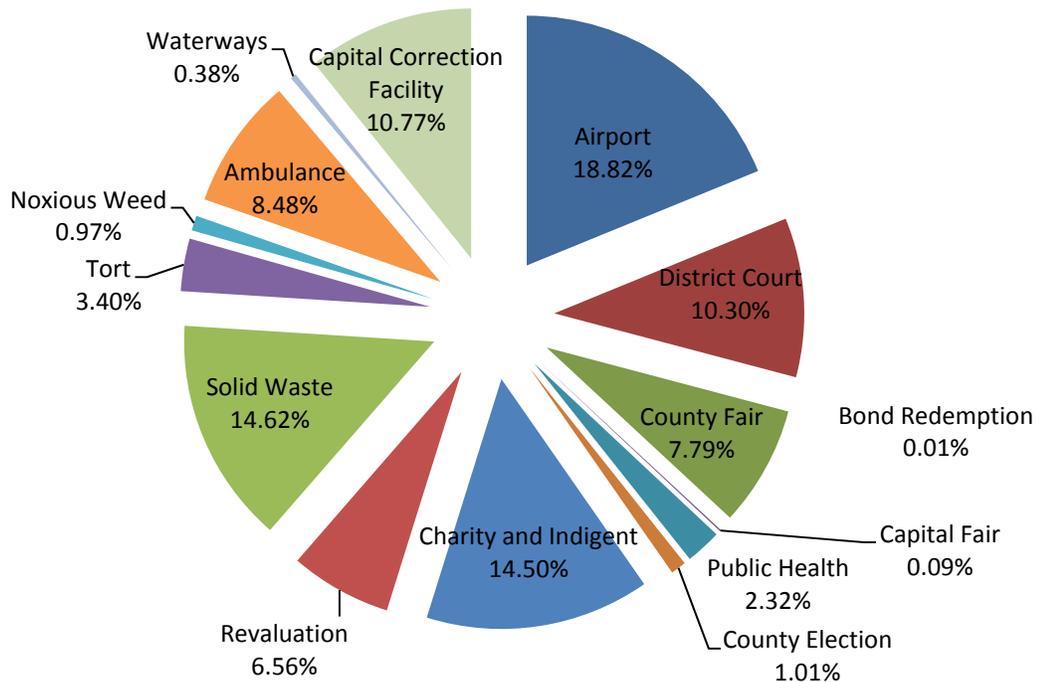
Expenses - Current Expense Detail



Expenses - Justice Fund Detail



Expenses - Other Special Funds Detail



Capital Assets

Jerome County's investments in capital assets as of September 30, 2014 amount to \$6,976,758 (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 fiscal year 2013-2014, 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. The resolutions can be reviewed and/or copied for the public in their entirety at the Auditor/Recorder's Office located at 300 North Lincoln, Room 301, Jerome, Idaho.

One fund to fund transfer was effectuated by Resolution No. 2014-10 for fiscal year 2013-14 wherein \$1,769.97 was transferred in grant funds from the Waterways Fund into the Justice Fund for salaries, retirement and social security expenses for Waterways Patrol.

Current Financial Issues and Concerns

Jerome County is in good financial standing and strives to increase its unrestricted net position each year. The county continues to strive to provide the necessary services to its citizens as well as remaining fiscally responsible.

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.

The County's Audit Reports for FY2010, 2011, 2012, and 2013 and the County's approved budgets for FY2010, 2011, 2012, 2013, and 2014 can be found on the county's web site jeromecountyid.us – link Auditor/Recorder.

JEROME COUNTY, IDAHO

STATEMENT OF NET POSITION SEPTEMBER 30, 2014

	<u>Governmental Activities</u>
<u>Assets</u>	
Current Assets:	
Cash and Investments	8,337,288
Receivables	492,285
Delinquent Taxes Receivable	299,600
Non Current Assets:	
Restricted Cash and Investments	10,615,789
Construction in Progress	755,208
Capital Assets, net of depreciation	6,976,758
Deferred Bond Issuance Costs	242,634
	<hr/>
Total Assets	27,719,562
<u>Liabilities</u>	
Current Liabilities:	
Warrants Payable	42,749
Vouchers Payable	977,129
Unearned Revenue	13,793
Note Payments Due Within One Year	270,538
Non Current Liabilities:	
Note Payments Due Beyond One Year	11,021,436
Accrued Compensated Absences	128,549
	<hr/>
Total Liabilities	12,454,194
<u>Net Position</u>	
Net Investment in Capital Assets	7,158,727
Net Restricted - Capital Projects	139,688
Unrestricted	7,966,953
	<hr/>
Total Net Position	15,265,368
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See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2014

	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	438,644	91,522	-	-	(347,122)
Assessor	136,994	156,236	-	-	19,242
Treasurer/Tax Collector	115,309	7,824	-	-	(107,485)
Commissioner	100,799	-	-	-	(100,799)
Coroner	18,383	-	-	-	(18,383)
Disaster Services	89,715	-	-	-	(89,715)
County Agent	82,780	-	-	-	(82,780)
Data Processing	184,608	-	-	-	(184,608)
Elections	57,175	-	-	-	(57,175)
General	1,117,984	40,511	-	-	(1,077,473)
Planning and Zoning	228,389	211,109	-	-	(17,280)
Veterans Memorial	10,371	-	-	-	(10,371)
Special Revenue:					
Airport	904,725	744,060	-	176,675	16,010
District Court	495,302	412,020	-	-	(83,282)
County Fair	374,556	189,741	-	-	(184,815)
Justice:					
Sheriff	1,003,253	366,538	-	-	(636,715)
Detention	925,481	-	-	-	(925,481)
Adult Probation	133,723	94,444	-	-	(39,279)
Prosecuting Attorney	357,952	-	-	-	(357,952)
Public Defender	453,894	42,195	-	-	(411,699)
Juvenile	418,353	26,556	-	-	(391,797)
General	897,005	100,960	202,860	-	(593,185)
Capital Fair	4,225	-	-	-	(4,225)
Public Health	111,309	42	-	-	(111,267)
County Election	48,486	-	81,169	-	32,683
Charity and Indigent	697,206	119,266	-	-	(577,940)
Revaluation	315,547	2,172	-	-	(313,375)
Solid Waste	702,774	840,114	-	-	137,340
Tort	163,265	50	-	-	(163,215)
Noxious Weed	46,521	13,435	-	-	(33,086)
Ambulance	407,738	6,268	-	-	(401,470)
Waterways	18,044	-	6,319	-	(11,725)
Capital Correctional Facility	517,685	-	-	-	(517,685)
Bond Redemption	350	-	-	-	(350)
Total Governmental Activities	11,578,545	3,465,063	290,348	176,675	(7,646,459)
General Revenues:					
Property Taxes Levied for General Fund					1,832,711
Property Taxes Levied for Special Revenue Funds					5,186,068
State Allocations					1,568,285
PILT Revenue					252,542
Investment Earnings					54,447
Sale of Assets					4,838
Total General Revenues					8,898,891
Change in Net Position					1,252,432
Net Position Beginning of Period					14,012,936
Net Position End of Period					15,265,368

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

BALANCE SHEET - GOVERNMENTAL FUNDS SEPTEMBER 30, 2014

	General	Airport	Justice	Correctional Facility Project	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and Investments	3,170,662	282,811	2,125,378	10,615,789	2,758,437	18,953,077
Accounts Receivable	78,019	3,074	335,072	-	76,120	492,285
Delinquent Taxes Receivable	83,564	2,054	109,538	-	104,444	299,600
Total Assets	<u>3,332,245</u>	<u>287,939</u>	<u>2,569,988</u>	<u>10,615,789</u>	<u>2,939,001</u>	<u>19,744,962</u>
Liabilities						
Warrants Payable	3,034	98	15,865	-	23,752	42,749
Vouchers Payable	213,402	142,257	248,179	251,750	121,541	977,129
Unearned Revenue	-	-	13,793	-	-	13,793
Total Liabilities	<u>216,436</u>	<u>142,355</u>	<u>277,837</u>	<u>251,750</u>	<u>145,293</u>	<u>1,033,671</u>
Deferred Inflows of Resources						
Unavailable Revenue	71,030	1,747	93,109	-	124,559	290,445
Total Deferred Inflows of Resources	<u>71,030</u>	<u>1,747</u>	<u>93,109</u>	<u>-</u>	<u>124,559</u>	<u>290,445</u>
Fund Equity						
Fund Balances:						
Restricted:						
Correctional Facility Project	-	-	-	10,364,039	-	10,364,039
Committed:						
Designated for subsequent year expenditures	344,632	50,000	761,500	-	545,483	1,701,615
Assigned	-	93,837	1,437,542	-	2,123,666	3,655,045
Unassigned	2,700,147	-	-	-	-	2,700,147
Total Fund Balance	<u>3,044,779</u>	<u>143,837</u>	<u>2,199,042</u>	<u>10,364,039</u>	<u>2,669,149</u>	<u>18,420,846</u>
Total Liabilities and Fund Equity	<u>3,332,245</u>	<u>287,939</u>	<u>2,569,988</u>	<u>10,615,789</u>	<u>2,939,001</u>	<u>19,744,962</u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

Total Governmental Fund Balance		18,420,846
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Property taxes collected beyond 60 days after year end are not recorded as assets in the Governmental Funds balance sheet.		290,445
Governmental fund capital assets are not financial resources and therefore are not reported in the funds. These assets consist of:		
	Capital Assets	6,976,758
	Construction in Progress	<u>755,208</u>
	Total Capital Assets	7,731,966
Accrued payroll, sick and personal leave liabilities are not reported in Governmental Funds.		(128,549)
Capital leases and bonds payable are not payable in the current period and thus not reported in the funds.		(11,291,974)
Bond issuance costs are treated as expenditures in the governmental funds, but are deferred to future periods in the Statement of Net Position.		<u>242,634</u>
Net Position of Governmental Activities		<u><u>15,265,368</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, 2014

	<u>General</u>	<u>Airport</u>	<u>Justice</u>	<u>Correctional Facility Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>						
Property Taxes	1,842,068	30,850	2,469,945	-	2,666,636	7,009,499
Licenses and Permits	211,109	-	-	-	-	211,109
Intergovernmental	392,647	185,671	1,325,694	-	593,883	2,497,895
Charges for Services	255,582	731,807	511,012	-	881,405	2,379,806
Fines and Forfeitures	-	-	-	-	160,838	160,838
Interest from Investments	25,268	-	-	-	-	25,268
Miscellaneous	40,511	12,253	119,681	27,224	372,484	572,153
Total Revenues	<u>2,767,185</u>	<u>960,581</u>	<u>4,426,332</u>	<u>27,224</u>	<u>4,675,246</u>	<u>12,856,568</u>
<u>Expenditures</u>						
Salaries and Wages	1,198,746	56,194	1,943,773	-	589,561	3,788,274
Payroll Expenses and Benefits	507,305	21,196	647,766	-	183,122	1,359,389
General and Administrative	567,006	687,442	232,132	-	63,113	1,549,693
Health Care	-	-	-	-	757,584	757,584
Contracted Services	121,258	-	-	-	1,562,740	1,683,998
Law Enforcement	9,983	-	1,253,583	-	166,692	1,430,258
Capital Expenditures	276,422	192,210	70,442	836,684	136,062	1,511,820
Capital Leases:						
Principal	2,823	-	-	-	757,273	760,096
Interest	171	-	-	-	5,882	6,053
Total Expenditures	<u>2,683,714</u>	<u>957,042</u>	<u>4,147,696</u>	<u>836,684</u>	<u>4,222,029</u>	<u>12,847,165</u>
Excess Revenues Over Expenditures	83,471	3,539	278,636	(809,460)	453,217	9,403
<u>Other Financing Sources (Uses):</u>						
Fund Transfers In (Out)	-	-	1,150	(27,224)	26,074	-
Excess (Deficit) Revenues and Other Sources Over Expenditures	83,471	3,539	279,786	(836,684)	479,291	9,403
Fund Balance at Beginning of Year	<u>2,961,308</u>	<u>140,298</u>	<u>1,919,256</u>	<u>11,200,723</u>	<u>2,189,858</u>	<u>18,411,443</u>
Fund Balance at End of Year	<u>3,044,779</u>	<u>143,837</u>	<u>2,199,042</u>	<u>10,364,039</u>	<u>2,669,149</u>	<u>18,420,846</u>

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, 2014

Excess (Deficit) Revenue over Expenditures - Total Governmental Funds	9,403
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.	(25,391)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
This is the amount of current year debt principal repayment.	215,000
This is the amount of current year amortized bond payable premiums.	16,286
This is the amount of current year amortized deferred bond issuance costs.	(10,110)
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.	723,014
This is the change in construction in progress.	733,786
This is the amount of current year depreciation.	(429,611)
This is the net book value of assets disposed of during the year.	(200)
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.	21,235
Liability for accrued vacation pay is not recorded in the Governmental Funds. This is the increase in leave during the year.	(980)
Change in Net Position of Governmental Activities	<u><u>1,252,432</u></u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

STATEMENT OF NET POSITION - FIDUCIARY FUNDS SEPTEMBER 30, 2014

	<u>Payroll Cafeteria</u> <u>Trust</u>	<u>Private Purpose</u> <u>Trust</u>	<u>Agency</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	130,637	484	646,995
Delinquent Property Taxes	-	-	608,865
Total Assets	<u>130,637</u>	<u>484</u>	<u>1,255,860</u>
<u>Liabilities</u>			
Warrants Payable	-	-	25,120
Vouchers Payable	-	-	4,659
Due to Taxing Districts	-	-	607,500
Due to Others	-	-	618,581
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,255,860</u>
Net Position			
Held in Trust	<u>130,637</u>	<u>484</u>	<u>-</u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Payroll	Private
	<u>Cafeteria Trust</u>	<u>Purpose Trust</u>
<u>Additions</u>		
Trust Amounts Received	67,446	212
<u>Deletions</u>		
Trust Amounts Remitted	<u>52,585</u>	<u>-</u>
Change in Net Position	14,861	212
Net Position Beginning of Year	<u>115,776</u>	<u>272</u>
Net Position End of Year	<u>130,637</u>	<u>484</u>

See accompanying notes to financial statements.

JEROME COUNTY, IDAHO

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2014

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 position 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 position 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 Position 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 position 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.

Correctional Facility Project - This fund provides the functions of administering, delivering and accounting for the construction of the correctional facility.

c. Fund Equity Classification

GASB Statement No. 54 provided new categories for reporting fund balances in governmental funds. The categories and descriptions are as follows:

Non-spendable Fund Balance - Amounts which are considered non-spendable because they are not available for current use (such as fund balance associated with inventories, long-term receivables, and prepaid expenditures).

Restricted Fund Balance - Amounts which are constrained by externally imposed legal restrictions, or by law through constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts which are constrained for specific purposes imposed by formal action of the County Commissioners by ordinance or resolution. Committed fund balances cannot be used for other purposes unless the government uses that same action to modify or rescind a fund balance commitment.

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

Assigned Fund Balance – Amounts which have been established by County Commissioners' as intended for a specific purpose, usually through the appropriation process of approving the County's budget. Additionally, funds in special revenue, debt service and capital project funds are by their nature assigned to the purpose of those respective funds.

Unassigned Fund Balance – Amounts in the General Fund which are neither restricted, committed or assigned. They may be used for any governmental purpose.

The County Commissioners are the entity's highest level of decision-making authority. When an expenditure is incurred for purposes for which there is fund balance available in more than one fund balance classification, the general rule is that budgeted amounts shall be expended first, followed by contingent amounts.

d. Fiduciary Fund Financial Statements:

Fiduciary Fund Financial Statements include a Statement of Net Position. 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.

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.

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

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

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

10. Deferred Outflows / Inflows of Resources

The County has implemented GASB No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities, as of October 1, 2012. These new standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The County does not have any items that qualify for reporting in this category.

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item, which arises only under a modified accrual basis of accounting that qualifies for reporting under this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

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	22,582	22,582	-	22,582	N/A	N/A
Savings and Investments:						
Banner Bank	250,315	250,000	-	250,000 (2)	N/A	N/A
Magic Valley Bank	251,508	250,000	-	250,000 (2)	N/A	N/A
Idaho Central Credit Union	254,901	250,000	25	250,025 (2)	N/A	N/A
Zions Bank	250,855	250,000	-	250,000 (2)	N/A	N/A
DL Evans Repo	7,763,682	7,761,937	-	7,761,937 (1)	Daily	AAA
DL Evans Jail Bond	10,646,116	10,643,783	-	10,643,783 (1)	Daily	AAA
Multi Bank /Securities	150,147	150,000	-	150,000	May, 2015	AAA
Component Unit - Fair	152,566	152,566	-	152,566	N/A	N/A
Total	19,742,972	19,731,168	25	19,731,193		

Summary:	
Governmental Activities	8,337,288
Governmental Activities - Restricted	10,615,789
Fiduciary Activities	778,116
Total	19,731,193

- (1) Investments are held by and are in the name of a third party
(2) Over the FDIC limit.

NOTE B - CASH AND INVESTMENTS (Cont.)

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.

Restricted cash and investments are related to the bond issuance and are restricted for construction and furnishing of a jail facility. A portion of the restricted cash is related to the remaining cash from the bond premium of \$503,695. This amount can be used for either construction of jail or debt service.

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:

	General Fund	Airport	Justice	Other Funds	Total
State Liquor	-	-	16,066	-	16,066
State Cigarette Tax	-	-	12,690	-	12,690
State Sales Tax	47,606	-	233,837	2,602	284,045
State Ag Replacement	19,313	2,142	20,623	10,064	52,142
State Lottery Money	-	-	-	-	-
State Election Money	-	-	-	-	-
State Grants	-	-	14,680	-	14,680
Federal Grants	-	-	21,126	-	21,126
County Office Remittances	11,100	932	16,051	1,550	29,633
Reimbursements	-	-	-	-	-
Regional Landfill	-	-	-	1,769	1,769
Solid Waste Assessments	-	-	-	60,135	60,135
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Receivables	<u>78,019</u>	<u>3,074</u>	<u>335,072</u>	<u>76,119</u>	<u>492,285</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.

	Levy Year					Total
	2013	2012	2011	2010	Prior	
Total Taxes Receivable	178,230	77,648	42,157	1,507	58	299,600

NOTE E – CONSTRUCTION IN PROGRESS

The County has started several projects that were not completed as of September 30, 2014. The construction in progress amount represents the construction cost for these projects. Once the projects are complete these costs along with subsequent costs will be added to the County's capital assets. The detail of the construction in progress amount is as follows:

Annex Roof Replace Project	61,693
Correctional Facility Project	506,418
Airport Apron Project	181,576
Hazleton Airport Well Project	5,521
Total Construction in Progress	<u>755,208</u>

NOTE F – CAPITAL ASSETS

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

	Balance 9/30/2013	Additions	Disposals	Balance 9/30/2014
<u>Governmental Activities</u>				
Capital Assets, Not Being Depreciated:				
Land	662,792	497,546	-	1,160,338
Capital Assets, Being Depreciated:				
Buildings and Improvements	6,387,148	68,400	-	6,455,548
Furniture and Equipment	2,563,609	93,670	-	2,657,279
Trucks and Vehicles	1,119,080	63,398	(77,123)	1,105,355
Total Depreciated Capital Assets	10,732,629	723,014	(77,123)	11,378,520
Less Accumulated Depreciation				
Building and Improvements	(1,669,972)	(177,505)	-	(1,847,477)
Furniture and Equipment	(1,596,686)	(166,715)	-	(1,763,401)
Trucks and Vehicles	(782,416)	(85,391)	76,923	(790,884)
Total Accumulated Depreciation	(4,049,074)	(429,611)	76,923	(4,401,762)
Capital Assets Net of Depreciation	<u>6,683,555</u>			<u>6,976,758</u>

Depreciation expense was charged to functions as follows:

General Fund:	
Clerk	-
Treasurer	1,316
Disaster Services	14,753
County Agent	4,218
Data Processing	18,498
Planning and Zoning	1,980
General	112,556
Airport	112,634
District Court	25,974
Fair	14,294
Justice Fund:	
Sheriff	86,771
Adult Probation	3,320
Prosecuting Attorney	1,380
Juvenile	7,486
General	1,700
Revaluation	894
Ambulance	12,814
Fair Capital Outlay	2,225
Election	6,252
Waterways	546
Total Depreciation	<u>429,611</u>

NOTE G - 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 H - 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 2014.

NOTE I - COMPENSATED ABSENCES

The County accrues vacation and sick pay for its employees based upon length of service. Employees may carry up to 40 hours of unused vacation time into the subsequent year. Vacation days are not payable upon termination. 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, 2014 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, 2014 has been accrued.

NOTE J- 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, 2014, the required contribution rate as a percentage of covered payroll for members was 6.79% for general members and 8.36% for police/firefighters members. The employer rate as a percentage of covered payroll was 11.32% for general members and 11.66% for police/firefighter members. Jerome County employer contributions required and paid were \$416,678, \$394,073, and \$368,393, for the three years ended September 30, 2014, 2013, and 2012, respectively.

NOTE K – 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, 2013 was 10.4 %.

NOTE K – REGIONAL E-911 (Cont.)

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, 2013:

Beginning Net Position	4,514,153
Change in Net Position	<u>834,993</u>
Ending Net Position	<u><u>5,349,146</u></u>

NOTE L - 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, 2014, the County paid fees to the Solid Waste District totaling \$702,473 or approximately 8.4% of the total operating revenue. These fees cover both fee usage cost and anticipated closure costs.

Separate September 30, 2014 year-end 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	12,751,191
Change in Net Assets	<u>1,333,096</u>
Ending Net Assets	<u><u>14,084,287</u></u>

NOTE M - 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, 2014:

Governmental Activities:**Year Ended**

2013	13,934
2014	13,034
2015	12,854
2016	8,821
2017	1,957
Thereafter	-
Total	<u><u>50,600</u></u>

NOTE N – BONDS PAYABLE/CAPITAL LEASES/LONG-TERM LIABILITIESLong-Term Liabilities

Long-Term Liabilities of the County include capital leases and bonds payable. During the year ending September 30, 2014, the following changes occurred in long term liabilities:

Governmental Activities:

Description	Initial Rate	Fund	Maturity Date	Amount Outstanding 9/30/2013	Additions	Deductions	Amount Outstanding 9/30/2014	Amount Due In One Year
Bobcat Lease	5.34%	Fair	1/22/2014	1,495	-	1,495	-	-
Ambulance Lease	5.56%	Ambulance	5/15/2014	14,713	-	14,713	-	-
Sharp MX-M260	6.50%	General	4/1/2015	2,179	-	1,459	720	720
Toshiba e-Studio 355	6.50%	General	12/1/2014	1,719	-	1,364	355	355
Fair Building	8.30%	Fair	11/1/2029	67,951	-	2,204	65,747	2,394
Total-Capital Lease				88,057	-	21,235	66,822	3,469
Bond			9/15/2038	10,700,000	-	215,000	10,485,000	250,000
Bond-Premium			9/15/2038	756,439	-	16,286	740,153	17,069
Total-Bonds				11,456,439	-	231,286	11,225,153	267,069
Total Debt				11,544,496	-	252,521	11,291,975	270,538

Bonds Payable

In August of 2013, the County issued general obligation bonds in the amount of \$10,700,000 for the purpose of the construction and furnishing of a jail facility. Interest on the bonds computed at various rates from 2.0% to 5.0% is payable March 15 and September 15. Principal on the bonds are payable September 15.

Bond service requirements at the balance sheet date were as follows:

Year Ended	Principle	Interest
2015	250,000	485,544
2016	260,000	475,544
2017	270,000	465,144
2018	285,000	451,644
2019	295,000	443,094
Thereafter	9,125,000	4,885,149
Total	10,485,000	7,206,119

Capital Leases

Leases that in substance are purchases are classified as capital lease. At September 30, 2014, the historical cost and accumulated depreciation of equipment acquired under capital lease were \$233,239 and \$61,288, respectively.

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

County Fair	5,574
Ambulance	308
Treasurer/Tax Collector	99
County Agent	72
Total	6,053

NOTE N – BONDS PAYABLE/CAPITAL LEASES/LONG-TERM LIABILITIES (Cont.)

Future minimum capital lease payments are as follows:

<u>Year Ended</u>	<u>Principle</u>	<u>Interest</u>
2015	3,469	5,384
2016	2,600	5,161
2017	2,825	4,937
2018	3,068	4,693
2019	3,333	4,428
Thereafter	51,527	42,835
Total	<u>66,822</u>	<u>67,438</u>

NOTE O - 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 P - DEFERRED INFLOWS OF RESOURCES

Deferred inflow of resources, as of September 30, 2014, 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>Property Taxes</u>	<u>Fees & Services</u>	<u>Total</u>
General	71,030		71,030
Airport	1,747		1,747
Justice	93,109		93,109
Other Governmental	73,445	51,114	124,559
	<u>239,331</u>	<u>51,114</u>	<u>290,445</u>

NOTE Q – UNEARNED REVENUE

Unearned Revenue, as of September 30, 2014, consists of grant funds received but not yet used. The only fund with unearned revenue is the Justice Fund.

NOTE R – INTERFUND TRANSFERS

<u>Transfer From Fund</u>	<u>Purpose</u>	<u>Transfer To Fund</u>	<u>Amount</u>
Bond Redemption	Interest Income	Correctional Facility	27,224
Waterways Fund	Waterways Patrol	Justice Fund	1,150

NOTE S – SUBSEQUENT EVENTS

As of January 12, 2015 the County did not have any significant subsequent events that need to be disclosed.

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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	2,043,302	2,071,738	1,842,068	(229,670)
PILT	-	-	-	-
Other	<u>625,000</u>	<u>625,000</u>	<u>925,117</u>	<u>300,117</u>
Total Revenues	2,668,302.00	2,696,738.00	2,767,185	70,447
<u>Expenditures</u>				
Salaries and Wages	1,251,718	1,262,282	1,198,746	63,536
Payroll Expenses and Benefits	606,000	606,000	507,305	98,695
General and Administrative	786,298	789,975	567,006	222,969
Contracted Services	133,300	133,300	121,258	12,042
Law Enforcement	7,600	9,083	9,983	(900)
Capital Expenditures	<u>340,000</u>	<u>352,712</u>	<u>279,416</u>	<u>73,296</u>
Total Expenditures	<u>3,124,916</u>	<u>3,153,352</u>	<u>2,683,714</u>	<u>469,638</u>
Excess (Deficit) Revenues Over Expenditures	(456,614)	(456,614)	83,471	540,085
Fund Balance at Beginning of Year	<u>456,614</u>	<u>456,614</u>	<u>2,961,308</u>	<u>2,504,694</u>
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>3,044,779</u>	<u>3,044,779</u>

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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	2,043,302	2,071,738	1,842,068	(229,670)
Other	625,000	625,000	925,117	300,117
 Total Revenues	 2,668,302	 2,696,738	 2,767,185	 70,447
<u>Expenditures</u>				
Clerk, Auditor, Recorder Salaries	467,832	467,832	429,522	38,310
Clerk, Auditor, Recorder Other	7,300	7,300	7,033	267
Assessor Salaries	131,184	134,220	134,220	-
Assessor Other	5,200	5,200	2,828	2,372
Treasurer Salaries	118,212	118,212	107,126	11,086
Treasurer Other	8,435	8,435	7,771	664
Commissioners Salaries	86,592	86,592	85,896	696
Commissioners Other	25,000	25,000	14,903	10,097
Coroner Salaries	8,400	8,400	8,400	-
Coroner Other	8,500	9,983	9,983	-
Disaster Services Salaries	36,038	36,038	35,279	759
Disaster Services Other	16,038	28,750	90,899	(62,149)
County Agent Salaries	60,758	60,758	59,016	1,742
County Agent Other	22,800	22,800	19,543	3,257
Data Processing Salaries	27,912	27,912	27,228	684
Data Processing Other	181,400	181,400	167,628	13,772
Election Salaries	22,316	29,844	29,844	-
Elections	53,650	46,122	25,340	20,782
General Accounts (Salaries)	70,696	70,696	64,121	6,575
General Accounts (Other)	1,505,800	1,517,005	1,118,401	398,604
Planning and Zoning Salaries	212,628	212,628	209,274	3,354
Planning and Zoning Other	32,500	32,500	19,088	13,412
Reserve	5,000	5,000	-	5,000
Veterans' Memorial Salaries	9,150	9,150	8,820	330
Veterans' Memorial Other	1,575	1,575	1,551	24
 Total Expenditures	 3,124,916	 3,153,352	 2,683,714	 469,638
 Excess (Deficit) Revenues Over Expenditures	 (456,614)	 (456,614)	 83,471	 540,085
 Fund Balance at Beginning of Year	 456,614	 456,614	 2,961,308	 2,504,694
 Fund Balance at End of Year	 -	 -	 3,044,779	 3,044,779

See independent auditor's report on other financial information.

JEROME COUNTY, IDAHO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - AIRPORT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	29,941	29,941	30,850	909
Other	440,000	963,083	929,731	(33,352)
Total Revenues	469,941.00	993,024	960,581	(32,443)
<u>Expenditures</u>				
Salaries and Wages	55,976	56,194	56,194	-
Payroll Expense and Benefits	26,025	26,025	21,196	4,829
Utilities	15,965	15,965	14,480	1,485
Maintenance	60,000	60,000	47,430	12,570
Miscellaneous	10,475	10,257	8,784	1,473
Petroleum	250,000	616,748	616,748	-
Capital Outlay	101,500	257,835	192,210	65,625
Total Expenditures	519,941	1,043,024	957,042	85,982
Excess (Deficit) Revenues Over Expenditures	(50,000.00)	(50,000)	3,539	53,539
Fund Balance at Beginning of Year	50,000	50,000	140,298	90,298
Fund Balance at End of Year	-	-	143,837	143,837

See independent auditor's report on other financial information.

JEROME COUNTY, IDAHO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - JUSTICE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	2,465,767	2,550,592	2,469,945	(80,647)
Payment in Lieu of Taxes	-	-	52,542	52,542
Other	1,650,000	1,650,000	1,903,845	253,845
Total Revenues	4,115,767	4,200,592	4,426,332	225,740
<u>Expenditures</u>				
Sheriff Department Salaries	763,176	779,249	753,260	25,989
Sheriff Department Other	232,145	257,762	188,589	69,173
Detention Salaries	593,720	594,284	545,996	48,288
Detention Other	389,000	389,570	350,258	39,312
Prosecuting Attorney Salaries	364,800	364,800	342,439	22,361
Prosecuting Attorney Other	24,700	24,700	14,520	10,180
Public Defender	432,000	453,894	453,894	-
Juvenile Salaries	193,884	193,884	193,692	192
Juvenile Other	297,772	359,516	278,922	80,594
Adult Probation Salaries	138,752	138,752	108,386	30,366
Adult Probation Other	39,642	39,642	22,435	17,207
General	1,220,736	1,179,099	895,305	283,794
Total Expenditures	4,690,327	4,775,152	4,147,696	627,456
Excess (Deficit) Revenues and Other Sources Over Expenditures	(574,560)	(574,560)	278,636	853,196
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	-	1,150	1,150
Excess (Deficit) Revenues and Other Sources Over Expenditures	(574,560)	(574,560)	279,786	854,346
Fund Balance at Beginning of Year	574,560	574,560	1,919,256	1,344,696
Fund Balance at End of Year	-	-	2,199,042	2,199,042

See independent auditor's report on other financial information.

JEROME COUNTY, IDAHO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CORRECTIONAL FACILITY FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	-	-	27,224	27,224
Total Revenues	-	-	27,224	27,224
<u>Expenditures</u>				
Capital Outlay	-	10,956,055	836,684	10,119,371
Miscellaneous	-	244,668	-	244,668
Total Expenditures	-	11,200,723	836,684	10,364,039
Excess (Deficit) Revenues Over Expenditures	-	(11,200,723)	(809,460)	10,391,263
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	-	(27,224)	(27,224)
Excess (Deficit) Revenues and Other Sources Over Expenditures	-	(11,200,723)	(836,684)	10,364,039
Fund Balance at Beginning of Year	-	11,200,723	11,200,723	-
Fund Balance at End of Year	-	-	10,364,039	10,364,039

See independent auditor's report on other financial information.

JEROME COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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.

OTHER SUPPLEMENTARY INFORMATION

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JEROME COUNTY, IDAHO

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2014

	<u>District Court</u>	<u>Ambulance</u>	<u>Fair</u>	<u>Fair Capital</u>	<u>Charity and Indigent</u>	<u>Public Health</u>
<u>Assets</u>						
Cash and Investments	465,764	568,276	158,761	8,610	525,450	45,724
Accounts Receivable	-	2,602	2,769	238	2,502	1,343
Delinquent Taxes Receivable	-	20,914	9,213	2,305	27,041	3,750
Total Assets	<u>465,764</u>	<u>591,792</u>	<u>170,743</u>	<u>11,153</u>	<u>554,993</u>	<u>50,817</u>
<u>Liabilities</u>						
Warrants Payable	1,113	-	19,205	-	3,321	-
Vouchers Payable	24,079	100	3,929	-	60,011	-
Total Liabilities	25,192	100	23,134	0	63,332	-
<u>Deferred Inflows of Resources</u>						
Unavailable Revenue	-	17,777	7,830	1,960	22,984	3,187
Total Deferred Inflows of Resources	-	17,777	7,830	1,960	22,984	3,187
<u>Fund Balances</u>						
Committed:						
Designated for subsequent year expenditures	168,106	12,111	60,000	6,000	15,000	31,000
Assigned	272,466	561,804	79,779	3,193	453,677	16,630
Total Fund Balances	<u>440,572</u>	<u>573,915</u>	<u>139,779</u>	<u>9,193</u>	<u>468,677</u>	<u>47,630</u>
Total Liabilities and Fund Balances	<u>465,764</u>	<u>591,792</u>	<u>170,743</u>	<u>11,153</u>	<u>554,993</u>	<u>50,817</u>

<u>Revaluation</u>	<u>Solid Waste</u>	<u>Tort</u>	<u>Noxious Weed</u>	<u>County Election</u>	<u>Waterway</u>	<u>Bond Redemption</u>	<u>Totals</u>
357,033	316,680	139,810	26,142	95,435	22,613	28,139	2,758,437
3,247	61,904	1,351	164	-	-	-	76,120
15,184	-	7,080	919	-	-	18,038	104,444
<u>375,464</u>	<u>378,584</u>	<u>148,241</u>	<u>27,225</u>	<u>95,435</u>	<u>22,613</u>	<u>46,177</u>	<u>2,939,001</u>
113	-	-	-	-	-	-	23,752
14,659	-	-	12,258	1,406	5,099	-	121,541
14,772	-	-	12,258	1,406	5,099	-	145,293
12,906	51,114	6,019	782	-	-	-	124,559
12,906	51,114	6,019	782	-	-	-	124,559
100,000	138,500	-	10,000	766	4,000	-	545,483
247,786	188,970	142,222	4,185	93,263	13,514	46,177	2,123,666
347,786	327,470	142,222	14,185	94,029	17,514	46,177	2,669,149
<u>375,464</u>	<u>378,584</u>	<u>148,241</u>	<u>27,225</u>	<u>95,435</u>	<u>22,613</u>	<u>46,177</u>	<u>2,939,001</u>

JEROME COUNTY, IDAHO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>District Court</u>	<u>Ambulance</u>	<u>Fair</u>	<u>Fair Capital</u>	<u>Charity and Indigent</u>	<u>Public Health</u>
Revenues						
Property Taxes	-	465,559	191,161	64,383	618,594	78,108
Intergovernmental	410,046	14,903	7,581	1,877	18,788	6,472
Charges for Services	-	-	43,902	-	-	-
Fines and Forfeitures	160,838	-	-	-	-	-
Miscellaneous	41,136	11,306	145,839	34,218	119,266	42
Total Revenues	612,020	491,768	388,483	100,478	756,648	84,622
Expenditures						
Salaries and Wages	247,942	-	67,197	-	38,579	-
Payroll Expenses and Benefits	63,521	-	23,735	-	13,253	-
General and Administrative	-	5,061	7,071	-	-	-
Health Care	-	-	-	-	646,275	111,309
Contracted Services	-	391,433	255,666	-	-	-
Law Enforcement	166,692	-	-	-	-	-
Capital Expenditures	2,841	(1,878)	-	134,200	-	-
Capital - Principal Payments	-	14,713	3,699	-	-	-
Capital - Interest Payments	-	308	5,574	-	-	-
Total Expenditures	480,996	409,637	362,942	134,200	698,107	111,309
Excess (Deficit) Revenues	131,024	82,131	25,541	(33,722)	58,541	(26,687)
Other Financing Sources (Uses)						
Fund Transfer In (Out)	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
Excess (Deficit) Revenues and Other Sources Over Expenditures	131,024	82,131	25,541	(33,722)	58,541	(26,687)
Fund Balance at Beginning of Year	309,548	491,784	114,238	42,915	410,136	74,317
Fund Balance at Year End	440,572	573,915	139,779	9,193	468,677	47,630

<u>Revaluation</u>	<u>Solid Waste</u>	<u>Tort</u>	<u>Noxious Weed</u>	<u>County Election</u>	<u>Waterway</u>	<u>Bond Redemption</u>	<u>Totals</u>
315,507	-	173,088	15,311	-	-	744,925	2,666,636
17,433	-	7,876	867	81,169	16,357	10,514	593,883
-	837,503	-	-	-	-	-	881,405
-	-	-	-	-	-	-	160,838
2,172	3,065	50	13,435	-	-	1,955	372,484
335,112	840,568	181,014	29,613	81,169	16,357	757,394	4,675,246
217,905	-	-	-	17,938	-	-	589,561
73,799	-	-	-	8,814	-	-	183,122
20,384	-	-	-	15,129	15,118	350	63,113
-	-	-	-	-	-	-	757,584
-	702,774	163,265	46,521	701	2,380	-	1,562,740
-	-	-	-	-	-	-	166,692
899	-	-	-	-	-	-	136,062
-	-	-	-	-	-	738,861	757,273
-	-	-	-	-	-	-	5,882
312,987	702,774	163,265	46,521	42,582	17,498	739,211	4,222,029
22,125	137,794	17,749	(16,908)	38,587	(1,141)	18,183	453,217
-	-	-	-	-	(1,150)	27,224	26,074
-	-	-	-	-	(1,150)	27,224	26,074
22,125	137,794	17,749	(16,908)	38,587	(2,291)	45,407	479,291
325,661	189,676	124,473	31,093	55,442	19,805	770	2,189,858
347,786	327,470	142,222	14,185	94,029	17,514	46,177	2,669,149

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - DISTRICT COURT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	536,276	536,276	612,020	75,744
Total Revenues	536,276	536,276	612,020	75,744
<u>Expenditures</u>				
Salaries and Wages	339,569	339,569	247,942	91,627
Payroll Expense and Benefits	109,872	109,872	63,521	46,351
Supplies	29,750	29,750	27,592	2,158
Postage	20,000	20,000	11,455	8,545
Telephone and Utilities	53,600	53,600	48,528	5,072
Jury and Witness Fees and Expense	12,000	12,000	10,281	1,719
Travel	800	800	8	792
Lodging, Meals and Mileage for Jurors	2,000	2,000	654	1,346
Judicial Education	2,500	2,500	1,708	792
Contracts	92,185	92,185	63,635	28,550
Contingency	9,000	9,000	2,831	6,169
Capital Outlay	15,000	15,000	2,841	12,159
Total Expenditures	686,276	686,276	480,996	205,280
Excess (Deficit) Revenues Over Expenditures	(150,000)	(150,000)	131,024	281,024
Fund Balance at Beginning of Year	150,000	150,000	309,548	159,548
Fund Balance at End of Year	-	-	440,572	440,572

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - AMBULANCE DISTRICT FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	464,456	464,456	465,559	1,103
Other	5,000	5,000	26,209	21,209
	<u>469,456.00</u>	<u>469,456.00</u>	<u>491,768</u>	<u>22,312</u>
<u>Expenditures</u>				
Contingency	63,000	63,000	-	63,000
Maintenance and Repair	10,000	10,000	5,061	4,939
Ambulance Contracts	391,433	391,433	391,433	-
Capital Outlay	27,428	27,428	13,143	14,285
	<u>491,861</u>	<u>491,861</u>	<u>409,637</u>	<u>82,224</u>
Excess (Deficit) Revenues Over Expenditures	(22,405)	(22,405)	82,131	104,536
Fund Balance at Beginning of Year	<u>22,405</u>	<u>22,405</u>	<u>491,784</u>	<u>469,379</u>
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>573,915</u>	<u>573,915</u>

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - COUNTY FAIR FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	190,585	190,585	191,161	576
Other	145,000	145,000	197,322	52,322
Total Revenues	335,585	335,585	388,483	52,898
<u>Expenditures</u>				
Salaries and Wages	85,636	85,636	67,197	18,439
Employee Benefits	29,999	29,999	23,735	6,264
Supplies	2,500	2,500	4,260	(1,760)
Utilities	25,550	25,550	-	25,550
Contracted Services	6,075	6,075	2,811	3,264
Repairs and Maintenance	47,925	47,925	63,181	(15,256)
Miscellaneous	152,400	152,400	192,485	(40,085)
Capital Outlay	15,500	15,500	9,273	6,227
Total Expenditures	365,585	365,585	362,942	2,643
Excess (Deficit) Revenues Over Expenditures	(30,000)	(30,000)	25,541	55,541
Fund Balance at Beginning of Year	30,000	30,000	114,238	84,238
Fund Balance at End of Year	-	-	139,779	139,779

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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	65,000	99,200	64,383	(34,817)
Other	-	-	36,095	36,095
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	65,000	99,200	100,478	1,278
<u>Expenditures</u>				
Capital Outlay	100,000	134,200	134,200	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	100,000	134,200	134,200	-
Excess (Deficit) Revenues Over Expenditures	(35,000)	(35,000)	(33,722)	1,278
Fund Balance at Beginning of Year	35,000	35,000	42,915	7,915
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance at End of Year	-	-	9,193	9,193
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CHARITY AND INDIGENT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	618,391	618,391	618,594	203
Other	112,500	112,500	138,054	25,554
Total Revenues	730,891	730,891	756,648	25,757
<u>Expenditures</u>				
Salaries	57,696	57,696	38,579	19,117
Payroll Expenses and Benefits	26,595	26,595	13,253	13,342
Travel	1,000	1,000	104	896
Medical - Hospitals	300,000	300,000	254,282	45,718
Medical - Jail	60,000	60,000	109,252	(49,252)
Medical - Professional Services	343,000	343,000	265,687	77,313
Medical - Medications	800	800	-	800
Medical - Transportation	9,500	9,500	7,250	2,250
Non-Medical Care	5,300	5,300	9,555	(4,255)
Insurance	25,000	25,000	-	25,000
Miscellaneous	2,000	2,000	145	1,855
Total Expenditures	830,891	830,891	698,107	132,784
Excess (Deficit) Revenues Over Expenditures	(100,000)	(100,000)	58,541	158,541
Fund Balance at Beginning of Year	100,000	100,000	410,136	310,136
Fund Balance at End of Year	<u>-</u>	<u>-</u>	<u>468,677</u>	<u>468,677</u>

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - PUBLIC HEALTH FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	77,309	77,309	78,108	799
Other	-	-	6,514	6,514
Total Revenues	77,309	77,309	84,622	7,313
<u>Expenditures</u>				
Health Care Contracts	111,309	111,309	111,309	-
Total Expenditures	111,309	111,309	111,309	-
Excess (Deficit) Revenues Over Expenditures	(34,000)	(34,000)	(26,687)	7,313
Fund Balance at Beginning of Year	34,000	34,000	74,317	40,317
Fund Balance at End of Year	-	-	47,630	47,630

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - REVALUATION FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	313,110	313,110	315,507	2,397
Other	15,000	15,000	19,605	4,605
Total Revenues	328,110	328,110	335,112	7,002
<u>Expenditures</u>				
Salaries and Wages	253,860	253,860	217,905	35,955
Payroll Expenses and Benefits	109,800	109,800	73,799	36,001
Contracted Services	10,000	10,000	5,170	4,830
Miscellaneous	18,350	18,350	9,935	8,415
Education	6,100	6,100	5,279	821
Capital Outlay	10,000	10,000	899	9,101
Total Expenditures	408,110	408,110	312,987	95,123
Excess (Deficit) Revenues Over Expenditures	(80,000)	(80,000)	22,125	102,125
Fund Balance at Beginning of Year	80,000	80,000	325,661	245,661
Fund Balance at End of Year	-	-	347,786	347,786

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - SOLID WASTE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	725,000	725,000	840,568	115,568
Total Revenues	725,000	725,000	840,568	115,568
<u>Expenditures</u>				
Solid Waste Contract	833,500	833,500	702,473	131,027
Contingency	30,000	30,000	301	29,699
Total Expenditures	863,500	863,500	702,774	160,726
Excess (Deficit) Revenues Over Expenditures	(138,500)	(138,500)	137,794	276,294
Fund Balance at Beginning of Year	138,500	138,500	189,676	51,176
Fund Balance at End of Year	-	-	327,470	327,470

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - TORT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	174,000	174,000	173,088	(912)
Other	-	-	7,926	7,926
Total Revenues	174,000	174,000	181,014	7,014
<u>Expenditures</u>				
Insurance Liability Coverage	174,000	174,000	163,265	10,735
Total Expenditures	174,000	174,000	163,265	10,735
Excess (Deficit) Revenues Over Expenditures	-	-	17,749	17,749
Fund Balance at Beginning of Year	-	-	124,473	124,473
Fund Balance at End of Year	-	-	142,222	142,222

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - NOXIOUS WEED FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property Taxes	14,893	14,893	15,311	418
Other	15,000	15,000	14,302	(698)
Total Revenues	29,893	29,893	29,613	(280)
<u>Expenditures</u>				
Contracts	49,893	49,893	46,521	3,372
Total Expenditures	49,893	49,893	46,521	3,372
Excess (Deficit) Revenues Over Expenditures	(20,000)	(20,000)	(16,908)	3,092
Fund Balance at Beginning of Year	20,000	20,000	31,093	11,093
Fund Balance at End of Year	-	-	14,185	14,185

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - COUNTY ELECTION FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	75,503	75,503	81,169	5,666
Total Revenues	75,503	75,503	81,169	5,666
<u>Expenditures</u>				
Salaries and Wages	22,316	22,316	17,938	4,378.00
Payroll Expenses and Benefits	11,200	11,200	8,814	2,386
General and Administrative	34,476	34,476	15,130	19,346
Miscellaneous	7,511	7,511	700	6,811
Total Expenditures	75,503	75,503	42,582	32,921
Excess (Deficit) Revenues Over Expenditures	-	-	38,587	38,587
Fund Balance at Beginning of Year	-	-	55,442	55,442
Fund Balance at End of Year	-	-	94,029	94,029

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - WATERWAYS FUND FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Other	8,000	8,000	16,357	8,357
Total Revenues	8,000	8,000	16,357	8,357
<u>Expenditures</u>				
Repairs and Maintenance	13,000	13,792	13,791	1
Miscellaneous	-	3,707	3,707	-
Total Expenditures	13,000	17,498	17,498	1
Excess (Deficit) Revenues Over Expenditures	(5,000)	(9,498)	(1,141)	8,358
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	-	(1,150)	(1,150)
Excess (Deficit) Revenues and Other Sources Over Expenditures	(5,000)	(9,498)	(2,291)	7,208
Fund Balance at Beginning of Year	5,000	9,498	19,805	10,307
Fund Balance at End of Year	-	-	17,514	17,514

See Independent auditor's report

JEROME COUNTY, IDAHO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - BOND REDEMPTION FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
	-	750,000	744,925	(5,075)
Other	-	-	12,469	12,469
Total Revenues	-	750,000	757,394	7,394
<u>Expenditures</u>				
Capital Outlay	-	750,000	738,861	11,139
Miscellaneous	-	-	350	(350)
Total Expenditures	-	750,000	739,211	10,789
Excess (Deficit) Revenues Over Expenditures	-	-	18,183	18,183
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	-	27,224	27,224
Excess (Deficit) Revenues and Other Sources Over Expenditures	-	-	45,407	45,407
Fund Balance at Beginning of Year	-	-	770	770
Fund Balance at End of Year	-	-	46,177	46,177



Condie
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Management Letter Comments

To the County Commissioners
Jerome County
Jerome, Idaho 83338

In planning and performing our audit of the general purpose financial statements of Jerome County for the year ended September 30, 2014, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. However, we noted certain matters involving the internal control structure and its operation that are not considered to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect Jerome County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

- **Credit Limits** – In our testing of liabilities we discovered that the County has several credit cards that the department heads can use in special circumstances. It was discovered that the risk of abuse is controlled by limiting who can have a card as well as credit limits. A maximum credit limit of \$2,000 is used by the County on the credit cards. However, we discovered several cards with a credit limit over the maximum allowed by the County. We recommend decreasing the credit limit on all cards to be consistent with the County's controls.
- **Jail Commissary** - Currently the county has a commissary trust account that is used to hold prisoner money which can be used by the prisoner to purchase incidental items. In September of 2013 the account was separated from the Jail checking account. The commissary trust bank account has been reconciled to the checks issued and deposits made. However, there is no reconciliation of the "Trust Fund Resident Balances" report to the bank balance We recommend a monthly reconciliation of all commissary funds.
- **Long Outstanding Checks** – In our review of expenditures we noted a number of long outstanding checks. We recommend long outstanding checks be reviewed regularly and appropriately reversed when necessary. In addition, any unclaimed amounts should be properly handled in accordance with state escheat laws.
- **Indigent CAT Trust Account** – The county has a CAT trust fund which is not reconciled as to who the money belongs to. We recommend a plan be developed to identify who this money belongs to and each month reconcile the trust account balance.

This report is intended solely for the information and use of the Jerome County Commissioners and management, and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Condie Stoker & Associates

January 12, 2015