

**NUCKOLLS COUNTY
NEBRASKA**

**COMBINED FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION, AND
INDEPENDENT AUDITORS' REPORT FOR
THE FISCAL YEAR ENDED JUNE 30, 2002**

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NUCKOLLS COUNTY, NEBRASKA
 COMBINED FINANCIAL STATEMENTS, SUPPLEMENTAL
 INFORMATION, AND INDEPENDENT AUDITORS' REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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NUCKOLLS COUNTY

LIST OF COUNTY OFFICIALS

At June 30, 2002

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Arnold Brown	Board of Commissioners	Jan. 2003
Joe Sullivan		Jan. 2003
Danny Corman		Jan. 2005
Janice Murray	Assessor	Jan. 2003
Tim Schmidt	Attorney	Jan. 2003
Selma Ferguson	Clerk Election Commissioner Register of Deeds	Jan. 2003
Mildred Eilers	Clerk of the District Court	Jan. 2003
James Marr	Sheriff	Jan. 2003
Vicki Ensign	Treasurer	Jan. 2003
Wray Wehrman	Veterans Service Officer	Appointed
Brent Meyer	Weed Superintendent	Appointed
Don Robb	Highway Superintendent	Appointed

NUCKOLLS COUNTY

SUMMARY OF COMMENTS

During our audit of Nuckolls County, we noted certain matters involving the internal control structure and other operational matters which are presented here. These comments and recommendations are intended to improve the internal control structure or result in operational efficiencies in the following areas:

County Overall

1. ***Segregation of Duties:*** One individual could handle all aspects of processing transactions from beginning to end.
2. ***Controls Over Computer System:*** Passwords were common knowledge and back up tapes were not filed off site. Manual changes could be made to the system and no review was being conducted by the elected official.

County Board

3. ***Budget Document:*** Fund balances between the County Treasurer and County Clerk did not agree for four funds. Interfund transfers were not properly reflected in the budget document.
4. ***Extension Service Revolving Fund:*** The Extension Service Revolving Fund exceeded the adopted budget by \$1,936.

County Sheriff

5. ***Controls Over Monies Received:*** The County Sheriff remits monies collected on a monthly basis; however, the monies were kept on hand and were not deposited into a bank account.

County Attorney

6. ***Receipts:*** The receipts issued by the County Attorney did not reconcile to the bank deposits.

More detailed information on the above items is provided hereafter. It should be noted this report is critical in nature since it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any strong features of the County.

NUCKOLLS COUNTY

SUMMARY OF COMMENTS

(Concluded)

Draft copies of this report were furnished to the various county officials to provide them an opportunity to review the report and to respond to the comments and recommendations included in this report. All formal responses received have been incorporated into this report. Where no response has been included, the official declined to respond. Responses have been objectively evaluated and recognized, as appropriate, in the report. Responses that indicate corrective action has been taken were not verified at this time, but will be verified in the next audit.

We appreciate the cooperation and courtesy extended to our auditors during the course of the audit.

NUCKOLLS COUNTY

COMMENTS AND RECOMMENDATIONS

COUNTY OVERALL

1. Segregation of Duties

As noted in prior audits, the offices of the Treasurer, Clerk, Clerk of the District Court, Sheriff, Attorney, Weed Superintendent, Extension Office, and Highway Superintendent had a lack of segregation of duties since one person could handle all aspects of processing a transaction from beginning to end. Due to a limited number of personnel, an adequate segregation of duties is not possible without additional cost.

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

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

2. Controls Over Computer System

Good internal controls require adequate protection of data files and programs as well as passwords. Good internal controls also require a review of changes made within the data files to ensure accuracy of those changes.

During our audit, we noted the following:

- Passwords were common knowledge within the offices.
- Back up tapes of the programs and data files were being kept in the County Assessor's office vault. No tapes were being kept off site.
- A review of manual changes made to the data files was not being done.
- The tax amount field was not protected against direct manual changes and the system did not generate an edit report listing.

We recommend the County establish policies and procedures over the control and use of passwords and keep one set of back up tapes in a secure off site location in case of a major disaster. We also recommend the County Treasurer and County Clerk review the Manual Change Audit Listing Report on a periodic basis and keep any supporting documentation needed to support changes made. We also recommend the County contact its software support in regard to the tax amount field.

NUCKOLLS COUNTY

COMMENTS AND RECOMMENDATIONS

COUNTY OVERALL

2. Controls Over Computer System (Concluded)

County Clerk's Response: I simply wish to verify that we are or have corrected some of the deficiencies noted. The remainder of the back-up tapes are now stored off site, as recommended. The offices of the County Clerk, County Treasurer, and County Assessor no longer share a common password.

COUNTY BOARD

3. Budget Document

Sound accounting practice requires fund balances in the budget document agree to the County Treasurer's semi-annual statements. Sound accounting practice also requires interfund transfers be properly reflected as disbursements in the budget document.

The County Treasurer's balance on the semi-annual statements for four funds did not agree to the budget document. The variance was due to posting of imprest checks by the County Treasurer and County Clerk in two different fiscal years. When the balances are not reconciled between the County Treasurer and County Clerk's office, the budget document or semi-annual statements may show incorrect balances. Interfund transfers were explained in the budget message; however, they were not included as a budgeted disbursement. The transfers were shown as a negative receipt which understated the budgeted receipts.

We recommend the fund balances be reconciled between the County Treasurer and County Clerk's office. We also recommend interfund transfers be reflected as disbursements in the budget document.

County Clerk's Response: The procedure for budget transfers will be corrected as recommended.

4. Extension Service Revolving Fund

Neb. Rev. Stat. Section 13-511 R.S.Supp., 2002, outlines the procedures a county must follow when a budget established for a fund must be amended. The county must have a public hearing to revise the budgeted amount.

We noted the Extension Service Revolving Fund overspent the adopted budgeted amount by \$1,936. This resulted in noncompliance with State statute.

We recommend the County Board amend the budget when needed to ensure all funds are within the adopted budget.

NUCKOLLS COUNTY

COMMENTS AND RECOMMENDATIONS

COUNTY SHERIFF

5. Controls Over Monies Received

Good internal controls require receipts be remitted on a timely basis to ensure cash is not left undeposited and not earning interest for a considerable amount of time. In addition, good internal controls require checks to be restrictively endorsed "For Deposit Only" immediately upon receipt.

We noted the County Sheriff is remitting fees on a monthly basis to the County Treasurer; however, the monies are not deposited into an account but held at the County Sheriff's office until remittance. Also, the checks held by the County Sheriff are not restrictively endorsed. This procedure increases the risk of loss or misuse of County funds.

We recommend the County Sheriff either remit receipts to the County Treasurer's office on a more frequent basis or deposit receipts in his checking account and then remit to the County Treasurer at least quarterly. We further recommend all checks be restrictively endorsed upon receipt.

COUNTY ATTORNEY

6. Receipts

Neb. Rev. Stat. Section 23-1207 R.R.S. 1997, states, "It shall be the duty of the county attorney, whenever he or she shall receive any money or other property in his or her official capacity, to give to the person paying or depositing such money or other property duplicate receipts, one of which shall be filed by such person with the county clerk."

The receipts issued by the County Attorney did not reconcile to the bank deposits, indicating money was collected, but a receipt was not issued.

We recommend the County Attorney issue receipts for all monies received so deposits agree to receipts issued.

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INDEPENDENT AUDITORS' REPORT

Don Dunlap, CPA
Asst. Deputy Auditor
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We have audited the accompanying financial statements of Nuckolls County as of and for the fiscal year ended June 30, 2002, as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Pat Reding, CPA
Asst. Deputy Auditor
reding@mail.state.ne.us

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

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As discussed in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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In our opinion, the financial statements present fairly, in all material respects, the fund balances of Nuckolls County as of June 30, 2002, and the receipts and disbursements for the fiscal year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2003 on our consideration of Nuckolls County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

March 20, 2003


Deputy State Auditor

Nuckolls County, Nebraska
 Combined Statement of Assets, Other Debits, Fund Balances, Liabilities,
 and Other Credits Arising from Cash Transactions-
 All Fund Types and Account Groups
 June 30, 2002

Exhibit A

	Governmental Fund Types		Fiduciary Fund Types	Account Groups		Totals 2002 (Memorandum Only)
	General	Special Revenue	Trust and Agency	General Fixed Assets	General Long-Term Debt	
ASSETS AND OTHER DEBITS						
Assets:						
Equity in Pooled Cash and Investments (Note 2)	\$ 478,167	\$ 1,584,871	\$ 186,280	\$ -	\$ -	\$ 2,249,318
Fixed Assets (Note 5)	-	-	-	6,000,510	-	6,000,510
Other Debits:						
Amount to be Provided for Retirement of General Long-term Debt	-	-	-	-	53,832	53,832
Total Assets and Other Debits	\$ 478,167	\$ 1,584,871	\$ 186,280	\$ 6,000,510	\$ 53,832	\$ 8,303,660
LIABILITIES						
FUND BALANCES AND OTHER CREDITS						
Liabilities:						
Due to Other Governments	\$ -	\$ -	\$ 173,934	\$ -	\$ -	\$ 173,934
Partial Payments-Undistributed Tax	-	-	3,729	-	-	3,729
Capital Leases Payable (Note 9)	-	-	-	-	53,832	53,832
Other Liabilities	-	-	8,617	-	-	8,617
Total Liabilities	-	-	186,280	-	53,832	240,112
Fund Balances and Other Credits:						
Investment in General Fixed Assets	-	-	-	6,000,510	-	6,000,510
Fund Balances:						
Unreserved, Undesignated	478,167	1,584,871	-	-	-	2,063,038
Total Fund Balances and Other Credits	478,167	1,584,871	-	6,000,510	-	8,063,548
Total Liabilities, Fund Balances and Other Credits	\$ 478,167	\$ 1,584,871	\$ 186,280	\$ 6,000,510	\$ 53,832	\$ 8,303,660

The accompanying notes are an integral part of the financial statements.

Nuckolls County, Nebraska
 Combined Statement of Receipts, Disbursements, and
 Changes in Fund Balances-All Governmental Fund Types
 For the Fiscal Year Ended June 30, 2002

Exhibit B

	Governmental Fund Types		Totals 2002 (Memorandum Only)
	General	Special Revenue	
Receipts:			
Taxes (Note 3)	\$ 1,469,644	\$ 212	\$ 1,469,856
Intergovernmental Revenue	221,422	784,277	1,005,699
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	202,044	328,636	530,680
Total Receipts	<u>1,893,110</u>	<u>1,113,125</u>	<u>3,006,235</u>
Disbursements:			
Current:			
General Government	661,646	11,973	673,619
Public Safety	439,040	58,518	497,558
Public Works	2,285	1,100,578	1,102,863
Public Welfare and Social Services	33,731	7,461	41,192
Culture and Recreation	4,500	3,984	8,484
Capital Outlay	37,228	469,037	506,265
Total Disbursements	<u>1,178,430</u>	<u>1,651,551</u>	<u>2,829,981</u>
Excess (Deficiency) of Receipts over Disbursements	<u>714,680</u>	<u>(538,426)</u>	<u>176,254</u>
Other Financing Sources (Uses):			
Transfers from Other Funds	-	779,053	779,053
Transfers to Other Funds	(679,053)	(100,000)	(779,053)
Total Other Financing Sources (Uses)	<u>(679,053)</u>	<u>679,053</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disbursements and Other Financing Uses	<u>35,627</u>	<u>140,627</u>	<u>176,254</u>
Fund Balances, July 1	<u>442,540</u>	<u>1,444,244</u>	<u>1,886,784</u>
Fund Balances, June 30	<u>\$ 478,167</u>	<u>\$ 1,584,871</u>	<u>\$ 2,063,038</u>

The accompanying notes are an integral part of the financial statements.

Nuckolls County, Nebraska
 Combined Statement of Receipts, Disbursements,
 and Changes in Fund Balances of the County Treasurer
 Budget and Actual-Governmental Fund Types
 For the Fiscal Year Ended June 30, 2002

Exhibit C

	General Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes (Note 3)	\$ 1,469,644	\$ 1,452,671	\$ 16,973
Intergovernmental Revenue	221,422	215,159	6,263
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	201,045	160,868	40,177
Total Receipts	1,892,111	1,828,698	63,413
Disbursements:			
Current:			
General Government	661,646	771,594	109,948
Public Safety	439,040	483,192	44,152
Public Works	2,285	10,000	7,715
Public Welfare and Social Services	33,731	45,531	11,800
Culture and Recreation	4,500	4,500	-
Capital Outlay	37,228	84,730	47,502
Total Disbursements	1,178,430	1,399,547	221,117
Excess (Deficiency) of Receipts over Disbursements	713,681	429,151	284,530
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(679,053)	(679,053)	-
Total Other Financing Sources (Uses)	(679,053)	(679,053)	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	34,628	(249,902)	284,530
Fund Balances, July 1	430,734	449,902	(19,168)
Fund Balances, June 30	\$ 465,362	\$ 200,000	\$ 265,362

The accompanying notes are an integral part of the financial statements.

Continued

Nuckolls County, Nebraska
 Combined Statement of Receipts, Disbursements,
 and Changes in Fund Balances of the County Treasurer
 Budget and Actual-Governmental Fund Types
 For the Fiscal Year Ended June 30, 2002

Exhibit C

	Special Revenue Funds		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes (Note 3)	\$ 212	\$ 191	\$ 21
Intergovernmental Revenue	784,277	759,770	24,507
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	328,554	171,598	156,956
Total Receipts	1,113,043	931,559	181,484
Disbursements:			
Current:			
General Government	11,973	15,138	3,165
Public Safety	58,518	106,245	47,727
Public Works	1,100,578	1,789,201	688,623
Public Welfare and Social Services	7,461	181,912	174,451
Culture and Recreation	3,984	4,560	576
Capital Outlay	469,037	682,748	213,711
Total Disbursements	1,651,551	2,779,804	1,128,253
Excess (Deficiency) of Receipts over Disbursements	(538,508)	(1,848,245)	1,309,737
Other Financing Sources (Uses):			
Transfers from Other Funds	779,053	779,053	-
Transfers to Other Funds	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	679,053	679,053	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	140,545	(1,169,192)	1,309,737
Fund Balances, July 1	1,444,026	1,459,192	(15,166)
Fund Balances, June 30	\$ 1,584,571	\$ 290,000	\$ 1,294,571

The accompanying notes are an integral part of the financial statements.

Continued

Nuckolls County, Nebraska
 Combined Statement of Receipts, Disbursements,
 and Changes in Fund Balances of the County Treasurer
 Budget and Actual-Governmental Fund Types
 For the Fiscal Year Ended June 30, 2002

Exhibit C

	2002 Total Governmental Funds (Memorandum Only)		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes (Note 3)	\$ 1,469,856	\$ 1,452,862	\$ 16,994
Intergovernmental Revenue	1,005,699	974,929	30,770
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	529,599	332,466	197,133
Total Receipts	3,005,154	2,760,257	244,897
Disbursements:			
Current:			
General Government	673,619	786,732	113,113
Public Safety	497,558	589,437	91,879
Public Works	1,102,863	1,799,201	696,338
Public Welfare and Social Services	41,192	227,443	186,251
Culture and Recreation	8,484	9,060	576
Capital Outlay	506,265	767,478	261,213
Total Disbursements	2,829,981	4,179,351	1,349,370
Excess (Deficiency) of Receipts over Disbursements	175,173	(1,419,094)	1,594,267
Other Financing Sources (Uses):			
Transfers from Other Funds	779,053	779,053	-
Transfers to Other Funds	(779,053)	(779,053)	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	175,173	(1,419,094)	1,594,267
Fund Balances, July 1	1,874,760	1,909,094	(34,334)
Fund Balances, June 30	\$ 2,049,933	\$ 490,000	\$ 1,559,933

The accompanying notes are an integral part of the financial statements.

Concluded

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

For the Year Ended June 30, 2002

1. **Summary of Significant Accounting Policies**

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

A. **Reporting Entity**

Nuckolls County (County) is a governmental entity established under and governed by the laws of the State of Nebraska (State) in 1871. As a political subdivision of the State, the County is exempt from State and Federal income taxes. For financial reporting purposes, the County has included all funds and account groups that are not legally separate. The County has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.

As required by generally accepted accounting principles (GAAP), these financial statements present the County (the primary government). No component units were identified.

B. **Fund Accounting**

The County uses funds and account groups to report on its financial position and the results of its operations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. A fund is a separate accounting entity. The operations of each fund are accounted for with a self-balancing set of accounts which record receipts, disbursements, and fund balances for the purpose of complying with the limitations and restrictions placed on the resources made available to the County. The major fund types used by the County are:

General Fund - to account for all financial resources except those required to be accounted for in another fund.

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

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

Special Revenue - to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Trust and Agency - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

C. **Basis of Accounting**

The funds of the County are maintained and the financial statements have been prepared on the cash receipts and disbursements basis of accounting. Revenues are taken into account only when received by the County and expenditures are recorded when warrants are issued. Various officers of the County have accounts receivable. These are considered as cash items in the County financial statements. This differs from generally accepted accounting principles which require governmental fund accounting to follow the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become susceptible to accrual and obligations are generally recognized when they are incurred.

D. **Totals Columns - Memorandum Only**

The "Memorandum Only" columns represent an aggregation of individual account balances. The columns are presented for overview informational purposes and do not present consolidated financial information since interfund balances and transactions have not been eliminated.

E. **Budgets and Budgetary Accounting**

The County follows these procedures in establishing the budgetary data reflected in the schedules in accordance with the statutory requirements of the Nebraska Budget Act:

1. On or before August 1, the County Board prepares and transmits a budget for each County fund showing the requirements, the outstanding warrants, the operating reserve to be maintained, the cash on hand at the close of the preceding fiscal year, the revenue from sources other than taxation, and the amount to be raised by taxation. The budget, like the County financial statements, is prepared on the cash receipts and disbursements basis of accounting. The budget contains only those revenues which have actually been received by the County Treasurer.

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

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

2. At least one public hearing must be held by the County Board.
3. At a meeting of the County Board, the budget, as revised, is adopted and the amounts provided therein are appropriated.
4. The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, revisions that alter the total expenditures of any fund require that an additional public hearing be held. The legal level of budgetary control for the general fund is at the function level, and the special revenue fund types are at the fund level.
5. The County does not utilize an encumbrance accounting system. All appropriated spending authority lapses at the end of the fiscal year.
6. The County Board is authorized to budget for the transfer of money between County funds.

F. **Fixed Assets and Long-Term Obligations**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures in governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Assets on hand as of June 30, 2002, have been recorded at cost or estimated cost by the County.

Assets in the general fixed assets account group are not depreciated. Public domain general fixed assets consisting of roads, bridges, curbs and gutters, and streets and sidewalks, are not capitalized, because these assets are immovable and of value only to the government.

The County has recognized lease obligations in its General Long-Term Debt Account Group. Since the County reports on a cash basis, these amounts include the current portions which under the modified accrual basis of accounting would normally be accounted for in the fund from which it would be paid.

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

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

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

G. **Compensated Absences**

Vested or accumulated vacation leave that is liquidated with expendable available financial resources is reported as an expenditure of the County funds as paid. Upon termination, employees are paid for any unused vacation. Under GAAP the vested portion of the employee's compensated absences is recorded in the General Long-Term Debt Account Group for governmental funds. Under the receipts and disbursements basis of accounting, the balances which would be reported in the General Long-Term Debt Account Group are not reported because they do not represent balances arising from cash transactions.

2. **Equity in Pooled Cash and Investments, and Designated Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Each fund's portion of total cash and investments is summarized by fund type on the Combined Statement of Assets, Other Debits, Fund Balances, Liabilities, and Other Credits Arising from Cash Transactions as "Equity in Pooled Cash and Investments." Investments are stated at cost, which approximates market. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. Section 77-2315 R.R.S. 1996. Investments made specifically from and for a particular fund are summarized as "Designated Investments." Interest on these investments is credited to the fund from which the investment is made, also in accordance with Section 77-2315. Whether funds are commingled or invested separately is at the discretion of the County Board. The types of investments the County is authorized to invest funds in are enumerated in Neb. Rev. Stat. Sections 77-2315 R.R.S. 1996, 77-2340 R.S.Supp., 2001, and 77-2341 R.R.S. 1996, and generally include U.S. government obligations, certificates of deposit, time deposits, and securities which are authorized by the Nebraska Investment Council.

For the following disclosures required by Governmental Accounting Standards Board Statement #3, deposits include checking accounts, savings accounts, money-market accounts, certificates of deposit, and deposits into the Nebraska Public Agency Investment Trust (NPAIT).

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

2. **Equity in Pooled Cash and Investments, and Designated Investments** (Concluded)

	June 30, 2002
	<u>Carrying Amount</u>
Pooled cash and investments consist of:	
Cash on Hand	\$ 18,821
Deposits	1,326,229
Investments	<u>904,268</u>
Total	<u>\$ 2,249,318</u>

The bank balance for all deposits as of June 30 was \$2,252,094 (with a carrying amount of \$2,230,497) and was entirely covered by federal depository insurance or by collateral securities pledged to the County Treasurer and held by the safekeeping department of the depository's correspondent bank.

The County's carrying value of investments, which approximates market, consisted of \$904,268 deposited in NPAIT. NPAIT is a public entity investment pool operated under the direction of a seven member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income which has accrued to each participant is converted as of the close of business of each calendar month into additional units which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit.

3. **Property Taxes**

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

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

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

3. Property Taxes (Concluded)

The levy set in October, 2001, for the 2001 taxes which will be materially collected in May and September, 2002, was set at \$.450633/\$100 of assessed valuation. The levy set in October, 2000, for the 2000 taxes which were materially collected in May and September, 2001, was set at \$.463256/\$100 of assessed valuation. The amount collected for motor vehicle tax is outlined in State Statute.

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

4. Retirement System

The Retirement System for Nebraska Counties (the Plan) is a multiple-employer defined contribution plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act.

In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Membership in the Plan consists of all employees working twenty or more hours per week who have been employed for a period of twelve continuous months. Part-time employees who have attained the age of twenty-five and have been employed for a total of twelve months have the option to join the Plan. Elected officials shall be eligible for membership upon taking office. The plan provisions are established under Neb. Rev. Stat. Sections 23-2301 through 23-2335 and may be amended through legislative action. Employees contribute 4% of their salary and the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by Neb. Rev. Stat. Sections 23-2307 R.S.Supp., 2001 and 23-2308 R.S.Supp., 2000, and may be amended through legislative action. The employee's and employer's contributions are kept in separate accounts.

The employee's account is fully vested. Prior to April 18, 2002, the employer's account was fully vested after five years participation in the Plan or at retirement. Legislative Bill 687 (2002), effective April 18, 2002, changed the vesting requirement to a total of three years of participation in the system, including the twelve month eligibility period or credit for participation in another governmental plan prior to actual contribution to the Plan. Prior service benefits are paid directly by the County to the retired employee. For the year ended June 30, 2002, 46 employees contributed \$39,930; the County contributed \$59,895, which consisted of cash contributions. Additionally, the County paid \$1,142 directly to ten retired employees for prior service benefits.

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

5. Fixed Assets

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance July 1, 2001	Additions	Retirements	Balance June 30, 2002
Buildings	\$ 2,188,700	\$ 635,200	\$ -	\$ 2,823,900
Machinery and Equipment	2,979,323	338,349	141,062	3,176,610
Total General Fixed Assets	\$ 5,168,023	\$ 973,549	\$ 141,062	\$ 6,000,510

The additions noted for buildings is due to Nuckolls County using Marshall Swift to revalue the County buildings. There were no new buildings during the fiscal year.

6. Budget to Actual Comparison of Local Receipts

Only the County Treasurer's Local Receipts are reflected in the County Budget on Exhibit C. This is a comparison and reconciliation of the County Treasurer's Local Receipts to the County Total Local Receipts, which includes the County portion of receipts on hand at June 30, 2002 held by other County offices.

	General	Special Revenue
Budget (Exhibit C) Reflected Local Receipts:	\$ 201,045	\$ 328,554
Local Receipts in Funds not in Budget:		
Clerk	2,790	-
Clerk of the District Court	5,227	-
Sheriff	706	-
Extension Agent	4,082	-
Noxious Weed	-	300
Total Local Receipts in Funds not in Budget	12,805	300
Less Local Receipts in Funds not in Budget From Prior Year	(11,806)	(218)
Actual Local Receipts (Exhibit B)	\$ 202,044	\$ 328,636

7. Joint Venture

Nuckolls County has entered into an agreement with the other counties in Region III in conjunction with the Nebraska Department of Health and Human Services to provide services to carry out the provisions of the Nebraska Comprehensive Community Mental Health Services Act and related alcoholism and drug abuse services and the Developmental Disabilities Services

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

7. **Joint Venture (Concluded)**

Act (Acts). Region III consists of the following counties: Blaine, Loup, Garfield, Wheeler, Custer, Valley, Greeley, Sherman, Howard, Buffalo, Hall, Phelps, Kearney, Adams, Clay, Furnas, Harlan, Hamilton, Merrick, Franklin, Webster, and Nuckolls. Separate agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under each of the Acts. The governing board for Region III services are established by Statute and the agreements and include representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing boards and as required by the Acts. Funding is provided by a combination of federal, state, local, and private funding. Nuckolls County contributed \$15,358 toward the operation of Region III during fiscal year 2002. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State Statute. Financial information for the Region is available in those audit reports.

8. **County Insurance**

The County is exposed to various risks of loss related to torts, theft of; damage to; and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 62 counties throughout Nebraska. NIRMA was created as a result of the Intergovernmental Risk Management Act, Neb. Rev. Stat. Sections 44-4301 to 44-4339 R.R.S. 1998, which resulted in two programs being established, NIRMA and NIRMA II. The County has the option of participating in one or both of the programs.

The County pays an annual deposit premium as calculated by the administrator of the pool. Nine months following the close of the fiscal year and at annual intervals thereafter, the Pool may calculate each County's retrospective premium or premium credit for the year. The retrospective formula shall be adopted by the Board prior to the beginning of the fiscal year. The formula shall consider the losses and exposures of each County and the entire Pool. The deposit premium paid for the fiscal year shall be applied as a credit against the retrospective premium. If it is determined that the deposit premium paid is in excess of the retrospective premiums calculated, such excess shall be applied as a credit toward the next annual deposit premium. Retrospective premium adjustments for each fiscal year shall continue until all claims are closed or until the Board determines that sufficient facts are known to make a final adjustment for the year.

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

8. County Insurance (Continued)

If the Pool becomes insolvent or is otherwise unable to discharge its legal liabilities and other obligations, the County may be assessed by the Board for an additional contribution equal to its contribution for the current fiscal year, divided by the contribution of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, shall be sent to each county in writing, and each county shall thereafter have sixty (60) days in which to pay the amount of such assessment. Each county shall remain liable for such assessments, regardless of such county's withdrawal from participation or the termination of the agreement, and for liabilities of the Pool incurred during such county's period of membership, as provided by Neb. Rev. Stat. Section 44-4312 R.R.S. 1998.

The following schedule is a summary of the NIRMA coverage in effect for the period August 1, 2001 through July 31, 2002:

<u>Coverage</u>	<u>NIRMA Member Deductible</u>	<u>Self-Insured Retention</u>	<u>Excess Insurance</u>	<u>Insurance Company</u>
1. General Liability	Zero	300,000	\$5,000,000 per occurrence with no annual aggregate	United National & American Alternative
2. Property/Inland Marine	500	25,000	Replacement value	United National & Travelers Indemnity
3. Auto Physical damage	250	25,000	Replacement value	United National & Travelers Indemnity
4. Crime	500	25,000	\$50,000/100,000 per occurrence and aggregate	United National
5. Public Employee	1,500	None	\$1,000,000 per occurrence and aggregate	Scottsdale Indemnity Blanket Bond
6. Boiler & Machinery	1,000	None	50,000,000 per occurrence and aggregate	Hartford Steam Boiler

In the event of a liability loss exceeding \$5,000,000 per occurrence the County would be responsible for funding the excess amount.

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

8. **County Insurance (Concluded)**

The following schedule is a summary of the self-funded NIRMA II coverage in effect for the period August 1, 2001 through July 31, 2002:

<u>Coverage</u>	<u>Member Deductible</u>	<u>NIRMA II Self-Insured Retention</u>	<u>Excess Insurance</u>
1. Workers' Compensation	N/A	\$300,000 per claim with no annual aggregate	Statutory
2. Employer's Liability	N/A	\$300,000 per claim with no annual aggregate	\$ 2,000,000

The Pool has an annual audit performed of its financial statements. Copies of these reports may be obtained by writing to the NIRMA Board of Directors at 625 S. 14th Street, Suite A, Lincoln, Nebraska 68508.

The County has not paid any additional assessments to the Pool in the last three fiscal years and no assessments are anticipated for fiscal year 2003. The County has not had to pay out any amounts that exceeded coverages provided by the Pool in the last three fiscal years.

9. **Capital Leases Payable**

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

	<u>Caterpillar D6M</u>
Balance July 1, 2001	\$ 107,663
Payments	53,831
Purchases	-
Balance June 30, 2002	<u>\$ 53,832</u>
Future Payments:	
Year	
2003	<u>\$ 53,832</u>
Total Payments	53,832
Less Interest	-
Present Value of future Minimum lease payments	<u>\$ 53,832</u>
Carrying Value of the related Fixed asset	<u>\$ 164,594</u>

NUCKOLLS COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

10. **General Long-Term Debt**

The following is a summary of changes in the General Long-Term Debt Account Group during the fiscal year:

	Balance July 1, 2001	Additions	Deletions	Balance June 30, 2002
Capital Leases	<u>\$ 107,663</u>	<u>\$</u>	<u>\$ 53,831</u>	<u>\$ 53,832</u>

11. **Overexpended Budget**

The Extension Service Revolving Fund overexpended its budgeted expenditures by \$1,936 during fiscal year ending June 30, 2002.

Nuckolls County, Nebraska
Combining Statement of Assets, Liabilities,
and Fund Balances Arising from Cash Transactions
by County Offices
June 30, 2002

Schedule A-1

Totals by County Offices

	County Treasurer	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Extension Office	Noxious Weed	TOTAL OF ALL OFFICES
ASSETS								
Cash, Deposits, and Cash Items	\$ 1,320,823	\$ 5,269	\$ 12,923	\$ 706	\$ 947	\$ 4,082	\$ 300	\$ 1,345,050
Investments	904,268	-	-	-	-	-	-	904,268
Total Assets	\$ 2,225,091	\$ 5,269	\$ 12,923	\$ 706	\$ 947	\$ 4,082	\$ 300	\$ 2,249,318
LIABILITIES AND FUND BALANCES								
Liabilities:								
Due to Other Governments	\$ 171,429	\$ 2,479	\$ 26	\$ -	\$ -	\$ -	\$ -	\$ 173,934
Partial Payments-Undistributed Tax	3,729	-	-	-	-	-	-	3,729
Other Liabilities	-	-	7,670	-	947	-	-	8,617
Total Liabilities	175,158	2,479	7,696	-	947	-	-	186,280
Fund Balances:								
General, Unreserved, Undesignated	465,362	2,790	5,227	706	-	4,082	-	478,167
Special Revenue, Unreserved, Undesignated	1,584,571	-	-	-	-	-	300	1,584,871
Total Fund Balances	2,049,933	2,790	5,227	706	-	4,082	300	2,063,038
Total Liabilities and Fund Balances	\$ 2,225,091	\$ 5,269	\$ 12,923	\$ 706	\$ 947	\$ 4,082	\$ 300	\$ 2,249,318

Nuckolls County, Nebraska
Statement of Disbursements Compared to Budget-by Function
General Fund
For the Fiscal Year Ended June 30, 2002

GENERAL GOVERNMENT

	Board of Commissioners	Clerk	Treasurer	Assessor	Election Commissioner
Disbursements:					
Personal Service	\$ 72,178	\$ 118,597	\$ 83,654	\$ 73,485	\$ 20,799
Operating Expense	2,566	1,975	1,304	3,804	8,446
Supplies/Materials	150	1,475	1,885	584	3,381
Equipment Rental	-	-	50	-	25
Capital Outlay	-	-	-	3,093	-
Total Disbursements	74,894	122,047	86,893	80,966	32,651
Budget:					
Budget less Capital Outlay	79,194	122,361	93,917	86,388	32,527
Budget Adjustments	-	-	-	-	-
Budget Capital Outlay	100	450	700	7,150	500
Total Budget	79,294	122,811	94,617	93,538	33,027
Favorable (Unfavorable)	\$ 4,400	\$ 764	\$ 7,724	\$ 12,572	\$ 376

GENERAL GOVERNMENT

PUBLIC SAFETY

	Extension Agent	Miscellan- ous	Total General Government	Sheriff	Attorney
Disbursements:					
Personal Service	\$ 35,321	\$ 7,683	\$ 495,338	\$ 150,660	\$ 66,632
Operating Expense	10,587	66,644	140,798	15,352	2,335
Supplies/Materials	2,288	3,240	22,947	8,995	584
Equipment Rental	2,488	-	2,563	-	-
Capital Outlay	-	5,545	11,798	25,430	-
Total Disbursements	50,684	83,112	673,444	200,437	69,551
Budget:					
Budget less Capital Outlay	49,237	148,131	771,594	184,540	71,618
Budget Adjustments	-	-	-	-	-
Budget Capital Outlay	1,500	12,000	56,050	27,600	600
Total Budget	50,737	160,131	827,644	212,140	72,218
Favorable (Unfavorable)	\$ 53	\$ 77,019	\$ 154,200	\$ 11,703	\$ 2,667

PUBLIC WORKS

PUBLIC
HEALTH

PUBLIC WELFARE AND
SOCIAL SERVICES

	Miscellan- ous	Total Public Works	Health Miscellan- ous	Veterans' Service Officer	Miscellan- ous
Disbursements:					
Personal Service	\$ -	\$ -	\$ -	\$ 10,293	\$ -
Operating Expense	2,285	2,285	-	834	22,555
Supplies/Materials	-	-	-	49	-
Equipment Rental	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Disbursements	2,285	2,285	-	11,176	22,555
Budget:					
Budget less Capital Outlay	10,000	10,000	-	11,261	34,270
Budget Adjustments	-	-	-	-	-
Budget Capital Outlay	-	-	-	480	-
Total Budget	10,000	10,000	-	11,741	34,270
Favorable (Unfavorable)	\$ 7,715	\$ 7,715	\$ -	\$ 565	\$ 11,715

Schedule B-1

GENERAL GOVERNMENT

Clerk of the District Court	County Court System	Building and Grounds
\$ 73,021	\$ 10,600	\$ -
1,236	1,304	42,932
941	708	8,295
-	-	-
-	40	3,120
75,198	12,652	54,347
76,012	13,700	70,127
-	-	-
550	1,500	31,600
76,562	15,200	101,727
\$ 1,364	\$ 2,548	\$ 47,380

PUBLIC SAFETY

County Jail	Miscellan- eous	Total Public Safety
\$ 138,190	\$ -	\$ 355,482
10,957	45,029	73,673
306	-	9,885
-	-	-
-	-	25,430
149,453	45,029	464,470
173,343	53,691	483,192
-	-	-
-	-	28,200
173,343	53,691	511,392
\$ 23,890	\$ 8,662	\$ 46,922

CULTURE AND RECREATION TOTAL ALL FUNCTIONS

Total Public Welfare and Social Services	Culture Miscellan- eous	2002
\$ 10,293	\$ -	\$ 861,113
23,389	4,500	244,645
49	-	32,881
-	-	2,563
-	-	37,228
33,731	4,500	1,178,430
45,531	4,500	1,314,817
-	-	-
480	-	84,730
46,011	4,500	1,399,547
\$ 12,280	\$ -	\$ 221,117

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-1

	Road Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 153	\$ 145	\$ 8
Intergovernmental Revenue	758,694	736,900	21,794
Local Fees, Licenses, Commissions, and Miscellaneous	55,071	30,300	24,771
Total Receipts	<u>813,918</u>	<u>767,345</u>	<u>46,573</u>
Disbursements:			
Personal Services	597,223	602,778	5,555
Operating Expenses	129,956	133,888	3,932
Supplies/Materials	294,452	454,550	160,098
Equipment Rental	350	2,400	2,050
Capital Outlay	434,369	529,200	94,831
Total Disbursements	<u>1,456,350</u>	<u>1,722,816</u>	<u>266,466</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(642,432)</u>	<u>(955,471)</u>	<u>313,039</u>
Other Financing Sources (Uses):			
Transfers from Other Funds	703,062	703,062	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	<u>703,062</u>	<u>703,062</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	<u>60,630</u>	<u>(252,409)</u>	<u>313,039</u>
Fund Balances, July 1	<u>489,663</u>	<u>502,409</u>	<u>(12,746)</u>
Fund Balances, June 30	<u>\$ 550,293</u>	<u>\$ 250,000</u>	<u>\$ 300,293</u>

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-2

	Road/Bridge Construction Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	-	-	-
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	-	-
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	57,054	57,054
Total Disbursements	-	57,054	57,054
Excess (Deficiency) of Receipts over Disbursements	-	(57,054)	57,054
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	-	(57,054)	57,054
Fund Balances, July 1	57,054	57,054	-
Fund Balances, June 30	\$ 57,054	\$ -	\$ 57,054

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-3

	Civil Defense Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	19,963	17,220	2,743
Local Fees, Licenses, Commissions, and Miscellaneous	18,325	18,124	201
Total Receipts	38,288	35,344	2,944
Disbursements:			
Personal Services	33,510	33,416	(94)
Operating Expenses	6,122	12,447	6,325
Supplies/Materials	222	477	255
Equipment Rental	-	-	-
Capital Outlay	535	600	65
Total Disbursements	40,389	46,940	6,551
Excess (Deficiency) of Receipts over Disbursements	(2,101)	(11,596)	9,495
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(2,101)	(11,596)	9,495
Fund Balances, July 1	10,810	11,596	(786)
Fund Balances, June 30	\$ 8,709	\$ -	\$ 8,709

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-4

	Extension Service Revolving Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	5,936	1,900	4,036
Total Receipts	5,936	1,900	4,036
Disbursements:			
Personal Services	135	-	(135)
Operating Expenses	11,838	15,138	3,300
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	6,101	1,000	(5,101)
Total Disbursements	18,074	16,138	(1,936)
Excess (Deficiency) of Receipts over Disbursements	(12,138)	(14,238)	2,100
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(12,138)	(14,238)	2,100
Fund Balances, July 1	14,238	14,238	-
Fund Balances, June 30	\$ 2,100	\$ -	\$ 2,100

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-5

	Visitor Promotion Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	4,584	4,500	84
Local Fees, Licenses, Commissions, and Miscellaneous	257	150	107
Total Receipts	4,841	4,650	191
Disbursements:			
Personal Services	-	-	-
Operating Expenses	3,984	4,560	576
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	3,984	4,560	576
Excess (Deficiency) of Receipts over Disbursements	857	90	767
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	857	90	767
Fund Balances, July 1	(90)	(90)	-
Fund Balances, June 30	\$ 767	\$ -	\$ 767

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-6

	Relief-Medical Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 46	\$ 46	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	10,257	6,500	3,757
Total Receipts	10,303	6,546	3,757
Disbursements:			
Personal Services	-	-	-
Operating Expenses	7,461	179,082	171,621
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	7,461	179,082	171,621
Excess (Deficiency) of Receipts over Disbursements	2,842	(172,536)	175,378
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	2,842	(172,536)	175,378
Fund Balances, July 1	192,536	192,536	-
Fund Balances, June 30	\$ 195,378	\$ 20,000	\$ 175,378

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-7

	Veterans' Aid Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	272	150	122
Total Receipts	272	150	122
Disbursements:			
Personal Services	-	2,830	2,830
Operating Expenses	-	-	-
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	-	2,830	2,830
Excess (Deficiency) of Receipts over Disbursements	272	(2,680)	2,952
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	272	(2,680)	2,952
Fund Balances, July 1	2,680	2,680	-
Fund Balances, June 30	\$ 2,952	\$ -	\$ 2,952

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-8

	Diversion Program Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	2,856	1,550	1,306
Total Receipts	2,856	1,550	1,306
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	-	-
Supplies/Materials	-	205	205
Equipment Rental	-	-	-
Capital Outlay	2,105	4,000	1,895
Total Disbursements	2,105	4,205	2,100
Excess (Deficiency) of Receipts over Disbursements	751	(2,655)	3,406
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	751	(2,655)	3,406
Fund Balances, July 1	2,655	2,655	-
Fund Balances, June 30	\$ 3,406	\$ -	\$ 3,406

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-9

	Drug Law Enforcement Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	894	50	844
Total Receipts	894	50	844
Disbursements:			
Personal Services	-	-	-
Operating Expenses	2,785	5,000	2,215
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	455	2,000	1,545
Total Disbursements	3,240	7,000	3,760
Excess (Deficiency) of Receipts over Disbursements	(2,346)	(6,950)	4,604
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(2,346)	(6,950)	4,604
Fund Balances, July 1	6,950	6,950	-
Fund Balances, June 30	\$ 4,604	\$ -	\$ 4,604

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-10

	Federal Grant Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	1,036	1,150	(114)
Local Fees, Licenses, Commissions, and Miscellaneous	114	-	114
Total Receipts	1,150	1,150	-
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	-	-
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	1,150	1,150	-
Total Disbursements	1,150	1,150	-
Excess (Deficiency) of Receipts over Disbursements	-	-	-
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	-	-	-
Fund Balances, July 1	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-11

	Inheritance Tax Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	183,389	70,000	113,389
Total Receipts	183,389	70,000	113,389
Disbursements:			
Personal Services	-	-	-
Operating Expenses	45	504,215	504,170
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	1,079	20,000	18,921
Total Disbursements	1,124	524,215	523,091
Excess (Deficiency) of Receipts over Disbursements	182,265	(454,215)	636,480
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	(100,000)	(100,000)	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	82,265	(554,215)	636,480
Fund Balances, July 1	554,215	554,215	-
Fund Balances, June 30	\$ 636,480	\$ -	\$ 636,480

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-12

	Noxious Weed Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 13	\$ -	\$ 13
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	6,794	4,500	2,294
Total Receipts	6,807	4,500	2,307
Disbursements:			
Personal Services	44,389	49,698	5,309
Operating Expenses	7,371	12,572	5,201
Supplies/Materials	26,792	29,100	2,308
Equipment Rental	-	-	-
Capital Outlay	904	1,400	496
Total Disbursements	79,456	92,770	13,314
Excess (Deficiency) of Receipts over Disbursements	(72,649)	(88,270)	15,621
Other Financing Sources (Uses):			
Transfers from Other Funds	75,991	75,991	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	75,991	75,991	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	3,342	(12,279)	15,621
Fund Balances, July 1	30,645	32,279	(1,634)
Fund Balances, June 30	\$ 33,987	\$ 20,000	\$ 13,987

Nuckolls County, Nebraska
Statement of Receipts, Disbursements, and Changes in
Special Revenue Fund Balances of the County Treasurer
For the Fiscal Year Ended June 30, 2002

Schedule C-13

	911 Emergency Services Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	44,389	38,374	6,015
Total Receipts	44,389	38,374	6,015
Disbursements:			
Personal Services	3,000	3,000	-
Operating Expenses	12,454	47,200	34,746
Supplies/Materials	425	4,500	4,075
Equipment Rental	-	-	-
Capital Outlay	22,339	66,344	44,005
Total Disbursements	38,218	121,044	82,826
Excess (Deficiency) of Receipts over Disbursements	6,171	(82,670)	88,841
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	6,171	(82,670)	88,841
Fund Balances, July 1	82,670	82,670	-
Fund Balances, June 30	\$ 88,841	\$ -	\$ 88,841

Nuckolls County, Nebraska
Statement of Assets and Liabilities -
County Treasurer Trust and Agency Funds
For the Fiscal Year Ended June 30, 2002

Schedule D-1

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Cash and Deposits	\$ 148,600	\$ 5,149,130	\$ 5,122,572	\$ 175,158
Total Assets	\$ 148,600	\$ 5,149,130	\$ 5,122,572	\$ 175,158
LIABILITIES				
Trust and Agency Funds:				
State	\$ 49,815	\$ 771,260	\$ 761,058	\$ 60,017
Schools	75,099	3,435,878	3,425,708	85,269
Educational Service Units	732	46,350	46,182	900
Technical College	1,721	169,001	166,700	4,022
Natural Resource Districts	1,516	98,740	98,331	1,925
Fire Districts	4,216	176,172	175,343	5,045
Municipalities	10,708	297,917	297,061	11,564
Agricultural Society	803	51,876	51,665	1,014
Partial Payments-				
Undistributed Tax	2,448	4,818	3,537	3,729
Cemetery Districts	23	2,162	2,126	59
Redemption	-	61,749	61,749	-
Unclaimed Property	-	7	-	7
Estray Fund	470	-	-	470
Airport Authority	1,049	33,200	33,112	1,137
Total Liabilities	\$ 148,600	\$ 5,149,130	\$ 5,122,572	\$ 175,158

Nuckolls County Clerk
 Nelson, Nebraska
 Statement of Changes in Assets, Liabilities, and Fund Balances
 For the Fiscal Year Ended June 30, 2002

Schedule E-1

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Cash and Deposits	\$ 5,504	\$ 55,328	\$ 56,115	\$ 4,717
Accounts Receivables	610	552	610	552
Total Assets	<u>\$ 6,114</u>	<u>\$ 55,880</u>	<u>\$ 56,725</u>	<u>\$ 5,269</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to State Treasurer:				
Title Fees	\$ 1,714	\$ 15,719	\$ 16,252	\$ 1,181
Documentary Stamp Tax	1,140	10,645	10,487	1,298
Total Liabilities	<u>2,854</u>	<u>26,364</u>	<u>26,739</u>	<u>2,479</u>
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Recording Fees	1,777	15,732	15,985	1,524
Title Fees	883	8,124	8,393	614
Plat Map Sales	14	443	407	50
Documentary Stamp Tax	456	4,259	4,196	519
Copies	55	448	480	23
Marriage Licenses	75	510	525	60
Total Fund Balances	<u>3,260</u>	<u>29,516</u>	<u>29,986</u>	<u>2,790</u>
Total Liabilities and Fund Balances	<u>\$ 6,114</u>	<u>\$ 55,880</u>	<u>\$ 56,725</u>	<u>\$ 5,269</u>

Nuckolls County Clerk of the District Court
 Nelson, Nebraska
 Statement of Changes in Assets, Liabilities and Fund Balances
 For the Fiscal Year Ended June 30, 2002

Schedule E-2

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Cash and Deposits	\$ 4,419	\$ 327,122	\$ 318,618	\$ 12,923
Total Assets	\$ 4,419	\$ 327,122	\$ 318,618	\$ 12,923
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to State Treasurer:				
State Fees	\$ 185	\$ 777	\$ 952	\$ 10
Law Enforcement Fees	2	22	14	10
State Judges Retirement Fund	19	57	74	2
Miscellaneous	53	1,241	1,290	4
Total	259	2,097	2,330	26
 Trust Fund Benefits:				
Payable	2,965	314,849	310,144	7,670
Total	2,965	314,849	310,144	7,670
Total Liabilities	3,224	316,946	312,474	7,696
 Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Regular Fees	1,195	10,176	6,144	5,227
Total Fund Balances	1,195	10,176	6,144	5,227
Total Liabilities and Fund Balances	\$ 4,419	\$ 327,122	\$ 318,618	\$ 12,923

Nuckolls County Sheriff
 Nelson, Nebraska
 Statement of Changes in Assets, Liabilities, and Fund Balances
 For Fiscal Year Ended June 30, 2002

Schedule E-3

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Cash and Deposits	\$ 1,439	\$ 9,865	\$ 10,598	\$ 706
Total Assets	\$ 1,439	\$ 9,865	\$ 10,598	\$ 706
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Inspection Fees	640	3,890	4,210	320
Fees, Commissions, Mileage	766	3,782	4,165	383
Gun Permits	30	285	315	-
Out of County Bonds	3	1,400	1,400	3
Photocopies, Miscellaneous	-	508	508	-
Total Fund Balances	1,439	9,865	10,598	706
Total Liabilities and Fund Balances	\$ 1,439	\$ 9,865	\$ 10,598	\$ 706

Nuckolls County Attorney
 Nelson, Nebraska
 Statement of Changes in Assets, Liabilities and Fund Balances
 For the Fiscal Year Ended June 30, 2002

Schedule E-4

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Cash and Deposits	\$ 363	\$ 35,563	\$ 34,979	\$ 947
Total Assets	\$ 363	\$ 35,563	\$ 34,979	\$ 947
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Trust Fund Benefits:				
Restitution Payable	\$ 363	\$ 35,563	\$ 34,979	\$ 947
Total Liabilities	363	35,563	34,979	947
 Fund Balances:				
Total Fund Balances	-	-	-	-
Total Liabilities and Fund Balances	\$ 363	\$ 35,563	\$ 34,979	\$ 947

Nuckolls County Board of Commissioners
 Nelson, Nebraska
 Noxious Weed District
 Statement of Changes in Assets, Liabilities, and Fund Balances
 For the Fiscal Year Ended June 30, 2002

Schedule E-5

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Accounts Receivables	\$ 217	\$ 4,573	\$ 4,490	\$ 300
Total Assets	\$ 217	\$ 4,573	\$ 4,490	\$ 300
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Service Earnings	217	4,573	4,490	300
Total Fund Balances	217	4,573	4,490	300
Total Liabilities and Fund Balances	\$ 217	\$ 4,573	\$ 4,490	\$ 300

Nuckolls County Highway Superintendent
 Nelson, Nebraska
 Statement of Changes in Assets, Liabilities, and Fund Balances
 For the Fiscal Year Ended June 30, 2002

Schedule E-6

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Accounts Receivables	\$ 1	\$ 19,718	\$ 19,719	\$ -
Total Assets	\$ 1	\$ 19,718	\$ 19,719	\$ -
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Sale of Surplus Property and Supplies	-	1,959	1,959	-
Highway Safety	-	16,400	16,400	-
Miscellaneous	1	1,359	1,360	-
Total Fund Balances	1	19,718	19,719	-
Total Liabilities and Fund Balances	\$ 1	\$ 19,718	\$ 19,719	\$ -

Nuckolls County Extension Office
 Nelson, Nebraska
 Statement of Changes in Assets, Liabilities, and Fund Balances
 For the Fiscal Year Ended June 30, 2002

Schedule E-7

	Balance July 1, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS				
Cash	\$ 5,912	\$ 5,600	\$ 7,430	\$ 4,082
Total Assets	\$ 5,912	\$ 5,600	\$ 7,430	\$ 4,082
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Fair Activity	5,912	5,600	7,430	4,082
Total Fund Balances	5,912	5,600	7,430	4,082
Total Liabilities and Fund Balances	\$ 5,912	\$ 5,600	\$ 7,430	\$ 4,082

Nuckolls County
 Comparative Analysis Of Total Tax Certified, Corrections, and
 Collections For Past Five Tax Years
 Of All Political Subdivisions In Nuckolls County

Schedule F-1

Item	1997	1998	1999	2000	2001
Tax Certified by Assessor					
Real Estate	\$ 5,400,060	\$ 4,533,488	\$ 4,483,456	\$ 4,444,967	\$ 4,738,211
Personal and Specials	473,742	440,839	446,538	451,925	499,252
Total	5,873,802	4,974,327	4,929,994	4,896,892	5,237,463
Corrections					
Additions	5,332	4,006	5,029	857	438
Deductions	4,634	3,509	6,806	3,617	1,535
Net Additions/ (Deductions)	698	497	(1,777)	(2,760)	(1,097)
Corrected Certified Tax	5,874,500	4,974,824	4,928,217	4,894,132	5,236,366
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 1998	3,463,751	-	-	-	-
June 30, 1999	2,398,610	2,942,444	-	-	-
June 30, 2000	8,655	2,009,475	2,883,563	-	-
June 30, 2001	1,282	13,545	2,012,323	2,865,970	-
June 30, 2002	685	3,744	21,325	2,003,231	3,110,716
Total Net Collections	5,872,983	4,969,208	4,917,211	4,869,201	3,110,716
Total Uncollected Tax	\$ 1,517	\$ 5,616	\$ 11,006	\$ 24,931	\$ 2,125,650
Percentage Uncollected Tax	0.03%	0.11%	0.22%	0.51%	40.59%

STATE OF NEBRASKA AUDITOR OF PUBLIC ACCOUNTS



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NUCKOLLS COUNTY REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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We have audited the financial statements of Nuckolls County as of and for the year ended June 30, 2002, and have issued our report thereon dated March 20, 2003. The report notes the financial statements were prepared on the basis of cash receipts and disbursements. 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.

Compliance

As part of obtaining reasonable assurance about whether Nuckolls County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, 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. We noted certain immaterial instances of noncompliance that we have reported to the management of Nuckolls County in the Comments Section of this report as Comment Number 4 (Extension Service Revolving Fund) and Comment Number 6 (Receipts).

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Nuckolls County's internal control over financial reporting 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 over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve

matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Nuckolls County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the Comments Section of the report as Comment Number 1 (Segregation of Duties).

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness. We also noted other matters involving internal control over financial reporting that we have reported to the management of Nuckolls County in the Comments Section of the report as Comment Number 2 (Controls Over Computer System), Comment Number 3 (Budget Document), and Comment Number 5 (Controls Over Monies Received).

This report is intended solely for the information and use of the County, the appropriate Federal and regulatory agencies, and citizens of the State of Nebraska and is not intended to be and should not be used by anyone other than these specified parties.

March 20, 2003


Deputy State Auditor