

**HOWARD COUNTY  
NEBRASKA**

**COMBINED FINANCIAL STATEMENTS,  
SUPPLEMENTAL INFORMATION, AND  
INDEPENDENT AUDITORS' REPORT FOR  
THE FISCAL YEAR ENDED JUNE 30, 2003**

**This document is an official public record of the State of Nebraska, issued by  
the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
document and may be prohibited by law.**

HOWARD COUNTY, NEBRASKA  
 COMBINED FINANCIAL STATEMENTS, SUPPLEMENTAL  
 INFORMATION, AND INDEPENDENT AUDITORS' REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003

**CONTENTS**

	Page
<b><u>List of County Officials</u></b>	1
<b><u>Comments Section</u></b>	
Summary of Comments	2
Comments and Recommendations	3 - 5
<b><u>Financial Section</u></b>	
Independent Auditors' Report	6 - 7
Combined Financial Statements:	
Combined Statement of Assets, Other Debits, Fund Balances, Liabilities, and Other Credits Arising from Cash Transactions - All Fund Types and Account Groups - Exhibit A	8
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances - All Governmental Fund Types - Exhibit B	9
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances of the County Treasurer - Budget and Actual - Governmental Fund Types - Exhibit C	10 - 12
Notes to Combined Financial Statements	13 - 21
Supplementary Information:	
Combining Statement of Assets, Liabilities, and Fund Balances Arising from Cash Transactions by County Offices - Schedule A-1	22
Statement of Disbursements Compared to Budget - By Function - General Fund - Schedule B-1	23
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Road/Bridge Fund - Schedule C-1	24
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Relief-Medical Fund - Schedule C-2	25
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Institutions Fund - Schedule C-3	26

**Financial Section (Continued)**

Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Employment Security Act Fund - Schedule C-4	27
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Inheritance Tax Fund - Schedule C-5	28
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Noxious Weed Fund - Schedule C-6	29
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Law Enforcement Fund - Schedule C-7	30
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Central Communications Fund - Schedule C-8	31
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Emergency 911 Fund - Schedule C-9	32
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Emergency Bridge Fund - Schedule C-10	33
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Handicap Accessibility Fund - Schedule C-11	34
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - County Building Fund - Schedule C-12	35
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Civil Defense Fund - Schedule C-13	36
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Tourism Promotion Fund - Schedule C-14	37
Statement of Receipts, Disbursements, and Changes in Special Revenue Fund Balances of the County Treasurer - Historical Society Grant Fund - Schedule C-15	38
Statement of Assets and Liabilities - County Treasurer - Trust and Agency Funds - Schedule D-1	39
Statement of Changes in Assets, Liabilities, and Fund Balances - County Clerk - Schedule E-1	40

**Financial Section (Concluded)**

Statement of Changes in Assets, Liabilities, and Fund Balances - County Clerk of the District Court - Schedule E-2	41
Statement of Changes in Assets, Liabilities, and Fund Balances - County Sheriff - Schedule E-3	42
Statement of Changes in Assets, Liabilities, and Fund Balances - County Attorney - Schedule E-4	43
Statement of Changes in Assets, Liabilities, and Fund Balances - County Highway Superintendent - Schedule E-5	44
Statement of Changes in Assets, Liabilities, and Fund Balances - County Planning and Zoning - Schedule E-6	45
Comparative Analysis of Total Tax Certified, Corrections, and Collections for Past Five Tax Years of All Political Subdivisions in Howard County - Schedule F-1	46

**Government Auditing Standards Section**

Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	47 - 48
---	---------

HOWARD COUNTY

**LIST OF COUNTY OFFICIALS**

At June 30, 2003

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Bill Sack	Board of Commissioners	Jan. 2007
James Watson		Jan. 2007
Philip Bader		Jan. 2007
Marvin Caspersen		Jan. 2005
Gary Rasmussen		Jan. 2005
Neal Dethlefs	Assessor	Jan. 2007
Karin Noakes	Attorney	Appointed
Marge Palmberg	Clerk Clerk of the District Court Election Commissioner Register of Deeds	Jan. 2007
Troy Kaiser	Sheriff	Jan. 2007
Connie Nickel	Treasurer	Jan. 2007
Donald Shuda	Veterans Service Officer	Appointed
Dan Fredrick	Weed Superintendent	Appointed
Ron Vonderohe	Planning and Zoning	Appointed

## HOWARD COUNTY

### SUMMARY OF COMMENTS

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

#### County Overall

1. ***Segregation of Duties:*** One person could handle all aspects of processing a transaction from beginning to end.

#### County Board

2. ***Fund Balances:*** The Inheritance Tax Fund incurred disbursements in excess of the budget and also had a negative year end budgeted fund balance. The County Building Fund had a \$58,530 negative actual fund balance as of June 30, 2003.
3. ***Inventory Procedures:*** There was no supporting documentation for the removal of an asset from the Sheriff's Office inventory and the Assessor's Office was not consistent with sound accounting practices regarding the recording of a fixed asset valuation.

#### County Sheriff

4. ***Balancing Procedures:*** The office lacked complete, documented balancing procedures for office financial activity.

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

Draft copies of this report were furnished to the various county officials to provide them an opportunity to review the report and to respond to the comments and recommendations included in this report. The officials declined to respond.

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

HOWARD COUNTY

COMMENTS AND RECOMMENDATIONS

COUNTY OVERALL

1. 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 Treasurer, Clerk, Clerk of the District Court, Sheriff, Attorney, Planning and Zoning, and Highway Superintendent had a lack of segregation of duties since one person in each office could handle all aspects of processing a transaction from beginning to end. Due to a limited number of personnel, an adequate segregation of duties is not possible without additional cost.

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.

COUNTY BOARD

2. Fund Balances

Neb. Rev. Stat. Section 13-511 R.S.Supp., 2002 sets forth the procedures for the County to follow whenever its adopted budget statement requires revision, such as instances in which additional expenses are being necessarily incurred. Additionally, Neb. Rev. Stat. Section 23-916 R.R.S. 1997 states that 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, which involves expenditures in excess of the amounts provided in the adopted budget document. Lastly, sound accounting practices require procedures be in place to monitor fund balances on a continuing basis in order to prevent over-expending the fund and/or budget.

During our audit, we noted the following:

- The Inheritance Tax Fund had a \$14,336 negative ending budgeted fund balance.
- The County Building Fund had a \$58,530 negative actual ending fund balance.
- The Inheritance Tax Fund overexpended its budgeted expenditures by \$100,092 during the fiscal year ending June 30, 2003.

HOWARD COUNTY

**COMMENTS AND RECOMMENDATIONS**

(Continued)

COUNTY BOARD

2. **Fund Balances** (Concluded)

We recommend the County Board closely monitor expenditures, fund balances, and the adopted budget on an ongoing basis in order to avoid expending in excess of budgeted amounts as well as to avoid overexpending the budgeted and/or actual fund balances.

3. **Inventory Procedures**

Good internal control requires adequate documentation to support the deletion of an asset from inventory. In addition, sound accounting practice requires property to be listed on the annual inventory statements at either original cost or an estimated historical cost. Furthermore, the inventory form prescribed by the Auditor of Public Accounts as per Neb. Rev. Stat. Section 23-346 R.R.S. 1997 also requires all inventory listed therein to be reflected at original or estimated cost at acquisition.

During our audit, we noted the following:

- The Sheriff's Office deleted a \$1,500 fax machine from their 2003 inventory statement without obtaining and/or retaining any documentation as to the date of disposal, reason for the deletion, signatures of witness(es) to deletion, etc. Without adequate supporting documentation for the removal of assets from inventory, there is an increased risk of loss or misuse of County property.
- A 1993 Ford Crown Victoria, which had been listed at its original cost of \$22,000 on prior Sheriff's inventory listings, was transferred to the Assessor's office. However, when the Assessor's office added this asset to their inventory listing they listed original cost at only \$500; a difference of \$21,500. This was a prior year report comment as well.

We recommend all County offices document the dates and reasons for removal of assets from their inventory statements and obtain and/or retain adequate documentation supporting removal (e.g., witnessed destruction statement, trade-in and/or surplus sale information, etc.). In the case of items being thrown out and/or otherwise disposed of, this documentation should be signed by an official and witnessed by at least one additional individual, then kept on file for subsequent inspection. Lastly, we further recommend the Assessor's Office adjust their inventory statement to reflect only original costs or estimated historical costs.



HOWARD COUNTY

**COMMENTS AND RECOMMENDATIONS**

(Continued)

COUNTY SHERIFF

**4. Balancing Procedures**

The Sheriff's Accounting Manual, issued by the Auditor of Public Accounts, and sound accounting practice require at the close of each month's business office assets (cash on hand, reconciled bank balance, and accounts receivable) be in agreement with office liabilities (fees, commissions, mileage, and refunds). Failure to perform balancing procedures can result in the misuse or loss of funds and can result in errors going undetected.

During our audit, we noted the Sheriff's office assets did not balance to office liabilities as of October 22, 2003. Records indicated assets exceeded office liabilities by \$422.

We recommend the County Sheriff implement monthly balancing procedures to ensure office assets agree to office liabilities.

# STATE OF NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

---



P.O. Box 98917  
State Capitol, Suite 2303  
Lincoln, NE 68509  
402-471-2111, FAX 402-471-3301  
[www.auditors.state.ne.us](http://www.auditors.state.ne.us)

**Kate Witek**  
State Auditor  
[kwitek@mail.state.ne.us](mailto:kwitek@mail.state.ne.us)

County Board of Commissioners  
Howard County, Nebraska

## INDEPENDENT AUDITORS' REPORT

**Deann Haeffner, CPA**  
Deputy State Auditor  
[haeffner@mail.state.ne.us](mailto:haeffner@mail.state.ne.us)

**Don Dunlap, CPA**  
Asst. Deputy Auditor  
[ddunlap@mail.state.ne.us](mailto:ddunlap@mail.state.ne.us)

**Pat Reding, CPA**  
Asst. Deputy Auditor  
[reding@mail.state.ne.us](mailto:reding@mail.state.ne.us)

**Tim Channer, CPA**  
Asst. Deputy Auditor  
[channer@mail.state.ne.us](mailto:channer@mail.state.ne.us)

**Mary Avery**  
SAE/Finance Manager  
[marya@mail.state.ne.us](mailto:marya@mail.state.ne.us)

**Dennis Meyer, CGFM**  
Subdivision Budget  
Coordinator  
[dmeyer@mail.state.ne.us](mailto:dmeyer@mail.state.ne.us)

**Mark Avery, CPA**  
Subdivision Audit  
Review Coordinator  
[mavery@mail.state.ne.us](mailto:mavery@mail.state.ne.us)

**Robert Hotz, JD**  
Legal Counsel  
[robhotz@mail.state.ne.us](mailto:robhotz@mail.state.ne.us)

We have audited the accompanying primary government financial statements of Howard County as of and for the fiscal year ended June 30, 2003, as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our

opinion, the primary government financial statements present fairly, in all material respects, the fund balances of the primary government of Howard County as of June 30, 2003, and the receipts and disbursements for the fiscal year then ended, on the basis of accounting described in Note 1.

However, the primary government financial statements, because they do not include the financial data of the Howard County Community Hospital, the component unit of Howard County, do not purport to, and do not, present fairly the fund balances of Howard County as of June 30, 2003, and the receipts and disbursements for the fiscal year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2003 on our consideration of the primary government of Howard County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

October 29, 2003



Deputy State Auditor

Howard County, Nebraska  
 Combined Statement of Assets, Other Debits, Fund Balances, Liabilities,  
 and Other Credits Arising from Cash Transactions-  
 All Fund Types and Account Groups  
 June 30, 2003

Exhibit A

	Governmental Fund Types		Fiduciary Fund Types	Account Groups	Totals 2003 (Memorandum Only)
	General	Special Revenue	Trust and Agency	General Fixed Assets	
<b>ASSETS AND OTHER DEBITS</b>					
Assets:					
Equity in Pooled Cash and Investments (Note 2)	\$ 1,046,130	\$ 952,618	\$ 264,844	\$ -	\$ 2,263,592
Fixed Assets (Note 5)	-	-	-	3,781,846	3,781,846
Total Assets and Other Debits	<u>\$ 1,046,130</u>	<u>\$ 952,618</u>	<u>\$ 264,844</u>	<u>\$ 3,781,846</u>	<u>\$ 6,045,438</u>
<b>LIABILITIES FUND BALANCES AND OTHER CREDITS</b>					
Liabilities:					
Due to Other Governments	\$ -	\$ -	\$ 244,139	\$ -	\$ 244,139
Partial Payments-Undistributed Tax	-	-	12,120	-	12,120
Other Liabilities	-	-	8,585	-	8,585
Total Liabilities	<u>-</u>	<u>-</u>	<u>264,844</u>	<u>-</u>	<u>264,844</u>
Fund Balances and Other Credits:					
Investment in General Fixed Assets	-	-	-	3,781,846	3,781,846
Fund Balances:					
Unreserved, Undesignated	1,046,130	952,618	-	-	1,998,748
Total Fund Balances and Other Credits	<u>1,046,130</u>	<u>952,618</u>	<u>-</u>	<u>3,781,846</u>	<u>5,780,594</u>
Total Liabilities, Fund Balances and Other Credits	<u>\$ 1,046,130</u>	<u>\$ 952,618</u>	<u>\$ 264,844</u>	<u>\$ 3,781,846</u>	<u>\$ 6,045,438</u>

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

Howard County, Nebraska  
 Combined Statement of Receipts, Disbursements, and  
 Changes in Fund Balances-All Governmental Fund Types  
 For the Fiscal Year Ended June 30, 2003

Exhibit B

	Governmental Fund Types		Totals 2003 (Memorandum Only)
	General	Special Revenue	
Receipts:			
Taxes (Note 3)	\$ 1,104,934	\$ 95,479	\$ 1,200,413
Intergovernmental Revenue	132,362	866,879	999,241
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	305,201	136,266	441,467
Total Receipts	<u>1,542,497</u>	<u>1,098,624</u>	<u>2,641,121</u>
Disbursements:			
Current:			
General Government	1,150,802	8,382	1,159,184
Public Safety	413,426	152,183	565,609
Public Works	42,682	966,972	1,009,654
Public Health	20,361	-	20,361
Public Welfare and Social Services	26,370	3,189	29,559
Culture and Recreation	-	2,809	2,809
Capital Outlay	62,758	643,613	706,371
Total Disbursements	<u>1,716,399</u>	<u>1,777,148</u>	<u>3,493,547</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(173,902)</u>	<u>(678,524)</u>	<u>(852,426)</u>
Other Financing Sources (Uses):			
Transfers from Other Funds	15,000	69,000	84,000
Transfers to Other Funds	(4,000)	(80,000)	(84,000)
Total Other Financing Sources (Uses)	<u>11,000</u>	<u>(11,000)</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disbursements and Other Financing Uses	<u>(162,902)</u>	<u>(689,524)</u>	<u>(852,426)</u>
Fund Balances, July 1	<u>1,209,032</u>	<u>1,642,142</u>	<u>2,851,174</u>
Fund Balances, June 30	<u>\$ 1,046,130</u>	<u>\$ 952,618</u>	<u>\$ 1,998,748</u>

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

Howard County, Nebraska  
 Combined Statement of Receipts, Disbursements,  
 and Changes in Fund Balances of the County Treasurer  
 Budget and Actual-Governmental Fund Types  
 For the Fiscal Year Ended June 30, 2003

Exhibit C

	General Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes (Note 3)	\$ 1,104,934	\$ 1,041,515	\$ 63,419
Intergovernmental Revenue	132,362	116,175	16,187
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	302,752	306,850	(4,098)
Total Receipts	1,540,048	1,464,540	75,508
Disbursements:			
Current:			
General Government	1,150,802	1,187,008	36,206
Public Safety	413,426	413,122	(304)
Public Works	42,682	44,810	2,128
Public Health	20,361	23,000	2,639
Public Welfare and Social Services	26,370	26,950	580
Culture and Recreation	-	-	-
Capital Outlay	62,758	81,225	18,467
Total Disbursements	1,716,399	1,776,115	59,716
Excess (Deficiency) of Receipts Over Disbursements	(176,351)	(311,575)	135,224
Other Financing Sources (Uses):			
Transfers from Other Funds	15,000	15,000	-
Transfers to Other Funds	(4,000)	-	(4,000)
Total Other Financing Sources (Uses)	11,000	15,000	(4,000)
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(165,351)	(296,575)	131,224
Fund Balances, July 1	1,202,879	1,202,879	-
Fund Balances, June 30	\$ 1,037,528	\$ 906,304	\$ 131,224

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

Continued

Howard County, Nebraska  
 Combined Statement of Receipts, Disbursements,  
 and Changes in Fund Balances of the County Treasurer  
 Budget and Actual-Governmental Fund Types  
 For the Fiscal Year Ended June 30, 2003

Exhibit C

	Special Revenue Funds		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes (Note 3)	\$ 95,479	\$ 90,485	\$ 4,994
Intergovernmental Revenue	866,879	890,346	(23,467)
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	136,266	187,000	(50,734)
Total Receipts	1,098,624	1,167,831	(69,207)
Disbursements:			
Current:			
General Government	8,382	15,000	6,618
Public Safety	152,183	204,300	52,117
Public Works	966,972	1,141,460	174,488
Public Health	-	-	-
Public Welfare and Social Services	3,189	32,000	28,811
Culture and Recreation	2,809	3,600	791
Capital Outlay	643,613	974,900	331,287
Total Disbursements	1,777,148	2,371,260	594,112
Excess (Deficiency) of Receipts Over Disbursements	(678,524)	(1,203,429)	524,905
Other Financing Sources (Uses):			
Transfers from Other Funds	69,000	465,000	(396,000)
Transfers to Other Funds	(80,000)	(480,000)	400,000
Total Other Financing Sources (Uses)	(11,000)	(15,000)	4,000
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(689,524)	(1,218,429)	528,905
Fund Balances, July 1	1,642,142	1,642,142	-
Fund Balances, June 30	\$ 952,618	\$ 423,713	\$ 528,905

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

Continued

Howard County, Nebraska  
 Combined Statement of Receipts, Disbursements,  
 and Changes in Fund Balances of the County Treasurer  
 Budget and Actual-Governmental Fund Types  
 For the Fiscal Year Ended June 30, 2003

Exhibit C

	2003 Total Governmental Funds (Memorandum Only)		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes (Note 3)	\$ 1,200,413	\$ 1,132,000	\$ 68,413
Intergovernmental Revenue	999,241	1,006,521	(7,280)
Local Fees, Licenses, Commissions, and Miscellaneous (Note 6)	439,018	493,850	(54,832)
Total Receipts	<u>2,638,672</u>	<u>2,632,371</u>	<u>6,301</u>
Disbursements:			
Current:			
General Government	1,159,184	1,202,008	42,824
Public Safety	565,609	617,422	51,813
Public Works	1,009,654	1,186,270	176,616
Public Health	20,361	23,000	2,639
Public Welfare and Social Services	29,559	58,950	29,391
Culture and Recreation	2,809	3,600	791
Capital Outlay	706,371	1,056,125	349,754
Total Disbursements	<u>3,493,547</u>	<u>4,147,375</u>	<u>653,828</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(854,875)</u>	<u>(1,515,004)</u>	<u>660,129</u>
Other Financing Sources (Uses):			
Transfers from Other Funds	84,000	480,000	(396,000)
Transfers to Other Funds	(84,000)	(480,000)	396,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	<u>(854,875)</u>	<u>(1,515,004)</u>	<u>660,129</u>
Fund Balances, July 1	<u>2,845,021</u>	<u>2,845,021</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 1,990,146</u>	<u>\$ 1,330,017</u>	<u>\$ 660,129</u>

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

Concluded



HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

For the Year Ended June 30, 2003

1. **Summary of Significant Accounting Policies**

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

A. **Reporting Entity**

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

These financial statements present the County (the primary government). The Howard County Community Hospital (Hospital) is a component unit of the County because of the significance of its operational and financial relationship 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.

B. **Fund Accounting**

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

HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

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

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

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

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

C. **Basis of Accounting**

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

D. **Totals Columns - Memorandum Only**

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

E. **Budgets and Budgetary Accounting**

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

1. On or before August 1, the County Board prepares and transmits a budget for each County fund showing the requirements, the outstanding warrants, the operating reserve to be maintained, the cash on hand at the close of the preceding fiscal year, the revenue from sources other than taxation, and the

HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

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

amount to be raised by taxation. The budget, like the County financial statements, is prepared on the cash receipts and disbursements basis of accounting. The budget contains only those revenues which have actually been received by the County Treasurer.

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

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

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures in governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Assets on hand as of June 30, 2003, have been recorded at cost or estimated cost by the County.

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

HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

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

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

G. **Compensated Absences**

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

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

The County has generally pooled the cash resources of the various funds for investment purposes. Each fund's portion of total cash and investments is summarized by fund type on the Combined Statement of Assets, Other Debits, Fund Balances, Liabilities, and Other Credits Arising from Cash Transactions as "Equity in Pooled Cash and Investments." Investments are stated at cost, which approximates market. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. Section 77-2315 R.R.S. 1996. Investments made specifically from and for a particular fund are summarized as "Designated Investments." Interest on these investments is credited to the fund from which the investment is made, also in accordance with Section 77-2315. Whether funds are commingled or invested separately is at the discretion of the County Board. The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. Sections 77-2315 R.R.S. 1996, 77-2340 R.S.Supp., 2002, and 77-2341 R.R.S. 1996, and generally include U.S. government obligations, certificates of deposit, time deposits, and securities which are authorized by the Nebraska Investment Council.

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

HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

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

	June 30, 2003
	<u>Carrying Amount</u>
Pooled cash and investments consist of:	
Cash on Hand	\$ 25,732
Deposits	2,492,679
Investments	<u>127,133</u>
Total	2,645,544
Less Warrants Outstanding	<u>381,952</u>
Total	<u><u>\$ 2,263,592</u></u>

The bank balance for all deposits as of June 30 was \$2,527,650 (with a carrying amount of \$2,492,679) and was entirely covered by federal depository insurance or by collateral securities pledged to the County Treasurer and held by the safekeeping department of the depository's correspondent bank.

The County's carrying value of investments, which approximates market, consisted of \$127,133 deposited in NPAIT. NPAIT is a public entity investment pool operated under the direction of a seven member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income which has accrued to each participant is converted as of the close of business of each calendar month into additional units which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit.

3. **Property Taxes**

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

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

HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

**3. Property Taxes (Concluded)**

The levy set in October, 2002, for the 2002 taxes which will be materially collected in May and September, 2003, was set at \$.238963/\$100 of assessed valuation. The levy set in October, 2001, for the 2001 taxes which were materially collected in May and September, 2002, was set at \$.254741/\$100 of assessed valuation. The amount collected for motor vehicle tax is outlined in State Statute.

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

**4. Retirement System**

The Retirement System for Nebraska Counties (the Plan) is a multiple-employer defined contribution plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan provisions are established under Neb. Rev. Stat. Sections 23-2301 through 23-2335 and may be amended through legislative action.

Participation in the Plan is required of all full time employees upon the completion of 12 months of continuous service and of all full time elected officials upon taking office. Full time or part time (working less than one-half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 25 and completing a total of 12 months service within a five-year period. Part time elected officials may exercise the option to join.

Prior to January 1, 2003, county employees and elected officials contributed 4% of their total compensation. Effective January 1, 2003, county employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by Neb. Rev. Stat. Sections 23-2307 and 23-2308 R.S.Supp., 2002, 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 account is fully vested after three years of participation in the system, including the twelve month eligibility period or credit for participation in another governmental plan prior to actual contribution to the Plan. Prior service benefits are paid directly by the County to the retired employee.

Effective January 1, 2003, the Plan offered County employees a choice of continuing participation in the defined contribution plan or transferring their balances to a cash balance plan. Members of the Plan were required to make an election whether to enter

HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

4. **Retirement System (Concluded)**

the new cash balance plan or remain in the defined contribution plan prior to January 1, 2003. All new members of the Plan on or after January 1, 2003, are required to join the cash balance plan. Also effective January 1, 2003, a supplemental retirement plan was established 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. In the cash balance plan, benefits equal an amount based on annual employee contribution credits plus interest credits and, if vested, employer contribution credits plus interest credits.

For the year ended June 30, 2003, 41 employees contributed \$40,267; the County contributed \$60,401 in cash contributions for the County retirement plan. Additionally, for the year ended June 30, 2003, five employees contributed \$564 and the County also contributed \$564 in cash contributions for the supplemental law enforcement plan. Lastly, the County paid \$876 directly to three retired employees for prior service benefits.

5. **Fixed Assets**

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

	Balance July 1, 2002	Additions	Retirements	Balance June 30, 2003
Land	\$ 3,109	\$ -	\$ 2	\$ 3,107
Buildings	416,030	-	-	416,030
Machinery and Equipment	3,236,619	150,008	23,918	3,362,709
Total General Fixed Assets	<u>\$ 3,655,758</u>	<u>\$ 150,008</u>	<u>\$ 23,920</u>	<u>\$ 3,781,846</u>

6. **Budget to Actual Comparison of Local Receipts**

Only the County Treasurer's Local Receipts are reflected in the County Budget on Exhibit C. This is a comparison and reconciliation of the County Treasurer's Local Receipts to the County Total Local Receipts, which includes the County portion of receipts on hand at June 30, 2003 held by other County offices.

HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

6. **Budget to Actual Comparison of Local Receipts (Concluded)**

	<u>General</u>
Budget (Exhibit C) Reflected Local Receipts:	<u>\$ 302,752</u>
Local Receipts in Funds not in Budget:	
Clerk	4,936
Clerk of the District Court	293
Sheriff	3,273
Attorney	100
Total Local Receipts in Funds not in Budget	<u>8,602</u>
Less Local Receipts in Funds not in Budget	
From Prior Year	(6,153)
Actual Local Receipts (Exhibit B)	<u><u>\$ 305,201</u></u>

7. **Joint Venture**

Howard County has entered into an agreement with the other counties in Region III in conjunction with the Nebraska Department of Health and Human Services to provide services to carry out the provisions of the Nebraska Comprehensive Community Mental Health Services Act and related alcoholism and drug abuse services and the Developmental Disabilities Services Act (Acts). Region III consists of the following counties: Blaine, Loup, Garfield, Wheeler, Custer, Valley, Greeley, Sherman, Howard, Buffalo, Hall, Phelps, Kearney, Adams, Clay, Furnas, Harlan, Hamilton, Merrick, Franklin, Webster, and Nuckolls. Separate agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under each of the Acts. The governing board for Region III services are established by Statute and the agreements and include representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing boards and as required by the Acts. Funding is provided by a combination of federal, state, local, and private funding. Howard County contributed \$22,632 toward the operation of Region III during fiscal year 2003. 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.



HOWARD COUNTY

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

**8. County Insurance**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 70 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 is otherwise unable to discharge its legal liabilities and other obligations, the County may be assessed by the Board for an additional contribution equal to its contribution for the current fiscal year, divided by the contribution of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, shall be sent to each county in writing, and each county shall thereafter have sixty (60) days in which to pay the amount of such assessment. Each county shall remain liable for such assessments, regardless of such county's withdrawal from participation or the termination of the agreement, and for liabilities of the Pool incurred during such county's period of membership.

The agreement with NIRMA provides that NIRMA will provide coverage for up to a maximum of \$25,000 for each property damage claim, \$300,000 for each general liability, and \$500,000 for each worker's compensation claim. NIRMA purchases commercial insurance for claims in excess of coverage provided. In the event of a liability exceeding \$5,000,000 per general liability occurrence or \$10,000,000 per worker's compensation claim, the County would be responsible for funding the excess amount.

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 2004. The County has not had to pay out any amounts that exceeded coverage provided by the Pool in the last three fiscal years.

**9. Overexpended Budget**

The Inheritance Tax Fund overexpended its budgeted expenditures by \$100,092 during the fiscal year ended June 30, 2003.

Howard County, Nebraska  
 Combining Statement of Assets, Liabilities,  
 and Fund Balances Arising from Cash Transactions  
 by County Offices  
 June 30, 2003

Schedule A-1

Totals by County Offices						TOTAL OF ALL OFFICES
County Treasurer	County Clerk	Clerk of the District Court	County Sheriff	County Attorney		
<b>ASSETS</b>						
Cash, Deposits, and Cash Items	\$ 2,243,349	\$ 7,717	\$ 9,121	\$ 3,273	\$ 132	\$ 2,263,592
<b>Total Assets</b>	<b>\$ 2,243,349</b>	<b>\$ 7,717</b>	<b>\$ 9,121</b>	<b>\$ 3,273</b>	<b>\$ 132</b>	<b>\$ 2,263,592</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Due to Other Governments	\$ 241,083	\$ 2,781	\$ 275	\$ -	\$ -	\$ 244,139
Partial Payments-Undistributed Tax	12,120	-	-	-	-	12,120
Other Liabilities	-	-	8,553	-	32	8,585
<b>Total Liabilities</b>	<b>253,203</b>	<b>2,781</b>	<b>8,828</b>	<b>-</b>	<b>32</b>	<b>264,844</b>
<b>Fund Balances:</b>						
General, Unreserved, Undesignated	1,037,528	4,936	293	3,273	100	1,046,130
Special Revenue, Unreserved, Undesignated	952,618	-	-	-	-	952,618
<b>Total Fund Balances</b>	<b>1,990,146</b>	<b>4,936</b>	<b>293</b>	<b>3,273</b>	<b>100</b>	<b>1,998,748</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,243,349</b>	<b>\$ 7,717</b>	<b>\$ 9,121</b>	<b>\$ 3,273</b>	<b>\$ 132</b>	<b>\$ 2,263,592</b>

Howard County, Nebraska  
Statement of Disbursements Compared to Budget-by Function  
General Fund  
For the Fiscal Year Ended June 30, 2003

**GENERAL GOVERNMENT**

	Board of Supervisors/ Commissioners		Clerk	Treasurer	Assessor	Election Commissioner
Disbursements:						
Personal Service	\$ 81,550	\$ 75,885	\$ 73,387	\$ 75,865	\$ 6,704	
Operating Expense	6,687	5,105	7,125	18,780	665	
Supplies/Materials	189	3,808	2,539	1,726	901	
Equipment Rental	-	-	-	-	200	
Capital Outlay	-	-	4,390	3,279	412	
Total Disbursements	88,426	84,798	87,441	99,650	8,882	
Budget:						
Budget less Capital Outlay	90,050	89,750	85,386	100,186	12,000	
Budget Adjustments	-	-	-	-	-	
Budget Capital Outlay	-	2,000	3,000	4,200	-	
Total Budget	90,050	91,750	88,386	104,386	12,000	
Favorable (Unfavorable)	\$ 1,624	\$ 6,952	\$ 945	\$ 4,736	\$ 3,118	

**GENERAL GOVERNMENT**

**PUBLIC SAFETY**

	Miscellaneous	Planning and Zoning	Total General Government	Sheriff	Attorney
Disbursements:					
Personal Service	\$ 485,333	\$ 15,650	\$ 866,038	\$ 213,510	\$ 55,773
Operating Expense	187,255	4,337	261,868	40,326	4,079
Supplies/Materials	3,286	77	22,696	19,187	325
Equipment Rental	-	-	200	2,504	-
Capital Outlay	5,926	-	18,051	44,707	-
Total Disbursements	681,800	20,064	1,168,853	320,234	60,177
Budget:					
Budget less Capital Outlay	677,486	20,850	1,187,008	254,738	64,684
Budget Adjustments	-	-	-	15,000	-
Budget Capital Outlay	10,000	-	25,650	51,000	4,575
Total Budget	687,486	20,850	1,212,658	320,738	69,259
Favorable (Unfavorable)	\$ 5,686	\$ 786	\$ 43,805	\$ 504	\$ 9,082

**PUBLIC WORKS**

**PUBLIC HEALTH**

**PUBLIC WELFARE AND SOCIAL SERVICES**

	Miscellaneous	Total Public Works	Health Miscellaneous	Veterans' Service Officer	Miscellaneous
Disbursements:					
Personal Service	\$ 2,500	\$ 10,168	\$ -	\$ -	\$ -
Operating Expense	29,785	32,041	20,361	17,950	8,420
Supplies/Materials	-	473	-	-	-
Equipment Rental	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Disbursements	32,285	42,682	20,361	17,950	8,420
Budget:					
Budget less Capital Outlay	33,410	44,810	23,000	17,950	9,000
Budget Adjustments	-	-	-	-	-
Budget Capital Outlay	-	-	-	-	-
Total Budget	33,410	44,810	23,000	17,950	9,000
Favorable (Unfavorable)	\$ 1,125	\$ 2,128	\$ 2,639	\$ -	\$ 580

GENERAL GOVERNMENT

Clerk of the District Court	County Court System	Building and Grounds	Extension Agent
\$ 8,728	\$ -	\$ 18,983	\$ 23,953
407	85	27,873	3,549
1,072	3,105	3,044	2,949
-	-	-	-
1,659	2,097	-	288
11,866	5,287	49,900	30,739
11,800	4,100	64,450	30,950
-	-	-	-
3,000	2,000	500	950
14,800	6,100	64,950	31,900
\$ 2,934	\$ 813	\$ 15,050	\$ 1,161

PUBLIC SAFETY

PUBLIC WORKS

County Jail	Miscellan- eous	Total Public Safety	Highway Superintendent
\$ -	\$ -	\$ 269,283	\$ 7,668
68,918	8,804	122,127	2,256
-	-	19,512	473
-	-	2,504	-
-	-	44,707	-
68,918	8,804	458,133	10,397
69,000	9,700	398,122	11,400
-	-	15,000	-
-	-	55,575	-
69,000	9,700	468,697	11,400
\$ 82	\$ 896	\$ 10,564	\$ 1,003

CULTURE AND  
RECREATION

TOTAL ALL  
FUNCTIONS

Total Public Welfare and Social Services	Culture Miscellan- eous	2003
\$ -	\$ -	\$ 1,145,489
26,370	-	462,767
-	-	42,681
-	-	2,704
-	-	62,758
26,370	-	1,716,399
26,950	-	1,679,890
-	-	15,000
-	-	81,225
26,950	-	1,776,115
\$ 580	\$ -	\$ 59,716

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-1

	Road/Bridge Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 183	\$ 85	\$ 98
Intergovernmental Revenue	814,237	836,746	(22,509)
Local Fees, Licenses, Commissions, and Miscellaneous	7,606	2,000	5,606
Total Receipts	822,026	838,831	(16,805)
Disbursements:			
Personal Services	342,520	373,840	31,320
Operating Expenses	73,723	92,200	18,477
Supplies/Materials	392,102	493,300	101,198
Equipment Rental	94,846	100,000	5,154
Capital Outlay	266,915	293,000	26,085
Total Disbursements	1,170,106	1,352,340	182,234
Excess (Deficiency) of Receipts over Disbursements	(348,080)	(513,509)	165,429
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(348,080)	(513,509)	165,429
Fund Balances, July 1	674,713	674,713	-
Fund Balances, June 30	\$ 326,633	\$ 161,204	\$ 165,429

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-2

	Relief-Medical Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 44	\$ -	\$ 44
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	44	-	44
Disbursements:			
Personal Services	-	-	-
Operating Expenses	1,500	20,000	18,500
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	1,500	20,000	18,500
Excess (Deficiency) of Receipts over Disbursements	(1,456)	(20,000)	18,544
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(1,456)	(20,000)	18,544
Fund Balances, July 1	44,304	44,304	-
Fund Balances, June 30	\$ 42,848	\$ 24,304	\$ 18,544

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-3

	Institutions Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 4	\$ -	\$ 4
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	<u>4</u>	<u>-</u>	<u>4</u>
Disbursements:			
Personal Services	-	-	-
Operating Expenses	1,689	12,000	10,311
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	<u>1,689</u>	<u>12,000</u>	<u>10,311</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(1,685)</u>	<u>(12,000)</u>	<u>10,315</u>
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	<u>(1,685)</u>	<u>(12,000)</u>	<u>10,315</u>
Fund Balances, July 1	<u>18,346</u>	<u>18,346</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 16,661</u>	<u>\$ 6,346</u>	<u>\$ 10,315</u>

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-4

	Employment Security Act Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	-	-	-
Disbursements:			
Personal Services	-	-	-
Operating Expenses	8,382	15,000	6,618
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	8,382	15,000	6,618
Excess (Deficiency) of Receipts over Disbursements	(8,382)	(15,000)	6,618
Other Financing Sources (Uses):			
Transfers from Other Funds	15,000	15,000	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	15,000	15,000	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	6,618	-	6,618
Fund Balances, July 1	978	978	-
Fund Balances, June 30	\$ 7,596	\$ 978	\$ 6,618



Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-5

	Inheritance Tax Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	54,420	70,000	(15,580)
Total Receipts	54,420	70,000	(15,580)
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	-	-
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	100,092	-	(100,092)
Total Disbursements	100,092	-	(100,092)
Excess (Deficiency) of Receipts over Disbursements	(45,672)	70,000	(115,672)
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(80,000)	(480,000)	400,000
Total Other Financing Sources (Uses)	(80,000)	(480,000)	400,000
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(125,672)	(410,000)	284,328
Fund Balances, July 1	395,664	395,664	-
Fund Balances, June 30	\$ 269,992	\$ (14,336)	\$ 284,328

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-6

	Noxious Weed Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 4	\$ -	\$ 4
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	4	-	4
Disbursements:			
Personal Services	49,588	47,020	(2,568)
Operating Expenses	3,668	4,350	682
Supplies/Materials	10,275	12,250	1,975
Equipment Rental	250	500	250
Capital Outlay	-	-	-
Total Disbursements	63,781	64,120	339
Excess (Deficiency) of Receipts over Disbursements	(63,777)	(64,120)	343
Other Financing Sources (Uses):			
Transfers from Other Funds	40,000	40,000	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	40,000	40,000	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(23,777)	(24,120)	343
Fund Balances, July 1	52,914	52,914	-
Fund Balances, June 30	\$ 29,137	\$ 28,794	\$ 343

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-7

	Law Enforcement Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	38,000	(38,000)
Total Receipts	-	38,000	(38,000)
Disbursements:			
Personal Services	-	32,000	32,000
Operating Expenses	-	-	-
Supplies/Materials	1,036	6,000	4,964
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	1,036	38,000	36,964
Excess (Deficiency) of Receipts over Disbursements	(1,036)	-	(1,036)
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(1,036)	-	(1,036)
Fund Balances, July 1	1,036	1,036	-
Fund Balances, June 30	\$ -	\$ 1,036	\$ (1,036)

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-8

	Central Communications Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 95,239	\$ 90,400	\$ 4,839
Intergovernmental Revenue	672	600	72
Local Fees, Licenses, Commissions, and Miscellaneous	41,900	43,000	(1,100)
Total Receipts	137,811	134,000	3,811
Disbursements:			
Personal Services	115,413	123,300	7,887
Operating Expenses	9,755	10,500	745
Supplies/Materials	2,305	2,000	(305)
Equipment Rental	-	-	-
Capital Outlay	5,429	1,500	(3,929)
Total Disbursements	132,902	137,300	4,398
Excess (Deficiency) of Receipts over Disbursements	4,909	(3,300)	8,209
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	4,909	(3,300)	8,209
Fund Balances, July 1	45,013	45,013	-
Fund Balances, June 30	\$ 49,922	\$ 41,713	\$ 8,209

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-9

	Emergency 911 Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	32,340	34,000	(1,660)
Total Receipts	32,340	34,000	(1,660)
Disbursements:			
Personal Services	-	-	-
Operating Expenses	7,405	11,000	3,595
Supplies/Materials	776	3,000	2,224
Equipment Rental	-	-	-
Capital Outlay	-	14,000	14,000
Total Disbursements	8,181	28,000	19,819
Excess (Deficiency) of Receipts over Disbursements	24,159	6,000	18,159
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	24,159	6,000	18,159
Fund Balances, July 1	113,954	113,954	-
Fund Balances, June 30	\$ 138,113	\$ 119,954	\$ 18,159

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-10

	Emergency Bridge Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ 5	\$ -	\$ 5
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	5	-	5
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	-	-
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	95,000	95,000
Total Disbursements	-	95,000	95,000
Excess (Deficiency) of Receipts over Disbursements	5	(95,000)	95,005
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	5	(95,000)	95,005
Fund Balances, July 1	95,598	95,598	-
Fund Balances, June 30	\$ 95,603	\$ 598	\$ 95,005

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-11

	Handicap Accessibility Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
<b>Total Receipts</b>	-	-	-
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	18,000	18,000
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
<b>Total Disbursements</b>	-	18,000	18,000
Excess (Deficiency) of Receipts over Disbursements	-	(18,000)	18,000
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	-	(18,000)	18,000
Fund Balances, July 1	18,668	18,668	-
Fund Balances, June 30	\$ 18,668	\$ 668	\$ 18,000

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-12

	County Building Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
<b>Total Receipts</b>	-	-	-
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	-	-
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	225,883	520,000	294,117
<b>Total Disbursements</b>	225,883	520,000	294,117
Excess (Deficiency) of Receipts over Disbursements	(225,883)	(520,000)	294,117
Other Financing Sources (Uses):			
Transfers from Other Funds	-	400,000	(400,000)
Transfers to Other Funds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	400,000	(400,000)
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(225,883)	(120,000)	(105,883)
Fund Balances, July 1	167,353	167,353	-
Fund Balances, June 30	\$ (58,530)	\$ 47,353	\$ (105,883)



Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-13

	Civil Defense Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	1,325	-	1,325
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	1,325	-	1,325
Disbursements:			
Personal Services	-	-	-
Operating Expenses	15,493	16,500	1,007
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	-	-
Total Disbursements	15,493	16,500	1,007
Excess (Deficiency) of Receipts over Disbursements	(14,168)	(16,500)	2,332
Other Financing Sources (Uses):			
Transfers from Other Funds	14,000	10,000	4,000
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	14,000	10,000	4,000
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	(168)	(6,500)	6,332
Fund Balances, July 1	10,986	10,986	-
Fund Balances, June 30	\$ 10,818	\$ 4,486	\$ 6,332

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-14

	Tourism Promotion Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	5,351	3,000	2,351
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
<b>Total Receipts</b>	<b>5,351</b>	<b>3,000</b>	<b>2,351</b>
Disbursements:			
Personal Services	-	-	-
Operating Expenses	2,809	3,600	791
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	-	1,400	1,400
<b>Total Disbursements</b>	<b>2,809</b>	<b>5,000</b>	<b>2,191</b>
Excess (Deficiency) of Receipts over Disbursements	2,542	(2,000)	4,542
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	2,542	(2,000)	4,542
Fund Balances, July 1	2,615	2,615	-
Fund Balances, June 30	<b>\$ 5,157</b>	<b>\$ 615</b>	<b>\$ 4,542</b>

Howard County, Nebraska  
Statement of Receipts, Disbursements, and Changes in  
Special Revenue Fund Balances of the County Treasurer  
For the Fiscal Year Ended June 30, 2003

Schedule C-15

	Historical Society Grant Fund		
	Actual	Budget	Favorable (Unfavorable)
Receipts:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental Revenue	45,294	50,000	(4,706)
Local Fees, Licenses, Commissions, and Miscellaneous	-	-	-
Total Receipts	45,294	50,000	(4,706)
Disbursements:			
Personal Services	-	-	-
Operating Expenses	-	-	-
Supplies/Materials	-	-	-
Equipment Rental	-	-	-
Capital Outlay	45,294	50,000	4,706
Total Disbursements	45,294	50,000	4,706
Excess (Deficiency) of Receipts over Disbursements	-	-	-
Other Financing Sources (Uses):			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Receipts and Other Financing Sources over (under) Disburse- ments and Other Financing Uses	-	-	-
Fund Balances, July 1	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -

Howard County, Nebraska  
Statement of Assets and Liabilities -  
County Treasurer Trust and Agency Funds  
For the Fiscal Year Ended June 30, 2003

Schedule D-1

	Balance July 1, 2002	Additions	Deductions	Balance June 30, 2003
<b>ASSETS</b>				
Cash and Deposits	\$ 223,784	\$ 8,174,361	\$ 8,144,942	\$ 253,203
Total Assets	<u>\$ 223,784</u>	<u>\$ 8,174,361</u>	<u>\$ 8,144,942</u>	<u>\$ 253,203</u>
<b>LIABILITIES</b>				
Trust and Agency Funds:				
State	\$ 58,826	\$ 1,351,001	\$ 1,330,644	\$ 79,183
Schools	79,466	5,009,394	4,994,674	94,186
Educational Service Units	653	61,463	61,343	773
Technical College	3,052	286,584	286,038	3,598
Natural Resource Districts	8,880	96,470	104,186	1,164
Fire Districts	28,555	175,761	174,188	30,128
Municipalities	15,834	622,054	621,388	16,500
Agricultural Society	259	24,624	24,573	310
Partial Payments-				
Undistributed Tax	12,444	25,342	25,666	12,120
Tax Refund Account	2,141	269,522	268,909	2,754
Irrigation Districts	11,967	122,557	128,615	5,909
Reclamation Districts	1,641	123,255	119,089	5,807
Historical Society	66	6,334	5,629	771
Total Liabilities	<u>\$ 223,784</u>	<u>\$ 8,174,361</u>	<u>\$ 8,144,942</u>	<u>\$ 253,203</u>

Howard County Clerk  
 St. Paul, Nebraska  
 Statement of Changes in Assets, Liabilities, and Fund Balances  
 For the Fiscal Year Ended June 30, 2003

Schedule E-1

	Balance July 1, 2002	Additions	Deductions	Balance June 30, 2003
<b>ASSETS</b>				
Cash and Deposits	\$ 5,621	\$ 101,463	\$ 100,049	\$ 7,035
Accounts Receivables	439	682	439	682
<b>Total Assets</b>	<b>\$ 6,060</b>	<b>\$ 102,145</b>	<b>\$ 100,488</b>	<b>\$ 7,717</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Due to State Treasurer:				
Title Fees	\$ 1,740	\$ 20,816	\$ 20,638	\$ 1,918
Documentary Stamp Tax	854	20,104	20,143	815
Game and Park Permits	103	769	824	48
<b>Total</b>	<b>2,697</b>	<b>41,689</b>	<b>41,605</b>	<b>2,781</b>
Due to County Clerk:				
Plat Map Sales	-	724	724	-
<b>Total</b>	<b>-</b>	<b>724</b>	<b>724</b>	<b>-</b>
<b>Total Liabilities</b>	<b>2,697</b>	<b>42,413</b>	<b>42,329</b>	<b>2,781</b>
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Recording Fees	1,965	38,663	37,130	3,498
Title Fees	921	10,613	10,584	950
Map Sales, copies	75	1,811	1,799	87
Documentary Stamp Tax	342	8,045	8,061	326
Marriage Licenses	60	600	585	75
<b>Total Fund Balances</b>	<b>3,363</b>	<b>59,732</b>	<b>58,159</b>	<b>4,936</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,060</b>	<b>\$ 102,145</b>	<b>\$ 100,488</b>	<b>\$ 7,717</b>

Howard County Clerk of the District Court  
 St. Paul, Nebraska  
 Statement of Changes in Assets, Liabilities and Fund Balances  
 For the Fiscal Year Ended June 30, 2003

Schedule E-2

	Balance July 1, 2002	Additions	Deductions	Balance June 30, 2003
<b>ASSETS</b>				
Cash and Deposits	\$ 7,368	\$ 106,069	\$ 104,316	\$ 9,121
<b>Total Assets</b>	<b>\$ 7,368</b>	<b>\$ 106,069</b>	<b>\$ 104,316</b>	<b>\$ 9,121</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Due to State Treasurer:				
State Fees	\$ 150	\$ 2,081	\$ 2,030	\$ 201
Law Enforcement Fees	(1)	38	33	4
State Judges Retirement Fund	6	116	87	35
Legal Aid Fees	25	504	494	35
<b>Total</b>	<b>180</b>	<b>2,739</b>	<b>2,644</b>	<b>275</b>
 Trust Fund Benefits:				
Payable	6,908	96,323	94,678	8,553
<b>Total</b>	<b>6,908</b>	<b>96,323</b>	<b>94,678</b>	<b>8,553</b>
<b>Total Liabilities</b>	<b>7,088</b>	<b>99,062</b>	<b>97,322</b>	<b>8,828</b>
 Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Regular Fees	265	6,875	6,856	284
Interest	15	132	138	9
<b>Total Fund Balances</b>	<b>280</b>	<b>7,007</b>	<b>6,994</b>	<b>293</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 7,368</b>	<b>\$ 106,069</b>	<b>\$ 104,316</b>	<b>\$ 9,121</b>

Howard County Sheriff  
 St. Paul, Nebraska  
 Statement of Changes in Assets, Liabilities, and Fund Balances  
 For Fiscal Year Ended June 30, 2003

Schedule E-3

	Balance July 1, 2002	Additions	Deductions	Balance June 30, 2003
<b>ASSETS</b>				
Cash and Deposits	\$ 906	\$ 24,337	\$ 23,202	\$ 2,041
Accounts Receivables	1,504	1,232	1,504	1,232
<b>Total Assets</b>	<b>\$ 2,410</b>	<b>\$ 25,569</b>	<b>\$ 24,706</b>	<b>\$ 3,273</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Inmate Trust	\$ -	\$ 6,876	\$ 6,876	\$ -
<b>Total Liabilities</b>	<b>-</b>	<b>6,876</b>	<b>6,876</b>	<b>-</b>
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Inspection Fees	240	2,600	2,600	240
Fees, Commissions, Mileage	2,135	15,533	14,645	3,023
Handgun Permits	35	560	585	10
<b>Total Fund Balances</b>	<b>2,410</b>	<b>18,693</b>	<b>17,830</b>	<b>3,273</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,410</b>	<b>\$ 25,569</b>	<b>\$ 24,706</b>	<b>\$ 3,273</b>

Howard County Attorney  
 St. Paul, Nebraska  
 Statement of Changes in Assets, Liabilities and Fund Balances  
 For the Fiscal Year Ended June 30, 2003

Schedule E-4

	Balance July 1, 2002	Additions	Deductions	Balance June 30, 2003
<b>ASSETS</b>				
Cash and Deposits	\$ 98	\$ 9,089	\$ 9,055	\$ 132
<b>Total Assets</b>	<b>\$ 98</b>	<b>\$ 9,089</b>	<b>\$ 9,055</b>	<b>\$ 132</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Trust Fund Benefits:				
Restitution Payable	\$ (2)	\$ 7,259	\$ 7,225	\$ 32
<b>Total Liabilities</b>	<b>(2)</b>	<b>7,259</b>	<b>7,225</b>	<b>32</b>
 Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Collection Fee	-	1,830	1,830	-
Petty Cash	100	-	-	100
<b>Total Fund Balances</b>	<b>100</b>	<b>1,830</b>	<b>1,830</b>	<b>100</b>
 <b>Total Liabilities and Fund Balances</b>	<b>\$ 98</b>	<b>\$ 9,089</b>	<b>\$ 9,055</b>	<b>\$ 132</b>



Howard County Highway Superintendent  
 St. Paul, Nebraska  
 Statement of Changes in Assets, Liabilities, and Fund Balances  
 For the Fiscal Year Ended June 30, 2003

Schedule E-5

	Balance July 1, 2002	Additions	Deductions	Balance June 30, 2003
<b>ASSETS</b>				
Cash	\$ -	\$ 8,615	\$ 8,615	\$ -
Total Assets	\$ -	\$ 8,615	\$ 8,615	\$ -
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Due to State Treasurer:				
Sales Tax	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
 Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Sale of Surplus Property	-	708	708	-
Road/Bridge Work	-	6,407	6,407	-
Miscellaneous	-	1,500	1,500	-
Total Fund Balances	-	8,615	8,615	-
Total Liabilities and Fund Balances	\$ -	\$ 8,615	\$ 8,615	\$ -

Howard County Planning and Zoning  
 St. Paul, Nebraska  
 Statement of Changes in Assets, Liabilities, and Fund Balances  
 For the Fiscal Year Ended June 30, 2003

Schedule E-6

	Balance July 1, 2002	Additions	Deductions	Balance June 30, 2003
<b>ASSETS</b>				
Cash and Deposits	\$ -	\$ 2,731	\$ 2,731	\$ -
Total Assets	\$ -	\$ 2,731	\$ 2,731	\$ -
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Other Liabilities	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
Fund Balances:				
Unreserved, Undesignated				
Consists of:				
Permits	-	2,731	2,731	-
Total Fund Balance	-	2,731	2,731	-
Total Liabilities and Fund Balances	\$ -	\$ 2,731	\$ 2,731	\$ -

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

Schedule F-1

Item	1998	1999	2000	2001	2002
Tax Certified by Assessor					
Real Estate	\$ 5,248,121	\$ 5,502,221	\$ 5,839,880	\$ 6,062,109	\$ 6,222,841
Personal and Specials	426,162	427,169	420,121	426,112	449,087
Total	<u>5,674,283</u>	<u>5,929,390</u>	<u>6,260,001</u>	<u>6,488,221</u>	<u>6,671,928</u>
Corrections					
Additions	4,883	5,390	1,286	8,641	2,805
Deductions	8,358	8,713	7,569	5,027	3,477
Net Additions/ (Deductions)	<u>(3,475)</u>	<u>(3,323)</u>	<u>(6,283)</u>	<u>3,614</u>	<u>(672)</u>
Corrected Certified Tax	<u>5,670,808</u>	<u>5,926,067</u>	<u>6,253,718</u>	<u>6,491,835</u>	<u>6,671,256</u>
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 1999	3,106,103	-	-	-	-
June 30, 2000	2,536,269	3,246,153	-	-	-
June 30, 2001	16,422	2,659,730	3,470,405	-	-
June 30, 2002	3,137	4,995	2,753,579	3,617,463	-
June 30, 2003	1,436	7,375	13,888	2,832,111	3,717,299
Total Net Collections	<u>5,663,367</u>	<u>5,918,253</u>	<u>6,237,872</u>	<u>6,449,574</u>	<u>3,717,299</u>
Total Uncollected Tax	<u>\$ 7,441</u>	<u>\$ 7,814</u>	<u>\$ 15,846</u>	<u>\$ 42,261</u>	<u>\$ 2,953,957</u>
Percentage Uncollected Tax	<u>0.13%</u>	<u>0.13%</u>	<u>0.25%</u>	<u>0.65%</u>	<u>44.28%</u>

# STATE OF NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

---



P.O. Box 98917  
State Capitol, Suite 2303  
Lincoln, NE 68509  
402-471-2111, FAX 402-471-3301  
www.auditors.state.ne.us

Kate Witek  
State Auditor  
kwitek@mail.state.ne.us

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

Deann Haeffner, CPA  
Deputy State Auditor  
haeffner@mail.state.ne.us

Don Dunlap, CPA  
Asst. Deputy Auditor  
ddunlap@mail.state.ne.us

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

Tim Channer, CPA  
Asst. Deputy Auditor  
channer@mail.state.ne.us

Mary Avery  
SAE/Finance Manager  
marya@mail.state.ne.us

Dennis Meyer, CGFM  
Subdivision Budget  
Coordinator  
dmeyer@mail.state.ne.us

Mark Avery, CPA  
Subdivision Audit  
Review Coordinator  
mavery@mail.state.ne.us

Robert Hotz, JD  
Legal Counsel  
robhotz@mail.state.ne.us

We have audited the financial statements of Howard County as of and for the year ended June 30, 2003, and have issued our report thereon dated October 29, 2003. 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 Howard County Community Hospital, a component unit of Howard County. Except as discussed above, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Howard County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We noted certain immaterial instances of noncompliance that we have reported to management of Howard County in the Comments Section of this report as Comment Number 2 (Fund Balances) and Comment Number 3 (Inventory Procedures).

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Howard County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide

assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Howard County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the Comments Section of the report as Comment Number 1 (Segregation of Duties).

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider Comment Number 1 to be a material weakness. We also noted another matter involving internal control over financial reporting that we have reported to management of Howard County in the Comments Section of the report as Comment Number 4 (Balancing Procedures).

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

October 29, 2003



Deputy State Auditor