

**AUDIT REPORT  
OF  
OTOE COUNTY**

**JULY 1, 2008 THROUGH JUNE 30, 2009**

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the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
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**Issued on March 29, 2010**

OTOE COUNTY

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OTOE COUNTY

**LIST OF COUNTY OFFICIALS**

At June 30, 2009

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Carol Crook	Board of Commissioners	Jan. 2011
Richard Freshman		Jan. 2011
Nickola Kreifels		Jan. 2011
Steven Lade		Jan. 2013
Timothy Nelsen		Jan. 2011
Therese Gruber	Assessor	Jan. 2011
David Partsch	Attorney	Jan. 2011
Janene Bennett	Clerk Election Commissioner	Jan. 2011
Janet Reed	Register of Deeds	Jan. 2011
Janis Riege	Clerk of the District Court	Jan. 2011
James Gress	Sheriff	Jan. 2011
Jackie Smith	Treasurer	Jan. 2011
Marvin Pesek	Veterans' Service Officer	Appointed
Jim Myers	Weed Superintendent	Appointed



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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OTOE COUNTY

### INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Otoe County, Nebraska

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Otoe County, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash balances of the governmental activities, each major fund, and the aggregate remaining fund information for the primary government of Otoe County, as of June 30, 2009, and the respective changes in cash balances thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2010, on our consideration of Otoe County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The budgetary comparison information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The County has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, nonmajor budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole on the basis of accounting described in Note 1.

Signed Original on File

March 15, 2010

Deann Haeffner, CPA  
Assistant Deputy Auditor

**OTOE COUNTY**  
**STATEMENT OF NET ASSETS - CASH BASIS**  
 June 30, 2009

	Governmental Activities
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 2,896,553
Investments (Note 1.D)	204,871
<b>TOTAL ASSETS</b>	<b>\$ 3,101,424</b>
 <b>NET ASSETS</b>	
Restricted for:	
Visitors Promotion	\$ 33,326
911 Surcharges	292,016
Other Purposes	21,593
Unrestricted	2,754,489
<b>TOTAL NET ASSETS</b>	<b>\$ 3,101,424</b>

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

OTOE COUNTY  
**STATEMENT OF ACTIVITIES - CASH BASIS**  
For the Year Ended June 30, 2009

<b>Functions:</b>	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
General Government	\$ (2,895,997)	\$ 532,923	\$ 88,254	\$ (2,274,820)
Public Safety	(2,419,884)	89,099	318,873	(2,011,912)
Public Works	(3,503,812)	-	1,411,619	(2,092,193)
Health and Sanitation	(70,594)	-	-	(70,594)
Public Assistance	(116,799)	-	-	(116,799)
Culture and Recreation	(75,886)	-	-	(75,886)
<b>Total Governmental Activities</b>	<b>\$ (9,082,972)</b>	<b>\$ 622,022</b>	<b>\$ 1,818,746</b>	<b>(6,642,204)</b>

General Receipts:

Property Taxes	5,429,446
Grants and Contributions Not Restricted to	
Specific Programs	662,244
Investment Income	94,950
Miscellaneous	157,638
<b>Total General Receipts</b>	<b>6,344,278</b>
Change in Net Assets	(297,926)
Net Assets - Beginning	3,399,350
Net Assets - Ending	<b>\$ 3,101,424</b>

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

**OTOE COUNTY**  
**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
 June 30, 2009

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents (Note 1.D)	\$ 598,113	\$ 287,431	\$ 1,244,347	\$ 766,662	\$ 2,896,553
Investments (Note 1.D)	-	-	204,871	-	204,871
<b>TOTAL ASSETS</b>	<u>\$ 598,113</u>	<u>\$ 287,431</u>	<u>\$ 1,449,218</u>	<u>\$ 766,662</u>	<u>\$ 3,101,424</u>
<b>FUND BALANCES</b>					
Unreserved, reported in:					
General fund	\$ 598,113	\$ -	\$ -	\$ -	\$ 598,113
Special revenue funds	-	287,431	1,449,218	766,662	2,503,311
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 598,113</u>	<u>\$ 287,431</u>	<u>\$ 1,449,218</u>	<u>\$ 766,662</u>	<u>\$ 3,101,424</u>

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



OTOE COUNTY  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2009

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>					
Property Taxes	\$4,106,131	\$ 673,551	\$ 490,482	\$ 159,282	\$ 5,429,446
Licenses and Permits	70,365	-	-	-	70,365
Interest	94,796	-	-	154	94,950
Intergovernmental	690,291	1,524,551	-	266,148	2,480,990
Charges for Services	505,814	-	-	116,208	622,022
Miscellaneous	35,550	14,572	-	37,151	87,273
<b>TOTAL RECEIPTS</b>	<u>5,502,947</u>	<u>2,212,674</u>	<u>490,482</u>	<u>578,943</u>	<u>8,785,046</u>
<b>DISBURSEMENTS</b>					
General Government	2,598,165	-	175,470	122,362	2,895,997
Public Safety	1,862,531	-	-	557,353	2,419,884
Public Works	71,421	3,403,523	-	28,868	3,503,812
Health and Sanitation	70,594	-	-	-	70,594
Public Assistance	116,799	-	-	-	116,799
Culture and Recreation	5,500	-	-	70,386	75,886
<b>TOTAL DISBURSEMENTS</b>	<u>4,725,010</u>	<u>3,403,523</u>	<u>175,470</u>	<u>778,969</u>	<u>9,082,972</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>777,937</u>	<u>(1,190,849)</u>	<u>315,012</u>	<u>(200,026)</u>	<u>(297,926)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	895,137	18,045	-	913,182
Transfers out	(895,137)	-	-	(18,045)	(913,182)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(895,137)</u>	<u>895,137</u>	<u>18,045</u>	<u>(18,045)</u>	<u>-</u>
Net Change in Fund Balances	(117,200)	(295,712)	333,057	(218,071)	(297,926)
<b>CASH BASIS FUND BALANCES - BEGINNING</b>	<u>715,313</u>	<u>583,143</u>	<u>1,116,161</u>	<u>984,733</u>	<u>3,399,350</u>
<b>CASH BASIS FUND BALANCES - ENDING</b>	<u>\$ 598,113</u>	<u>\$ 287,431</u>	<u>\$ 1,449,218</u>	<u>\$ 766,662</u>	<u>\$ 3,101,424</u>

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

**OTOE COUNTY**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - CASH BASIS**  
**FIDUCIARY FUNDS**  
 June 30, 2009

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,174,187
 <b>LIABILITIES</b>	
Due to other governments	
State	221,374
Schools	835,082
Educational Service Units	6,284
Technical College	11,407
Natural Resource Districts	6,811
Fire Districts	2,633
Municipalities	64,059
Agricultural Society	742
Sanitary and Improvement Districts	13,627
Hospital District	960
Others	11,208
<b>TOTAL LIABILITIES</b>	<b>1,174,187</b>
 <b>TOTAL NET ASSETS</b>	 <b>\$ -</b>

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

OTOE COUNTY

**NOTES TO FINANCIAL STATEMENTS**

For the Fiscal Year Ended June 30, 2009

**1. Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

Otoe County, Nebraska (County) is a governmental entity established under and governed by the laws of the State of Nebraska (State). The County is managed by elected county officials who are elected on a political ballot for four-year terms. As a political subdivision of the State, the County is exempt from State and Federal income taxes. The financial statements include all funds of the County that are not legally separate. The County has also considered all potential component units for which it is financially accountable, and other organizations which are fiscally dependent on the County, or the significance of their relationship with the County is such that exclusion would be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the County to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County.

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

**Joint Organization.**

Behavioral Health Region V - The County has entered into an agreement with surrounding counties and the Nebraska Health and Human Services System to provide services to carry out the provisions of the Nebraska Behavioral Health Services Act (Act). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under the Act. The Region consists of the following counties: Polk, Butler, Saunders, Seward, Lancaster, Otoe, Fillmore, Saline, Thayer, Jefferson, Gage, Johnson, Nemaha, Pawnee, York, and Richardson.

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of federal, state, local, and private funding. The County contributed \$68,052 toward the operation of the Region during fiscal year 2009. In the event of the termination of the agreement, assets would be disposed of in

OTOE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

accordance with the terms of the agreement. The Nebraska Health and Human Services System requires the Region to be audited annually in accordance with State Statute. Financial information for the Region is available in those audit reports.

Health Department – The County has entered into an agreement with Southeast District Health Department to provide public health services. Agreements were established under authority of the Interlocal Cooperation Act for services to be provided per State Statutes 71-1626 to 71-1636.

The Department's governing board is established by Statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of federal, state, local, and private funding. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is required to be audited annually in accordance with State Statute 84-304. Financial information for the Department is available in that report.

**B. Basis of Presentation**

**Government-wide Financial Statements.** The Statement of Net Assets - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County, and are in the format of government-wide statements as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities. Internal activities in these statements have not been eliminated. Governmental GAAP would require internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities demonstrates the degree to which the direct disbursement of a given function or segment is offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

**Fund Financial Statements.** The fund financial statements provide information about the County's funds, including its fiduciary funds. GAAP requires separate statements by fund category - governmental, proprietary, and fiduciary. The County uses only the

OTOE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

governmental and fiduciary fund categories. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

**General Fund.** This is the County's primary operating fund. It accounts for financial resources of the general government, except those required to be accounted for in another fund.

**Road Fund.** This fund is used to account for costs associated with the repair and maintenance of roads and bridges.

**Inheritance Fund.** This fund is used to account for the revenues generated from estate taxes.

The County reports the following additional fund types:

**Special Revenue Funds.** These funds account for the proceeds from a specific revenue source that is restricted to expenditures for a specified purpose.

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

C. **Measurement Focus, Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Assets - Cash Basis and the Statement of Activities - Cash Basis. Revenues are recognized when received and expenditures are recognized when warrants are paid. This differs from governmental GAAP, which requires the government-wide and fiduciary fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus and basis of accounting revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

OTOE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The governmental fund financial statements were also reported on the cash receipt and disbursement basis of accounting. As such, the same measurement focus and basis of accounting were used as described above. This differs from governmental GAAP, which require governmental fund financial statements to be reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this measurement focus and basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

**D. Assets and Net Assets**

**Cash and Cash Equivalents.** The County's cash and cash equivalents are considered to be cash on hand and demand deposits.

**Investments.** The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. §§ 77-2315, 77-2340, and 77-2341 (Reissue 2003), and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities which are authorized by the Nebraska Investment Council.

**Capital Assets.** Under the cash receipts and disbursements basis of accounting, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as disbursements in governmental funds. GAAP requires capital assets, which would include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) to be reported in the applicable governmental activities columns in the government-wide financial statements.

Depreciation expenses on capital assets were not recorded on the cash basis financial statements. Under GAAP, depreciation expenses would be recorded in the Statement of Activities. The cost of normal maintenance and repairs that does not add to the value of the asset or extend asset life is not capitalized.

**Compensated Absences.** Vested or accumulated vacation leave that is liquidated with expendable available financial resources is reported as an expenditure of the County funds as paid. Upon termination, employees are paid for any unused vacation. Under the receipts and disbursements basis of accounting, the liabilities for compensated absences are not reported since they do not represent liabilities arising from cash transactions.

OTOE COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

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

Under GAAP, the compensated absences liability would be reported in the government-wide financial statements and would be recorded in accordance with the County's policy, which is to recognize the expense and accrued liability when vacation and compensatory leave is earned.

**Restricted Net Assets.** When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net assets are reported as restricted when constraints placed on their use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net assets reports \$346,935 of restricted net assets, of which \$335,478 is restricted by enabling legislation.

**2. Deposits and Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. § 77-2315 (Reissue 2009).

At year end, the County's carrying amount of deposits was \$2,896,553 for County funds and \$1,174,187 for Fiduciary funds. The bank balances for all funds totaled \$4,174,563. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits as of June 30, 2009, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County's carrying value of investments are stated at cost, which approximates market. Investments consisted of \$204,871 deposited in the Nebraska Public Agency Investment Trust (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 participant's each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name.

OTOE COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**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.

The levy set in October 2008, for the 2008 taxes which will be materially collected in May and September, 2009, was set at \$.352864/\$100 of assessed valuation. The levy set in October 2007, for the 2007 taxes which were materially collected in May and September, 2008, was set at \$.356161/\$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 plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2335 and may be amended through legislative action.

Participation in the Plan is required of all full time employees. Part time (working less than one-half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 20. Part time elected officials may exercise the option to join.

County employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by Neb. Rev. Stat. §§ 23-2307 and 23-2308 (Reissue 2007), and may be amended through legislative action. The employee's and employer's contributions are kept in separate accounts. The employee's



OTOE COUNTY

**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**4. Retirement System** (Concluded)

account is fully vested. The employer's account is fully vested after three years of participation in the system or credit for participation in another governmental plan prior to actual contribution to the Plan. Prior service benefits are paid directly by the County to the retired employee.

A supplemental retirement plan was established on January 1, 2003, for the benefit of all present and future commissioned law enforcement personnel employed by the County. Employees contribute 1% of their salary and the County contributes an amount equal to 100% of the employee's contribution. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings.

For the year ended June 30, 2009, 102 employees contributed \$143,487; the County contributed \$215,233, which consisted of cash contributions. Additionally, for the year ended June 30, 2009, 16 law enforcement employees and the County contributed \$7,248 in cash contributions for the supplemental law enforcement plan. Lastly, the County paid \$1,908 directly to 16 retired employees for prior service benefits.

**5. Risk Management**

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 has purchased commercial insurance to cover the risk of loss and believes adequate coverage exists for potential exposures. There was no significant reduction of insurance coverage from the prior year and the County did not incur any expenses which exceeded the coverage amount for the year ended June 30, 2009.

**6. Interfund Transfers**

Interfund transfers for the year ended June 30, 2009, consisted of the following:

<b>Transfers to</b>	Transfers from		Total
	General Fund	Homeland Security	
Road Fund	\$ 895,137	\$ -	\$ 895,137
Inheritance Fund	-	18,045	18,045
Total	\$ 895,137	\$ 18,045	\$ 913,182

OTOE COUNTY

**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**6. Interfund Transfers** (Concluded)

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

In the year ended June 30, 2009, the County made a one-time transfer of \$18,045 from the Homeland Security Fund to the Inheritance Fund to repay a temporary loan.

**7. Landfill Postclosure Care Costs**

The County owns a solid waste disposal area which discontinued operations in 1993. The County must adhere to certain closure and postclosure care requirements under legislation, including monitoring the groundwater conditions and general site maintenance. The County maintains a Landfill Fund to account for these disbursements. The Landfill Fund balance at June 30, 2009, was \$290,281. The County anticipates the Landfill Fund to have sufficient funds to cover future expenses of the disposal site.

**8. Contingent Liabilities**

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney the resolution of these matters will not have a material adverse effect on the financial condition of the County.

**9. Long Term Debt**

The County issued Highway bonds in July 2009 in the amount of \$2,535,000 for the purpose of paying the costs associated with road projects in the County. Otoe County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds, although the County intends to use future highway allocation resources to pay off the bonds.

Future Payments:

<b>Year</b>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 145,000	\$ 81,240	\$ 226,240
2011	140,000	85,157	225,157
2012	140,000	82,848	222,848
2013	145,000	80,048	225,048
2014	150,000	76,495	226,495
2015-2019	825,000	307,460	1,132,460
2020-2024	990,000	133,594	1,123,594
Total Payments	<u>\$ 2,535,000</u>	<u>\$ 846,842</u>	<u>\$ 3,381,842</u>

OTOE COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**10. Rural Road Improvement District**

A Rural Road Improvement District was established in 2001 within a portion of the County to improve a specific road. A debt agreement was entered into with American National Bank in the principal amount of \$114,235 in September 2002. A special assessment was established by the County on the homeowners within the Rural Road Improvement District. The County makes annual payments in the amount of \$14,137 which includes interest at 3.9%. The balance at June 30, 2009, was \$31,052.

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 4,938,444	\$ 4,938,444	\$ 4,106,131	\$ (832,313)
Licenses and Permits	67,100	67,100	70,365	3,265
Interest	140,000	140,000	94,796	(45,204)
Intergovernmental	499,087	499,087	690,291	191,204
Charges for Services	447,800	447,800	505,814	58,014
Miscellaneous	68,500	68,500	35,550	(32,950)
<b>TOTAL RECEIPTS</b>	<b>6,160,931</b>	<b>6,160,931</b>	<b>5,502,947</b>	<b>(657,984)</b>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	90,700	90,700	84,302	6,398
County Clerk	132,101	132,101	131,299	802
County Treasurer	166,472	166,472	163,228	3,244
Register of Deeds	104,092	104,092	102,685	1,407
County Assessor	207,178	207,178	199,082	8,096
Election Commissioner	58,000	58,000	41,990	16,010
Planning Commission	46,029	46,029	44,727	1,302
Clerk of the District Court	84,386	84,386	78,396	5,990
County Court System	10,780	10,780	9,112	1,668
Child Support	49,199	49,199	46,478	2,721
Public Defender	113,442	113,442	109,277	4,165
Building and Grounds	157,350	157,350	154,244	3,106
Agricultural Extension Agent	92,500	92,500	90,528	1,972
Coroner	25,000	25,000	16,135	8,865
Miscellaneous	1,357,898	1,357,898	1,326,682	31,216
Public Safety				
County Sheriff	1,004,203	1,004,203	941,272	62,931
County Attorney	174,535	174,535	168,967	5,568
County Jail	701,300	701,300	626,797	74,503
Emergency Management	56,531	56,531	51,328	5,203
Emergency Equipment	68,500	68,500	1,215	67,285
Nuclear Accident Preparedness	22,200	22,200	19,529	2,671
Miscellaneous	44,255	44,255	53,423	(9,168)
Public Works				
County Surveyor	38,650	38,650	35,421	3,229
Miscellaneous	36,000	36,000	36,000	-

(Continued)

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

For the Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>DISBURSEMENTS, Concluded</b>				
Public Health				
Miscellaneous	71,740	71,740	70,594	1,146
Public Assistance				
Veterans' Service Officer	60,280	60,280	57,116	3,164
Veterans' Aid	13,000	13,000	8,571	4,429
Relief	40,000	40,000	10,975	29,025
Miscellaneous	14,110	14,110	19,110	(5,000)
Welfare Assistance	21,825	21,825	21,027	798
Culture and Recreation				
Museum	5,500	5,500	5,500	-
<b>TOTAL DISBURSEMENTS</b>	<u>5,067,756</u>	<u>5,067,756</u>	<u>4,725,010</u>	<u>342,746</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>1,093,175</u>	<u>1,093,175</u>	<u>777,937</u>	<u>(315,238)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(1,408,488)	(1,408,488)	(895,137)	513,351
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(1,408,488)</u>	<u>(1,408,488)</u>	<u>(895,137)</u>	<u>513,351</u>
Net Change in Fund Balance	(315,313)	(315,313)	(117,200)	198,113
<b>FUND BALANCES - BEGINNING</b>	<u>715,313</u>	<u>715,313</u>	<u>715,313</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 598,113</u>	<u>\$ 198,113</u>

(Concluded)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ -	\$ -	\$ 673,551	\$ 673,551
Licenses and Permits	400	400	-	(400)
Intergovernmental	1,642,600	1,642,600	1,524,551	(118,049)
Miscellaneous	37,500	37,500	14,572	(22,928)
<b>TOTAL RECEIPTS</b>	<b>1,680,500</b>	<b>1,680,500</b>	<b>2,212,674</b>	<b>532,174</b>
<b>DISBURSEMENTS</b>	<b>3,672,131</b>	<b>3,672,131</b>	<b>3,403,523</b>	<b>268,608</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(1,991,631)</b>	<b>(1,991,631)</b>	<b>(1,190,849)</b>	<b>800,782</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,408,488	1,408,488	895,137	(513,351)
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,408,488</b>	<b>1,408,488</b>	<b>895,137</b>	<b>(513,351)</b>
Net Change in Fund Balance	(583,143)	(583,143)	(295,712)	287,431
FUND BALANCE - BEGINNING	583,143	583,143	583,143	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 287,431</b>	<b>\$ 287,431</b>
<b>INHERITANCE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 302,000	\$ 302,000	\$ 490,482	\$ 188,482
<b>TOTAL RECEIPTS</b>	<b>302,000</b>	<b>302,000</b>	<b>490,482</b>	<b>188,482</b>
<b>DISBURSEMENTS</b>	<b>1,418,161</b>	<b>1,418,161</b>	<b>175,470</b>	<b>1,242,691</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(1,116,161)</b>	<b>(1,116,161)</b>	<b>315,012</b>	<b>1,431,173</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	18,045	18,045
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>18,045</b>	<b>18,045</b>
Net Change in Fund Balance	(1,116,161)	(1,116,161)	333,057	1,449,218
FUND BALANCE - BEGINNING	1,116,161	1,116,161	1,116,161	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,449,218</b>	<b>\$ 1,449,218</b>

OTOE COUNTY

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

For the Year Ended June 30, 2009

**BUDGETARY COMPARISON SCHEDULES**

**GAAP Requirements**

Generally Accepted Accounting Principles (GAAP) requires budgetary comparison schedules for the General Fund, and for each major special revenue fund that has a legally adopted annual budget. GAAP further requires the budgetary comparison schedules to include the *original budget* and *final budget* amounts. The *original budget* is the first complete appropriated budget adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes *before* the beginning of the fiscal year. The original budget would also include actual appropriation amounts automatically carried over from prior years when required by law. The *final budget* is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year as approved by the County Board or otherwise legally authorized.

**Budgetary Process**

The County adopts an annual budget in accordance with the statutory requirements of the Nebraska Budget Act. The budget is prepared on the cash receipts and disbursements basis of accounting. The budget contains only those revenues which have actually been received by the County Treasurer. The County does not utilize an encumbrance accounting system. All appropriated spending authority lapses at the end of the fiscal year.

On or before August 1, the county budget-making authority prepares and transmits a budget for each County fund to the County Board. The budget includes the requirements, the outstanding warrants, the operating reserves to be maintained, the cash on hand at the close of the preceding fiscal year, the revenue from sources other than taxation, and the amount to be raised by taxation. The County Board must hold at least one public hearing on the proposed budget. On or before September 20, the County Board shall adopt the budget and appropriate the amounts specified in the budget for the departments, offices, activities, and funds of the County.

The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, if revisions are made that alter the total expenditures of any fund, 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. The County Board is also authorized to budget for the transfer of money between County funds.

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

For the Year Ended June 30, 2009

	Visitor's Promotion Fund	Diversion Program Fund	Drug Law Enforcement Fund	Local Grants - Sheriff Fund	Federal Grant Fund	Homeland Security Grant Fund
<b>RECEIPTS</b>						
Property Taxes	\$ 84,055	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Interest	-	-	154	-	-	-
Intergovernmental	-	-	-	-	9,000	257,148
Charges for Services	-	17,650	-	-	-	-
Miscellaneous	-	-	-	13,750	-	-
<b>TOTAL RECEIPTS</b>	<u>84,055</u>	<u>17,650</u>	<u>154</u>	<u>13,750</u>	<u>9,000</u>	<u>257,148</u>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	-	19,190	1,900	17,823	9,000	242,746
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	70,386	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>70,386</u>	<u>19,190</u>	<u>1,900</u>	<u>17,823</u>	<u>9,000</u>	<u>242,746</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>13,669</u>	<u>(1,540)</u>	<u>(1,746)</u>	<u>(4,073)</u>	<u>-</u>	<u>14,402</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(18,045)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,045)</u>
Net Change in Fund Balances	13,669	(1,540)	(1,746)	(4,073)	-	(3,643)
<b>FUND BALANCES - BEGINNING</b>	<u>19,657</u>	<u>27,244</u>	<u>11,882</u>	<u>5,126</u>	<u>-</u>	<u>9,756</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 33,326</u>	<u>\$ 25,704</u>	<u>\$ 10,136</u>	<u>\$ 1,053</u>	<u>\$ -</u>	<u>\$ 6,113</u>

(Continued)



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

For the Year Ended June 30, 2009

	Federal Grant Sheriff Fund	Keno Lottery Fund	Building Maintenance Fund	Landfill Fund	911 Surcharge Fund	Total Nonmajor Governmental Funds
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ 21	\$ 51	\$ 75,155	\$ 159,282
Licenses and Permits	-	-	-	-	-	-
Interest	-	-	-	-	-	154
Intergovernmental	-	-	-	-	-	266,148
Charges for Services	-	-	98,558	-	-	116,208
Miscellaneous	-	2,751	-	-	20,650	37,151
<b>TOTAL RECEIPTS</b>	<u>-</u>	<u>2,751</u>	<u>98,579</u>	<u>51</u>	<u>95,805</u>	<u>578,943</u>
<b>DISBURSEMENTS</b>						
General Government	-	-	122,362	-	-	122,362
Public Safety	-	-	-	-	266,694	557,353
Public Works	-	-	-	28,868	-	28,868
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	70,386
<b>TOTAL DISBURSEMENTS</b>	<u>-</u>	<u>-</u>	<u>122,362</u>	<u>28,868</u>	<u>266,694</u>	<u>778,969</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>-</u>	<u>2,751</u>	<u>(23,783)</u>	<u>(28,817)</u>	<u>(170,889)</u>	<u>(200,026)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(18,045)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,045)</u>
<b>Net Change in Fund Balances</b>	-	2,751	(23,783)	(28,817)	(170,889)	(218,071)
<b>FUND BALANCES - BEGINNING</b>	<u>4,291</u>	<u>-</u>	<u>124,774</u>	<u>319,098</u>	<u>462,905</u>	<u>984,733</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 4,291</u>	<u>\$ 2,751</u>	<u>\$ 100,991</u>	<u>\$ 290,281</u>	<u>\$ 292,016</u>	<u>\$ 766,662</u>

(Concluded)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>VISITOR'S PROMOTION FUND</u></b>				
<b>RECEIPTS</b>				
Taxes	\$ 90,343	\$ 90,343	\$ 84,055	\$ (6,288)
<b>TOTAL RECEIPTS</b>	<b>90,343</b>	<b>90,343</b>	<b>84,055</b>	<b>(6,288)</b>
<b>DISBURSEMENTS</b>	<b>110,000</b>	<b>110,000</b>	<b>70,386</b>	<b>39,614</b>
Net Change in Fund Balance	(19,657)	(19,657)	13,669	33,326
FUND BALANCE - BEGINNING	19,657	19,657	19,657	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,326</u>	<u>\$ 33,326</u>
<b><u>DIVERSION PROGRAM FUND</u></b>				
<b>RECEIPTS</b>				
Charges for Services	\$ 17,756	\$ 17,756	\$ 17,650	\$ (106)
<b>TOTAL RECEIPTS</b>	<b>17,756</b>	<b>17,756</b>	<b>17,650</b>	<b>(106)</b>
<b>DISBURSEMENTS</b>	<b>45,000</b>	<b>45,000</b>	<b>19,190</b>	<b>25,810</b>
Net Change in Fund Balance	(27,244)	(27,244)	(1,540)	25,704
FUND BALANCE - BEGINNING	27,244	27,244	27,244	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,704</u>	<u>\$ 25,704</u>
<b><u>DRUG LAW ENFORCEMENT FUND</u></b>				
<b>RECEIPTS</b>				
Interest	\$ -	\$ -	\$ 154	\$ 154
Miscellaneous	68,118	68,118	-	(68,118)
<b>TOTAL RECEIPTS</b>	<b>68,118</b>	<b>68,118</b>	<b>154</b>	<b>(67,964)</b>
<b>DISBURSEMENTS</b>	<b>80,000</b>	<b>80,000</b>	<b>1,900</b>	<b>78,100</b>
Net Change in Fund Balance	(11,882)	(11,882)	(1,746)	10,136
FUND BALANCE - BEGINNING	11,882	11,882	11,882	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,136</u>	<u>\$ 10,136</u>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>LOCAL GRANTS - SHERIFF FUND</b>				
<b>RECEIPTS</b>				
Miscellaneous	\$ 279,874	\$ 279,874	\$ 13,750	\$ (266,124)
<b>TOTAL RECEIPTS</b>	<u>279,874</u>	<u>279,874</u>	<u>13,750</u>	<u>(266,124)</u>
<b>DISBURSEMENTS</b>	<u>285,000</u>	<u>285,000</u>	<u>17,823</u>	<u>267,177</u>
Net Change in Fund Balance	(5,126)	(5,126)	(4,073)	1,053
FUND BALANCE - BEGINNING	<u>5,126</u>	<u>5,126</u>	<u>5,126</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,053</u>	<u>\$ 1,053</u>
<b>FEDERAL GRANT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 9,000	\$ 9,000	\$ 9,000	\$ -
<b>TOTAL RECEIPTS</b>	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
<b>DISBURSEMENTS</b>	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>HOMELAND SECURITY GRANT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 251,035	\$ 251,035	\$ 257,148	\$ 6,113
<b>TOTAL RECEIPTS</b>	<u>251,035</u>	<u>251,035</u>	<u>257,148</u>	<u>6,113</u>
<b>DISBURSEMENTS</b>	<u>260,791</u>	<u>260,791</u>	<u>242,746</u>	<u>18,045</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(18,045)	(18,045)
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>(18,045)</u>	<u>(18,045)</u>
Net Change in Fund Balance	(9,756)	(9,756)	(3,643)	6,113
FUND BALANCE - BEGINNING	<u>9,756</u>	<u>9,756</u>	<u>9,756</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,113</u>	<u>\$ 6,113</u>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>FEDERAL GRANT SHERIFF FUND</u></b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 95,709	\$ 95,709	\$ -	\$ (95,709)
<b>TOTAL RECEIPTS</b>	<u>95,709</u>	<u>95,709</u>	<u>-</u>	<u>(95,709)</u>
<b>DISBURSEMENTS</b>	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balance	(4,291)	(4,291)	-	4,291
FUND BALANCE - BEGINNING	4,291	4,291	4,291	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,291</u>	<u>\$ 4,291</u>
<b><u>KENO LOTTERY FUND</u></b>				
<b>RECEIPTS</b>				
Miscellaneous	\$ -	\$ -	\$ 2,751	\$ 2,751
<b>TOTAL RECEIPTS</b>	<u>-</u>	<u>-</u>	<u>2,751</u>	<u>2,751</u>
<b>DISBURSEMENTS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	2,751	2,751
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,751</u>	<u>\$ 2,751</u>
<b><u>BUILDING MAINTENANCE FUND</u></b>				
<b>RECEIPTS</b>				
Taxes	\$ -	\$ -	\$ 21	\$ 21
Charges for Services	95,000	95,000	98,558	3,558
<b>TOTAL RECEIPTS</b>	<u>95,000</u>	<u>95,000</u>	<u>98,579</u>	<u>3,579</u>
<b>DISBURSEMENTS</b>	<u>219,774</u>	<u>219,774</u>	<u>122,362</u>	<u>97,412</u>
Net Change in Fund Balance	(124,774)	(124,774)	(23,783)	100,991
FUND BALANCE - BEGINNING	124,774	124,774	124,774	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,991</u>	<u>\$ 100,991</u>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>LANDFILL FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ -	\$ -	\$ 51	\$ 51
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>-</b>	<b>51</b>	<b>51</b>
<b>DISBURSEMENTS</b>	<b>319,098</b>	<b>319,098</b>	<b>28,868</b>	<b>290,230</b>
Net Change in Fund Balance	(319,098)	(319,098)	(28,817)	290,281
FUND BALANCE - BEGINNING	319,098	319,098	319,098	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 290,281</u>	<u>\$ 290,281</u>
<b>911 SURCHARGE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 80,000	\$ 80,000	\$ 75,155	\$ (4,845)
Miscellaneous	-	-	20,650	20,650
<b>TOTAL RECEIPTS</b>	<b>80,000</b>	<b>80,000</b>	<b>95,805</b>	<b>15,805</b>
<b>DISBURSEMENTS</b>	<b>542,905</b>	<b>542,905</b>	<b>266,694</b>	<b>276,211</b>
Net Change in Fund Balance	(462,905)	(462,905)	(170,889)	292,016
FUND BALANCE - BEGINNING	462,905	462,905	462,905	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 292,016</u>	<u>\$ 292,016</u>
<b>DRUG GRANT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
<b>TOTAL RECEIPTS</b>	<b>250,000</b>	<b>250,000</b>	<b>-</b>	<b>(250,000)</b>
<b>DISBURSEMENTS</b>	<b>250,000</b>	<b>250,000</b>	<b>-</b>	<b>250,000</b>
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

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

For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>CRIMES AGAINST CHILDREN</b>				
<b>GRANT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
<b>TOTAL RECEIPTS</b>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
<b>DISBURSEMENTS</b>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Concluded)

**OTOE COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2009

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Child Support Enforcement	County Keno	Total
BALANCE JULY 1, 2008	\$ 7,187	\$ 17,416	\$ 30,395	\$ 10,206	\$ 10,437	\$ 248	\$ -	\$ 75,889
<b>RECEIPTS</b>								
Licenses and Permits	2,445	-	-	1,245	-	-	-	3,690
Charges for Services	26,242	84,147	23,806	54,261	7,110	-	-	195,566
Miscellaneous	-	92	5,082	-	17	-	5,933	11,124
State Fees	44,197	81,404	23,866	-	-	-	682	150,149
Other Liabilities	-	-	219,893	28,089	44,911	1,331	27,477	321,701
<b>TOTAL RECEIPTS</b>	<u>72,884</u>	<u>165,643</u>	<u>272,647</u>	<u>83,595</u>	<u>52,038</u>	<u>1,331</u>	<u>34,092</u>	<u>682,230</u>
<b>DISBURSEMENTS</b>								
Payments to County Treasurer	28,809	85,565	29,292	59,097	7,180	-	2,751	212,694
Payments to State Treasurer	44,514	83,819	23,954	-	-	-	-	152,287
Other Liabilities	-	-	217,844	22,240	46,082	1,434	25,863	313,463
<b>TOTAL DISBURSEMENTS</b>	<u>73,323</u>	<u>169,384</u>	<u>271,090</u>	<u>81,337</u>	<u>53,262</u>	<u>1,434</u>	<u>28,614</u>	<u>678,444</u>
BALANCE JUNE 30, 2009	<u>\$ 6,748</u>	<u>\$ 13,675</u>	<u>\$ 31,952</u>	<u>\$ 12,464</u>	<u>\$ 9,213</u>	<u>\$ 145</u>	<u>\$ 5,478</u>	<u>\$ 79,675</u>
<b>BALANCE CONSISTS OF:</b>								
Due to County Treasurer	\$ 2,760	\$ 7,536	\$ 1,942	\$ 8,838	\$ 180	\$ -	\$ 3,851	\$ 25,107
Petty Cash	-	-	100	1,000	4,056	145	-	5,301
Due to State Treasurer	3,988	6,139	1,900	-	-	-	-	12,027
Due to Others	-	-	28,010	2,626	4,977	-	1,627	37,240
BALANCE JUNE 30, 2009	<u>\$ 6,748</u>	<u>\$ 13,675</u>	<u>\$ 31,952</u>	<u>\$ 12,464</u>	<u>\$ 9,213</u>	<u>\$ 145</u>	<u>\$ 5,478</u>	<u>\$ 79,675</u>

**OTOE COUNTY**  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED FOR**  
**ALL POLITICAL SUBDIVISIONS IN THE COUNTY**  
 June 30, 2009

Item	2004	2005	2006	2007	2008
<b>Tax Certified by Assessor</b>					
Real Estate	\$ 18,068,341	\$ 18,443,477	\$ 19,477,089	\$ 20,196,224	\$ 21,416,952
Personal and Specials	1,346,081	1,289,560	1,246,657	1,712,848	1,927,612
<b>Total</b>	<b>19,414,422</b>	<b>19,733,037</b>	<b>20,723,746</b>	<b>21,909,072</b>	<b>23,344,564</b>
<b>Corrections</b>					
Additions	6,381	8,367	16,794	9,594	2,678
Deductions	(13,179)	(54,106)	(60,516)	(23,721)	(45,213)
Net Additions/ (Deductions)	(6,798)	(45,739)	(43,722)	(14,127)	(42,535)
<b>Corrected Certified Tax</b>	<b>19,407,624</b>	<b>19,687,298</b>	<b>20,680,024</b>	<b>21,894,945</b>	<b>23,302,029</b>
<b>Net Tax Collected by County Treasurer during Fiscal Year Ending:</b>					
June 30, 2005	11,057,166	-	-	-	-
June 30, 2006	8,333,165	11,270,033	-	-	-
June 30, 2007	8,837	8,388,246	11,855,310	-	-
June 30, 2008	1,922	13,915	8,798,949	12,825,859	-
June 30, 2009	1,960	1,069	9,129	9,032,999	13,776,710
<b>Total Net Collections</b>	<b>19,403,050</b>	<b>19,673,263</b>	<b>20,663,388</b>	<b>21,858,858</b>	<b>13,776,710</b>
<b>Total Uncollected Tax</b>	<b>\$ 4,574</b>	<b>\$ 14,035</b>	<b>\$ 16,636</b>	<b>\$ 36,087</b>	<b>\$ 9,525,319</b>
<b>Percentage Uncollected Tax</b>	<b>0.02%</b>	<b>0.07%</b>	<b>0.08%</b>	<b>0.16%</b>	<b>40.88%</b>





## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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

Board of Commissioners  
Otoe County, Nebraska

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Otoe County as of and for the year ended June 30, 2009, and have issued our report thereon dated March 15, 2010. The report notes the financial statements were prepared on the basis of cash receipts and disbursements. Except as noted above, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiency to be a significant deficiency in internal control over financial reporting:

- The County offices had a lack of segregation of duties since one person could handle all aspects of processing a transaction from beginning to end. Good internal control includes a plan of organization, procedures, and records designed to safeguard assets and provide reliable financial records. Due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiency described above to be a material weakness.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Otoe County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Otoe County in a separate letter dated March 15, 2010.

Otoe County's response to the findings identified in our audit are described above. We did not audit Otoe County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the County Board, others within the entity, the State Legislature, 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.

Signed Original on File

March 15, 2010

Deann Haeffner, CPA  
Assistant Deputy Auditor



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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Mike Foley  
State Auditor

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March 15, 2010

Board of Commissioners  
Otoe County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Otoe County (County) for the fiscal year ended June 30, 2009, and have issued our report thereon dated March 15, 2010. In planning and performing our audit of the basic financial statements of the County, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We also performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants.

During our audit, we noted certain matters involving internal control over financial reporting and other operational matters that are presented here. These comments and recommendations are intended to improve the internal control over financial reporting or result in operational efficiencies in the areas as follows:

### **COUNTY OVERALL**

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#### **Segregation of Duties**

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

We noted the offices of the County each 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. This was also noted in prior audits.

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

### **Authorized Petty Cash Amounts**

Neb. Rev. Stat. § 23-106 (Reissue 2007) requires when the County Board establishes a petty cash fund, such amount be stated in the fiscal policy of the County Board budget message.

During our audit, we noted the budget message did not disclose that petty cash amounts had been authorized by the County Board or the amounts which had been authorized. We noted the following petty cash amounts being maintained at June 30, 2009:

- Clerk of the District Court - \$100
- Child Support Enforcement - \$145
- County Sheriff - \$1,000
- County Attorney - \$4,056

When the budget message does not reflect the correct authorized petty cash amounts, the public is not notified of the approved petty cash amounts available to officials.

We recommend the County Board review the petty cash amounts authorized and ensure they are reflected in the annual budget message.

### **Unclaimed Property**

Neb. Rev. Stat. § 69-1307.01 (Reissue 2009) states that personal property held by public entities or political subdivisions which remained unclaimed for more than three years is presumed abandoned. Neb. Rev. Stat. § 69-1310 (Reissue 2009) requires such items be reported to the Nebraska State Treasurer before November 1<sup>st</sup> of each year as of June 30 next preceding.

During our audit, we noted the following offices had outstanding checks which had remained unclaimed for more than three years:

- County Board Imprest Account, seven checks totaling \$738
- County Attorney, six checks totaling \$341
- County Sheriff, one check totaling \$50

We recommend all personal property which remains unclaimed for more than three years be remitted to the Nebraska State Treasurer in accordance with the Unclaimed Property Act.

### **Restrictively Endorsing Checks**

Good internal controls require procedures be in place to protect money on hand at all times. Those procedures include restrictively endorsing checks when they are received to reduce the risk checks could be improperly deposited, lost, or stolen.

During our audit, we noted the offices of the County Attorney, County Clerk, and County Sheriff were not restrictively endorsing checks when they were first received.

We recommend all County offices restrictively endorse checks when they are first received.

## **COUNTY BOARD**

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### **Inventory Policy and Procedures**

Neb. Rev. Stat. § 23-347 (Reissue 2007) states, “within two calendar months after the close of each fiscal year, each county officer shall make, acknowledge under oath, and file with the county board of his or her county an inventory statement of all personal property in the custody and possession of said county officer.”

Good accounting procedures require standardized procedures be established to ensure all offices use the same guidelines when filing an inventory statement of the personal property in the possession of the officer.

During our audit, we noted:

- The County Board had not established a policy for all officers to follow when completing the annual inventory statements.
- Three of the twenty inventory statements on file were filed late. The Roads Department was filed 29 days late, the Emergency Manager office was filed 36 days late, and the Probation office was filed 21 days late.
- Mobile radios purchased in January 2009 were not included on the inventory list of the Emergency Manager filed in October 2009.

A lack of guidance for completing the inventory statements may lead to an inaccurate accounting of the County’s personal property.

We recommend all officers file an accurate inventory statement within two calendar months after the close of the fiscal year and the County Board establish a policy for all officers to follow when completing such inventory statements.

### **Transfer of Funds**

Good accounting practice requires an accurate picture of accounting transactions be reflected in the financial records and budget documents.

During our audit, we noted the transfer of monies from the General Fund to the Road Fund were reflected as negative receipts in the County Treasurer’s General Ledger and the County’s Budget Document instead of a transfer of funds. We also noted a transfer of money from the Homeland Security Fund to the Inheritance Fund was reflected as a receipt and expense, instead of a transfer between funds.

When accounting transactions are not correctly reflected in the financial records, a misunderstanding or misperception of the financial condition of the County may occur.

We recommend the County reflect transfer of monies between funds as transfers in both the General Ledger and the Budget Document.

## **COUNTY TREASURER**

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### **Property Tax Credit Distribution**

Neb. Rev. Stat. § 77-4212 (Reissue 2009) states that after retaining one percent of the receipts for costs, the county treasurer shall allocate the remaining receipts to each taxing unit levying taxes on taxable property in the tax district in which the real property is located in the same proportion that the levy of such taxing unit bears to the total levy of taxable property of all the taxing units in the tax district in which the real property is located.

During fiscal year 2009, the property tax credit receipts were distributed to taxing units based on the 2007 tax levies, instead of the 2008 tax levies. This resulted in the wrong amount of tax credit receipts being distributed to the taxing units. Variances ranged from under \$1 to \$17,886.

When tax distributions are made using the wrong tax levies, the County Treasurer is not in compliance with State Statute and subdivisions do not receive the correct receipts due them.

We recommend the County Treasurer review the property tax credit distributions to ensure they are being done in compliance with State Statute. In addition, correcting journal entries should be made to redistribute the 2009 property tax credit.

*County Treasurer's Response: 2008 tax credit was distributed by using the 2007 levies. This has been corrected with all funds receiving the correct amount of credit.*

*The 2009 tax credit distribution was disbursed correctly.*

### **Motor Vehicle Tax Distribution**

Neb. Rev. Stat. § 60-3,186 (Reissue 2004) states that motor vehicle tax shall be distributed at a rate of 18% to the city or village, 22% to the county, and 60% to the school in the tax district where the motor vehicle is owned.

During fiscal year 2009, motor vehicle tax collections were distributed incorrectly in one tax district. Distributions were posted at the incorrect rates of 18.76% to the Village, 40% to the County, and 41.24% to the School. This resulted in the County General Fund and the Village of Otoe receiving excess tax collections of \$1,945 and \$82 respectively. School District Number 27 was shorted \$2,027.

When distributions are made at the incorrect percentages, the County Treasurer is not in compliance with State Statute and subdivisions do not receive the correct taxes due them.

We recommend the County Treasurer review the motor vehicle tax distributions to ensure they are being done in compliance with State Statute. In addition, prior distributions should be reviewed to determine the amounts distributed were correct.

*County Treasurer's Response: The import of motor vehicle tax amounts from the State AS400 to TerraScan is correct. The error in motor vehicle distribution was because of an error in the parameter set up for the Village of Otoe, should have read City, but was set as School. The parameter set up has been corrected. This error affected 9 funds, some long some short, for a total of \$10,015.40. The correction has been made and covers 2009 and prior.*

### **Accounting Issues**

Good internal control requires procedures be in place to ensure that receipts are posted to the correct funds, and journal entries are completed only when necessary.

During our review of the County's financial records the following was noted:

- A receipt from the State for child support enforcement in the amount of \$5,281 was receipted to the Road Fund, but should have been receipted to the General Fund.
- In July 2008, a journal entry was done to distribute carline tax; however, this distribution had already been performed in April 2008. This resulted in the carline tax being distributed twice, resulting in the General Fund being shorted \$11,380.

Correcting entries for these mistakes were performed on February 17, 2010, when we notified the County Treasurer of our findings.

When receipts are posted to the incorrect funds and journal entries are incorrectly performed, it causes the financial records to reflect inaccurate fund balances.

We recommend the County Treasurer implement procedures to ensure all receipts are posted to the correct funds and distribution journal entries are performed only when necessary.

## **COUNTY SHERIFF**

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### **Accounting Procedures**

Sound accounting practice and good internal control require procedures be in place to ensure office assets (cash on hand, reconciled bank balance, accounts receivable, etc.) are in agreement with office liabilities (fees and trust accounts) on at least a monthly basis. Balancing procedures should include the timely identification and resolution of all variances noted. Good internal control also requires the timely depositing of cash and checks to a bank account.

At June 30, 2009, the County Sheriff's records indicate a trust balance of \$2,626; however, a listing of the individual accounts to support the balance could not be determined. We also noted the County Sheriff only deposits money received to the bank account on a monthly basis.

When all monies received are not appropriately accounted for and there is a failure to determine asset to liability balancing variances, there is an increased risk of loss, theft, or misuse of funds allowing errors to more easily go undetected.

We recommend the County Sheriff implement documented monthly balancing procedures and follow up on variances in a timely manner. We further recommend the County Sheriff deposit money received to the bank account once a week at the very minimum.

### **Quarterly Reports**

Neb. Rev. Stat. § 33-117 (Reissue 2008) states the County Sheriff shall, on the first Tuesday in January, April, July, and October of each year, make a report to the County Board showing (a) the different items of fees, except mileage, collected or earned, from whom, at what time, and for what service, (b) the total amount of the fees collected or earned by the officer since the last report, and (c) the amount collected or earned for the current year.

During our audit we noted quarterly reports were not submitted to the County Board. When reports are not submitted to the County Board, there is an increased risk the public and the County Board will not be aware of money being earned by the County Sheriff so they can monitor that money to ensure it is being remitted to the County Treasurer.

We recommend the County Sheriff submit a quarterly report to the County Board as described by State Statute.

## **COUNTY ATTORNEY**

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### **Accounting Procedures**

Sound accounting practice and good internal control require procedures be in place to ensure office assets (cash on hand, reconciled bank balance, accounts receivable, etc.) are in agreement with office liabilities (fees and trust accounts) on at least a monthly basis. Balancing procedures should include the timely identification and resolution of all variances noted.

At June 30, 2009, the County Attorney's records indicate a trust balance of \$4,977; however, a listing of the individual accounts to support the balance could not be determined. When all monies received are not appropriately accounted for and there is a failure to determine asset to liability balancing variances, there is an increased risk of loss, theft, or misuse of funds allowing errors to more easily go undetected.

We recommend the County Attorney implement documented monthly balancing procedures and follow up on variances in a timely manner.



## **CLERK OF THE DISTRICT COURT**

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### **Missing Funds**

During the period of February 2007 through January 2009, the District Court was the victim of an embezzlement of \$28,824. This embezzlement was perpetrated by the Deputy Clerk of the District Court, who entered a plea of no contest in August 2009. As of February 2010, the District Court had recovered the amount of missing funds from insurance. Further details regarding the missing funds can be found in a separately issued report dated March 19, 2009.

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.

Draft copies of this report were furnished to the County 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 County 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.

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.

Sincerely,

Signed Original on File

Deann Haeffner, CPA  
Assistant Deputy Auditor