

**AUDIT REPORT
OF
SAUNDERS COUNTY**

JULY 1, 2014 THROUGH JUNE 30, 2015

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Issued on March 21, 2016

SAUNDERS COUNTY

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SAUNDERS COUNTY

LIST OF COUNTY OFFICIALS

At June 30, 2015

| <u>Name</u> | <u>Title</u> | <u>Term Expires</u> |
|-------------------|--------------------------------|---------------------|
| Doris Karloff | Board of Supervisors | Jan. 2017 |
| Dave Lutton | | Jan. 2019 |
| Scott Sukstorf | | Jan. 2017 |
| Larry Mach | | Jan. 2019 |
| Craig Breunig | | Jan. 2019 |
| Leroy Hanson | | Jan. 2019 |
| Ed Rastovski | | Jan. 2017 |
| Cathy Gusman | Assessor | Jan. 2019 |
| Steven Twohig | Attorney | Jan. 2019 |
| Patti Lindgren | Clerk Election Commissioner | Jan. 2019 |
| Don Clark | Register of Deeds | Jan. 2019 |
| Patty McEvoy | Clerk of the District Court | Jan. 2019 |
| Kevin Stukenholtz | Sheriff | Jan. 2019 |
| Marilyn Kelley | Treasurer | Jan. 2019 |
| Thomas Klein | Public Defender | Jan. 2019 |
| Jerry Charles | Surveyor | Jan. 2019 |
| Herbert Barnes | Veterans' Service Officer | Appointed |
| Ed Sladky | Weed Superintendent | Appointed |
| Steve Mika | Highway Superintendent | Appointed |
| Terry Miller | Emergency Manager | Appointed |
| George Borreson | Planning & Zoning | Appointed |
| Pamela Lausterer | Youth Services | Appointed |



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SAUNDERS COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Saunders County, Nebraska

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Summary of Opinions

| Opinion Unit | Type of Opinion |
|--------------------------------------|------------------------|
| Governmental Activities | Unmodified |
| Discretely Presented Component Unit | Adverse |
| Major Funds | Unmodified |
| Aggregate Remaining Fund Information | Unmodified |

Basis for Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include financial data for the County’s legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for that component unit to be reported with the financial data of the County’s primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, net position, receipts, and disbursements of the government-wide financial statements has not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on the Discretely Presented Component Unit” paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of Saunders County, as of June 30, 2015, or the change in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and aggregate remaining fund information of Saunders County, as of June 30, 2015, and the respective changes in cash-basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

Emphasis of Matters – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole, which collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 21-36, are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2016, on our consideration of Saunders 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 considering Saunders County's internal control over financial reporting and compliance.

March 16, 2016


Deann Haeffner, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

SAUNDERS COUNTY
STATEMENT OF NET POSITION - CASH BASIS
 June 30, 2015

| | <u>Governmental Activities</u> |
|--------------------------------------|------------------------------------|
| ASSETS | |
| Cash and Cash Equivalents (Note 1.D) | \$ 15,098,809 |
| TOTAL ASSETS | <u>\$ 15,098,809</u> |
| | |
| NET POSITION | |
| Restricted for: | |
| Visitor Promotion | \$ 11,144 |
| 911 Emergency Services | 351,280 |
| Drug Education | 2,049 |
| Law Enforcement | 2,106 |
| Preservation of Records | 15,896 |
| Debt Service | 3,722,939 |
| Road Maintenance | 854,596 |
| Child Support Enforcement | 54,004 |
| | |
| Unrestricted | 10,084,795 |
| TOTAL NET POSITION | <u>\$ 15,098,809</u> |

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

SAUNDERS COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS

For the Year Ended June 30, 2015

| Functions: | Cash Disbursements | Program Cash Receipts | | Net (Disbursement) |
|---------------------------------|-------------------------------|---|--|--|
| | | Fees, Fines, and Charges for Services | Operating Grants and Contributions | Receipts and Changes in Net Position |
| Governmental Activities: | | | | |
| General Government | \$ (5,657,017) | \$ 857,559 | \$ 147,741 | \$ (4,651,717) |
| Public Safety | (4,497,316) | 1,961,150 | 181,087 | (2,355,079) |
| Public Works | (8,767,004) | 824 | 3,419,555 | (5,346,625) |
| Health and Sanitation | (1,476) | - | - | (1,476) |
| Public Assistance | (223,606) | 3,206 | 69,559 | (150,841) |
| Culture and Recreation | (55,019) | - | - | (55,019) |
| Debt Payments | (2,111,641) | - | - | (2,111,641) |
| Total Governmental Activities | <u><u>\$ (21,313,079)</u></u> | <u><u>\$ 2,822,739</u></u> | <u><u>\$ 3,817,942</u></u> | <u><u>(14,672,398)</u></u> |

General Receipts:

| | |
|---|-----------------------------|
| Property Taxes | 12,824,854 |
| Grants and Contributions Not Restricted to Specific Programs | 895,195 |
| Investment Income | 25,250 |
| Licenses and Permits | 166,077 |
| Miscellaneous | 1,699,594 |
| Total General Receipts | <u>15,610,970</u> |
| Increase in Net Position | 938,572 |
| Net Position - Beginning of year | 14,160,237 |
| Net Position - End of year | <u><u>\$ 15,098,809</u></u> |

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

SAUNDERS COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
 June 30, 2015

| | General Fund | Public Works Fund | Inheritance Fund | Health Service Bond Fund | Other Governmental Funds | Total Governmental Funds |
|---------------------------------------|---------------------|----------------------|---------------------|-----------------------------|--------------------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents (Note 1.D) | \$ 2,109,918 | \$ 3,410,102 | \$ 3,229,568 | \$ 3,163,799 | \$ 3,185,422 | \$ 15,098,809 |
| TOTAL ASSETS | \$ 2,109,918 | \$ 3,410,102 | \$ 3,229,568 | \$ 3,163,799 | \$ 3,185,422 | \$ 15,098,809 |
| FUND BALANCES | | | | | | |
| Restricted for: | | | | | | |
| Visitor Promotion | - | - | - | - | 11,144 | 11,144 |
| 911 Emergency Services | - | - | - | - | 351,280 | 351,280 |
| Drug Education | - | - | - | - | 2,049 | 2,049 |
| Law Enforcement | - | - | - | - | 2,106 | 2,106 |
| Preservation of Records | - | - | - | - | 15,896 | 15,896 |
| Debt Service | - | - | - | 3,163,799 | 559,140 | 3,722,939 |
| Road Maintenance | - | - | - | - | 854,596 | 854,596 |
| Child Support Enforcement | - | - | - | - | 54,004 | 54,004 |
| Committed to: | | | | | | |
| Law Enforcement | - | - | - | - | 116,137 | 116,137 |
| Road Maintenance | - | 3,410,102 | - | - | - | 3,410,102 |
| Aid and Assistance | - | - | - | - | 152,442 | 152,442 |
| County Buildings | - | - | - | - | 581,984 | 581,984 |
| Child Support Enforcement | - | - | - | - | 471,961 | 471,961 |
| Emergency Services | - | - | - | - | 8,034 | 8,034 |
| Youth Camp | - | - | - | - | 4,649 | 4,649 |
| Assigned to: | | | | | | |
| Other Purposes | - | - | 3,229,568 | - | - | 3,229,568 |
| Unassigned | 2,109,918 | - | - | - | - | 2,109,918 |
| TOTAL CASH BASIS FUND BALANCES | \$ 2,109,918 | \$ 3,410,102 | \$ 3,229,568 | \$ 3,163,799 | \$ 3,185,422 | \$ 15,098,809 |

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

SAUNDERS COUNTY
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

| | General Fund | Public Works Fund | Inheritance Fund | Health Service Bond Fund | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|----------------------|---------------------|--------------------------------|--------------------------------|--------------------------------|
| RECEIPTS | | | | | | |
| Property Taxes | \$ 9,006,092 | \$ - | \$ 2,719,120 | \$ 77 | \$ 1,099,565 | \$ 12,824,854 |
| Licenses and Permits | 69,830 | 96,247 | - | - | - | 166,077 |
| Interest | 16,617 | - | - | 7,458 | 1,175 | 25,250 |
| Intergovernmental | 790,409 | 3,077,322 | - | 68 | 845,338 | 4,713,137 |
| Charges for Services | 2,760,895 | 824 | - | - | 61,020 | 2,822,739 |
| Miscellaneous | 73,161 | 200,200 | - | 1,200,012 | 226,221 | 1,699,594 |
| TOTAL RECEIPTS | <u>12,717,004</u> | <u>3,374,593</u> | <u>2,719,120</u> | <u>1,207,615</u> | <u>2,233,319</u> | <u>22,251,651</u> |
| DISBURSEMENTS | | | | | | |
| General Government | 5,415,713 | - | 31,536 | - | 209,768 | 5,657,017 |
| Public Safety | 3,991,358 | - | - | - | 505,958 | 4,497,316 |
| Public Works | 92,129 | 8,416,649 | - | - | 258,226 | 8,767,004 |
| Health and Sanitation | - | - | - | 1,476 | - | 1,476 |
| Public Assistance | 157,219 | - | - | - | 66,387 | 223,606 |
| Culture and Recreation | 25,000 | - | - | - | 30,019 | 55,019 |
| Debt Service: | | | | | | |
| Principal Payments | - | - | - | 608,219 | 780,000 | 1,388,219 |
| Interest and Fiscal Charges | - | - | - | 496,088 | 227,334 | 723,422 |
| Capital Outlay | - | - | - | - | - | - |
| TOTAL DISBURSEMENTS | <u>9,681,419</u> | <u>8,416,649</u> | <u>31,536</u> | <u>1,105,783</u> | <u>2,077,692</u> | <u>21,313,079</u> |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | <u>3,035,585</u> | <u>(5,042,056)</u> | <u>2,687,584</u> | <u>101,832</u> | <u>155,627</u> | <u>938,572</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | 4,914,964 | - | - | 643,359 | 5,558,323 |
| Transfers out | (3,336,721) | - | (2,029,623) | - | (191,979) | (5,558,323) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(3,336,721)</u> | <u>4,914,964</u> | <u>(2,029,623)</u> | <u>-</u> | <u>451,380</u> | <u>-</u> |
| Net Change in Fund Balances | (301,136) | (127,092) | 657,961 | 101,832 | 607,007 | 938,572 |
| CASH BASIS FUND BALANCES - BEGINNING | <u>2,411,054</u> | <u>3,537,194</u> | <u>2,571,607</u> | <u>3,061,967</u> | <u>2,578,415</u> | <u>14,160,237</u> |
| CASH BASIS FUND BALANCES - ENDING | <u>\$ 2,109,918</u> | <u>\$ 3,410,102</u> | <u>\$ 3,229,568</u> | <u>\$ 3,163,799</u> | <u>\$ 3,185,422</u> | <u>\$ 15,098,809</u> |

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

SAUNDERS COUNTY
**STATEMENT OF FIDUCIARY ASSETS AND
 LIABILITIES - CASH BASIS**
FIDUCIARY FUNDS
 June 30, 2015

| | Agency Funds |
|------------------------------------|------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 5,557,101 |
| LIABILITIES | |
| Due to other governments | |
| State | 466,187 |
| Schools | 3,773,081 |
| Educational Service Units | 8,101 |
| Technical College | 32,299 |
| Natural Resource Districts | 24,121 |
| Fire Districts | 32,409 |
| Municipalities | 136,595 |
| Agricultural Society | 3,790 |
| Drainage Districts | 12,911 |
| Townships | 22,679 |
| Sanitary and Improvement Districts | 552,015 |
| Others | 492,913 |
| TOTAL LIABILITIES | 5,557,101 |
| TOTAL NET ASSETS | \$ - |

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2015

1. **Summary of Significant Accounting Policies**

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

A. Reporting Entity

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

Component Unit. These financial statements present the County (the primary government). The Saunders County Medical Center (Hospital) is a component unit of the County because of the significance of its operational and financial relationships with the County. The financial statements do not include the data of the Hospital necessary for reporting in conformity with generally accepted accounting principles (GAAP). Complete financial statements of the Hospital can be obtained from the Hospital's administrative office.

Joint Organization.

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

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$75,745 toward the operation of the Region during fiscal year 2015. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

Health Department – The County has entered into an agreement with Three Rivers Health Department (Department) to provide public health services. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636 (Reissue 2009, Cum. Supp. 2014).

The Department's governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2015. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Supp. 2015). Financial information for the Department is available in that report.

B. Basis of Presentation

Government-Wide Financial Statements. The Statement of Net Position - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County and are in the format of government-wide statements, as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities and the Hospital. Internal activities in these statements were considered immaterial and have not been eliminated. Governmental Generally Accepted Accounting Principles (GAAP) requires internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities are generally financed through taxes, intergovernmental receipts, and other nonexchange transactions. The County is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

Fund Financial Statements. The fund financial statements provide information about the County's funds, including its fiduciary funds. GAAP requires separate statements by fund category – governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The County Board is the highest level of decision-making authority and has the authority, by resolution, to establish, modify, or rescind the commitment or assignment of a fund balance to a specific purpose. When resources for a specific purpose are available in more than one fund balance classification, the County's policy is to use resources in the following order: restricted, committed, assigned, and unassigned. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

Public Works Fund. This fund is used to account for costs associated with the repair and maintenance of roads and bridges and is primarily funded by State tax receipts.

Inheritance Fund. This fund is used to account for the receipts generated from inheritance taxes and is used for various projects.

Health Service Bond Fund. This fund accounts for property taxes designated for the payment of long-term debt principal, interest, and related costs associated with bonds issued for the construction of hospital facilities.

The County reports the following additional non-major governmental fund types:

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

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

Debt Service Fund. The Law Enforcement Center and Jail Bond Fund accounts for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (Continued)

The County designates fund balances as follows:

Restricted. The fund balance is restricted by external impositions, such as creditors, grantors, or laws or regulations of other governments.

Committed. The fund balance has been designated by the County Board for a specific purpose.

Assigned. The fund balance has not been designated by the County Board for a specific purpose, but it has been separated based on the type of revenue.

Unassigned. This portion of the General Fund is not restricted, committed, or assigned for a specific purpose.

C. Measurement Focus, Basis of Accounting

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

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

D. Assets and Net Position

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 2009) 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 a disbursement of the County funds as paid. Upon termination, employees are paid for any unused vacation. Under the receipts and disbursements basis of accounting, the liabilities for compensated absences are not reported since they do not represent liabilities arising from cash transactions. Under GAAP, the compensated absences liability would be reported in the government-wide financial statements and would be recorded in accordance with the County's policy, which is to recognize the expense and accrued liability when vacation and compensatory leave is earned.

Restricted Net Position. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net position is reported as restricted when constraints placed on its use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$5,014,014 of restricted net position, of which \$1,291,075 is restricted by enabling legislation.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, if revisions are made that alter the total disbursements of any fund, an additional public hearing must be held. The legal level of budgetary control for the General Fund is at the function level, and the special revenue fund types are at the fund level. The County Board is also authorized to budget for the transfer of money between County funds.

Excess of Disbursements Over Appropriations. For the year ended June 30, 2015, disbursements exceeded budgeted appropriations in the County Treasurer function of the General Fund by \$4,912. These over-expenditures were funded by the available fund balance in the General Fund.

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 \$15,098,809 for County funds and \$5,557,101 for Fiduciary funds. The bank balances for all funds totaled \$20,961,379. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2015, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

SAUNDERS 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 they become delinquent in two equal installments on May 1 and September 1. Motor vehicle taxes are due when application is made for registration of a motor vehicle.

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

The levy set in October 2014, for the 2014 taxes, which will be materially collected in May and September 2015, was set at \$.265865/\$100 of assessed valuation. The levy set in October 2013, for the 2013 taxes, which were materially collected in May and September 2014, was set at \$.290040/\$100 of assessed valuation. The amount collected for the motor vehicle tax is outlined in State statute.

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

4. **Retirement System**

The Retirement System for Nebraska Counties (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 23-2334 (Reissue 2012, Cum. Supp. 2014, Supp. 2015) and may be amended through legislative action.

Participation in the Plan is required of all full-time employees. Part-time (working less than one-half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 18. Part-time elected officials may exercise the option to join.

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

account is fully vested after three years of participation in the system or credit for participation in another governmental plan prior to actual contribution to the Plan. Non-vested County contributions are forfeited upon termination. Forfeitures are used to cover a portion of the pension plan's administrative expenses. Prior service benefits are paid directly by the County to the retired employee.

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, 2015, 207 employees contributed \$302,486, and the County contributed \$449,420. Contributions included \$8,498 in cash contributions towards the supplemental law enforcement plan for 20 law enforcement employees. Lastly, the County paid \$1,152 directly to 10 retired employees for prior service benefits.

5. **Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 80 counties throughout Nebraska.

The County pays an annual deposit premium, as calculated by the administrator of the pool. The premium is based on the losses and exposures of each County and the entire pool. If the pool becomes insolvent or otherwise unable to discharge its legal liabilities and obligations, the County may be assessed 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, is sent to each county in writing, and each county has 60 days in which to pay the amount of such assessment. Each county remains liable for such assessments, regardless of such county's withdrawal from participation or the termination of the agreement, as well as for liabilities of the pool incurred during such county's period of membership.

The agreement with NIRMA requires the risk pool to provide coverage for up to a maximum amount per occurrence and purchase commercial insurance for claims in excess of coverage provided. In the event of a liability exceeding the commercial insurance, the County would be responsible for funding the excess amount.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

5. **Risk Management** (Concluded)

| | NIRMA Coverage | Maximum Coverage |
|-----------------------------|-------------------|--------------------------------------|
| General Liability Claim | \$ 300,000 | \$ 5,000,000 |
| Workers' Compensation Claim | \$ 550,000 | Statutory Limits |
| Property Damage Claim | \$ 250,000 | Insured Value at Replacement Cost |

The County has not paid any additional assessments to the pool in the last three fiscal years, and no assessments are anticipated for fiscal year 2016. The County has not had to pay out any amounts that exceeded coverage provided by the pool in the last three fiscal years.

6. **Interfund Transfers**

Interfund transfers for the year ended June 30, 2015, consisted of the following:

| Transfers to | Transfers from | | | Total |
|-------------------|-----------------|---------------------|-------------------|--------------|
| | General Fund | Inheritance Fund | Nonmajor Funds | |
| Public Works Fund | \$ 3,172,985 | \$ 1,550,000 | \$ 191,979 | \$ 4,914,964 |
| Nonmajor Funds | 163,736 | 479,623 | - | 643,359 |
| Total | \$ 3,336,721 | \$ 2,029,623 | \$ 191,979 | \$ 5,558,323 |

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

7. **Capital Leases Payable**

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

| | |
|-----------------------|---------------------|
| | Snogo Snowblower |
| Balance July 1, 2014 | \$ 20,377 |
| Purchases | - |
| Payments | 20,377 |
| Balance June 30, 2015 | \$ - |

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

8. Contingent Liabilities

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

9. Long-Term Debt

Hospital Bonds. The County issued bonds in November 2005 in the amount of \$9,400,000 and in January 2006 in the amount of \$12,740,000 – a total of \$22,140,000 for the purpose of paying the costs of acquiring a site, constructing, and equipping a new hospital clinic and long-term care facility. During fiscal years 2012 and 2014, the County Board partially refinanced both these bonds. The bond payable balance, as of June 30, 2015, was \$16,885,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds. Complete financial statements of the facility can be obtained from its administrative office.

Future Payments:

| Year | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------|----------------------|---------------------|----------------------|
| 2016 | \$ 700,000 | \$ 401,020 | \$ 1,101,020 |
| 2017 | 705,000 | 396,465 | 1,101,465 |
| 2018 | 725,000 | 390,265 | 1,115,265 |
| 2019 | 775,000 | 381,714 | 1,156,714 |
| 2020 | 780,000 | 370,665 | 1,150,665 |
| 2021-2025 | 4,165,000 | 1,605,172 | 5,770,172 |
| 2026-2030 | 4,675,000 | 1,048,961 | 5,723,961 |
| 2031-2035 | 3,425,000 | 440,035 | 3,865,035 |
| 2036 | 935,000 | 15,958 | 950,958 |
| Total Payments | <u>\$ 16,885,000</u> | <u>\$ 5,050,255</u> | <u>\$ 21,935,255</u> |

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS
(Concluded)

9. Long-Term Debt (Concluded)

Law Enforcement Center Bonds. The County issued bonds in December 2006 in the amount of \$7,990,000 and in January 2007 in the amount of \$5,000,000 – a total of \$12,990,000 for the purpose of paying the costs of acquiring a site, constructing, and equipping a new law enforcement facility. During fiscal year 2012, the Board partially refinanced both of these bonds. The bond payable balance, as of June 30, 2015, was \$10,170,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

| Year | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------|----------------------|---------------------|----------------------|
| 2016 | \$ 765,000 | \$ 221,349 | \$ 986,349 |
| 2017 | 785,000 | 213,393 | 998,393 |
| 2018 | 790,000 | 203,357 | 993,357 |
| 2019 | 795,000 | 191,092 | 986,092 |
| 2020 | 810,000 | 176,248 | 986,248 |
| 2021-2025 | 4,330,000 | 581,430 | 4,911,430 |
| 2026-2027 | 1,895,000 | 57,746 | 1,952,746 |
| Total Payments | <u>\$ 10,170,000</u> | <u>\$ 1,644,615</u> | <u>\$ 11,814,615</u> |

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|----------------------------------|--------------------|-------------------|-------------------|---|
| RECEIPTS | | | | |
| Taxes | \$ 9,263,476 | \$ 9,263,476 | \$ 9,006,092 | \$ (257,384) |
| Licenses and Permits | 83,025 | 83,025 | 69,830 | (13,195) |
| Interest | 35,000 | 35,000 | 16,617 | (18,383) |
| Intergovernmental | 326,919 | 326,919 | 790,409 | 463,490 |
| Charges for Services | 2,637,917 | 2,637,917 | 2,760,895 | 122,978 |
| Miscellaneous | 45,000 | 45,000 | 73,161 | 28,161 |
| TOTAL RECEIPTS | <u>12,391,337</u> | <u>12,391,337</u> | <u>12,717,004</u> | <u>325,667</u> |
| DISBURSEMENTS | | | | |
| General Government: | | | | |
| County Board | 168,378 | 168,378 | 167,420 | 958 |
| County Clerk | 160,027 | 160,027 | 159,278 | 749 |
| County Treasurer | 273,521 | 273,521 | 278,433 | (4,912) |
| Register of Deeds | 110,350 | 110,350 | 110,144 | 206 |
| County Assessor | 292,184 | 292,184 | 275,340 | 16,844 |
| Election Commissioner | 103,469 | 108,569 | 108,464 | 105 |
| Administrative | 31,200 | 31,200 | 20,147 | 11,053 |
| Board of Equalization | 7,300 | 7,300 | 6,363 | 937 |
| Clerk of the District Court | 102,355 | 102,355 | 102,107 | 248 |
| District Judge | 42,373 | 42,373 | 42,299 | 74 |
| Public Defender | 212,707 | 212,707 | 205,536 | 7,171 |
| Child Support Service - CDC | 35,099 | 35,099 | 34,128 | 971 |
| Agricultural Extension Agent | 87,909 | 87,909 | 87,908 | 1 |
| Child Support Service - Attorney | 159,781 | 119,781 | 119,237 | 544 |
| Unemployment Compensation | 25,000 | 25,000 | 9,804 | 15,196 |
| Miscellaneous | 3,855,717 | 3,845,879 | 3,689,105 | 156,774 |
| Public Safety | | | | |
| County Sheriff | 1,319,623 | 1,319,623 | 1,278,354 | 41,269 |
| County Attorney | 266,982 | 316,982 | 314,087 | 2,895 |
| Building Security | 110,590 | 110,590 | 100,216 | 10,374 |
| County Jail | 1,921,059 | 1,921,059 | 1,843,370 | 77,689 |
| Sheriff Grants | 28,380 | 28,380 | 17,659 | 10,721 |
| Dodge County Jail Agreement | 393,484 | 393,484 | 351,651 | 41,833 |
| Miscellaneous | 124,733 | 114,733 | 86,021 | 28,712 |
| Public Works | | | | |
| County Surveyor | 95,648 | 95,648 | 92,129 | 3,519 |
| Public Health | | | | |
| Public Assistance | | | | |
| Veterans' Service Officer | 49,173 | 49,173 | 49,129 | 44 |
| Institutions | 36,500 | 36,500 | 5,133 | 31,367 |
| Medical Relief | 30,000 | 30,000 | 7,578 | 22,422 |
| Miscellaneous | 106,511 | 106,511 | 95,379 | 11,132 |
| Culture and Recreation | | | | |
| Miscellaneous | 25,000 | 25,000 | 25,000 | - |
| TOTAL DISBURSEMENTS | <u>10,175,053</u> | <u>10,170,315</u> | <u>9,681,419</u> | <u>488,896</u> |

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | 2,216,284 | 2,221,022 | 3,035,585 | 814,563 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (3,327,338) | (3,327,338) | (3,336,721) | (9,383) |
| TOTAL OTHER FINANCING SOURCES (USES) | (3,327,338) | (3,327,338) | (3,336,721) | (9,383) |
| Net Change in Fund Balance | (1,111,054) | (1,106,316) | (301,136) | 805,180 |
| FUND BALANCE - BEGINNING | 2,411,054 | 2,411,054 | 2,411,054 | - |
| FUND BALANCE - ENDING | <u>\$ 1,300,000</u> | <u>\$ 1,304,738</u> | <u>\$ 2,109,918</u> | <u>\$ 805,180</u> |

(Concluded)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|---------------------|---|
| PUBLIC WORKS FUND | | | | |
| RECEIPTS | | | | |
| Licenses and Permits | 80,000 | 80,000 | 96,247 | 16,247 |
| Intergovernmental | 1,950,000 | 1,950,000 | 3,077,322 | 1,127,322 |
| Charges for Services | 500 | 500 | 824 | 324 |
| Miscellaneous | 15,000 | 15,000 | 200,200 | 185,200 |
| TOTAL RECEIPTS | <u>2,045,500</u> | <u>2,045,500</u> | <u>3,374,593</u> | <u>1,329,093</u> |
| DISBURSEMENTS | <u>10,497,357</u> | <u>10,497,357</u> | <u>8,416,649</u> | <u>2,080,708</u> |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | <u>(8,451,857)</u> | <u>(8,451,857)</u> | <u>(5,042,056)</u> | <u>3,409,801</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 4,914,663 | 4,914,663 | 4,914,964 | 301 |
| Transfers out | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>4,914,663</u> | <u>4,914,663</u> | <u>4,914,964</u> | <u>301</u> |
| Net Change in Fund Balance | (3,537,194) | (3,537,194) | (127,092) | 3,410,102 |
| FUND BALANCE - BEGINNING | 3,537,194 | 3,537,194 | 3,537,194 | - |
| FUND BALANCE - ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,410,102</u> | <u>\$ 3,410,102</u> |

| | | | | |
|---|--------------------|--------------------|---------------------|---------------------|
| INHERITANCE FUND | | | | |
| RECEIPTS | | | | |
| Taxes | \$ 602,501 | \$ 602,501 | \$ 2,719,120 | \$ 2,116,619 |
| TOTAL RECEIPTS | <u>602,501</u> | <u>602,501</u> | <u>2,719,120</u> | <u>2,116,619</u> |
| DISBURSEMENTS | <u>1,432,711</u> | <u>1,432,711</u> | <u>31,536</u> | <u>1,401,175</u> |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | <u>(830,210)</u> | <u>(830,210)</u> | <u>2,687,584</u> | <u>3,517,794</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (1,550,000) | (1,550,000) | (2,029,623) | (479,623) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(1,550,000)</u> | <u>(1,550,000)</u> | <u>(2,029,623)</u> | <u>(479,623)</u> |
| Net Change in Fund Balance | (2,380,210) | (2,380,210) | 657,961 | 3,038,171 |
| FUND BALANCE - BEGINNING | 2,380,210 | 2,380,210 | 2,571,607 | 191,397 |
| FUND BALANCE - ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,229,568</u> | <u>\$ 3,229,568</u> |

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|---------------------|---|
| HEALTH SERVICE BOND FUND | | | | |
| RECEIPTS | | | | |
| Taxes | \$ - | \$ - | \$ 77 | \$ 77 |
| Interest | 20,001 | 20,001 | 7,458 | (12,543) |
| Intergovernmental | - | - | 68 | 68 |
| Miscellaneous | 1,320,000 | 1,320,000 | 1,200,012 | (119,988) |
| TOTAL RECEIPTS | <u>1,340,001</u> | <u>1,340,001</u> | <u>1,207,615</u> | <u>(132,386)</u> |
| DISBURSEMENTS | <u>4,401,968</u> | <u>4,401,968</u> | <u>1,105,783</u> | <u>3,296,185</u> |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | <u>(3,061,967)</u> | <u>(3,061,967)</u> | <u>101,832</u> | <u>3,163,799</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balance | (3,061,967) | (3,061,967) | 101,832 | 3,163,799 |
| FUND BALANCE - BEGINNING | <u>3,061,967</u> | <u>3,061,967</u> | <u>3,061,967</u> | <u>-</u> |
| FUND BALANCE - ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,163,799</u> | <u>\$ 3,163,799</u> |

(Concluded)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|-------------------------------------|--------------------|-----------------|-------------------|---|
| HIGHWAY BRIDGE BUYBACK FUND | | | | |
| Receipts | \$ - | \$ - | \$ 598,403 | \$ 598,403 |
| Disbursements | (514,419) | (514,419) | (258,226) | 256,193 |
| Net Change in Fund Balance | (514,419) | (514,419) | 340,177 | 854,596 |
| Fund Balance - Beginning | 514,419 | 514,419 | 514,419 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 854,596</u> | <u>\$ 854,596</u> |
| ROAD/BRIDGE SINKING FUND | | | | |
| Receipts | \$ - | \$ - | \$ - | \$ - |
| Disbursements | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers out | (191,979) | (191,979) | (191,979) | - |
| Net Change in Fund Balance | (191,979) | (191,979) | (191,979) | - |
| Fund Balance - Beginning | 191,979 | 191,979 | 191,979 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| COMMUNICATIONS TOWER FUND | | | | |
| Receipts | \$ 23,648 | \$ 23,648 | \$ 26,497 | \$ 2,849 |
| Disbursements | (40,171) | (40,171) | (17,747) | 22,424 |
| Net Change in Fund Balance | (16,523) | (16,523) | 8,750 | 25,273 |
| Fund Balance - Beginning | 16,523 | 16,523 | 16,523 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 25,273</u> | <u>\$ 25,273</u> |
| CHILD SUPPORT INCENTIVE FUND | | | | |
| Receipts | \$ 1,001 | \$ 1,001 | \$ 12,006 | \$ 11,005 |
| Disbursements | (55,005) | (55,005) | (12,006) | 42,999 |
| Net Change in Fund Balance | (54,004) | (54,004) | - | 54,004 |
| Fund Balance - Beginning | 54,004 | 54,004 | 54,004 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 54,004</u> | <u>\$ 54,004</u> |
| VISITOR PROMOTION FUND | | | | |
| Receipts | \$ 8,001 | \$ 8,001 | \$ 10,468 | \$ 2,467 |
| Disbursements | (12,819) | (12,819) | (8,589) | 4,230 |
| Net Change in Fund Balance | (4,818) | (4,818) | 1,879 | 6,697 |
| Fund Balance - Beginning | 4,818 | 4,818 | 4,818 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 6,697</u> | <u>\$ 6,697</u> |

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|-----------------|------------------|---|
| VISITOR IMPROVEMENT FUND | | | | |
| Receipts | \$ 8,000 | \$ 8,000 | \$ 10,468 | \$ 2,468 |
| Disbursements | (15,254) | (15,254) | (13,275) | 1,979 |
| Net Change in Fund Balance | (7,254) | (7,254) | (2,807) | 4,447 |
| Fund Balance - Beginning | 7,254 | 7,254 | 7,254 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,447</u> | <u>\$ 4,447</u> |
| REGISTER OF DEEDS PRESERVATION & MODERNIZATION FUND | | | | |
| Receipts | \$ 20,000 | \$ 20,000 | \$ 14,970 | \$ (5,030) |
| Disbursements | (26,150) | (26,150) | (5,224) | 20,926 |
| Net Change in Fund Balance | (6,150) | (6,150) | 9,746 | 15,896 |
| Fund Balance - Beginning | 6,150 | 6,150 | 6,150 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 15,896</u> | <u>\$ 15,896</u> |
| VETERANS' AID FUND | | | | |
| Receipts | \$ 400 | \$ 400 | \$ 133 | \$ (267) |
| Disbursements | (97,839) | (97,839) | (5,000) | 92,839 |
| Net Change in Fund Balance | (97,439) | (97,439) | (4,867) | 92,572 |
| Fund Balance - Beginning | 97,439 | 97,439 | 97,439 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 92,572</u> | <u>\$ 92,572</u> |
| TRANSPORTATION FUND | | | | |
| Receipts | \$ 54,800 | \$ 54,800 | \$ 67,391 | \$ 12,591 |
| Disbursements | (98,041) | (98,041) | (61,387) | 36,654 |
| Transfers in | 21,752 | 21,752 | 21,752 | - |
| Transfers out | - | - | - | - |
| Net Change in Fund Balance | (21,489) | (21,489) | 27,756 | 49,245 |
| Fund Balance - Beginning | 21,489 | 21,489 | 21,489 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 49,245</u> | <u>\$ 49,245</u> |
| COURT APPOINTED SPECIAL ADVOCATE FUND | | | | |
| Receipts | \$ 24,595 | \$ 24,595 | \$ 24,792 | \$ 197 |
| Disbursements | (43,294) | (43,294) | (32,866) | 10,428 |
| Transfers in | 10,000 | 10,000 | 10,000 | - |
| Transfers out | - | - | - | - |
| Net Change in Fund Balance | (8,699) | (8,699) | 1,926 | 10,625 |
| Fund Balance - Beginning | 8,699 | 8,699 | 8,699 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 10,625</u> | <u>\$ 10,625</u> |

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|-------------------|-----------------|---|
| <u>DIVERSION PROGRAM FUND</u> | | | | |
| Receipts | \$ 67,543 | \$ 67,543 | \$ 67,143 | \$ (400) |
| Disbursements | (168,236) | (172,974) | (167,739) | 5,235 |
| Transfers in | 100,363 | 100,363 | 109,445 | 9,082 |
| Transfers out | - | - | - | - |
| Net Change in Fund Balance | (330) | (5,068) | 8,849 | 13,917 |
| Fund Balance - Beginning | 330 | 330 | 330 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ (4,738)</u> | <u>\$ 9,179</u> | <u>\$ 13,917</u> |
| <u>SAFETY TRAINING OPTION PROGRAM FUND</u> | | | | |
| Receipts | \$ 12,541 | \$ 12,541 | \$ 9,317 | \$ (3,224) |
| Disbursements | (48,575) | (48,575) | (37,199) | 11,376 |
| Net Change in Fund Balance | (36,034) | (36,034) | (27,882) | 8,152 |
| Fund Balance - Beginning | 36,034 | 36,034 | 36,034 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,152</u> | <u>\$ 8,152</u> |
| <u>DRUG LAW ENFORCEMENT AND EDUCATION FUND</u> | | | | |
| Receipts | \$ 3,800 | \$ 3,800 | \$ - | \$ (3,800) |
| Disbursements | (5,849) | (5,849) | - | 5,849 |
| Net Change in Fund Balance | (2,049) | (2,049) | - | 2,049 |
| Fund Balance - Beginning | 2,049 | 2,049 | 2,049 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,049</u> | <u>\$ 2,049</u> |
| <u>DRUG TESTING FUND</u> | | | | |
| Receipts | \$ 300 | \$ 300 | \$ - | \$ (300) |
| Disbursements | (309) | (309) | (9) | 300 |
| Net Change in Fund Balance | (9) | (9) | (9) | - |
| Fund Balance - Beginning | 9 | 9 | 9 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>FEDERAL DRUG ENFORCEMENT FUND</u> | | | | |
| Receipts | \$ 9,501 | \$ 9,501 | \$ - | \$ (9,501) |
| Disbursements | (11,607) | (11,607) | - | 11,607 |
| Net Change in Fund Balance | (2,106) | (2,106) | - | 2,106 |
| Fund Balance - Beginning | 2,106 | 2,106 | 2,106 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,106</u> | <u>\$ 2,106</u> |

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|-----------------|-------------------|---|
| CANINE (K-9) FUND | | | | |
| Receipts | \$ 15,000 | \$ 15,000 | \$ - | \$ (15,000) |
| Disbursements | (20,000) | (20,000) | (5,000) | 15,000 |
| Net Change in Fund Balance | (5,000) | (5,000) | (5,000) | - |
| Fund Balance - Beginning | 5,000 | 5,000 | 5,000 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| FEDERAL GRANT FUND | | | | |
| Receipts | \$ 10,000 | \$ 10,000 | \$ - | \$ (10,000) |
| Disbursements | (10,000) | (10,000) | - | 10,000 |
| Net Change in Fund Balance | - | - | - | - |
| Fund Balance - Beginning | - | - | - | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| 911 WIRELESS SERVICE FUND | | | | |
| Receipts | \$ 40,001 | \$ 40,001 | \$ 63,560 | \$ 23,559 |
| Disbursements | (149,584) | (149,584) | (3,850) | 145,734 |
| Net Change in Fund Balance | (109,583) | (109,583) | 59,710 | 169,293 |
| Fund Balance - Beginning | 109,583 | 109,583 | 109,583 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 169,293</u> | <u>\$ 169,293</u> |
| EMERGENCY MANAGEMENT FUND | | | | |
| Receipts | \$ 21,000 | \$ 21,000 | \$ 22,532 | \$ 1,532 |
| Disbursements | (57,874) | (57,874) | (51,372) | 6,502 |
| Transfers in | 22,539 | 22,539 | 22,539 | - |
| Transfers out | - | - | - | - |
| Net Change in Fund Balance | (14,335) | (14,335) | (6,301) | 8,034 |
| Fund Balance - Beginning | 14,335 | 14,335 | 14,335 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,034</u> | <u>\$ 8,034</u> |
| CORRECTIONAL CENTER COMMISSARY FUND | | | | |
| Receipts | \$ 215,000 | \$ 215,000 | \$ 174,258 | \$ (40,742) |
| Disbursements | (274,097) | (274,097) | (159,822) | 114,275 |
| Net Change in Fund Balance | (59,097) | (59,097) | 14,436 | 73,533 |
| Fund Balance - Beginning | 59,097 | 59,097 | 59,097 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 73,533</u> | <u>\$ 73,533</u> |

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2015

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|-------------------|-------------------|---|
| LAW ENFORCEMENT & JAIL BOND FUND | | | | |
| Receipts | \$ 1,024,370 | \$ 1,024,370 | \$ 853,834 | \$ (170,536) |
| Disbursements | (1,108,435) | (1,108,435) | (1,008,382) | 100,053 |
| Transfers in | - | - | 479,623 | 479,623 |
| Transfers out | - | - | - | - |
| Net Change in Fund Balance | (84,065) | (84,065) | 325,075 | 409,140 |
| Fund Balance - Beginning | 234,065 | 234,065 | 234,065 | - |
| Fund Balance - Ending | <u>\$ 150,000</u> | <u>\$ 150,000</u> | <u>\$ 559,140</u> | <u>\$ 409,140</u> |
| COUNTY BUILDING FUND | | | | |
| Receipts | \$ 100,625 | \$ 100,625 | \$ 91,765 | \$ (8,860) |
| Disbursements | (732,769) | (732,769) | (141,925) | 590,844 |
| Net Change in Fund Balance | (632,144) | (632,144) | (50,160) | 581,984 |
| Fund Balance - Beginning | 632,144 | 632,144 | 632,144 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 581,984</u> | <u>\$ 581,984</u> |
| FLOOD CONTROL FUND | | | | |
| Receipts | \$ 76,765 | \$ 76,765 | \$ 78,194 | \$ 1,429 |
| Disbursements | (470,532) | (470,532) | - | 470,532 |
| Net Change in Fund Balance | (393,767) | (393,767) | 78,194 | 471,961 |
| Fund Balance - Beginning | 393,767 | 393,767 | 393,767 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 471,961</u> | <u>\$ 471,961</u> |
| YOUTH CAMP FUND | | | | |
| Receipts | \$ 7,002 | \$ 7,002 | \$ 7,882 | \$ 880 |
| Disbursements | (11,924) | (11,924) | (8,155) | 3,769 |
| Net Change in Fund Balance | (4,922) | (4,922) | (273) | 4,649 |
| Fund Balance - Beginning | 4,922 | 4,922 | 4,922 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,649</u> | <u>\$ 4,649</u> |
| E911 EMERGENCY SERVICE FUND | | | | |
| Receipts | \$ 84,900 | \$ 84,900 | \$ 99,706 | \$ 14,806 |
| Disbursements | (247,100) | (247,100) | (79,919) | 167,181 |
| Net Change in Fund Balance | (162,200) | (162,200) | 19,787 | 181,987 |
| Fund Balance - Beginning | 162,200 | 162,200 | 162,200 | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 181,987</u> | <u>\$ 181,987</u> |

(Concluded)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

| | Highway Bridge Buyback Fund | Road/Bridge Sinking Fund | Communications Tower Fund | Child Support Incentive Fund | Visitor Promotion Fund | Visitor Improvement Fund |
|---|-----------------------------------|-----------------------------|------------------------------|---------------------------------------|------------------------------|--------------------------------|
| RECEIPTS | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ 10,468 | \$ 10,468 |
| Interest | - | - | - | - | - | - |
| Intergovernmental | 598,403 | - | - | 12,006 | - | - |
| Charges for Services | - | - | - | - | - | - |
| Miscellaneous | - | - | 26,497 | - | - | - |
| TOTAL RECEIPTS | <u>598,403</u> | <u>-</u> | <u>26,497</u> | <u>12,006</u> | <u>10,468</u> | <u>10,468</u> |
| DISBURSEMENTS | | | | | | |
| General Government | - | - | 17,747 | 12,006 | - | - |
| Public Safety | - | - | - | - | - | - |
| Public Works | 258,226 | - | - | - | - | - |
| Public Assistance | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | 8,589 | 13,275 |
| Debt Service: | | | | | | |
| Principal Payments | - | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - | - |
| TOTAL DISBURSEMENTS | <u>258,226</u> | <u>-</u> | <u>17,747</u> | <u>12,006</u> | <u>8,589</u> | <u>13,275</u> |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | <u>340,177</u> | <u>-</u> | <u>8,750</u> | <u>-</u> | <u>1,879</u> | <u>(2,807)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | (191,979) | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>(191,979)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | 340,177 | (191,979) | 8,750 | - | 1,879 | (2,807) |
| FUND BALANCES - BEGINNING | <u>514,419</u> | <u>191,979</u> | <u>16,523</u> | <u>54,004</u> | <u>4,818</u> | <u>7,254</u> |
| FUND BALANCES - ENDING | <u>\$ 854,596</u> | <u>\$ -</u> | <u>\$ 25,273</u> | <u>\$ 54,004</u> | <u>\$ 6,697</u> | <u>\$ 4,447</u> |
| FUND BALANCES: | | | | | | |
| Restricted for: | | | | | | |
| Visitor Promotion | - | - | - | - | 6,697 | 4,447 |
| 911 Emergency Services | - | - | - | - | - | - |
| Drug Education | - | - | - | - | - | - |
| Law Enforcement | - | - | - | - | - | - |
| Preservation of Records | - | - | - | - | - | - |
| Debt Service | - | - | - | - | - | - |
| Road Maintenance | 854,596 | - | - | - | - | - |
| Child Support Enforcement | - | - | - | 54,004 | - | - |
| Committed to: | | | | | | |
| Law Enforcement | - | - | 25,273 | - | - | - |
| Aid and Assistance | - | - | - | - | - | - |
| County Buildings | - | - | - | - | - | - |
| Child Support Enforcement | - | - | - | - | - | - |
| Emergency Services | - | - | - | - | - | - |
| Youth Camp | - | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>\$ 854,596</u> | <u>\$ -</u> | <u>\$ 25,273</u> | <u>\$ 54,004</u> | <u>\$ 6,697</u> | <u>\$ 4,447</u> |

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

| | Register of Deeds Preservation & Modernization Fund | Veterans' Aid Fund | Transportation Fund | Court Appointed Special Advocate Fund | Diversion Program Fund | Safety Training Option Program Fund |
|---|---|-----------------------|------------------------|---|------------------------------|---|
| RECEIPTS | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | - | 133 | - | - | - | 22 |
| Intergovernmental | - | - | 60,534 | 13,486 | 61,321 | - |
| Charges for Services | 14,970 | - | 3,206 | - | 5,640 | 9,295 |
| Miscellaneous | - | - | 3,651 | 11,306 | 182 | - |
| TOTAL RECEIPTS | 14,970 | 133 | 67,391 | 24,792 | 67,143 | 9,317 |
| DISBURSEMENTS | | | | | | |
| General Government | 5,224 | - | - | 32,866 | - | - |
| Public Safety | - | - | - | - | 167,739 | 37,199 |
| Public Works | - | - | - | - | - | - |
| Public Assistance | - | 5,000 | 61,387 | - | - | - |
| Culture and Recreation | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal Payments | - | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - | - |
| TOTAL DISBURSEMENTS | 5,224 | 5,000 | 61,387 | 32,866 | 167,739 | 37,199 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | 9,746 | (4,867) | 6,004 | (8,074) | (100,596) | (27,882) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | 21,752 | 10,000 | 109,445 | - |
| Transfers out | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | 21,752 | 10,000 | 109,445 | - |
| Net Change in Fund Balances | 9,746 | (4,867) | 27,756 | 1,926 | 8,849 | (27,882) |
| FUND BALANCES - BEGINNING | 6,150 | 97,439 | 21,489 | 8,699 | 330 | 36,034 |
| FUND BALANCES - ENDING | \$ 15,896 | \$92,572 | \$ 49,245 | \$ 10,625 | \$ 9,179 | \$ 8,152 |
| FUND BALANCES: | | | | | | |
| Restricted for: | | | | | | |
| Visitor Promotion | - | - | - | - | - | - |
| 911 Emergency Services | - | - | - | - | - | - |
| Drug Education | - | - | - | - | - | - |
| Law Enforcement | - | - | - | - | - | - |
| Preservation of Records | 15,896 | - | - | - | - | - |
| Debt Service | - | - | - | - | - | - |
| Road Maintenance | - | - | - | - | - | - |
| Child Support Enforcement | - | - | - | - | - | - |
| Committed to: | | | | | | |
| Law Enforcement | - | - | - | - | 9,179 | 8,152 |
| Aid and Assistance | - | 92,572 | 49,245 | 10,625 | - | - |
| County Buildings | - | - | - | - | - | - |
| Child Support Enforcement | - | - | - | - | - | - |
| Emergency Services | - | - | - | - | - | - |
| Youth Camp | - | - | - | - | - | - |
| TOTAL FUND BALANCES | \$ 15,896 | \$92,572 | \$ 49,245 | \$ 10,625 | \$ 9,179 | \$ 8,152 |

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

| | Drug Law Enforcement and Education Fund | Drug Testing Fund | Federal Drug Enforcement Fund | Canine (K-9) Fund | Federal Grant Fund | 911 Wireless Service Fund | Emergency Management Fund |
|---|--|-------------------------|-------------------------------------|-------------------------|--------------------------|------------------------------------|---------------------------------|
| RECEIPTS | | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 63,560 | \$ - |
| Interest | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | 22,532 |
| Charges for Services | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| TOTAL RECEIPTS | - | - | - | - | - | 63,560 | 22,532 |
| DISBURSEMENTS | | | | | | | |
| General Government | - | - | - | - | - | - | - |
| Public Safety | - | 9 | - | 5,000 | - | 3,850 | 51,372 |
| Public Works | - | - | - | - | - | - | - |
| Public Assistance | - | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | |
| Principal Payments | - | - | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - | - | - |
| TOTAL DISBURSEMENTS | - | 9 | - | 5,000 | - | 3,850 | 51,372 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | - | (9) | - | (5,000) | - | 59,710 | (28,840) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | - | - | - | - | - | - | 22,539 |
| Transfers out | - | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | - | - | 22,539 |
| Net Change in Fund Balances | - | (9) | - | (5,000) | - | 59,710 | (6,301) |
| FUND BALANCES - BEGINNING | 2,049 | 9 | 2,106 | 5,000 | - | 109,583 | 14,335 |
| FUND BALANCES - ENDING | \$ 2,049 | \$ - | \$ 2,106 | \$ - | \$ - | \$ 169,293 | \$ 8,034 |
| FUND BALANCES: | | | | | | | |
| Restricted for: | | | | | | | |
| Visitor Promotion | - | - | - | - | - | - | - |
| 911 Emergency Services | - | - | - | - | - | 169,293 | - |
| Drug Education | 2,049 | - | - | - | - | - | - |
| Law Enforcement | - | - | 2,106 | - | - | - | - |
| Preservation of Records | - | - | - | - | - | - | - |
| Debt Service | - | - | - | - | - | - | - |
| Road Maintenance | - | - | - | - | - | - | - |
| Child Support Enforcement | - | - | - | - | - | - | - |
| Committed to: | | | | | | | |
| Law Enforcement | - | - | - | - | - | - | - |
| Aid and Assistance | - | - | - | - | - | - | - |
| County Buildings | - | - | - | - | - | - | - |
| Child Support Enforcement | - | - | - | - | - | - | - |
| Emergency Services | - | - | - | - | - | - | 8,034 |
| Youth Camp | - | - | - | - | - | - | - |
| TOTAL FUND BALANCES | \$ 2,049 | \$ - | \$ 2,106 | \$ - | \$ - | \$ 169,293 | \$ 8,034 |

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

| | Correctional Center Commissary Fund | Law Enforcement & Jail Bond Fund | County Building Fund | Flood Control Fund | Youth Camp Fund | E911 Emergency Service Fund | Total Nonmajor Governmental Funds |
|---|--|---|----------------------------|--------------------------|-----------------------|--------------------------------------|---|
| RECEIPTS | | | | | | | |
| Property Taxes | \$ - | \$ 787,724 | \$ 84,916 | \$ 73,079 | \$ - | \$ 69,350 | \$ 1,099,565 |
| Interest | - | 699 | 319 | - | 2 | - | 1,175 |
| Intergovernmental | - | 65,411 | 6,530 | 5,115 | - | - | 845,338 |
| Charges for Services | - | - | - | - | - | 27,909 | 61,020 |
| Miscellaneous | 174,258 | - | - | - | 7,880 | 2,447 | 226,221 |
| TOTAL RECEIPTS | 174,258 | 853,834 | 91,765 | 78,194 | 7,882 | 99,706 | 2,233,319 |
| DISBURSEMENTS | | | | | | | |
| General Government | - | - | 141,925 | - | - | - | 209,768 |
| Public Safety | 159,822 | 1,048 | - | - | - | 79,919 | 505,958 |
| Public Works | - | - | - | - | - | - | 258,226 |
| Public Assistance | - | - | - | - | - | - | 66,387 |
| Culture and Recreation | - | - | - | - | 8,155 | - | 30,019 |
| Debt Service: | | | | | | | - |
| Principal Payments | - | 780,000 | - | - | - | - | 780,000 |
| Interest and Fiscal Charges | - | 227,334 | - | - | - | - | 227,334 |
| TOTAL DISBURSEMENTS | 159,822 | 1,008,382 | 141,925 | - | 8,155 | 79,919 | 2,077,692 |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | 14,436 | (154,548) | (50,160) | 78,194 | (273) | 19,787 | 155,627 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | - | 479,623 | - | - | - | - | 643,359 |
| Transfers out | - | - | - | - | - | - | (191,979) |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 479,623 | - | - | - | - | 451,380 |
| Net Change in Fund Balances | 14,436 | 325,075 | (50,160) | 78,194 | (273) | 19,787 | 607,007 |
| FUND BALANCES - BEGINNING | 59,097 | 234,065 | 632,144 | 393,767 | 4,922 | 162,200 | 2,578,415 |
| FUND BALANCES - ENDING | \$ 73,533 | \$ 559,140 | \$ 581,984 | \$471,961 | \$ 4,649 | \$ 181,987 | \$ 3,185,422 |
| FUND BALANCES: | | | | | | | |
| Restricted for: | | | | | | | |
| Visitor Promotion | - | - | - | - | - | - | 11,144 |
| 911 Emergency Services | - | - | - | - | - | 181,987 | 351,280 |
| Drug Education | - | - | - | - | - | - | 2,049 |
| Law Enforcement | - | - | - | - | - | - | 2,106 |
| Preservation of Records | - | - | - | - | - | - | 15,896 |
| Debt Service | - | 559,140 | - | - | - | - | 559,140 |
| Road Maintenance | - | - | - | - | - | - | 854,596 |
| Child Support Enforcement | - | - | - | - | - | - | 54,004 |
| Committed to: | | | | | | | |
| Law Enforcement | 73,533 | - | - | - | - | - | 116,137 |
| Aid and Assistance | - | - | - | - | - | - | 152,442 |
| County Buildings | - | - | 581,984 | - | - | - | 581,984 |
| Child Support Enforcement | - | - | - | 471,961 | - | - | 471,961 |
| Emergency Services | - | - | - | - | - | - | 8,034 |
| Youth Camp | - | - | - | - | 4,649 | - | 4,649 |
| TOTAL FUND BALANCES | \$ 73,533 | \$ 559,140 | \$ 581,984 | \$471,961 | \$ 4,649 | \$ 181,987 | \$ 3,185,422 |

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2015

| | County Clerk | Register of Deeds | Clerk of the District Court | County Sheriff | County Attorney | Weed Superintendent | Highway Superintendent |
|------------------------------|------------------|----------------------|-----------------------------------|-------------------|--------------------|------------------------|---------------------------|
| BALANCES JULY 1, 2014 | \$ 13,062 | \$ 32,425 | \$ 439,617 | \$ 40,769 | \$ 4,107 | \$ - | \$ 100 |
| RECEIPTS | | | | | | | |
| Property Taxes | 10,400 | - | - | 62,825 | - | - | - |
| Licenses and Permits | 6,175 | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | 191,233 |
| Charges for Services | 29,971 | 180,324 | 39,104 | 2,122,817 | 1,570 | 824 | - |
| Miscellaneous | - | - | - | 50 | - | - | 203,566 |
| State Fees | 74 | 214,054 | 37,863 | 1,029 | - | - | - |
| Other Liabilities | - | - | 489,773 | 1,128,636 | 114,121 | - | - |
| TOTAL RECEIPTS | 46,620 | 394,378 | 566,740 | 3,315,357 | 115,691 | 824 | 394,799 |
| DISBURSEMENTS | | | | | | | |
| Payments to County Treasurer | 45,927 | 174,982 | 38,685 | 2,115,948 | 1,633 | 824 | 394,799 |
| Payments to State Treasurer | 74 | 203,681 | 37,774 | 1,029 | - | - | - |
| Other Liabilities | - | - | 509,890 | 1,198,003 | 117,060 | - | - |
| TOTAL DISBURSEMENTS | 46,001 | 378,663 | 586,349 | 3,314,980 | 118,693 | 824 | 394,799 |
| BALANCES JUNE 30, 2015 | <u>\$ 13,681</u> | <u>\$ 48,140</u> | <u>\$ 420,008</u> | <u>\$ 41,146</u> | <u>\$ 1,105</u> | <u>\$ -</u> | <u>\$ 100</u> |
| BALANCES CONSIST OF: | | | | | | | |
| Due to County Treasurer | \$ 1,147 | \$ 19,328 | \$ 4,722 | \$ 24,690 | \$ 40 | \$ - | \$ - |
| Petty Cash | 12,500 | 500 | 200 | 4,400 | 200 | - | 100 |
| Due to State Treasurer | 34 | 28,312 | 2,965 | 71 | - | - | - |
| Due to Others | - | - | 412,121 | 11,985 | 865 | - | - |
| BALANCES JUNE 30, 2015 | <u>\$ 13,681</u> | <u>\$ 48,140</u> | <u>\$ 420,008</u> | <u>\$ 41,146</u> | <u>\$ 1,105</u> | <u>\$ -</u> | <u>\$ 100</u> |

(Continued)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2015

| | Veterans' Service Officer | County Surveyor | County Youth Services | County Planning and Zoning | County Transportation | County Assessor | Total |
|------------------------------|---------------------------------|--------------------|-----------------------------|----------------------------------|--------------------------|--------------------|-------------------|
| BALANCES JULY 1, 2014 | \$ 4,620 | \$ - | \$ 100 | \$ 100 | \$ 4 | \$ - | \$ 534,904 |
| RECEIPTS | | | | | | | |
| Property Taxes | - | - | - | - | - | - | 73,225 |
| Licenses and Permits | - | - | - | 124,393 | - | - | 130,568 |
| Intergovernmental | 5,000 | - | - | - | 60,534 | - | 256,767 |
| Charges for Services | - | 5 | 5,665 | - | 3,236 | - | 2,383,516 |
| Miscellaneous | 5 | - | 8,036 | - | 3,665 | 200 | 215,522 |
| State Fees | - | - | - | - | - | - | 253,020 |
| Other Liabilities | - | - | 1,258 | - | - | - | 1,733,788 |
| TOTAL RECEIPTS | 5,005 | 5 | 14,959 | 124,393 | 67,435 | 200 | 5,046,406 |
| DISBURSEMENTS | | | | | | | |
| Payments to County Treasurer | - | 5 | 13,701 | 124,393 | 67,405 | - | 2,978,302 |
| Payments to State Treasurer | - | - | - | - | - | - | 242,558 |
| Other Liabilities | 1,069 | - | 1,078 | - | - | - | 1,827,100 |
| TOTAL DISBURSEMENTS | 1,069 | 5 | 14,779 | 124,393 | 67,405 | - | 5,047,960 |
| BALANCES JUNE 30, 2015 | \$ 8,556 | \$ - | \$ 280 | \$ 100 | \$ 34 | \$ 200 | \$ 533,350 |
| BALANCES CONSIST OF: | | | | | | | |
| Due to County Treasurer | \$ 8,556 | \$ - | \$ - | \$ - | \$ 34 | \$ - | \$ 58,517 |
| Petty Cash | - | - | 100 | 100 | - | 200 | 18,300 |
| Due to State Treasurer | - | - | - | - | - | - | 31,382 |
| Due to Others | - | - | 180 | - | - | - | 425,151 |
| BALANCES JUNE 30, 2015 | \$ 8,556 | \$ - | \$ 280 | \$ 100 | \$ 34 | \$ 200 | \$ 533,350 |

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2015

| Item | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|-------------------|-------------------|-------------------|-------------------|----------------------|
| Tax Certified by Assessor | | | | | |
| Real Estate | \$ 35,819,663 | \$ 39,184,525 | \$ 42,154,906 | \$ 47,553,119 | \$ 50,276,322 |
| Personal and Specials | 1,725,891 | 1,821,926 | 2,072,137 | 2,233,556 | 2,425,467 |
| Total | 37,545,554 | 41,006,451 | 44,227,043 | 49,786,675 | 52,701,789 |
| Corrections | | | | | |
| Additions | 67,458 | 222,453 | 89,527 | 16,153 | 26,202 |
| Deductions | (632,851) | (481,811) | (346,177) | (30,883) | (13,409) |
| Net Additions/ (Deductions) | (565,393) | (259,358) | (256,650) | (14,730) | 12,793 |
| Corrected Certified Tax | 36,980,161 | 40,747,093 | 43,970,393 | 49,771,945 | 52,714,582 |
| Net Tax Collected by County Treasurer during Fiscal Year Ending: | | | | | |
| June 30, 2011 | 21,765,253 | - | - | - | - |
| June 30, 2012 | 15,197,785 | 24,128,948 | - | - | - |
| June 30, 2013 | (3,940) | 16,994,820 | 26,536,409 | - | - |
| June 30, 2014 | 8,677 | (384,462) | 17,416,882 | 30,470,890 | - |
| June 30, 2015 | 10,102 | 3,409 | (8,339) | 19,256,040 | 32,604,771 |
| Total Net Collections | 36,977,877 | 40,742,715 | 43,944,952 | 49,726,930 | 32,604,771 |
| Total Uncollected Tax | \$ 2,284 | \$ 4,378 | \$ 25,441 | \$ 45,015 | \$ 20,109,811 |
| Percentage Uncollected Tax | 0.01% | 0.01% | 0.06% | 0.09% | 38.15% |

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



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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

Board of Supervisors
Saunders County, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Saunders County's basic financial statements, and have issued our report thereon dated March 16, 2016. The report notes the financial statements were prepared on the basis of cash receipts and disbursements and do not include the financial data of the Saunders County Hospital, a component unit of Saunders County.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Saunders County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Saunders County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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

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

Compliance and Other Matters

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

Additional Items

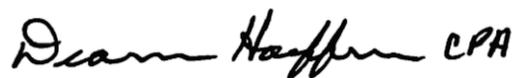
We also noted certain matters that we reported to the management of Saunders County in a separate letter dated March 16, 2016.

Saunders County's Response to Findings

Saunders County declined to respond to the finding described above.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Deann Haeffner, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

March 16, 2016



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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March 16, 2016

Board of Supervisors
Saunders County, Nebraska

Dear Supervisors:

We have audited the basic financial statements of Saunders County (County) for the fiscal year ended June 30, 2015, and have issued our report thereon dated March 16, 2016. In planning and performing our audit of the basic financial statements of the County, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We also performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants.

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

COUNTY OVERALL

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 lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. A lack of segregation of duties increases the risk of possible errors or irregularities; however, due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost. 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.

Petty Cash

Neb. Rev. Stat. § 23-106(2) (Reissue 2012) provides the following:

The county board shall have the authority to establish a petty cash fund for such county for the purpose of making payments for subsidiary general operational expenditures and purchases. Such county board shall set, by resolution of the board, the amount of money to be carried in such petty cash fund and the dollar limit of an expenditure from such fund and such amount shall be stated in the fiscal policy of the county board budget message.

We noted the following issues in connection with the County offices' petty cash accounts:

- The petty cash funds were not reconciled to the authorized amount in January 2016, at the time cash counts were performed by the auditor.
 - The County Sheriff had an excess of \$60 over the \$1,900 County Board authorized amount.
 - The County Attorney was short \$3 from the \$200 County Board authorized amount.
 - The County Treasurer maintains \$100 that is not included on the County budget message.

When petty cash funds are not maintained at the authorized amounts, and receipts are not submitted in a timely manner, there is an increased risk of loss, theft, or misuse of funds.

We recommend all petty cash funds be maintained at the authorized amount. We further recommend reimbursement claims to replenish the funds be timely.

COUNTY BOARD

Expenditures In Excess of Budget

The County Treasurer's expenditures in the General Fund exceeded the adopted budget by \$4,912, with no budget amendment adopted by the County Board.

Neb. Rev. Stat. § 23-916 (Reissue 2012) states the following:

After the adoption of the county budget, no officer, department or other expending agency shall expend or contract to be expended any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money not provided for in the budget, or which involves the expenditure of any money for any of the purposes for which provision is made in the budget in excess of the amounts provided in said budget for such office, department or other expending agency, or purpose, for such fiscal year. Any contract, verbal or written, made in violation of this section shall be null and void as to the county, and no money belonging thereto shall be paid thereon.

When expenditures are made in excess of the County's adopted budget, the County is not in compliance with State statute.

We recommend the County Board implement procedures to closely monitor expenditures throughout the year and, if necessary or determined appropriate, amend the County's budget.

Claims Process

A good internal control plan and sound business practices require procedures to be in place to ensure adequate supporting documentation is obtained prior to payment of any claim, invoices are paid only once, and payments are made timely. When such adequate procedures are not in place, there is an increased risk for loss or misuse of County funds.

During our audit, we noted the County did not have adequate procedures in place to prevent duplicate payments and ensure adequate support for all claims paid.

- We noted three claims, totaling \$2,344, did not have adequate supporting documentation attached.
- We noted two instances of duplicate payments being made to vendors totaling \$159.

We recommend the County Board implement adequate policies and procedures to ensure claims are paid only once, have adequate supporting documentation, and are paid timely to prevent late fees.

Payroll Procedures

Good business practice requires that procedures be in place to ensure employees are paid only for time actually worked.

During testing of payroll, it was noted that salaried employees, who receive biweekly paychecks, are frequently paid in advance for time not yet worked. If an employee has not worked an entire pay period, there is no legal obligation to pay him or her for that time. Additionally, when salaries and benefits are paid before actually being earned, there is a potential for overpayment if, after the payroll, the employee should leave his or her position unexpectedly or not work the required number of days. The County Clerk's office has indicated the County Board is reviewing options regarding the pay cycles.

We recommend the County Board pursue its intention to pay all employees (except elected officials) hourly in order to prevent advance payments.

COUNTY TREASURER

Bank Reconciliation

The County Treasurer did not have procedures in place to insure a monthly reconciliation was performed between the bank balance and the book balance for the checking account. At the time of the audit, the last reconciliation on file was completed for the November 2014 bank statement. The County Treasurer could not readily perform the reconciliations, resulting in the auditor assisting to determine the reconciling items.

The reconciling items resulted in corrections needing to be made to the Daily Balance Sheets of \$31,205. We also noted incorrect entries on the check register totaling \$6,846,876.

When reconciliations are not performed and documented in a timely manner, there is an increased risk of loss or misuse of funds. Additionally, errors may not be found in a timely manner.

We recommend the County Treasurer implement procedures to perform and document a monthly reconciliation between the bank balance and the book balance.

Insufficient Pledged Collateral

Neb. Rev. Stat § 77-2395(1) (Reissue 2009) states the following, in relevant part:

[T]he custodial official shall not have on deposit in such depository any public money or public funds in excess of the amount insured or guaranteed by the Federal Deposit Insurance Corporation, unless and until the depository has furnished to the custodial official securities, the market value of which are in an amount not less than one hundred two percent of the amount on deposit which is in excess of the amount so insured or guaranteed.

During the audit period, we noted the following:

- The County Treasurer was not fully insured by the FDIC or additional securities for six months of the audit period. The uninsured amount ranged from \$63,861 to \$231,559.

In the event of the failure of the financial institution, the risk of loss of monies increases when deposits are not adequately covered by the FDIC or additional securities.

We recommend the County Treasurer implement procedures to ensure there is sufficient FDIC coverage or additional securities for all bank deposits at all times.

In Lieu of Tax Distribution

Neb. Rev. Stat. § 70-651.04 (Reissue 2009) states the following, in relevant part:

All payments which are based on retail revenue from each incorporated city or village shall be divided and distributed by the county treasurer to that city or village, to the school districts located in that city or village, to any learning community located in that city or village, and to the county in which may be located any such incorporated city or village in the proportion that their respective property tax levies in the preceding year bore to the total of such levies

The County Treasurer failed to include three school district levies in the distribution of the Public Power District In Lieu of Tax payments, resulting in underpayments to those funds and overpayments to others.

| Description | Amount |
|------------------------------|--------|
| County Funds | \$ 159 |
| Wahoo School District | 39 |
| Cedar Bluffs | 235 |
| Colon | 15 |
| Mead | 128 |
| Cedar Bluffs School District | (377) |
| Mead School District | (199) |

*Positive balances reflect overpayments and negative balances reflect underpayments.

When distributions are not made according to State statute, there is an increased risk of loss or misuse of funds.

We recommend the County Treasurer correct the distribution of the In Lieu of Tax payments and implement procedures to ensure future distributions are correct.

* * * * *

It should be noted this report is critical in nature, as it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any strong features of the County.

Draft copies of this report were furnished to the County to provide management with an opportunity to review the report and to respond to the comments and recommendations included in this report. All formal responses received have been incorporated into this report. Where no response has been included, the County declined to respond. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next audit.

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 it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Sincerely,



Deann Haeffner
Assistant Deputy Auditor